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# DEVELOPMENT IMPACT FEE JUSTIFICATION STUDY

CITY OF DESERT HOT SPRINGS

Report Date: July 28, 2021

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## CITY OF DESERT HOT SPRINGS



## DEVELOPMENT IMPACT FEE JUSTIFICATION STUDY

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## **I EXECUTIVE SUMMARY**

In order to adequately plan for new development and identify the public facilities and costs associated with mitigating the direct and cumulative impacts of new development, DTA (formerly David Taussig and Associates Inc.) was retained by City of Desert Hot Springs (the "City") to update the existing impact fee program by preparing a new AB 1600 Fee Justification Study (the "Fee Study"). The last impact fee study was conducted in 2008. The new Fee Study is intended to comply with Section 66000 *et. seq.* of the Government Code, which was enacted by the State of California in 1987, by identifying additional public facilities required by new development ("Future Facilities") and determining the level of fees that may be imposed to pay the costs of the Future Facilities.

The Development Impact Fee ("DIF") amounts to be determined will be Law Enforcement, Fire, Circulation, Storm Drainage, General Facilities, Community (Public Use) Centers, Aquatic Centers, and Parks and Recreation facilities at levels identified by the various City departments as being necessary to meet the needs of new development through 2040. The Future Facilities and associated construction costs are identified in the Needs List, which is included in Section V of the Fee Study. A description of the methodology used to calculate the fees is included in Section VI. The purpose of this Fee Study is to ensure that all new development is required to pay its "fair share" of the cost of the new infrastructure through the development fee program.

### **A Organization of The Fee Study**

This Fee Study will be presented in the following eight (8) sections:

- Section I contains an Executive Summary and provides a brief introduction to the Fee Study and includes an overview of the proposed fees.
- Section II of this Fee Study introduces the study including a brief description of City surroundings, and background information on development impact fees.
- Section III provides an overview of the legal requirements for implementing and imposing the fee amounts identified in the Fee Study. Included is a discussion of the findings required under the Mitigation Fee Act and requirements necessary to be satisfied when establishing, increasing, or imposing a fee as a condition of new development, and satisfies the nexus requirements for each facility included as part of this study.
- Section IV includes a discussion of land use characteristics on projected new development and demand variables such as population, the number of housing units, and non-residential building square feet assuming current growth trends in housing, Commercial, Industrial, and institutional development extrapolated through 2040. Projections of future development are based on data provided by the City, the City's past and ongoing General Plan, Capital Improvement Plan, various

publications from the City, City Officials, and additional sources determined to be reliable by DTA.

- Section V includes a description of the Needs List, which identifies the facilities needed to serve new development through General Plan build-out in 2040 that are eligible for funding by the impact fees. The Needs List provides the total estimated facilities costs, offsetting revenues, net costs to the City, and costs allocated to new development for all facilities listed in the Needs List.
- Section VI contains the description of the methodology used to determine the fees for all facility types and presents the proposed fees for each of the land use types.
- Section VII presents the calculation and presentation of the DIFs.
- Section VIII presents a Summary of the proposed DIFs.

This Fee Study will also include an appendix section presenting the calculations used to determine the findings presented in this Fee Study as noted below.

- Appendix A includes the calculations used to determine the various fee levels.
- Appendix B includes the Needs List.

**B Impact Fee Summary**

The total fee amounts required to finance new development’s share of the facilities identified in the Needs List are summarized in Table ES-1 below. Fees presented in this study reflect the maximum fee levels that may be imposed on new development.

**Table ES-1: DIF Summary (Maximum Allowable)**

| Fee Category                   | Residential Land Use            |                                 |                            | Non-Residential Land Use         |                               |                                      |
|--------------------------------|---------------------------------|---------------------------------|----------------------------|----------------------------------|-------------------------------|--------------------------------------|
|                                | Detached Dwelling (\$ per Unit) | Attached Dwelling (\$ per Unit) | Mobile Homes (\$ per Unit) | Commercial Lodging (\$ per Room) | Commercial/Office (\$ per SF) | Industrial/Manufacturing (\$ per SF) |
| Law Enforcement                | \$565                           | \$439                           | \$281                      | \$65                             | \$0.17                        | \$0.09                               |
| Fire                           | \$583                           | \$453                           | \$290                      | \$67                             | \$0.18                        | \$0.09                               |
| Circulation                    | \$4,466                         | \$4,336                         | \$3,398                    | \$2,813                          | \$11.58                       | \$2.78                               |
| Storm Drainage                 | \$2,293                         | \$1,733                         | \$1,147                    | \$866                            | \$2.67                        | \$1.80                               |
| General Facilities             | \$699                           | \$543                           | \$348                      | \$80                             | \$0.22                        | \$0.11                               |
| Community (Public Use) Centers | \$1,027                         | \$799                           | \$511                      | -                                | -                             | -                                    |
| Aquatic Center                 | \$191                           | \$149                           | \$95                       | -                                | -                             | -                                    |
| Parks and Recreation           | \$2,214                         | \$1,722                         | \$1,102                    | -                                | -                             | -                                    |
| <b>Total</b>                   | <b>\$12,037</b>                 | <b>\$10,174</b>                 | <b>\$7,172</b>             | <b>\$3,891</b>                   | <b>\$14.82</b>                | <b>\$4.88</b>                        |

## **II INTRODUCTION**

Incorporated in 1963, the City of Desert Hot Springs (“the City”) is located in the Coachella Valley region in the County of Riverside California, approximately 100 miles east of Los Angeles. The City is situated along State Route 62 and is one of only several places in the world with naturally occurring hot and cold mineral springs. The City covers an area of approximately 31.0 square miles. It is home to a population of over 29,000 people and according to the City’s 2020 General Plan, the City’s Sphere of Influence (“SOI”) encompasses approximately 29 additional square miles.

In order to adequately plan for new development and identify the public facilities and costs associated with mitigating the direct and cumulative impacts of this new development, DTA (formerly David Taussig & Associates, Inc.) was retained by the City to prepare an updated AB 1600 Fee Justification Study (the “Fee Study”). The City currently has a significant amount of vacant land that can be developed and needs to update its Development Impact Fees (“DIFs”) to reflect the anticipated buildout of the City. For this study, DTA will update all DIFs, including the adoption of new fees, if appropriate. Current fees to be updated include: Law Enforcement, Fire, Circulation, Storm Drainage, General Facilities, Community (Public Use) Centers, Aquatic Centers, and Parks and Recreation.

Moreover, the methods used to calculate impact fees in this Fee Study are intended to satisfy all legal requirements governing such fees, including provisions of the U.S. Constitution, the California Constitution, and the California Mitigation Fee Act (Government Code Sections 66000 *et seq.*). Impact fees calculated in this Fee Study are intended to replace the City’s existing impact fees.

More specifically, the Fee Study is intended to comply with Section 66000 *et seq.* of the Government Code, which was enacted by the State of California in 1987, by identifying additional public facilities required by new development (“Future Facilities”) and determining the level of fees that may be imposed to pay the costs of the Future Facilities. Fee amounts have been determined that will finance facilities at levels identified by the various City departments as deemed necessary to meet the needs of new development.

The Future Facilities and associated construction costs are identified in the Needs List, which is included in Section V of the Fee Study. All new development may be required to pay its “fair share” of the cost of the new infrastructure through the DIF program. Fees are calculated to fund the cost of future facilities needed to meet the needs of new development. The steps followed in the Fee Study include:

1. **Demographic Assumptions:** Identify future growth that represents the increased demand for facilities.
2. **Facility Needs and Costs:** Identify the public facilities required to support the new development and the costs of such facilities.

3. **Cost Allocation:** Allocate costs based on the appropriate methodology. (To be discussed further in Section VI).
4. **Fee Schedule:** Calculate the fee per residential unit, per Commercial lodging room, or per non-residential square foot.

### **III LEGAL REQUIREMENTS TO JUSTIFY DEVELOPMENT IMPACT FEES**

The levy of impact fees is one authorized method of financing the public facilities necessary to mitigate the impacts of new development. A fee is "a monetary exaction, other than a tax or special assessment, which is charged by a local agency to the applicant in connection with approval of a development project for the purpose of defraying all or a portion of the cost of public facilities related to the development project..." (California Government Code, Section 66000).

A fee may be levied for each type of capital improvement required for new development, with the payment of the fee typically occurring prior to the beginning of construction of a dwelling unit or non-residential building. Fees are often levied at final map recordation, upon the issuance of a Certificate of Occupancy, or more commonly, at building permit issuance.

AB 1600, which created Section 66000 *et seq.* of the Government Code, was enacted by the State of California in 1987.

In 2006, Government Code Section 66001 was amended to clarify that a fee cannot include costs attributable to existing deficiencies, but it can fund costs used to maintain the existing Level of Service ("LOS") or meet an adopted LOS consistent with the General Plan.

Section 66000 *et seq.* of the Government Code thus requires that all public agencies satisfy the following requirements when establishing, increasing, or imposing a fee as a condition of new development:

1. Identify the purpose of the fee. [Government Code Section 66001(a)(1)]
2. Ascertain the use to which the fee will be put. [Government Code Section 66001(a)(2)]
3. Determine that there is a reasonable relationship between the fee's use and type of development on which the fee is to be imposed. [Government Code Section 66001(a)(3)]
4. Establish how there is a reasonable relationship between the need for the public facility and type of development project on which the fee is to be imposed. [Government Code Section 66001(a)(4)]
5. Discuss how there is a reasonable relationship between the amount of the fee and cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed.

This section presents each of these items as they relate to the imposition of the proposed fees in the City.

**A PURPOSE OF THE FEE [GOVERNMENT CODE SECTION 66001(A)(1)]**

New residential and non-residential development within the City will generate additional residents and employees who will require additional public facilities. Land for these facilities will have to be acquired and public facilities and equipment will have to be expanded, constructed, or purchased to meet this increased demand.

The Fee Study has been prepared in response to the projected direct and cumulative effect of future development. Each new development will contribute to the need for new public facilities. Without future development many of the new public facilities on the Needs List would not be necessary as the existing facilities are generally adequate for the City's present population. In instances where facilities would be built regardless of new development, the costs of such facilities have been allocated to new and existing development based on their respective level of benefit.

The proposed impact fee will be charged to all future development, irrespective of location, in the City. First, the property owners and/or the tenants associated with any new development in the City can be expected to place additional demands on the City's facilities funded by the fee. Second, these property owners and tenants are dependent on and, in fact, may not have chosen to utilize their development, except for residential, retail, employment, and recreational opportunities located nearby on other existing and future development.

As a result, all development projects in the City contribute to the cumulative impacts of development. The impact fees will be used for the acquisition, installation, and construction of public facilities identified on the Needs Lists to mitigate the direct and cumulative impacts of new development in the City.

**B THE USE TO WHICH THE FEE IS TO BE PUT [GOVERNMENT CODE SECTION 66001(A)(2)]**

The fee will be used for the acquisition, installation, and construction of the public facilities identified on the Needs Lists, included in Section V of the Fee Study and other appropriate costs to mitigate the direct and cumulative impacts of new development in the City. The fee will provide a source of revenue to the City to allow for the acquisition, installation, and construction of public facilities, which in turn will both preserve the quality of life in the City and protect the health, safety, and welfare of the existing and future residents and employees.

The discussion presented in this section of the Fee Study identifies the use to which the fee is to be put as required by Section 66001(a)(2) of the California Government Code.

**C DETERMINE THAT THERE IS A REASONABLE RELATIONSHIP BETWEEN THE FEE'S USE AND THE TYPE OF DEVELOPMENT PROJECT UPON WHICH THE FEE IS IMPOSED (BENEFIT RELATIONSHIP) [GOVERNMENT CODE SECTION 66001(A)(3)]**

As discussed in Section A above, it is the projected direct and cumulative effect of future development that has prompted the preparation of the Fee Study. Each development will contribute to the need for new public facilities. Without future development, the City would have no need to construct many of the public facilities on the Needs List. For all other facilities, the costs have been allocated to both existing and new development based on their level of benefit. Consequently, all new development within the City, irrespective of location, contributes to the direct and cumulative impacts of development on public facilities and creates the need for new facilities to accommodate growth.

The fees will be expended for the acquisition, installation, and construction of the public facilities identified on the Needs List and other authorized uses, as that is the purpose for which the fee is collected. As previously stated, all new development creates either a direct impact on public facilities or contributes to the cumulative impact on public facilities. Moreover, this impact is generally equalized among all types of development because it is the increased demands for public facilities created by the future residents and employees that create the impact upon existing facilities.

For the aforementioned reasons, new development benefits from the acquisition, construction, and installation of the facilities on the Needs Lists.

**D DETERMINE HOW THERE IS A REASONABLE RELATIONSHIP BETWEEN THE NEED FOR THE PUBLIC FACILITY AND THE TYPE OF DEVELOPMENT PROJECT UPON WHICH THE FEE IS IMPOSED (IMPACT RELATIONSHIP) [GOVERNMENT CODE SECTION 66001(A)(4)]**

As previously stated, all new development within the City, irrespective of location, contributes to the direct and cumulative impacts of development on public facilities and creates the need for new facilities to accommodate growth. Without future development, many of the facilities on the Needs Lists would not be necessary. For certain other facilities, the costs have been allocated to both existing and new development based on their level of benefit.

For the reasons presented herein, there is a reasonable relationship between the need for the public facilities included on the Needs List and all new development within the City.

**E THE RELATIONSHIP BETWEEN THE AMOUNT OF THE FEE AND THE COST OF THE PUBLIC FACILITIES ATTRIBUTABLE TO THE DEVELOPMENT UPON WHICH THE FEE IS IMPOSED ("ROUGH PROPORTIONALITY" RELATIONSHIP) [GOVERNMENT CODE 66001(A)]**

As set forth above, all new development in the City impacts public facilities. Moreover, each individual development project and its related increase in population and/or employment, along with the cumulative impacts of all development in the City, will adversely impact existing facilities. Thus, imposition of the fee to finance the facilities on the Needs Lists is an efficient, practical, and equitable method of permitting development to proceed in a responsible manner.

New development impacts facilities directly and cumulatively. In fact, without any future development, the acquisition, construction, and/or installation of many of the facilities on the Needs Lists would not be necessary as existing City facilities are generally adequate. Even new development located adjacent to existing facilities will utilize and benefit from facilities on the Needs List.

The proposed fee amounts are roughly proportional to the impacts resulting from new development based on the analyses contained in Section VII. Thus, there is a reasonable relationship between the amount of the fee and the cost of the facilities.

**IV DEMOGRAPHICS**

To determine the public facilities needed to serve new development as well as establish fee amounts to fund such facilities, the City provided DTA with material containing projections of future residential information and land use development within the City through 2040. For the purpose of this Fee Study, DTA categorized developable residential land uses as Detached Dwellings (single-family residences), Attached Dwellings (multi-family residences) and Mobile Home Dwellings. Developable non-residential land uses within the City’s Commercial and Industrial zones are categorized as Commercial Lodging, Commercial/Office, and Industrial/Manufacturing, respectively.

**Table 1: Summary of Land Use Categories**

| Land Use Classification  | Definition   |
|--------------------------|--|
| Detached Dwelling Units  | Includes Detached single-family Detached homes.  |
| Attached Dwelling Units  | Includes buildings with Attached residential units including apartments, town homes, condominiums, and all other non-Mobile home units not classified as Detached Dwelling. For the purposes of determining the impact fees due, any "second unit" or "accessory Dwelling unit" (as determined pursuant to Section 65852.2 of the Government Code) shall be considered a separate residential unit and may be subject to this fee in accordance with state law.  |
| Mobile Home Dwelling     | Mobile home Dwelling (In a park environment)   |
| Commercial Lodging       | Includes Hotels, Motels, and Spas and Resorts.   |
| Commercial/Office        | Includes but is not limited to buildings used as the following: <ul style="list-style-type: none"> <li>▪ Retail;</li> <li>▪ Service-oriented business activities, wineries/vineyards, and car washes;</li> <li>▪ Department stores, discount stores, furniture/appliance outlets, home improvement centers, department stores;</li> <li>▪ Entertainment centers, Sports facilities;</li> <li>▪ Subregional and regional shopping centers;</li> <li>▪ Business/professional Offices, Medical/Dental Offices; and</li> <li>▪ Self-storage facilities and storage yards.</li> </ul> |
| Industrial/Manufacturing | Includes but is not limited to buildings used as the following: <ul style="list-style-type: none"> <li>▪ Light Manufacturing, warehouse/distribution, and logistics wholesaling;</li> <li>▪ Wholesale and warehouse retail;</li> <li>▪ Food processing; and</li> <li>▪ Support for Commercial services.</li> </ul>   |

Additional details regarding these categories are included in **Table 1** above. Based on these designations, DTA has established DIFs for the six (6) land use categories to acknowledge the difference in impacts resulting from various land uses and to make the resulting fee program implementable.

Elements from the City's 2020 General Plan (the "General Plan") demographics, along with numbers from the California Department of Finance were used as estimates for population, the number of housing units and non-residential building square feet to be built within the City. The City's land use decisions will also affect properties within its Sphere of Influence (SOI). California law requires that a General Plan "cover the territory within the boundaries of an adopted City...as well as any land outside its boundaries which in the planning agencies judgement bears relation to its planning". However, any new development in the Sphere of influence will not be considered in this fee study.

In addition, the General Plan was used to project the additional land use generated from new development. The 2020 General Plan includes the current City boundaries which include the 2010 annexation and the most recent HARO annexation as well. (In 2018, the Riverside Local Agency Formation Commission (LAFCO) adopted Resolution No. 11-18 approving LAFCO 2017-20-5 reorganization to include annexation to the City and detachment from the Riverside County Waste Resources Management District (HARO-KD-DHS) Notably, DTA attempted to utilize metrics (e.g., average household size) that standardized existing demographics with the projections found in the General Plan.

Future residents and employees will create additional demand for facilities that existing public facilities cannot adequately services. In order to accommodate new development in an orderly manner, while maintaining the current quality of life in the City, the facilities on the Needs List (Section V), as reviewed and approved by the City Council, will need to be constructed. For those facilities that are needed to mitigate demand from new development, facility costs have been allocated to new development only. In those instances when it has been determined that the new facilities will serve both existing and new development, facility costs have been allocated based on proportionate benefit (see Equivalent Dwelling Unit discussion covered later in Section IV).

## A Existing Population for Land Use Categories

### A.1 Existing Residential Land Use

According to demographic information provided by the 2020 General Plan and the State of California Department of Finance, as of January 2020, there are approximately 29,660 people living in the City.

In addition, using demographic information provided by the City General Plan along with the California Department of Finance and other sources, DTA has assigned a City resident-per-unit factor of 2.83 for Detached Dwelling units, 2.20 for Attached Dwelling residential units and 1.41 for Mobile home Dwellings.

This resident per-unit-factor calculation takes into account the 17.7% vacancy factor in the City and is less than the overall resident-per-unit factor of 3.08 generated by the 2020 State of California Department of Finance, (which is based on occupied housing units and not total housing units.) These adjustments allow a more accurate calculation of future DIFs as DIFs are generated for the actual number and type of

residential housing unit totals and not population figures.

Combined, the current City population is comprised of 29,660 current residents living in 7,408 Detached Dwelling, 3,397 Attached Dwelling homes and 872 Mobile homes. Table 2 below summarizes the existing demographics for the residential land uses.

**Table 2: Estimated Existing Residential Development**

| Residential Land Use   | Existing Residents | Existing Housing Units | Average Household Size* |
|------------------------|--------------------|------------------------|-------------------------|
| Detached Dwelling Unit | 20,959             | 7,408                  | 2.83                    |
| Attached Dwelling Unit | 7,473              | 3,397                  | 2.20                    |
| Mobile Home Dwellings  | 1,228              | 872                    | 1.41                    |
| <b>Total</b>           | <b>29,660</b>      | <b>11,677</b>          |                         |

\*Note: Average household size is calculated using total housing units and considers the 17.7% vacancy factor.

**A.2 Existing Non-Residential Land Use**

In terms of the City’s non-residential property, there are estimated to be approximately 1.4 million square feet of existing Commercial/Office development, 928 thousand square feet of existing Industrial/Manufacturing space and 790 rooms of Commercial lodging. Commercial lodging units include rooms in hotels, motels, spas and resorts, (Current Commercial/Office, Industrial/Manufacturing square feet and total lodging hotel rooms was determined using CoStar Real Estate software along with information provided by the City)

In order to calculate how many employees that the City has in these categories, DTA utilized an employee’s-per-thousand square-foot factor (EPSF) of 1.75 for the Commercial/Office sector, 0.90 for the Industrial/Manufacturing sector and .65 per room for the Commercial lodging sector. (For example, for Commercial/Office land uses, DTA calculated an EPSF of 1.75, i.e., on average there are 1.75 employees per thousand square feet of Commercial/Office development.)

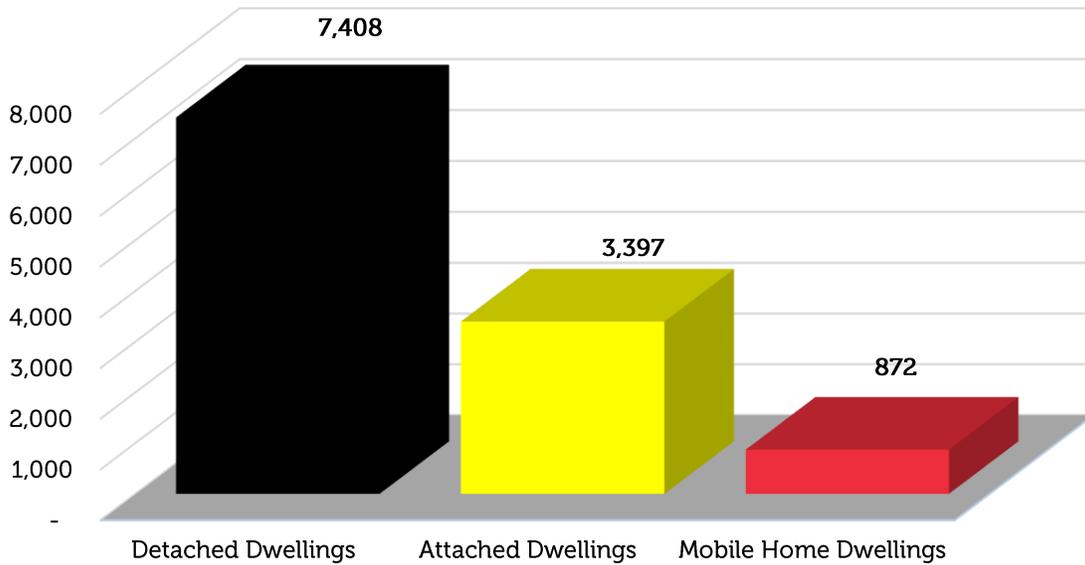
These numbers are not derived but are estimates based on the employee’s-per-thousand square-foot-factors published in U.S. Energy Information Administration’s “Commercial Buildings Energy Consumption Survey (CBECS) released in December of 2016.

As indicated, the 1.4 million square feet of existing Commercial development, 928 thousand square feet of existing Industrial space, and 790 rooms of Commercial lodging is based on information provided by both the City and DTA’s research using CoStar Real Estate software. Using these figures and standard employment generation rates for Commercial/Office and Industrial/Manufacturing square footage, DTA has estimated the potential employee capacity (for Commercial and

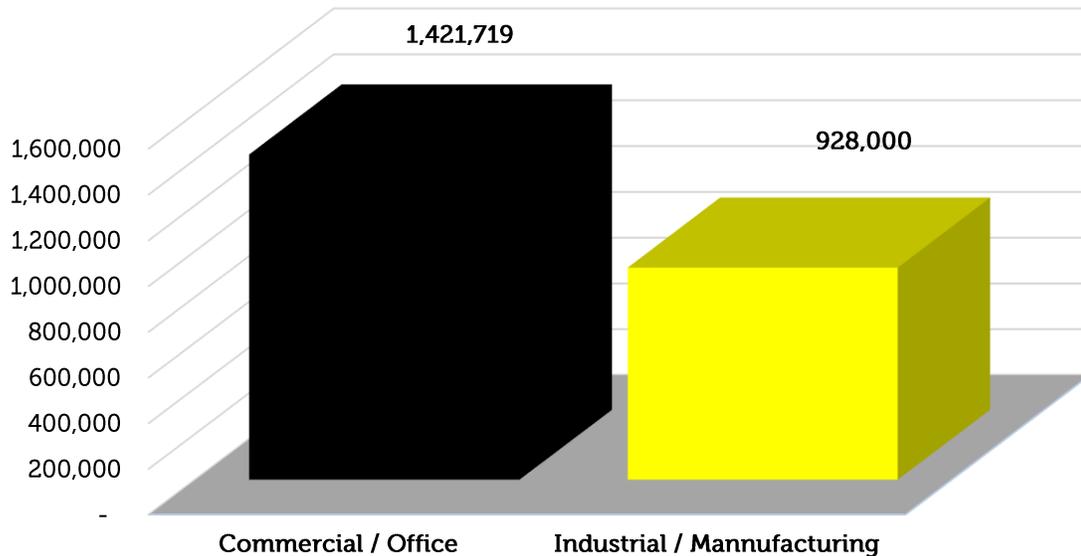
Industrial) available in the City.

These calculations resulted in 2,488 existing Commercial/Office employees, 835 existing Industrial/Manufacturing employees and 514 existing hotel employees within the City as shown below in Table 3.

**Figure 1: Existing Residential Land Use Development (Existing Units)**



**Figure 2: Existing Non-Residential Land Use Development (Square Footage)**



Note that the actual total employee figures for non-residential development will likely vary somewhat from DTA estimates because of vacancies, property utilizations, etc. However, for purposes of the fee calculation, the City is interested in the total number of employees that could be generated by the identified square footage for a particular land use. The same logic is applied to future non-residential space and associated employee estimates.

**Table 3: Estimated Existing Non-Residential Development**

| Non-Residential Land Use | Existing Building Square Feet | Existing Lodging Units | Existing Square Feet | Existing Employees | Existing Persons Served |
|--------------------------|-------------------------------|------------------------|----------------------|--------------------|-------------------------|
| Commercial Lodging Units |                               | 790                    | 0.65                 | 514                | 257                     |
| Commercial/Office        | 1,421,719                     |                        | 1.75                 | 2,488              | 1,244                   |
| Industrial/Manufacturing | 928,000                       |                        | 0.90                 | 835                | 418                     |
| <b>Total</b>             | <b>2,349,719</b>              |                        |                      | <b>3,837</b>       | <b>1,918</b>            |

For many of the facilities considered in this Fee Study, Equivalent Dwelling Unit (EDU) calculations are based on the number of residents or employees (“Persons Served”) generated by each land use class. (Equivalent Dwelling Units are covered in more detail later in this section). Based on years of performing a variety of fiscal and economic impact studies and with experience in a variety of areas both public and private, DTA has determined that utilizing a service population, or Persons Served population, comprised of all residents and 50% of employees is common fiscal

practice in quantifying the impact of a new development in a given service area.

This number suggests that a resident generally has twice the fiscal impact of an employee. For existing persons served estimates for non-residential development, please reference **Table 3** above.

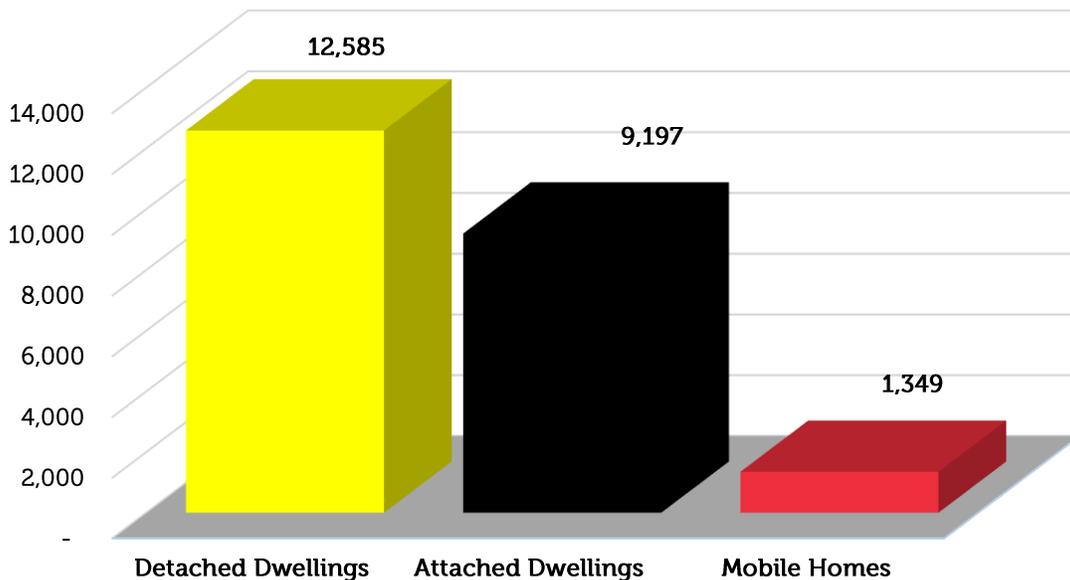
**B Future Population for New Land Use Categories (2040)**

**B.1 Future Residential Land Use**

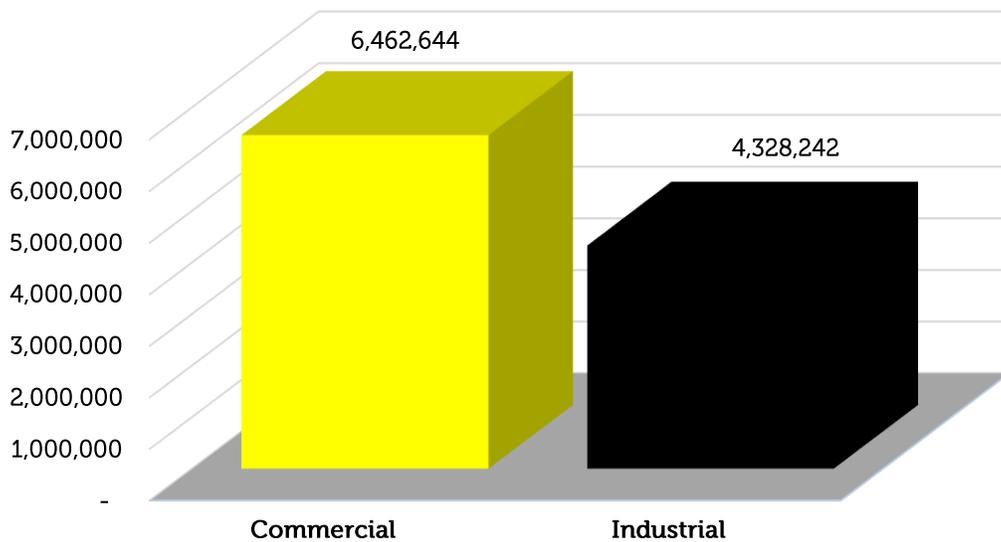
According to the 2040 unit and population projections presented in the 2020 City General Plan, the City is expected to grow by 57,738 residents over the build-out period. Maintaining the city resident-per-unit factor of 2.83 for Detached Dwelling residences, 2.20 for Attached Dwelling Units and 1.41 for Mobile homes, these totals project that 35,605 new people will be living in Detached Dwelling units, 20,233 Attached Dwelling units and 1,899 in new Mobile homes in the City through 2040, the build-out period utilized for this fee study.

**Table 4** presented below summarizes the projected future demographics for the residential land uses over the build-out period.

**Figure 3: Estimated Future Residential Land Use Development through 2040 (Projected Units)**



**Figure 4: Estimated Future Non-Residential Land Use Development through 2040 (Square Footage)**



**Table 4: Future Residential Development**

| Residential Land Use   | Future Residents | Future Housing Units | Average Household Size* |
|------------------------|------------------|----------------------|-------------------------|
| Detached Dwelling Unit | 35,605           | 12,585               | 2.83                    |
| Attached Dwelling Unit | 20,233           | 9,197                | 2.20                    |
| Mobile Home Dwellings  | 1,899            | 1,349                | 1.41                    |
| <b>Total</b>           | <b>57,738</b>    | <b>23,131</b>        |                         |

\*Note: Average household size is maintained throughout the build-out period.

**B.1 Future Non-Residential Land Use**

In terms of non-residential property, the City expects the additional development of almost 6.5 million square feet of future Commercial/Office development, over 4.3 million square feet of Industrial development, and the addition of 862 rooms of Commercial lodging units be built in the City through 2040. (Final 2040 non-residential build-out square footage totals presented in this study were taken from the Land Use Element in the City 2020 General Plan.)

An important consideration in calculating square footage for future non-residential development, is the acceptable floor area ratio (FAR) used for each of the non-residential sectors. According to the Land Use Element of the City’s 2020 General

Plan and in consultation with City officials, the City allows a .50 FAR for Commercial development (1 Story) and a FAR of 0.35 (1 Story) for Industrial development.

Using the same methodology presented in the previous section, and in order to determine how many employees that the City will have in these categories, DTA has maintained the same employee's-per-thousand square-foot factor of 1.75 for the Commercial/Office sector, 0.90 for the Industrial/Manufacturing sector and 0.65 for the Commercial lodging sector over the build-out period.

Over the build-out period, these calculations result in 11,310 future Commercial/Office employees, 3,895 Industrial/Manufacturing employees and 560 future hotel/motel employees within the City as shown below in **Table 5**.

**Table 5: Future Non-Residential Development**

| Non-Residential Land Use | Future Building Square Feet | Future Lodging Units | Employees per 1,000 | Future Employees | Future Persons Served |
|--------------------------|-----------------------------|----------------------|---------------------|------------------|-----------------------|
| Commercial Lodging Units |                             | 862                  | 0.65                | 560              | 280                   |
| Commercial/Office        | 6,462,644                   |                      | 1.75                | 11,310           | 5,655                 |
| Industrial/Manufacturing | 4,328,242                   |                      | 0.90                | 3,895            | 1,948                 |
| <b>Total</b>             | <b>10,790,886</b>           | <b>862</b>           |                     | <b>15,765</b>    | <b>7,883</b>          |

**V NEEDS LIST**

Identification of the facilities to be financed is a critical component of any DIF program. In the broadest sense, the purpose of impact fees is to protect the public health, safety, and general welfare by providing for adequate public facilities. “Public Facilities” per Government Code Section 66000 include “public improvements, public services, and community amenities.”

Government Code Section 66000 requires the identification of those facilities for which impact fees are going to be used as the key financing mechanism. Identification of the facilities may be made in an applicable general or specific plan, other public documents, or by reference to a Capital Improvement Program (“CIP”).

DTA has worked closely with City staff to develop the list of facilities to be included in the Fee Study (“the Needs List”). For purposes of the City’s fee program, the Needs List is intended to be the official public document identifying the facilities eligible to be financed, in whole or in part, through the levy of a DIF on new development within the City. The Needs List is organized by facility element (or type) and includes a cost section consisting of six (6) rows, which are defined in Table 6 below.

**Table 6: Explanation of Cost Section**

| Column Title  | Contents   | Source                         |
|---|--|--------------------------------|
| Total Cost for Facility                             | The total estimated facility cost including engineering, design, construction, land acquisition, and equipment (as applicable) | City                           |
| Offsetting Revenues to New and Existing Development | Share of Total Offsetting Revenues allocated to new and existing development   | City                           |
| Net Cost to City                                    | The difference between the Total Cost and the Offsetting Revenues (column 1 plus column 2)                                     | Calculated by DTA              |
| Percent of Cost Allocated to New Development        | Net Cost Allocated to New Development based on New Development’s Share of Facilities   | Calculated by DTA and the City |
| Net Cost Allocated to New Development               | The Net Cost to City Multiplied by the Percentage Cost Allocated to New Development  | Calculated by DTA              |
| Policy Background or Objective                      | Identifies policy source or rationale for facility need  | City General Plan              |

Table 6, shown above, outlines the process used in putting the Needs List together. The facilities included on the list are provided by the City and reflect either the City’s goals of maintaining and improving a specific area or objective or are part of a more formal policy

document such as a General Plan, Active Transportation Plan, Capital Improvement Plan, etc. Specific estimated facility costs are provided by the City and are used as a basis for determining the allocation of revenues between new and existing development.

DTA surveyed City staff on required facilities needed to serve new development as a starting point for its fee calculations. The survey included the project description, justification, public benefit, estimated costs, and project financing for each proposed facility. Through discussions between DTA and City staff, the Needs List has gone through a series of revisions to fine-tune the needs, costs, and methodologies used in allocating the costs for each facility.

Notably, the cost estimates included in the Needs List reflect the current costs of each of the Future Facilities stated in 2020 dollars. As a result, the fees calculated within the Fee Study would fund these facilities if all the fees were collected in 2020 for all future development and these facilities were to be constructed within the next few years. However, in reality, the fees determined through this Fee Study will be collected from developers between 2020 and 2040 and, without an annual cost inflation escalator, could only be varied through the adoption of a new fee study that is not expected to occur in the near future. As such, DTA recommends that a cost escalator be applied to the fees calculated herein to ensure that they incorporate anticipated construction cost increases.

The Summary of the final Needs List is presented on the following page. (The entire detailed Needs list is presented in full in Appendix B at the end of this Fee Study.)

Table 7: DIF Program for the City's Public Needs List through 2040  
(Needs List Summary)

| Facility Name   | Total Cost for Facility |
|---|-------------------------|
| <b>Law Enforcement Facilities</b>                                 |                         |
| Law Enforcement   | \$20,004,783            |
| Existing/Offsetting Revenues                                      | \$609,406               |
| <b>Total Law Enforcement</b>                                      | <b>\$19,395,377</b>     |
| <b>Fire Suppression Facilities</b>                                |                         |
| Fire  | \$20,755,000            |
| Existing/Offsetting Revenues                                      | \$734,169               |
| <b>Total Fire Suppression</b>                                     | <b>\$20,020,831</b>     |
| <b>Circulation Systems (Streets, Traffic Signals and Bridges)</b> |                         |
| Circulation   | \$262,010,499           |
| Existing/Offsetting Revenues                                      | \$0                     |
| <b>Total Circulation Systems</b>                                  | <b>\$262,010,499</b>    |
| <b>Storm Drainage Improvements</b>                                |                         |
| Storm Drainage Facilities   | \$101,153,878           |
| Existing/Offsetting Revenues                                      | \$301,280               |
| <b>Total Storm Drainage</b>                                       | <b>\$100,852,598</b>    |
| <b>General Facilities Expansion</b>                               |                         |
| General Facilities  | \$24,026,000            |
| Existing/Offsetting Revenues                                      | \$27,762                |
| <b>Total General Facilities</b>                                   | <b>\$23,998,238</b>     |
| <b>Community (Public Use) Centers</b>                             |                         |
| Community (Public Use) Centers                                    | \$31,960,000            |
| Existing/Offsetting Revenues                                      | \$232,491               |
| <b>Total Community Centers</b>                                    | <b>\$31,727,509</b>     |
| <b>Aquatic Center Facilities</b>                                  |                         |
| Aquatic Centers   | \$5,972,000             |
| Existing/Offsetting Revenues                                      | \$61,629                |
| <b>Total Aquatic Centers</b>                                      | <b>\$5,910,371</b>      |
| <b>Parks and Recreation Acquisition and Improvements</b>          |                         |
| Parks and Recreation  | \$68,520,000            |
| Existing/Offsetting Revenues                                      | \$113,455               |
| <b>Total Parkland</b>   | <b>\$68,406,545</b>     |
| <b>Grand Total</b>  | <b>\$532,321,968</b>    |

Note, existing/offsetting revenues (highlighted in red) represent the existing account fund balances as of January 26, 2021, in each of the fee accounts. The total existing balance for each account is subtracted from the Needs List for each respective fee category.

**VI METHODOLOGY USED FOR CALCULATING IMPACT FEES**

There are many methods or ways of calculating fees, but they are all based on determining the cost of needed improvements and assigning those costs equitably to various types of development. As explained in Section IV, each of the fee calculations employs the concept of an Equivalent Dwelling Unit (“EDU”) or Equivalent Benefit Unit (“EBU”) to allocate benefit among the eight (8) fee categories. EDUs are a means of quantifying different land uses in terms of their equivalence to a residential Dwelling unit, where equivalence is measured in terms of potential infrastructure use or benefit for each type of public facility. For many of the facilities considered in this Fee Study, EDUs are calculated based on the number of residents or employees (“Persons Served”) generated by each land use class. For other facilities, different measures, such as number of trips or recreation hours, more accurately represent the benefit provided to each land use class.

Table 8 below shows total existing and projected EDUs or EBUs by fee category. Notably, “Persons Served” equal Residents plus 50% of Employees and is a customary industry practice designed to capture the reduced levels of service demanded by employees.

**Table 8: Equivalent Dwelling Units**

| Fee Category                   | Service Factor <sup>1</sup>        | Existing EDUs/EBUs | Projected EDUs/EBUs through Buildout <sup>2</sup> |
|--------------------------------|------------------------------------|--------------------|---|
| Law Enforcement                | Persons Served and/or Usage Factor | 11,162             | 23,194  |
| Fire                           |                                    |                    |   |
| General Facilities             |                                    |                    |   |
| Community (Public Use) Centers |                                    |                    |   |
| Aquatic Center                 |                                    |                    |   |
| Parks and Recreation           | Daily Trip Generation Rate         | 105,992            | 279,488   |
| Circulation                    |                                    |                    |   |
| Storm Drainage                 | Impervious Surface Coefficients    | 11,162             | 23,194  |

Notes:

1. Service Factor is determined by DTA and specific to the Facility Type.
2. Existing and Projected EDUs and EBUs are determined by DTA and explained in detail in Section IV.

In determining a reasonable nexus for each specific type of fee category, DTA will utilize one of the methodologies discussed below, depending upon the data and other information available from the City, and its current infrastructure policies. The fee methodologies employ the concept of an EDU or EBU to allocate benefit among various land use classes. EDU and EBU calculations for each Land Use is presented in the Fee Derivation Worksheets for each fee category in Appendix A at the end of this Study. The methodologies used for each specific facility are presented below in Table 9.

**A Plan-Based Fee Methodology**

The Plan-Based methodology used by DTA to establish the DIFs used in this Fee Study is based on a “Plan,” such as a Master Plan of Facilities, Capital Improvement Plan or City General Plan, which identifies a finite set of improvements to be implemented. These facility plans generally identify a finite set of facilities needed by the public agency and are developed according to assessments of facilities needs prepared by staff and/or outside consultants and adopted by the public agency’s legislative body.

Using this Plan-Based approach, specific costs can be projected and assigned to all land uses planned, often with a specific time period in mind that reflects new development projections.

**Table 9: Fee Methodology (By Facility Type)**

| Fee Category                   | Service Factor | Sources of Apportioning Costs | Units of Measure |
|--------------------------------|----------------|-------------------------------|------------------|
| Law Enforcement                | Plan-Based Fee | Needs List                    | Persons Served   |
| Fire                           | Plan-Based Fee | Needs List                    | Persons Served   |
| Circulation                    | Plan-Based Fee | Needs List                    | Trips Generated  |
| Storm Drainage                 | Plan-Based Fee | Needs List                    | Total Runoff     |
| General Facilities             | Plan-Based Fee | Needs List                    | Persons Served   |
| Community (Public Use) Centers | Plan-Based Fee | Needs List                    | Persons Served   |
| Aquatic Center                 | Plan-Based Fee | Needs List                    | Persons Served   |
| Parks and Recreation           | Plan-Based Fee | Needs List                    | Persons Served   |

By using population, units, room totals, and Commercial/Industrial square footage numbers provided by the City and other sources, it is possible to assign DIF levels by percentage between new and existing development. In this Fee Study, this methodology was used to calculate all the DIF fees presented in the Fee including Law Enforcement, Fire, Circulation, Storm Drainage, General Facilities, Community (Public Use) Centers, Aquatic Centers, and Parks and Recreation. In preparing an impact fee analysis, facilities costs can be allocated in proportion to the demand caused by each type of future development.

## **B Standards-Based Fee Methodology**

The Standards-Based methodology used to establish the development impact fees used in this Fee Study are based on “standards” where costs are based on units of demand. This method establishes a generic unit cost for capacity, which is then applied to each land use per unit of demand. Park fees examined in this Fee Study are an excellent example of this type of fee structure. For example, California’s Quimby Act allows cities and counties to establish a service standard, typically three (3.0) to five (5.0) acres of parkland per thousand residents, which may be required of all new residential development. This standard is not based on cost but rather on a standard of service. This methodology provides several advantages, including not needing to know the cost of a specific facility, how much capacity or service is provided by the current system or having to commit to a specific size of the facility.

## **C Capacity-Based Fee Methodology**

Another method of fee assessment used in this account is the Capacity-Based Fee Methodology. It is based on the “capacity” of a service or system, such as a water tank, a sewer plant, or a storm drainage. This kind of fee is not dependent on a particular land use plan (i.e., amount or intensity) but rather it is based on a rate or cost per unit of capacity that can be applied to any type of development, as long as the system has adequate capacity. This fee is useful when the costs of the facility or system are unknown at the outset; however, it requires that the capacity used by a particular land use type be measurable or estimable and the information to be available. Capacity-based impact fees are assessed based on the demand rate per unit.

Many of the tables presented in this Fee Study using the above methodologies generate numbers carried out to several decimal places but have been rounded down or up for format purposes and to fit into the tables. As a result, many of the totals presented throughout the Fee Study may not sum equally.

**VII BUILDING DEVELOPMENT IMPACT FEES**

**A Law Enforcement Fees**

**A.1 Law Enforcement Facilities (Nexus Requirement of AB 1600)**

The Law Enforcement element includes those facilities used by the City’s Police Department to maintain Police Services. In order to serve new development through the year 2040, the City’s Police Department has identified the need for the construction of a new Police Department Facilities building upgrade (6,000 sq. ft.), and animal care and control upgrade/addition, the purchase of additional vehicles and equipment, and weapons. To meet the Law Enforcement demand of new development through the year 2040, the City’s Police Department identified the need for buildings, vehicles and equipment as shown in the Needs List presented in the following tables and in detail in Appendix B.

**Table 10: Law Enforcement Facilities Nexus Requirement**

| Identify the Purpose of the Fee   | Law Enforcement Facilities   |
|---|--|
| Identify the Use of the Fee.  | The build-out and improvement of existing facilities along with Vehicle and Equipment replacement  |
| Demonstrate how there is a reasonable relationship between the need for the public facility, the use of the fee, and the type of development project on which the fee is imposed. | New residential and non-residential development will generate additional residents and employees who will require additional service calls increasing the need for trained Police Department personnel. Equipment and vehicles used to provide these services will have to be purchased or replaced to meet this increased demand. Thus, a reasonable relationship exists between the need for Police Department facilities and the impact of residential and non-residential development. The Police Department Facility fees collected from new development will be used exclusively for Police Department purposes. |

Table 11 presented on the following page identifies all of the proposed facilities and equipment to be funded in whole or in part with the fees collected for Law Enforcement improvements. All facilities costs are based on estimates provided by the City and are part of the City’s effort to maintain and improve the City’s Law Enforcement Facilities.

**A.2 Calculation Methodology**

The facilities cost breakdown presented in the Needs List for this fee category was provided by the City’s Police Department and is calculated for both residential and non-residential development. According to the City, it has been determined that these facilities are needed to serve new development. Currently, these facilities are generally operating at an appropriate and acceptable level of Law enforcement

service; therefore, the costs of facilities have been allocated to new development and existing development based on their expected usage at build-out.

**Table 11: Law Enforcement Costs Breakdown**

| Law Enforcement Facilities                 |  | Facility Cost       |
|--|--|---------------------|
| PD 1                                       | Building - Upgrade/Addition (6,000 sf)                                     | \$4,320,000         |
| PD 2                                       | Vehicles - Administration (12 Vehicles)                                    | \$1,080,000         |
| PD 3                                       | Vehicles - Detective & Patrol (30 Vehicles)                                | \$3,600,000         |
| PD 4                                       | Vehicles - Code Compliance (9 Vehicles)                                    | \$810,000           |
| PD 5                                       | Vehicles - Animal Services (6 Vehicles)                                    | \$864,000           |
| PD 6                                       | Safety Equipment - Body Worn Cameras, Tasers, Handguns, etc. (33 Officers) | \$557,000           |
| PD 7                                       | Communication Upgrade (radios)   | \$750,000           |
| PD 8                                       | Office Equipment - Computers, Furniture, Etc. (45 Computers)               | \$335,000           |
| PD 9                                       | Dispatch Center Equipment - Computers, Furniture, Mis, etc.                | \$808,783           |
| PD10                                       | Dispatch Center Structure/Infrastructure (4,000 sf)                        | \$3,000,000         |
| PD11                                       | Mobile Command Post  | \$1,000,000         |
| PD 12                                      | Animal Care and Control Upgrade/Addition (4,000 sf)                        | \$2,880,000         |
| <b>Law Enforcement Facilities Subtotal</b> |  | <b>\$20,004,783</b> |
| <b>Offsetting Revenues</b>                 |  | <b>\$609,406</b>    |
| <b>Law Enforcement Facilities Total</b>    |  | <b>\$19,395,377</b> |

Given the information provided by the City Police Department and using the Plan-based approach introduced earlier, DTA has determined that 32.49% of the costs will be allocated to existing development and 67.51% of the costs will be allocated to new development.

As illustrated in **Appendix A** at the end of this Fee Study, the total number of EDUs calculated for both residential and non-residential development equals 34,356 (Total EDUs), with 11,162 (Existing EDUs) assigned to existing development and 23,194 (New EDUs) assigned to new development. To calculate the Facility Cost Allocation percentage of new development shown in the table below, the number of EDUs assigned to new development is divided by the overall total number of EDUs and is illustrated with the following equation:  $\text{New EDUs} / \text{Total EDUs} = 67.51\%$ .

As illustrated in the following table, 67.51% of the \$19,395,377 in total facilities costs equals \$13,094,173. So, in total, \$13,094,173 out of \$19,395,377 in total law enforcement facilities costs would be covered by impact fees on new development.

**Table 12: Law Enforcement Cost Allocation Summary Fee Derivation**

| Development Type     | Percentage Allocated to New Development | Facility Cost Allocation |
|----------------------|---|--------------------------|
| Existing Development | 32.49%                                  | \$6,301,204              |
| New Development      | 67.51%                                  | \$13,094,173             |
| <b>Total</b>         | <b>100.00%</b>                          | <b>\$19,395,377</b>      |

**A.3 Fee Calculation**

The fee amounts required by each land use type to finance new development on the Needs List are presented below in **Table 13**. The Detached Dwelling and Attached Dwelling residential fees are calculated per housing unit, the Commercial lodging fees are calculated per room and the Commercial/Office and Industrial/Manufacturing development fees are calculated per square foot. All of the calculations are based on costs per EDUs generated by dividing the cost to new development of \$13,094,173/New EDUs (23,194) resulting in a cost of \$565 per EDU.

As shown below, the DIF is \$565 per unit for a Detached Dwelling residence and is the same as the cost per EDU: \$565 per unit (a ratio of 1:1). Since an Attached Dwelling unit generates approximately 0.78 EDUs, the fee for a Detached Dwelling Unit is given by the cost allocation per unit, i.e., 0.78 times the Detached Dwelling fee, or \$439 per unit. The same methodology (.50 EDUs times the Detached Dwelling fee) is used to calculate the \$281 fee per unit for Mobile Homes.

**Table 13: Law Enforcement Facilities Fee Derivation**

| Land Use Type                      | EDU per Unit/Room/Sq. Ft. | DIF per Unit | DIF per SF | Law Enforcement Facilities Costs Financed by Fees |
|------------------------------------|---------------------------|--------------|------------|---|
| Detached Dwellings                 | 1.00                      | \$565        |            | \$7,104,810                                       |
| Attached Dwellings                 | 0.78                      | \$439        |            | \$4,037,425                                       |
| Mobile Home Dwellings              | 0.50                      | \$281        |            | \$379,010   |
| Commercial Lodging Units           | 0.11                      | \$65         |            | \$55,902  |
| Commercial/Office                  | 0.31                      |              | \$0.17     | \$1,128,376                                       |
| Industrial/Manufacturing           | 0.16                      |              | \$0.09     | \$388,651   |
| <b>Total</b>                       |                           |              |            | <b>\$13,094,173</b>                               |
| Costs Allocated to Other Sources   |                           |              |            | \$6,301,204                                       |
| <b>Total Law Enforcement Costs</b> |                           |              |            | <b>\$19,395,377</b>                               |

Similarly, the proposed non-residential fees are equal to the cost allocation by either square foot or per room for each land use category. The Commercial Lodging sector generates approximately .11 EDUs; thus, the fee for Commercial Lodging development is given by the cost allocation per room, i.e., 0.11 times the Detached Dwelling fee or \$65 per room.

The proposed Commercial/Office fee is calculated the same way (0.31 EDUs times the Detached Dwelling fee) is used to calculate a fee of \$0.17 per square foot for Commercial/Office development and \$0.09 per square foot for Industrial/Manufacturing development.

DTA further recommends that after adoption, the fee should be reviewed each year and adjusted by the California Construction Cost Index ("CCCI"). This construction cost index is based upon the Building Cost Index ("BCI") cost indices average for San Francisco and Los Angeles as produced by Engineering News-Record ("ENR").

**B Fire Facilities Fees**

**B.1 Fire Facilities (Nexus Requirements AB 1600)**

The Fire Department Facilities element includes those facilities required within the City to maintain adequate fire protection services. The purpose of this updated section is to address the fire protection demands citywide, including areas that are currently experiencing (or are planned for) growth and/or are areas that exceed the desired response emergency services response times. Particular focus will be on the identification of Fire Department Facilities, including new facilities, land, fire apparatus and equipment, and vehicles due to development in all areas of the city.

**Table 14: Fire Facilities Nexus Requirement**

| Identify the Purpose of the Fee  | Fire Facilities   |
|--|---|
| <b>Identify the Use of the Fee.</b>  | Construction of new Fire Department Facilities, a fire training facility, land acquisition and vehicle and equipment acquisition and replacement  |
| <b>Demonstrate how there is a reasonable relationship between the need for the public facility, the use of the fee, and the type of development project on which the fee is imposed.</b> | New residential and non-residential development will generate additional residents and employees who will require additional service calls increasing the need for trained fire protection personnel. Equipment and vehicles used to provide these services will have to be purchased or replaced and facilities will need to be constructed to meet this increased demand. Thus, a reasonable relationship exists between the need for fire services facilities and the impact of residential and non-residential development. The Fire Services Facility fees collected from new development will be used exclusively for fire protection purposes. |

The table presented on the following page identifies the proposed facilities, land, equipment, and vehicles acquisition costs to be funded in whole or in part with the fees collected for Fire Department improvements. Costs are based on estimates provided by the City's Fire Department.

**Table 15: Fire Facilities Costs**

| Fire Facilities                 |   | Facility Cost       |
|---------------------------------|---|---------------------|
| FD 1                            | Buildings - Southern City Fire Station New (9,800 sq. ft.)          | \$7,056,000         |
| FD 2                            | Buildings - Eastside City Fire Station New (8,200 sq. ft.)          | \$5,904,000         |
| FD 3                            | Buildings - Central City Fire Station Upgrade (4,500 sq. ft.)       | \$3,240,000         |
| FD 4                            | Vehicles & Equipment - Type I Paramedic Fire Engine x3 (3 Vehicles) | \$2,055,000         |
| FD 5                            | Vehicles & Equipment - Paramedic Truck/Ladder/Quint x1 (1 Vehicle)  | \$1,850,000         |
| FD 6                            | Vehicles & Equipment - Paramedic Squad/Patrol x2 (2 Vehicles)       | \$550,000           |
| FD 7                            | Land - Southern City Fire Station (5.0 Acres)                       | \$60,000            |
| FD 8                            | Land - Eastside City Fire Station (3.0 Acres)                       | \$40,000            |
| <b>Fire Facilities Subtotal</b> |   | <b>\$20,755,000</b> |
| <b>Offsetting Revenues</b>      |   | <b>\$734,169</b>    |
| <b>Fire Facilities Total</b>    |   | <b>\$20,020,831</b> |

**B.2 Calculation Methodology**

The vehicles, equipment and facility costs presented in this fee category are based on figures provided by the City Fire Department with the DIFs calculated for both residential and non-residential development. According to the City, it has been determined that these facilities are needed to serve new development. Currently, these facilities are generally operating at an appropriate and acceptable level of service; therefore, the costs of facilities have been allocated to both new development and existing development based on their expected usage at build-out.

Consequently, given the information provided by the City, DTA has determined that 32.49% of the remaining costs will be allocated to existing development and must be funded by other means, while 67.51% of the costs will be allocated to new development.

As illustrated in **Appendix A** at the end of this Fee Study, the total number of EDUs calculated for both residential and non-residential development equals 34,356 (Total EDUs), with 11,162 (Existing EDUs) assigned to existing development and 23,194 (New EDUs) assigned to new development.

In order to calculate the Facility Cost Allocation percentage of new development shown in the table below, the number of EDUs assigned to new development is divided by the overall total number of EDUs and is illustrated with the following equation:  $\text{New EDUs/Total EDUs} = 67.51\%$ . As illustrated below, 67.51% of the \$20,020,831 in total facilities costs equals \$13,516,428. So, in total, \$13,516,428 out of \$20,020,831 in Fire Department costs would be covered by impact fees on new development.

**Table 16: Fire Facilities Cost Allocation Summary**

| Development Type     | Percentage Allocated to New Development | Facility Cost Allocation |
|----------------------|---|--------------------------|
| Existing Development | 32.49%                                  | \$6,504,403              |
| New Development      | 67.51%                                  | \$13,516,428             |
| <b>Total</b>         | <b>100.00%</b>                          | <b>\$20,020,831</b>      |

**B.3 Fee Calculation**

The fee amounts required by each land use type to finance new development on the Needs List are presented below in **Table 17**. The Detached Dwelling and Attached Dwelling residential fees are calculated per housing unit, the Commercial Lodging fees are calculated per room and the Commercial/Office and Industrial/Manufacturing development fees are calculated per square foot. All of the calculations are based on costs per EDUs generated by dividing the cost to new development of \$13,516,428/New EDUs 23,194 resulting in a \$583 cost per EDU.

As shown below, the DIF is \$583 per unit for a Detached Dwelling residence and is the same as the cost per EDU: \$583 per unit (a ratio of 1:1). Since an Attached Dwelling unit generates approximately 0.78 EDUs, the fee for a Detached Dwelling Unit is given by the cost allocation per unit, i.e., 0.78 times the Detached Dwelling fee, or \$453 per unit. The same methodology (.50 EDUs times the Detached Dwelling fee) is used to calculate the \$290 fee per unit for Mobile Home Dwellings.

**Table 17: Fire Facilities Fee Derivation**

| Land Use Type                      | EDU per Unit/Room/Sq. Ft. | DIF per Unit | DIF per SF | Fire Facilities Costs Financed by Fees |
|------------------------------------|---------------------------|--------------|------------|--|
| Detached Dwellings                 | 1.00                      | \$583        |            | \$7,333,923                            |
| Attached Dwellings                 | 0.78                      | \$453        |            | \$4,167,622                            |
| Mobile Home Dwellings              | 0.50                      | \$290        |            | \$391,232                              |
| Commercial Lodging Units           | 0.11                      | \$67         |            | \$57,705                               |
| Commercial/Office                  | 0.31                      |              | \$0.18     | \$1,164,763                            |
| Industrial/Manufacturing           | 0.16                      |              | \$0.09     | \$401,184                              |
| <b>Total</b>                       |                           |              |            | <b>\$13,516,428</b>                    |
| Costs Allocated to Other Sources   |                           |              |            | \$6,504,403                            |
| <b>Total Fire Facilities Costs</b> |                           |              |            | <b>\$20,020,831</b>                    |

Similarly, the proposed non-residential fees are equal to the cost allocation by either square foot or per room for each land use category. The Commercial Lodging sector generates approximately .11 EDUs. Thus, the fee for Commercial Lodging



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## SECTION VII BUILDING DEVELOPMENT IMPACT FEES

development is given by the cost allocation per room, i.e., 0.11 times the Detached Dwelling fee or \$67 per room.

The proposed Commercial/Office fee is calculated the same way (0.31 EDUs times the Detached Dwelling fee) is used to calculate a fee of \$0.18 per square foot for Commercial/Office development and \$0.09 per square foot for Industrial/Manufacturing development.

DTA further recommends that after adoption, the fee should be reviewed each year and adjusted by the CCCI. This construction cost index is based upon the BCI cost indices average for San Francisco and Los Angeles as produced by ENR.

**C Circulation Facilities Fees**

**C.1 Circulation Facilities (Nexus Requirement of AB 1600)**

Circulation facilities include infrastructure such as roads, medians, road markings, road widening, safety barriers, intersection improvements, bridges, traffic signals and the additional infrastructure support necessary to provide safe and efficient vehicular access throughout the City. In order to meet the transportation demand of new development through the year 2040, the City identified the need for road construction and equipment as shown in the following Needs List.

**Table 18: Circulation Facilities Nexus Requirement**

| Identify the Purpose of the Fee   | Circulation Facilities   |
|---|--|
| Identify Use of the Fee.  | Construction of new roadways, interchanges, bridges intersections, traffic signals and related improvements  |
| Demonstrate how there is a reasonable relationship between the need for the public facility, the use of the fee, and the type of development project on which the fee is imposed. | New residential and non-residential development will generate additional residents and employees who will create additional vehicular and non-vehicular traffic. Streets will have to be improved or extended to meet the increased demand. Thus, there is a relationship between new development and the need for new transportation facilities. Fees collected from new development will be used exclusively for Circulation facilities on the Needs List. |

Table 19 presented below identifies the proposed areas where the roads, bridge, traffic facilities and other projects to be funded in whole or in part with the fees collected for Active Transportation improvements. (Specific project detail is presented in Appendix B) The facility costs presented are based on estimates provided by the City.

**C.2 Calculation Methodology**

Circulation improvements benefit residents and employees throughout the City. Using the Plan-based approach introduced earlier, the Circulation facilities fee was calculated for both residential and non-residential land uses as is described in detail in Appendix A. Each of the circulation facilities improvements listed in the table benefit both residents and employees by providing safe and efficient vehicular access throughout the City.

Each land use classification was assigned an EBU factor, based on a daily trip generation rate, which was found using data in ITE’s publication of Trip Generation, 10<sup>th</sup> Edition (the “Report”). The Report used peak hours to define average daily trip generation per Dwelling unit (for residential units), daily trip generation per room for Commercial lodging facilities, and daily trip generation per 1,000 building square feet of each additional category of additional non-residential development.

**Table 19: Circulation Facilities Costs**

| Circulation Facilities                 |  | Facility Cost        |
|--|--|----------------------|
| C 1                                    | 20th Avenue - Indian Ave to Palm Drive                       | \$18,544,508         |
| C 2                                    | Dillon Road - Indian Ave to Palm Drive                       | \$17,521,041         |
| C 3                                    | Hacienda Avenue - Cholla Dr Long Canyon Road                 | \$10,066,701         |
| C 4                                    | Indian Avenue - City Limits North to Pierson Blvd            | \$19,903,788         |
| C 5                                    | Indian Avenue - Pierson Blvd to Dillon Road                  | \$3,463,498          |
| C 6                                    | Indian Avenue - Dillon Road to I-10                          | \$4,271,802          |
| C 7                                    | Little Morongo Road - Annandale Road to Mission Lakes Blvd   | \$7,210,662          |
| C 8                                    | Little Morongo Road - Mission Lakes Blvd to Pierson Blvd     | \$8,736,791          |
| C 9                                    | Little Morongo Road - Pierson Blvd to Two Bunch Palms Trail  | \$2,513,522          |
| C 10                                   | Little Morongo Road - Two Bunch Palms Trail to Dillon Rd     | \$9,317,663          |
| C 11                                   | Little Morongo Road - Dillon Road to 20th                    | \$10,255,285         |
| C 12                                   | Mission Lakes Blvd - Indian Canyon Ave to Little Morongo Rd. | \$7,682,504          |
| C 13                                   | Mission Lakes Blvd - Little Morongo Road to Verbena          | \$7,876,504          |
| C 14                                   | Palm Drive - Mission Lakes Blvd to Pierson Blvd              | \$1,700,168          |
| C 15                                   | Palm Drive - Pierson Blvd to Two Bunch Palms Trail           | \$6,018,953          |
| C 16                                   | Palm Drive - Two Bunch Palms Trail to Camino Aventura        | \$8,133,039          |
| C 17                                   | Palm Drive - Camino Aventura to Dillon Road                  | \$2,109,159          |
| C 18                                   | Palm Drive - Dillon Road to I-10                             | \$22,081,859         |
| C 19                                   | Pierson Blvd - Hwy 62 to Indian Canyon                       | \$17,935,232         |
| C 20                                   | Pierson Blvd - Indian Canyon to Little Morongo Road          | \$10,256,844         |
| C 21                                   | Pierson Blvd - Little Morongo Road to Palm Drive             | \$15,643,400         |
| C 22                                   | Pierson Blvd - Palm Drive to Verbena                         | \$862,867            |
| C 23                                   | Pierson Blvd - Verbena to Miracle Hill Road                  | \$2,122,564          |
| C 24                                   | Two Bunch Palms Trail - Little Morongo Road to West Dr       | \$4,964,324          |
| C 25                                   | Two Bunch Palms Trail - West Dr to Palm Drive                | \$862,867            |
| C 26                                   | Two Bunch Palms Trail - Palm Drive to Hacienda Ave           | \$5,055,129          |
| C 27                                   | Varner Road - N Indian Ave to Little Morongo                 | \$11,420,662         |
| C 28                                   | Varner Road - Little Morongo to Palm Drive                   | \$15,451,010         |
| C 29                                   | Mesquite - 8th Street to Hacienda Ave                        | \$3,955,042          |
| C 30                                   | Cholla Drive - Mission Lakes Blvd to Two Bunch Palms Trail   | \$6,073,110          |
| <b>Circulation Facilities Subtotal</b> |  | <b>\$262,010,499</b> |
| <b>Offsetting Revenues</b>             |  | <b>\$0</b>           |
| <b>Circulation Facilities Total</b>    |  | <b>\$262,010,499</b> |

**Table 20: Circulation Facilities Cost Allocation Summary**

| Development Type     | Total Daily Trips | Percentage Allocated to New Development | Facility Cost Allocation |
|----------------------|-------------------|---|--------------------------|
| Existing Development | 105,992           | 27.50%                                  | \$72,042,642             |
| New Development      | 279,488           | 72.50%                                  | \$189,967,857            |
| <b>Total</b>         | <b>385,480</b>    | <b>100.00%</b>                          | <b>\$262,010,499</b>     |
| <b>Cost per Trip</b> |                   |   | <b>\$680</b>             |

As illustrated in Table 20 above, based on the proportional trips generated by existing and future development in the City, 27.50% of the Circulation Facilities cost will be allocated to existing development and 72.50% of that cost will be allocated to new development.

Traffic fees were calculated for each of the six (6) land use categories based on the number of average daily trips (“ADTs”) expected to be generated by new development. This is presented in Table 21 below.

**Table 21: Circulation Facilities Fee Derivation Summary <sup>1</sup>**

| Development Type         | Trip Generation Rate | Total Facilities Cost Allocation | Fee per Unit/per Sq. Ft. |
|--------------------------|----------------------|----------------------------------|--------------------------|
| Single-Family Residences | 6.57                 | \$56,199,923                     | \$4,466                  |
| Multi-Family Residences  | 6.38                 | \$39,882,649                     | \$4,336                  |
| Mobile Home Dwellings    | 5.00                 | \$4,584,575                      | \$3,398                  |
| Commercial Lodging Units | 4.14                 | \$2,424,459                      | \$2,813                  |
| Commercial/Office        | 17.04                | \$74,853,666                     | \$11.58                  |
| Industrial/Manufacturing | 4.09                 | \$12,022,586                     | \$2.78                   |
| <b>Total</b>             |                      | <b>\$189,967,857</b>             |                          |

**Note:**

1. May not sum due to rounding.

The Detached Dwelling and Attached Dwelling DIF fees are calculated per housing unit, the Commercial Lodging fees are calculated per room, and the Commercial/Office and Industrial/Manufacturing development fees are calculated per square foot.

All of the calculations are based on costs per trip generated by dividing the cost to new development of \$189,967,857/Projected Average Daily Trips for new development 279,488 resulting in an average cost per trip of \$680. The cost per trip is used to determine the Circulation Facilities costs financed by fees shown in the table above. In total, \$189,967,857 out of \$262,010,499 in total circulation facilities costs would be covered by impact fees on new development.

As illustrated above in **Table 21**, the DIF of \$4,466 per unit for a Detached Dwelling Unit is calculated by multiplying the cost per trip (\$680) by the trip generation rate (6.57) for the Detached Dwelling Unit, resulting in a fee of \$4,466 per unit.

Similarly, the fee of \$4,336 per unit for an Attached Dwelling Residence is calculated by multiplying the cost per trip (\$680) by the trip generation rate (6.38), totaling \$4,336 per unit. The fee of \$3,398 per room for the Mobile Home Dwelling unit sector is calculated by multiplying the cost per trip (\$680) by the trip generation rate (5.0), totaling \$3,398 per room. The methodology for calculating the fee for each of the Commercial Lodging Units, Commercial/Office and Industrial/Manufacturing land uses presented in this Fee Study is the same and calculates the DIF per room and per square foot. The calculations for this section are presented in detail at the end of the report in **Appendix A**.

DTA further recommends that after adoption, the fee should be reviewed each year and adjusted by the CCCI. This construction cost index is based upon the BCI cost indices average for San Francisco and Los Angeles as produced by ENR.

**D Storm Drainage Fees**

The Storm Drainage Facilities will serve the residents of the City by providing facilities that ensure proper water drainage in those areas susceptible to storm water runoff. Storm Drainage facilities include those used by the City to provide storm drainage services to both residents and employees within the City. The Storm Drainage facilities DIF will include facilities and improvements necessary to handle the storm Drainage run-off created by new development through build-out by the year 2040. The City identified the need for facilities and improvements as shown in the following Needs List.

**D.1 Storm Drainage Facilities (Nexus Requirement AB 1600)**

**Table 22: Storm Drainage Facilities Nexus Requirement**

| Identify the Purpose of the Fee  | Storm Drainage Facilities   |
|--|---|
| <b>Identify the Use of the Fee.</b>  | Provide flood protection through upgraded storm Drainage system and construct storm Drainage pipeline and appurtenant structures.   |
| <b>Demonstrate how there is a reasonable relationship between the need for the public facility, the use of the fee, and the type of development project on which the fee is imposed.</b> | The cost of storm Drainage systems is directly related to the amount of runoff delivered to City streets. New development will increase the amount of impermeable surface in the City and subsequently the amount of stormwater runoff that needs to be collected and disposed of in a manner that will prevent flooding. New Storm Drainage systems and infrastructure are necessary to ensure that adequate facilities are available to serve new residential and non-residential development. Therefore, there is a reasonable relationship between the needs for the facilities and new development. Fees collected from new development will be used exclusively for these purposes. |

Table 23 presented on the following page identifies all of the proposed facilities and land to be funded in whole or in part with the fees collected for Storm Drainage improvements. (Specific project detail is presented in **Appendix B**) All facilities costs are based on estimates provided by the City and are part of the City’s effort to maintain and improve the City’s Storm Drainage Facilities.

**D.2 Calculation Methodology**

According to the City, it has been determined that these facilities are needed to serve new development. Currently, these facilities are generally operating at an appropriate and acceptable level of service; therefore, the costs of facilities have been allocated to new development and existing development based on their expected usage at build-out.

**Table 23: Storm Drainage Facilities**

| Storm Drainage Facilities                 |                                  | Facility Cost        |
|---|----------------------------------|----------------------|
| SD 1                                      | SD-1 Line A                      | \$19,445,200         |
| SD 2                                      | SD-2 Line A1                     | \$9,140,440          |
| SD 3                                      | SD-4 Line A-2                    | \$1,670,880          |
| SD 4                                      | SD-6 Line A-3a                   | \$890,520            |
| SD 5                                      | SD-7 Line A-3b                   | \$890,520            |
| SD 6                                      | SD-8 Line A-3c                   | \$890,520            |
| SD 7                                      | SD-9 Line B                      | \$11,274,320         |
| SD 8                                      | SD-10 Line B1                    | \$5,912,840          |
| SD 9                                      | SD-14 Line B-2                   | \$2,923,192          |
| SD 10                                     | SD-16 Line C-1                   | \$7,075,446          |
| SD 11                                     | SD- 27 Big/Little Morongo Creeks | \$21,600,000         |
| SD 12                                     | SD-38 - Mission Creek Channel    | \$19,440,000         |
| <b>Storm Drainage Facilities Subtotal</b> |                                  | <b>\$101,153,878</b> |
| <b>Offsetting Revenues</b>                |                                  | <b>\$301,280</b>     |
| <b>Storm Drainage Facilities Total</b>    |                                  | <b>\$100,852,598</b> |

The cost estimates presented above for the Storm Drainage facilities category were provided by the City and based on their Capital Improvement Plan. The fees are calculated for both residential and non-residential development.

Each land use classification presented in this section was assigned a total unit runoff factor which was derived from the density per acre for both residential and non-residential development and a calculated runoff coefficient. This is presented below in **Table 24**.

The reasonable relationship used to allocate Storm Drainage costs between existing, converted use and future development is relative runoff contribution. A rational method of computing runoff rates was used in the form of  $Q = C \times I \times A$  where "Q" is equal to runoff volume, "C" is the ratio of impervious area to total area studied, "I" is rainfall intensity and "A" is Area, in acres of the study area. A runoff factor, "C" of 1.00, indicates a totally impervious site, where every drop of rain would find its way to the public streets as run-off.

However, it can be shown that only the relative contribution of runoff needs to be considered if a unit of runoff is computed (Q/I), where only the runoff factor and the acreage is considered. This is the assumption used in this calculation. The table presented below summarizes the Allocation Rate calculations for the total unit runoff factor rate per acre for each land use. (The mathematics used to derive each of these numbers is presented in detail in **Appendix A**)

**Table 24: Storm Drainage Facilities Cost Allocation Summary<sup>1</sup>  
(Coefficient of Runoff by Designated Land Use)**

| Land Use Category        | Runoff Rate Coefficient "C" | Allocation Rate per Acre | Cost Financed        |
|--------------------------|-----------------------------|--------------------------|----------------------|
| Detached Dwelling Units  | 0.45                        | \$19,236                 | \$40,347,176         |
| Attached Dwelling Units  | 0.85                        | \$36,334                 | \$22,277,811         |
| Mobile Home Dwellings    | 0.45                        | \$19,236                 | \$2,162,429          |
| Commercial Lodging Units | 0.85                        | \$36,334                 | \$1,044,007          |
| Commercial/Office        | 0.95                        | \$40,609                 | \$24,099,311         |
| Industrial/Manufacturing | 0.90                        | \$38,472                 | \$10,921,865         |
| <b>Total</b>             |                             |                          | <b>\$100,852,598</b> |

Note:

1. May not sum due to rounding.

Consequently, given the information provided by the City, and using the Plan-based methodology referred to in Section VI, DTA has determined that 28.47% of the costs will be allocated to existing development and 71.53% of the costs will be allocated to new development.

**Table 25: Storm Drainage Total Unit Runoff**

| Land Use Category        | Current Total Unit Runoff | Future Total Unit Runoff |
|--------------------------|---------------------------|--------------------------|
| Detached Dwelling Units  | 556                       | 944                      |
| Attached Dwelling Units  | 150                       | 521                      |
| Mobile Home Dwellings    | 33                        | 51                       |
| Commercial Lodging Units | 22                        | 24                       |
| Commercial/Office        | 124                       | 564                      |
| Industrial/Manufacturing | 55                        | 256                      |
| <b>Total</b>             | <b>939</b>                | <b>2,359</b>             |

As illustrated in **Table 25** above, total unit runoff calculated for both residential and non-residential development equals 3,298 (Total Runoff Units), with 939 (Existing Runoff Units) assigned to existing development and 2,359 (New Runoff Units) assigned to new development. Total unit runoff is calculated by multiplying the

Runoff Rate Coefficient “C” presented earlier in **Table 25** by the total developed net acreage for each respective land use category. This is presented in detail in **Appendix A** at the end of this Fee Study.

As shown in the table below, the number of Total Runoff Units assigned to new development is divided by the overall total number of Total Runoff Units and is illustrated with the following equation: (New Runoff Units 2,359)/(Total Runoff Units 3,298) = 71.53%.

As illustrated below, 71.53% of the \$100,852,598 in total facilities costs equals \$72,137,051. In total, \$72,137,051 out of \$100,852,598 in Storm Drainage Facilities costs would be covered by impact fees on new development.

**Table 26: Storm Facilities Cost Allocation Summary**

| Development Type     | Allocation by Total Unit Runoff | Facility Cost Allocation |
|----------------------|---------------------------------|--------------------------|
| Existing Development | 28.47%                          | \$28,715,547             |
| New Development      | 71.53%                          | \$72,137,051             |
| <b>Total</b>         | <b>100.00%</b>                  | <b>\$100,852,598</b>     |

**D.3 Fee Calculation**

The fee amounts required by each land use type to finance new development on the Detached Dwelling and Attached Dwelling residential fees are calculated per housing unit, per Commercial Lodging units, and the non-residential development fees are calculated per square foot.

All the calculations are based on costs per Total Runoff Units generated by dividing the cost to New Development/Total Unit Runoff from New Development (\$72,137,051/2,359) resulting in a \$30,575 cost per unit runoff. The cost of unit runoff is used to determine the Storm Drainage Costs Financed by Fees shown in the table below.

As shown in **Table 28** below, the building DIF of \$2,293 per unit for a Detached Dwelling residence is generated as follows: the total storm Drainage costs financed by fees for Detached Dwelling residences of \$28,859,210/12,585 Detached Dwelling units result in a \$2,293 per unit fee.

Similarly, the Attached Dwelling fee per unit total is generated using total storm Drainage costs financed by fees for Attached Dwelling Units of \$15,934,697/9,197 Attached Dwelling units = \$1,733 per unit. Mobile home Dwellings and Commercial Lodging units are calculated the same way, with the DIF fee calculated per Mobile home unit and Commercial Lodging per room, respectively.

The two non-residential sectors: Commercial/Office and Industrial Manufacturing used the same methodology, but with fees expressed in per square foot of development. (These calculations are all presented in detail in **Appendix A**.)

**Table 27: Storm Drainage Facilities Fees**

| Land Use Type                     | EBUs   | DIF per Unit | DIF per SF | Number of Units/Non-Residential Square Feet | Storm Drainage Costs Financed by Fees |
|-----------------------------------|--------|--------------|------------|---|---------------------------------------|
| Detached Dwelling Unit            | 1.00   | \$2,293      |            | 12,585                                      | \$28,859,210                          |
| Attached Dwelling Unit            | 0.75   | \$1,733      |            | 9,197                                       | \$15,934,697                          |
| Mobile Home Dwellings             | 0.50   | \$1,147      |            | 1,349                                       | \$1,546,725                           |
| Commercial Lodging Units          | 0.37   | \$866        |            | 862   | \$746,749                             |
| Commercial/Office                 | 0.0012 |              | \$2.67     | 6,462,644                                   | \$17,237,565                          |
| Industrial/Manufacturing          | 0.0008 |              | \$1.80     | 4,328,242                                   | \$7,812,105                           |
| <b>Total</b>                      |        |              |            |   | <b>\$72,137,051</b>                   |
| Costs Allocated to Other Sources  |        |              |            |   | \$28,715,547                          |
| <b>Total Storm Drainage Costs</b> |        |              |            |   | <b>\$100,852,598</b>                  |

Notably, the cost estimates included in the Needs List reflect the current costs of each of the future Storm Drainage Facilities stated in 2020 dollars. As a result, the fees calculated within the Fee Study would fund these facilities if all the fees were collected in 2020 for all future development and these facilities were to be constructed within the next few years. However, the fees determined through this Fee Study will be collected from developers between 2020 and 2040 and, without an annual cost inflation escalator, could only be varied through the adoption of a new fee study that is not expected to occur in the near future.

As such, DTA recommends that a cost escalator be applied to the fees calculated herein to ensure that they incorporate anticipated construction cost increases. For the purposes of future Storm Drainage Facilities costs within the City, an appropriate escalator would be the CCCI. This construction cost index is based upon the BCI cost indices' average for San Francisco and Los Angeles as produced by ENR.

**E General Services Facilities Expansion Fees**

**E.1 General Services Facilities (Nexus Requirement of AB 1600)**

The General Services element includes facilities necessary to provide basic governmental services and public facilities maintenance services exclusive of public safety throughout the City. In order to serve future development through General Plan build-out, the City has identified the need for new public works and government facilities. Specifically, the City has identified a proposed City Hall expansion, a Community Building, a Public Work/Corporate yard, and additional equipment.

**Table 28: General Services Facilities Nexus Requirement**

| Identify the Purpose of the Fee   | General Service Facilities  |
|---|---|
| Identify the Use of the Fee.  | This includes the acquisition of land and the construction of public buildings as well as the expansion of city facilities.   |
| Demonstrate how there is a reasonable relationship between the need for the public facility, the use of the fee, and the type of development project on which the fee is imposed. | New residential and non-residential development in the City will generate additional residents and employees who will increase the demand for Citywide services and general government functions. Population and growth have a direct impact on the need for government services and facilities, thus a reasonable relationship exists between new development and government facilities, which will have to be acquired to meet the increased demand. Fees collected from new development will be used exclusively for General Services on the Needs List. |

Table 29 presented on the following page identifies all of the proposed facilities and land to be funded in whole or in part with the fees collected for General Services improvements. All facilities costs are based on estimates provided by the City and are part of the City’s effort to maintain and improve the City’s General Services Facilities.

**E.2 Calculation Methodology**

The cost estimates for the General Services facilities category were provided by the City and based on their Capital Improvement Plan. The fees are calculated for both residential and non-residential development. Each land use classification was assigned an EDU factor which was derived from the number of persons served, which is defined as the persons per household (for residential units) and 50% of the number of employees per 1,000 building square feet of each category of non-residential development.

Each of the General Service improvements listed in the following table benefit both residents and employees by providing General Services Facilities for the City. Using the Plan-based approach introduced earlier, the General Services fee was calculated for both residential and non-residential land uses as detailed in the end of the report in **Appendix A**.

**Table 29: General Service Facilities Costs**

| General Services Facilities        |  | Facility Cost       |
|------------------------------------|--|---------------------|
| GF 1                               | Corporate Yard - Storage Buildings (10,000 SF)                     | \$2,880,000         |
| GF 2                               | Corporate Yard - Field Office (3,000 SF )                          | \$2,160,000         |
| GF 3                               | Corporate Yard Expansion - Additional Land and site work (4 acres) | \$600,000           |
| GF 4                               | Corporate Yard - Canopy Structures (9,000 SF)                      | \$1,296,000         |
| GF 5                               | Public Works Maintenance Vehicles - 15                             | \$1,620,000         |
| GF 6                               | Public Works Heavy Equipment - 10                                  | \$2,100,000         |
| GF 7                               | City Hall Expansion (10,000 SF)                                    | \$7,200,000         |
| GF 8                               | Visitor Center (4,000 sf)  | \$2,880,000         |
| GF 9                               | Sand to Snow Visitor Center (2,000 sf)                             | \$1,440,000         |
| GF10                               | Administration Vehicles - 15                                       | \$1,350,000         |
| GF11                               | Computers and Equipment  | \$500,000           |
| <b>General Facilities Subtotal</b> |  | <b>\$24,026,000</b> |
| <b>Offsetting Revenues</b>         |  | <b>\$27,762</b>     |
| <b>General Facilities Total</b>    |  | <b>\$23,998,238</b> |

According to the City, it has been determined that these facilities are needed to serve new development. Currently, these facilities are generally operating at an appropriate and acceptable level of service; therefore, the costs of facilities have been allocated to new development and existing development based on their expected usage at build-out.

Consequently, given the information provided by the City, and using the Plan-based approach referred to earlier, DTA has determined that 32.49% of the costs will be allocated to existing development and 67.51% of the costs will be allocated to new development.

As illustrated in **Appendix B** at the end of this Fee Study, the total number of EDUs calculated for both residential and non-residential development equals 34,356 (Total EDUs), with 11,162 (Existing EDUs) assigned to existing development and 23,194 (New EDUs) assigned to new development.

In order to calculate the Facility Cost Allocation percentage of new development shown in the table below, the number of EDUs assigned to new development is divided by the overall total number of EDUs and is illustrated with the following equation:  $\text{New EDUs} / \text{Total EDUs} = 67.51\%$ .

As illustrated in **Table 31** below, 67.51% of the \$23,998,238 in total facilities costs equals \$16,201,648. In total, \$16,201,648 out of \$23,998,238 in General Services Facilities costs would be covered by impact fees on new development.

**Table 30: General Service Facilities Cost Allocation Summary**

| Development Type     | Percentage Allocated to New Development | Facility Cost Allocation |
|----------------------|---|--------------------------|
| Existing Development | 32.49%                                  | \$7,796,590              |
| New Development      | 67.51%                                  | \$16,201,648             |
| <b>Total</b>         | <b>100.00%</b>                          | <b>\$23,998,238</b>      |

**E.3 Fee Calculation**

The fee amounts required by each land use type to finance new development on the Needs List are presented below in **Table 31**. Detached Dwelling and Attached Dwelling residential fees are calculated per housing unit, Commercial Lodging fees are calculated per room and the Commercial/Office and Industrial/Manufacturing development fees are calculated per square feet.

All of the calculations are based on costs per EDUs generated by dividing the cost to new development of \$16,201,648/New EDUs (23,194) resulting in a cost of \$699 per EDU.

As shown below, the DIF is \$699 per unit for a Detached Dwelling residence and is the same as the cost per EDU: \$699 per unit (a ratio of 1:1). Since an Attached Dwelling unit generates approximately 0.78 EDUs, the fee for a Detached Dwelling Unit is given by the cost allocation per unit, i.e., 0.78 times the Detached Dwelling fee, or \$543 per unit. The same methodology (0.50 EDUs times the Detached Dwelling fee) is used to calculate the \$348 fee per unit for Mobile Home Dwellings.

Similarly, the proposed non-residential fees are equal to the cost allocation by either square foot or per room for each land use category. The Commercial Lodging sector generates approximately 0.11 EDUs; thus, the fee for Commercial Lodging development is given by the cost allocation per room, i.e., 0.11 times the Detached Dwelling fee or \$80 per room.

The proposed Commercial/Office fee is calculated the same way and is used to calculate a fee of \$0.22 per square foot for Commercial Office development and \$0.11 per square foot for Industrial/Manufacturing development.

**Table 31: General Services Facilities Fee Derivation**

| Land Use Type                         | EDU per Unit/Room/ Sq. Ft. | DIF per Unit | DIF per SF | General Services Facilities Costs Financed by Fees |
|---------------------------------------|----------------------------|--------------|------------|--|
| Detached Dwelling Unit                | 1.00                       | \$699        |            | \$8,790,905  |
| Attached Dwelling Unit                | 0.78                       | \$543        |            | \$4,995,576  |
| Mobile Home Dwellings                 | 0.50                       | \$348        |            | \$468,955  |
| Commercial Lodging Units              | 0.11                       | \$80         |            | \$69,168   |
| Commercial/Office                     | 0.31                       |              | \$0.22     | \$1,396,159  |
| Industrial/Manufacturing              | 0.16                       |              | \$0.11     | \$480,884  |
| <b>Total</b>                          |                            |              |            | <b>\$16,201,648</b>                                |
| Costs Allocated to Other Sources      |                            |              |            | \$7,796,590  |
| <b>Total General Facilities Costs</b> |                            |              |            | <b>\$23,998,238</b>                                |

DTA further recommends that after adoption, the fee should be reviewed each year and adjusted by the CCCI. This construction cost index is based upon the BCI cost indices average for San Francisco and Los Angeles as produced by ENR.

**F Community (Public Use) Center Fees**

**F.1 Community Centers (Nexus Requirement of AB 1600)**

The Community Centers element includes facilities necessary to provide basic governmental (public use) services and public facilities maintenance services exclusive of public safety throughout the City. In order to serve future development through General Plan build-out, the City has identified the need for new public works and government facilities. Specifically, the City has identified several proposed Community Centers, and a Senior Center Expansion.

**Table 32: Community Centers Facilities Nexus Requirement**

| Identify the Purpose of the Fee   | Community Centers Facilities  |
|---|---|
| Identify Use of the Fee.  | This includes the acquisition of land and the construction of public buildings as well as the expansion of Community Center Facilities.   |
| Demonstrate how there is a reasonable relationship between the need for the public facility, the use of the fee, and the type of development project on which the fee is imposed. | New residential and non-residential development in the City will generate additional residents and employees who will increase the demand for Citywide community (public use) center functions. Population and growth have a direct impact on the need for community services and facilities, thus a reasonable relationship exists between new development and government facilities, which will have to be acquired to meet the increased demand. Fees collected from new development will be used exclusively for Community Centers on the Needs List. |

Table 33 presented on the following page identifies all of the proposed facilities and land to be funded in whole or in part with the fees collected for community center improvements. All facilities costs are based on estimates provided by the City and are part of the City’s effort to maintain and improve the City’s Community Centers Facilities.

**F.2 Calculation Methodology**

The cost estimates for the Community Centers facilities category were provided by the City and fees are calculated exclusively for residential development. Non-residential development will be excluded from this calculation. Each land use classification was assigned an EDU factor which was derived from the number of persons served, which is defined as the persons per household of each category of residential development.

Each of the Community Center improvements listed in the following table benefit residents by providing safe and modern Community facilities throughout the City.

Using the Plan-based approach introduced earlier, the Community Center Services fee was calculated for three (3) residential land uses as detailed in **Appendix A**. Non-residential development will not be included in this calculation.

**Table 33: Community Centers Facilities Costs**

| Community Center Facilities     |  | Facility Cost       |
|---------------------------------|--|---------------------|
| CC 1                            | Hacienda Community Center (8,000 sf)                       | \$6,000,000         |
| CC 2                            | Carl May Community Center Expansion (4,000 sf)             | \$2,880,000         |
| CC 3                            | Senior Center Expansion (2,400 sf)                         | \$1,800,000         |
| CC 4                            | Wardman Community Center (4,000 sf)                        | \$2,880,000         |
| CC 5                            | Health and Wellness Center Youth Sports Center (15,000 sf) | \$10,800,000        |
| CC 6                            | Computers and Equipment                                    | \$400,000           |
| CC 7                            | Palm Drive Community Center (6,000 sf)                     | \$4,320,000         |
| CC 8                            | Tedesco Community Center Expansion (4,000 sf)              | \$2,880,000         |
| <b>Fire Facilities Subtotal</b> |  | <b>\$31,960,000</b> |
| <b>Offsetting Revenues</b>      |  | <b>\$232,491</b>    |
| <b>Fire Facilities Total</b>    |  | <b>\$31,727,509</b> |

According to the City, it has been determined that these facilities are needed to serve new development. Currently, these facilities are generally operating at an appropriate and acceptable level of service; therefore, the costs of facilities have been allocated to new development and existing development based on their expected usage at build-out.

Consequently, given the information provided by the City, and using the Plan-based approach referred to earlier, DTA has determined that 33.94% of the costs will be allocated to existing development and 66.06% of the costs will be allocated to new development.

As illustrated in **Appendix A** at the end of this Fee Study, the total number of EDUs calculated for residential development equals 30,891 (Total EDUs), with 10,483 (Existing EDUs) assigned to existing development and 20,408 (New EDUs) assigned to new development.

In order to calculate the Facility Cost Allocation percentage of new development shown in the table below, the number of EDUs assigned to new development is divided by the overall total number of EDUs and is illustrated with the following equation:  $\text{New EDUs} / \text{Total EDUs} = 66.06\%$ .

As illustrated below, 66.06% of the \$31,967,509 in total facilities costs equals \$20,960,299. In total, \$20,960,299 out of \$31,727,509 in Community Centers Facilities costs would be covered by impact fees on new development.

**Table 34: Community Centers Facilities Cost Allocation Summary**

| Development Type     | Percentage Allocated to New Development | Facility Cost Allocation |
|----------------------|---|--------------------------|
| Existing Development | 33.94%                                  | \$10,767,210             |
| New Development      | 66.06%                                  | \$20,960,299             |
| <b>Total</b>         | <b>100.00%</b>                          | <b>\$31,727,509</b>      |

**F.3 Fee Calculation**

The fee amounts required by each land use type to finance new development on the Needs List are presented below in **Table 35**. The Detached Dwelling, Attached Dwelling, and Mobile Home Dwelling residential fees are calculated per housing unit.

All of the calculations are based on costs per EDUs generated by dividing the cost to new development of \$20,960,299/New EDUs (20,408) resulting in a \$1,027 cost per EDU.

**Table 35: Community Centers Facilities Fee Derivation**

| Land Use Type                    | EDU per Unit/Room/ Sq. Ft | DIF per Unit | Community Center Facilities Costs Financed by Fees |
|----------------------------------|---------------------------|--------------|--|
| Detached Dwelling Unit           | 1.00                      | \$1,027      | \$12,925,595                                       |
| Attached Dwelling Unit           | 0.78                      | \$799        | \$7,345,182  |
| Mobile Home Dwellings            | 0.50                      | \$511        | \$689,522  |
| <b>Total</b>                     |                           |              | <b>\$20,960,299</b>                                |
| Costs Allocated to Other Sources |                           |              | \$10,767,210                                       |
| <b>Total Water Costs</b>         |                           |              | <b>\$31,727,509</b>                                |

As shown above, the DIF is \$1,027 per unit for a Detached Dwelling residence and it is the same as the cost per EDU: \$1,027 per unit (a ratio of 1:1). Since an Attached Dwelling unit generates approximately 0.78 EDUs, the fee for a Detached Dwelling unit is given by the cost allocation per unit, i.e., 0.78 times the Detached Dwelling fee, or \$799 per unit. The same methodology (.50 EDUs times the Detached Dwelling fee) is used to calculate the \$511 fee per unit for Mobile Home Dwellings.

DTA further recommends that after adoption, the fee should be reviewed each year and adjusted by the CCCI. This construction cost index is based upon the BCI cost indices average for San Francisco and Los Angeles as produced by ENR.

**G Aquatic Center Fees**

**G.1 Aquatic Centers (Nexus Requirement of AB 1600)**

The Aquatic Center facilities offers families and community members many healthy, affordable, and safe aquatic activities at their public pools throughout the City. To serve future development through General Plan build-out, the City has identified the need for new Aquatic Center facilities. Specifically, the City has identified a need for proposed Community Pool, Health and Wellness Center, equipment, and maintenance vehicles.

**Table 36: Aquatic Centers Facilities Nexus Requirement**

| Identify the Purpose of the Fee  | Aquatic Centers Facilities   |
|--|--|
| <b>Identify the Use of the Fee</b>   | This includes the construction of Aquatic Center Facilities.   |
| <b>Demonstrate how there is a reasonable relationship between the need for the public facility, the use of the fee, and the type of development project on which the fee is imposed.</b> | New residential and non-residential development in the City will generate additional residents and employees who will increase the demand for Citywide aquatics services and functions. Population and growth have a direct impact on the need for government services and facilities, thus a reasonable relationship exists between new development and aquatic facilities, which will have to be acquired to meet the increased demand. Fees collected from new development will be used exclusively for aquatics facilities services on the Needs List. |

**Table 37** presented on the following page identifies all of the proposed facilities and land to be funded in whole or in part with the fees collected for Aquatic Center Facilities. All facilities costs are based on estimates provided by the City and are part of the City’s effort to maintain and improve the City’s Aquatic Center Facilities.

**G.2 Calculation Methodology**

The cost estimates for the Aquatics facilities category were provided by the City and fees are calculated for both residential and non-residential development. Each land use classification was assigned an EDU factor which was derived from the number of persons served, which is defined as the persons per household (for residential units).

Each of the Aquatic Center improvements listed in the following table benefit the residents throughout the City. Using the Plan-based approach introduced earlier, the DIF was calculated exclusively for residential land uses as detailed in Appendix A. Non-residential land uses were excluded from this calculation.

**Table 37: Aquatic Centers Facilities Costs**

| Aquatic Center Facilities                 |   | Facility Cost      |
|---|---|--------------------|
| AQ 1                                      | Wardman Community Pool (2,400 sf)                           | \$1,728,000        |
| AQ 2                                      | Health and Wellness Center - Splash Pad Expansion (1000 sf) | \$864,000          |
| AQ 3                                      | Wardman Community Pool Splash Pad (2,000 sf)                | \$1,584,000        |
| AQ 4                                      | Health and Wellness Center Pool Expansion (1,500 sf)        | \$1,080,000        |
| AQ 5                                      | Pool Equipment  | \$500,000          |
| AQ 6                                      | Pool Maintenance Vehicles - 2                               | \$216,000          |
| <b>Aquatic Center Facilities Subtotal</b> |   | <b>\$5,972,000</b> |
| <b>Offsetting Revenues</b>                |   | <b>\$61,629</b>    |
| <b>Aquatic Center Facilities Total</b>    |   | <b>\$5,910,371</b> |

The cost estimates for the Aquatic Centers facilities category were provided by the City and based on their Capital Improvement Plan. Each land use classification was assigned an EDU factor which was derived from the number of persons served, which is defined as the persons per household (for residential units).

According to the City, it has been determined that these facilities are needed to serve new development. Currently, these facilities are generally operating at an appropriate and acceptable level of service; therefore, the costs of facilities have been allocated to new development and existing development based on their expected usage at build-out.

Consequently, given the information provided by the City, and using the Plan-based approach referred to earlier, DTA has determined that 33.94% of the costs will be allocated to existing development and 66.06% of the costs will be allocated to new development.

As illustrated in **Appendix A** at the end of this Fee Study, the total number of EDUs calculated for residential development equals 30,891 (Total EDUs), with 10,483 (Existing EDUs) assigned to existing development and 20,408 (New EDUs) assigned to new development.

In order to calculate the Facility Cost Allocation percentage of new development shown in the table below, the number of EDUs assigned to new development is divided by the overall total number of EDUs and is illustrated with the following equation:  $\text{New EDUs/Total EDUs} = 66.06\%$ .

As illustrated below in **Table 38**, 66.06% of the \$5,910,371 in total facilities costs equals \$3,904,597. So, in total, \$3,904,597 out of \$5,910,371 in Aquatic Center Facilities costs would be covered by impact fees on new development.

**Table 38: Aquatic Centers Facilities Cost Allocation Summary**

| Development Type     | Percentage Allocated to New Development | Facility Cost Allocation |
|----------------------|---|--------------------------|
| Existing Development | 33.94%                                  | \$2,005,774              |
| New Development      | 66.06%                                  | \$3,904,597              |
| <b>Total</b>         | <b>100.00%</b>                          | <b>\$5,910,371</b>       |

**G.3 Fee Calculation**

The fee amounts required by each land use type to finance new development on the Needs List are presented below in **Table 39**. Detached Dwelling units, Attached Dwelling units and Mobile home residential fees are calculated per housing unit.

All of the calculations are based on costs per EDUs generated by dividing the cost to new development of \$3,904,597/New EDUs 20,408 resulting in a cost of \$191 per EDU.

**Table 39: Aquatic Centers Facilities Fee Derivation**

| Land Use Type                     | EDU per Unit/Room/ Sq. Ft. | DIF per Unit | Aquatic Center Facilities Costs Financed by Fees |
|-----------------------------------|----------------------------|--------------|--|
| Detached Dwellings                | 1.00                       | \$191        | \$2,407,849                                      |
| Attached Dwellings                | 0.78                       | \$149        | \$1,368,300                                      |
| Mobile Home Dwellings             | 0.50                       | \$95         | \$128,448  |
| <b>Total</b>                      |                            |              | <b>\$3,904,597</b>                               |
| Costs Allocated to Other Sources  |                            |              | \$2,005,774                                      |
| <b>Total Aquatic Center Costs</b> |                            |              | <b>\$5,910,371</b>                               |

As shown above, the DIF is \$191 per unit for a Detached Dwelling residence, it is the same as the cost per EDU: \$191 per unit (a ratio of 1:1). Since an Attached Dwelling unit generates approximately 0.78 EDUs, the fee for a Detached Dwelling Unit is given by the cost allocation per unit, i.e., 0.78 times the Detached Dwelling fee, or \$149 per unit and using the same methodology the DIF for a Mobile Home Dwelling is \$95 per unit.

DTA further recommends that after adoption, the fee should be reviewed each year and adjusted by the CCCI. This construction cost index is based upon the BCI cost indices average for San Francisco and Los Angeles as produced by ENR.

**H Parks and Recreation Fees**

**H.1 Parks and Recreation Facilities (Nexus Requirements AB 1600)**

The Parks and Recreation element will serve the City residents by providing facilities for recreation while enhancing the community’s appeal and quality of life. The Fee Study includes a component for the development of new park and recreation facilities to serve new residential development for the City through 2040. Covered in this fee are new parks, park improvements, land acquisition, and park renovation.

In addition to improving the overall quality of life for residents, excellent park and recreation programs are important for the well-being of a city’s residential and non-residential community. Not only do parks make the community more attractive to higher-income residents (providing a stronger market base for local businesses), but parks can also directly influence a city’s ability to enhance its fiscal base by attracting Commercial and Industrial development.

**Table 40: Parks and Recreation Facilities Nexus Requirement**

| Identify the Purpose of the Fee   | Park Development Facilities   |
|---|---|
| Identify the use of the fee.  | The construction of new parks, recreational facilities, and trails.   |
| Demonstrate how there is a reasonable relationship between the need for the public facility, use of the fee, and type of development project on which the fee is imposed. | New residential and non-residential development will generate an increased demand for Park Development Facilities. Population and growth will have a direct impact on the need for Park Development Facilities. New development and the consequential increase in demand will necessitate the improvement/expansion of existing Park Development Facilities. Fees collected from new development will be used exclusively for the improvement of Park Development Facilities on the Needs List. |

The table presented on the following page identifies the proposed facilities and improvement costs to be funded in whole or in part with the fees collected for Park and Recreation Facilities. Costs are based on estimates provided by the City.

**Table 41: Parks and Recreation Facilities Costs**

| Parks Center Facilities         |  | Facility Cost       |
|---------------------------------|--|---------------------|
| PK 1                            | PRK-1 Corporate Yard Park (7 acres)            | \$6,624,000         |
| PK 2                            | PRK-2 Wardman Park Expansion (5 acres)         | \$6,240,000         |
| PK 3                            | PRK-3 Mission Springs Park Expansion (4 acres) | \$5,856,000         |
| PK 4                            | PRK-4 Palm at Park Lane Park (5 acres)         | \$8,424,000         |
| PK 5                            | PRK-5 Hacienda at Long Canyon Park (1 acre)    | \$2,160,000         |
| PK 6                            | PRK-6 8 Pocket Parks                           | \$9,216,000         |
| PK 7                            | PRK-7 Park at Palm and 12th (3 acres)          | \$5,712,000         |
| PK 8                            | PRK-9 Hacienda Park (3 acres)                  | \$6,408,000         |
| PK 9                            | PRK-10 West Area Park (4 acres)                | \$5,280,000         |
| PK 10                           | PRK-22 Parks Master Plan                       | \$180,000           |
| PK 11                           | PRK-21 West Dr Skate Park Expansion            | \$1,584,000         |
| PK 12                           | TRL-1 Rotary Park Expansion and Trail Head     | \$1,824,000         |
| PK 13                           | TRL-3 Sand to Snow Monument Trail Head         | \$1,704,000         |
| PK 14                           | TRL-4 Miracle Hill Trails                      | \$1,704,000         |
| PK 15                           | TRL-5 Cabot Yerxa Museum Trails                | \$1,200,000         |
| PK 16                           | TRL-6 Trails Master Plan                       | \$180,000           |
| PK 17                           | Rotary Dog Park Expansion                      | \$288,000           |
| PK 18                           | Dog Park at Hacienda                           | \$408,000           |
| PK 19                           | Dog Park at Park Lane                          | \$288,000           |
| PK 20                           | Skate Park at Hacienda                         | \$840,000           |
| PK 21                           | Skate Park at Wardman                          | \$720,000           |
| PK 22                           | Cabot Yerxa Park                               | \$1,680,000         |
| <b>Park Facilities Subtotal</b> |  | <b>\$68,520,000</b> |
| <b>Offsetting Revenues</b>      |  | <b>\$113,455</b>    |
| <b>Park Facilities Total</b>    |  | <b>\$68,406,545</b> |

## H.2 Calculation Methodology

The fee amount for Parks and Recreation facilities is calculated for both new and existing development using the plan-based approach discussed throughout this Fee Study. However, unlike most of the other DIFs discussed in the Fee Study, parks fees are generated exclusively from residential development. Non-residential development is excluded from fee calculations in this section.

In order to accurately calculate the Parks and Recreation fees, DTA employed the Plan-based approach for each of the proposed park facilities on the Needs List (presented in Table 41 above) on an individual basis and then aggregated the totals

to determine the final DIF. Fee calculations for each individual facility listed are presented in detail in **Appendix A**.

Consequently, given the information provided by the City, DTA has determined that 33.94% of the remaining costs will be allocated to existing development and must be funded by other means, while 66.06% of the costs will be allocated to new development.

The total number of EDUs calculated for both residential and non-residential development equals 30,891 (total EDUs), with 10,483 (existing EDUs) assigned to existing development and 20,408 (new EDUs) assigned to new development.

In order to calculate the cost allocation percentage of new development shown in the table below, the number of EDUs assigned to new development is divided by the overall total number of EDUs and illustrated with the following equation: new EDUs/total EDUs = 66.06%.

As illustrated below, 66.06% of the \$68,406,545 in total facilities costs equals \$45,191,749 in new development costs. So, in total, \$45,191,749 out of \$68,406,545 in Parks and Recreation costs would be covered by impact fees on new development.

**Table 42: Parks and Recreation Facilities Cost Allocation Summary<sup>1</sup>**

| Development Type     | Percentage Allocated to New Development | Facility Cost Allocation |
|----------------------|---|--------------------------|
| Existing Development | 33.94%                                  | \$23,214,796             |
| New Development      | 66.06%                                  | \$45,191,749             |
| <b>Total</b>         | <b>100.00%</b>                          | <b>\$68,406,545</b>      |

Note:

1. May not sum due to rounding.

### ***H.3 Fee Calculation***

The fee amounts required by each land use type to finance new development on the Parks Development Needs List are presented in the table below. Both the Detached Dwelling and Attached Dwelling residential fees as well as Mobile Home Dwellings are calculated per

unit. All of the calculations are based on costs per EDUs generated by dividing the cost to new development of \$45,191,749 by the number of new EDUs 20,408, resulting in a cost of \$2,214 per EDU.

As shown in **Table 43**, the Parks and Recreation Facilities DIF is \$2,214 per unit for a Detached Dwelling Unit and is the same as the cost per EDU (a ratio of 1:1). Since an Attached Dwelling unit generates approximately 0.78 EDUs, the fee for a Detached Dwelling Unit is determined by the cost allocation per unit, i.e., 0.78 times Detached Dwelling fee or \$1,722 per unit and using the same methodology the DIF for a Mobile

Home Dwelling is \$1,102 per unit.

**Table 43: Parks and Recreation Facilities Fee Derivation<sup>1</sup>**

| Land Use Type                    | EDU per Unit/Room/ Sq. Ft. | DIF per Unit | Parks Facilities Costs Financed by Fees |
|----------------------------------|----------------------------|--------------|---|
| Detached Dwellings               | 1.00                       | \$2,214      | \$27,868,412                            |
| Attached Dwellings               | 0.78                       | \$1,722      | \$15,836,683                            |
| Mobile Home Dwellings            | 0.50                       | \$1,102      | \$1,486,654                             |
| <b>Total</b>                     |                            |              | \$45,191,749                            |
| Costs Allocated to Other Sources |                            |              | \$23,214,796                            |
| <b>Total Park Center Costs</b>   |                            |              | <b>\$68,406,545</b>                     |

Note:

1. May not sum due to rounding.

DTA recommends that, after adoption, the fee should be reviewed each year and adjusted by the CCCI. This construction cost index is based upon the BCI cost indices' average for San Francisco and Los Angeles as produced by ENR.

**VIII SUMMARY OF FEES**

The total fee amounts to finance new development’s share of the costs of facilities in the Needs Lists are summarized in **Table 44** below.

**Table 44: DIF Summary (Maximum Allowable)**

| Fee Category                   | Residential Land Use            |                                 |                            | Non-Residential Land Use         |                               |                                      |
|--------------------------------|---------------------------------|---------------------------------|----------------------------|----------------------------------|-------------------------------|--------------------------------------|
|                                | Detached Dwelling (\$ per Unit) | Attached Dwelling (\$ per Unit) | Mobile Homes (\$ per Unit) | Commercial Lodging (\$ per Room) | Commercial/Office (\$ per SF) | Industrial/Manufacturing (\$ per SF) |
| Law Enforcement                | \$565                           | \$439                           | \$281                      | \$65                             | \$0.17                        | \$0.09                               |
| Fire                           | \$583                           | \$453                           | \$290                      | \$67                             | \$0.18                        | \$0.09                               |
| Circulation                    | \$4,466                         | \$4,336                         | \$3,398                    | \$2,813                          | \$11.58                       | \$2.78                               |
| Storm Drainage                 | \$2,293                         | \$1,733                         | \$1,147                    | \$866                            | \$2.67                        | \$1.80                               |
| General Facilities             | \$699                           | \$543                           | \$348                      | \$80                             | \$0.22                        | \$0.11                               |
| Community (Public Use) Centers | \$1,027                         | \$799                           | \$511                      | -                                | -                             | -                                    |
| Aquatic Center                 | \$191                           | \$149                           | \$95                       | -                                | -                             | -                                    |
| Parks and Recreation           | \$2,214                         | \$1,722                         | \$1,102                    | -                                | -                             | -                                    |
| <b>Total</b>                   | <b>\$12,037</b>                 | <b>\$10,174</b>                 | <b>\$7,172</b>             | <b>\$3,891</b>                   | <b>\$14.82</b>                | <b>\$4.88</b>                        |

# **APPENDIX A**

City of Desert Hot Springs  
Development Impact Fee Justification Study



## **FEE DERIVATION WORKSHEETS**

**Law Enforcement**

**I. Existing EDU Calculation**

| Land Use Type              | Number of Persons Served | Residents per Unit / Persons Served per 1,000 Non-Res. SF | EDUs per Unit/ per 1,000 Non-Res. SF | Number of Units / Non-Res. SF | Total Number of EDUs |
|----------------------------|--------------------------|---|--------------------------------------|-------------------------------|----------------------|
| Detached Dwellings         | 20,959                   | 2.83  | 1.00                                 | 7,408                         | 7,408                |
| Attached Dwellings         | 7,473                    | 2.20  | 0.78                                 | 3,397                         | 2,642                |
| Mobile Home Dwellings      | 1,228                    | 1.41  | 0.50                                 | 872                           | 434                  |
| Commercial Lodging Units   | 514                      | 0.33  | 0.11                                 | 790                           | 91                   |
| Commercial / Office        | 1,244                    | 0.88  | 0.31                                 | 1,421,719                     | 440                  |
| Industrial / Manufacturing | 418                      | 0.45  | 0.16                                 | 928,000                       | 148                  |
| <b>Total</b>               | <b>31,835</b>            |   |                                      |                               | <b>11,162</b>        |

**II. Projected EDU Calculation through 2040**

| Land Use Type              | Number of Persons Served | Residents per Unit/ Persons Served per 1,000 Non-Res. SF | EDUs per Unit/ per 1,000 Non-Res. SF | Number of Units/ Non-Res. SF | Total Number of EDUs |
|----------------------------|--------------------------|--|--------------------------------------|------------------------------|----------------------|
| Detached Dwellings         | 35,605                   | 2.829  | 1.00                                 | 12,585                       | 12,585               |
| Attached Dwellings         | 20,233                   | 2.200  | 0.78                                 | 9,197                        | 7,152                |
| Mobile Home Dwellings      | 1,899                    | 1.408  | 0.50                                 | 1,349                        | 671                  |
| Commercial Lodging Units   | 1,899                    | 0.325  | 0.11                                 | 862                          | 99                   |
| Commercial / Office        | 5,655                    | 0.875  | 0.31                                 | 6,462,644                    | 1,999                |
| Industrial / Manufacturing | 1,948                    | 0.450  | 0.16                                 | 4,328,242                    | 688                  |
| <b>Total</b>               | <b>67,240</b>            |  |                                      |                              | <b>23,194</b>        |

**III. Projected Law Enforcement Facilities Costs**

| Facility                     | Facility Cost        |
|------------------------------|----------------------|
| Law Enforcement Facilities   | \$ 20,004,783        |
| <b>Offsetting Revenues</b>   | <b>\$ 609,406</b>    |
| <b>Total Facilities Cost</b> | <b>\$ 19,395,377</b> |

**IV. Allocation of New Development to New and Existing Facilities**

| Development          | EDU's         | Percentage of Cost Allocated | Percentage of Cost Allocated |
|----------------------|---------------|------------------------------|------------------------------|
| Existing Development | 11,162        | 32.49%                       | \$ 6,301,204                 |
| New Development      | 23,194        | 67.51%                       | \$ 13,094,173                |
|                      | <b>34,356</b> | <b>100.00%</b>               | <b>\$ 19,395,377</b>         |

**V. Allocation of New Development**

| Facility                   | Number of Projected EDUs | Cost to New Development | Cost per EDU |
|----------------------------|--------------------------|-------------------------|--------------|
| Law Enforcement Facilities | 23,194                   | \$ 13,094,173           | \$ 565       |

**VI. Development Impact Fee Calculations**

| Land Use Type              | EDU's per Unit | Fee Per Unit/ Per 1,000 SF | Total Units/ Non-Res SF | Costs Financed by DIF |
|----------------------------|----------------|----------------------------|-------------------------|-----------------------|
| Detached Dwellings         | 1.00           | \$565                      | 12,585                  | \$7,104,810           |
| Attached Dwellings         | 0.78           | \$439                      | 9,197                   | \$4,037,425           |
| Mobile Home Dwellings      | 0.50           | \$281                      | 1,349                   | \$379,010             |
| Commercial Lodging Units   | 0.11           | \$65                       | 862                     | \$55,902              |
| Commercial / Office        | 0.31           | \$175                      | 6,462,644               | \$1,128,376           |
| Industrial / Manufacturing | 0.16           | \$90                       | 4,328,242               | \$388,651             |
| <b>Total</b>               |                |                            |                         | <b>\$13,094,173</b>   |

**VII. Development Impact Fees**

| Land Use Type              | Fee Per Unit/ Per SF |
|----------------------------|----------------------|
| Detached Dwellings         | \$565                |
| Attached Dwellings         | \$439                |
| Mobile Home Dwellings      | \$281                |
| Commercial Lodging Units   | \$65                 |
| Commercial / Office        | \$0.17               |
| Industrial / Manufacturing | \$0.09               |

**Fire**

**I. Existing EDU Calculation**

| Land Use Type              | Number of Persons Served | Residents per Unit/ Persons Served per 1,000 Non-Res. SF | EDUs per Unit/ per 1,000 Non-Res. SF | Number of Units/ Non-Res. SF | Total Number of EDUs |
|----------------------------|--------------------------|--|--------------------------------------|------------------------------|----------------------|
| Detached Dwellings         | 20,959                   | 2.829  | 1.00                                 | 7,408                        | 7,408                |
| Attached Dwellings         | 7,473                    | 2.200  | 0.78                                 | 3,397                        | 2,642                |
| Mobile Home Dwellings      | 1,228                    | 1.408  | 0.50                                 | 872                          | 434                  |
| Commercial Lodging Units   | 514                      | 0.325  | 0.11                                 | 790                          | 91                   |
| Commercial / Office        | 1,244                    | 0.875  | 0.31                                 | 1,421,719                    | 440                  |
| Industrial / Manufacturing | 418                      | 0.450  | 0.16                                 | 928,000                      | 148                  |
| <b>Total</b>               | <b>31,835</b>            |  |                                      |                              | <b>11,162</b>        |

**II. Projected EDU Calculation**

| Land Use Type              | Number of Persons Served | Residents per Unit/ Persons Served per 1,000 Non-Res. SF | EDUs per Unit/ per 1,000 Non-Res. SF | Number of Units/ Non-Res. SF | Total Number of EDUs |
|----------------------------|--------------------------|--|--------------------------------------|------------------------------|----------------------|
| Detached Dwellings         | 35,605                   | 2.829  | 1.00                                 | 12,585                       | 12,585               |
| Attached Dwellings         | 20,233                   | 2.200  | 0.78                                 | 9,197                        | 7,152                |
| Mobile Home Dwellings      | 1,899                    | 1.408  | 0.50                                 | 1,349                        | 671                  |
| Commercial Lodging Units   | 560                      | 0.325  | 0.11                                 | 862                          | 99                   |
| Commercial / Office        | 5,655                    | 0.875  | 0.31                                 | 6,462,644                    | 1,999                |
| Industrial / Manufacturing | 1,948                    | 0.450  | 0.16                                 | 4,328,242                    | 688                  |
| <b>Total</b>               | <b>65,901</b>            |  |                                      |                              | <b>23,194</b>        |

**III. Projected Fire Facilities Costs**

| Facility                     | Facility Cost        |
|------------------------------|----------------------|
| Fire Facilities              | \$ 20,755,000        |
| <b>Offsetting Revenues</b>   | <b>\$ 734,169</b>    |
| <b>Total Facilities Cost</b> | <b>\$ 20,020,831</b> |

**IV. Allocation of New Development to New and Existing Facilities**

| Development          | EDU's         | Percentage of Cost Allocated | Percentage of Cost Allocated |
|----------------------|---------------|------------------------------|------------------------------|
| Existing Development | 11,162        | 32.49%                       | \$ 6,504,403                 |
| New Development      | 23,194        | 67.51%                       | \$ 13,516,428                |
|                      | <b>34,356</b> | <b>100.00%</b>               | <b>\$ 20,020,831</b>         |

**V. Allocation of New Development**

| Facility        | Number of Projected EDUs | Cost to New Development | Cost per EDU |
|-----------------|--------------------------|-------------------------|--------------|
| Fire Facilities | 23,194                   | \$ 13,516,428           | \$ 583       |

**VI. Development Impact Fee Calculations**

| Land Use Type              | EDU's per Unit | Fee Per Unit/ Per 1,000 SF | Total Units/ Non-Res SF | Costs Financed by DIF |
|----------------------------|----------------|----------------------------|-------------------------|-----------------------|
| Detached Dwellings         | 1.00           | \$583                      | 12,585                  | \$7,333,923           |
| Attached Dwellings         | 0.78           | \$453                      | 9,197                   | \$4,167,622           |
| Mobile Home Dwellings      | 0.50           | \$290                      | 1,349                   | \$391,232             |
| Commercial Lodging Units   | 0.11           | \$67                       | 862                     | \$57,705              |
| Commercial / Office        | 0.31           | \$180                      | 6,462,644               | \$1,164,763           |
| Industrial / Manufacturing | 0.16           | \$93                       | 4,328,242               | \$401,184             |
| <b>Total</b>               |                |                            |                         | <b>\$13,516,428</b>   |

**VII. Development Impact Fees**

| Land Use Type              | Fee Per Unit/ Per SF |
|----------------------------|----------------------|
| Detached Dwellings         | \$583                |
| Attached Dwellings         | \$453                |
| Mobile Home Dwellings      | \$290                |
| Commercial Lodging Units   | \$67                 |
| Commercial / Office        | \$0.18               |
| Industrial / Manufacturing | \$0.09               |

Circulation

I. Existing EBU Calculation

| Land Use Type              | Trip Generation Rate per Unit/ per 1,000 Non-Res. S.F. | Number of Existing Units /Non-Res. S.F. | Total Daily Trips (per Unit/1,000 S.F.) |
|----------------------------|--|---|---|
| Detached Dwellings         | 6.57   | 7,408                                   | 48,671                                  |
| Attached Dwellings         | 6.38   | 3,397                                   | 21,673                                  |
| Mobile Home Dwellings      | 5.00   | 872                                     | 4,360                                   |
| Commercial Lodging Units   | 4.14   | 790                                     | 3,269                                   |
| Commercial / Office        | 17.04  | 1,421,719                               | 24,227                                  |
| Industrial / Manufacturing | 4.09   | 928,000                                 | 3,792                                   |
| <b>Total</b>               |  |   | <b>105,992</b>                          |

II. Future EBU Calculation

| Land Use Type              | Trip Generation Rate per Unit/ per 1,000 Non-Res. S.F. | Number of Existing Units /Non-Res. S.F. | Total Daily Trips (per Unit/1,000 S.F.) |
|----------------------------|--|---|---|
| Single Family Residences   | 6.57   | 12,585                                  | 82,683                                  |
| Multi-Famil Residences     | 6.38   | 9,197                                   | 58,677                                  |
| Mobile Home Dwellings      | 5.00   | 1,349                                   | 6,745                                   |
| Commercial Lodging Units   | 4.14   | 862                                     | 3,567                                   |
| Commercial / Office        | 17.04  | 6,462,644                               | 110,128                                 |
| Industrial / Manufacturing | 4.09   | 4,328,242                               | 17,688                                  |
| <b>Total</b>               |  |   | <b>279,488</b>                          |

III. Proposed Facilities Cost

| Facility                     | Facility Cost        |
|------------------------------|----------------------|
| Facility                     | \$262,010,499        |
| <b>Offsetting Revenues</b>   | <b>\$0</b>           |
| <b>Total Facilities Cost</b> | <b>\$262,010,499</b> |

IV. Allocation of Facilities to Existing and New Development (based on Daily Trips)

| Development                  | Total Daily Trips | Percentage of Cost Allocated | Facility Cost        |
|------------------------------|-------------------|------------------------------|----------------------|
| Existing Development         | 105,992           | 27.50%                       | \$72,042,642         |
| New Development              | 279,488           | 72.50%                       | \$189,967,857        |
| <b>Total Facilities Cost</b> | <b>385,480</b>    | <b>100.00%</b>               | <b>\$262,010,499</b> |

V. Allocation of Facilities to New Development (based on New EBUs)

| Facility                     | Projected Daily Trips | Facility Cost Allocated to New Development | Facilities Cost Per Daily Trip |
|------------------------------|-----------------------|--|--------------------------------|
| Circulation Facilities Cost  | 279,488               | \$189,967,857                              | \$680                          |
| <b>Total Facilities Cost</b> | <b>279,488</b>        |  | <b>\$680</b>                   |

VI. Developer Fees and Cost Financed by Fees per Unit/per 1,000 Non-Res. S.F.

| Land Use Type                                | Estimated Trip Generation Rate per Unit/ per 1,000 Non-Res. S.F. | Fee per Unit/ per 1,000 Non-Res. S.F. | Cost Financed by DIF |
|--|--|---------------------------------------|----------------------|
| Detached Dwellings                           | 6.57   | \$4,466                               | \$56,199,923         |
| Attached Dwellings                           | 6.38   | \$4,336                               | \$39,882,649         |
| Mobile Home Dwellings                        | 5.00   | \$3,398                               | \$4,584,575          |
| Commercial Lodging Units                     | 4.14   | \$2,813                               | \$2,424,459          |
| Commercial / Office                          | 17.04  | \$11,583                              | \$74,853,666         |
| Industrial / Manufacturing                   | 4.09   | \$2,778                               | \$12,022,586         |
| <b>Initial Allocation to New Development</b> |  |                                       | <b>\$189,967,857</b> |

VII. Development Impact Fees

| Land Use Type              | Fee Per Unit/ Per SF |
|----------------------------|----------------------|
| Detached Dwellings         | \$4,466              |
| Attached Dwellings         | \$4,336              |
| Mobile Home Dwellings      | \$3,398              |
| Commercial Lodging Units   | \$2,813              |
| Commercial / Office        | \$11.58              |
| Industrial / Manufacturing | \$2.78               |

Storm Drain

Existing EDU Calculation  
Service Factor (Residents and Employees)

| Land Use Type              | Number of Persons Served | Residents per Unit/<br>Persons Served per<br>1,000 Non-Res. SF | EDUs per Unit/<br>per 1,000 Non-Res. SF | Number of Units/<br>Non-Res. SF | Total<br>Number of EDUs |
|----------------------------|--------------------------|--|---|---------------------------------|-------------------------|
| Detached Dwellings         | 20,959                   | 2.83   | 1.00                                    | 7,408                           | 7,408                   |
| Attached Dwellings         | 7,473                    | 2.20   | 0.78                                    | 3,397                           | 2,642                   |
| Mobile Home Dwellings      | 1,228                    | 1.41   | 0.50                                    | 872                             | 434                     |
| Commercial Lodging Unit    | 514                      | 0.33   | 0.11                                    | 790                             | 91                      |
| Commercial / Office        | 1,244                    | 0.88   | 0.31                                    | 1,421,719                       | 440                     |
| Industrial / Mannufacturin | 418                      | 0.45   | 0.16                                    | 928,000                         | 148                     |
| <b>Total</b>               | <b>31,835</b>            |  |   |                                 | <b>11,162</b>           |

Future EDU Calculation  
Service Factor (Future Residents and Employees)

| Land Use Type              | Number of Persons Served | Residents per Unit/<br>Persons Served per<br>1,000 Non-Res. SF | EDUs per Unit/<br>per 1,000 Non-Res. SF | Number of Units/<br>Non-Res. SF | Total<br>Number of EDUs |
|----------------------------|--------------------------|--|---|---------------------------------|-------------------------|
| Detached Dwellings         | 35,605                   | 2.83   | 1.00                                    | 12,585                          | 12,585                  |
| Attached Dwellings         | 20,233                   | 2.20   | 0.78                                    | 9,197                           | 7,152                   |
| Mobile Home Dwellings      | 1,899                    | 1.41   | 0.50                                    | 1,349                           | 671                     |
| Commercial Lodging Unit    | 560                      | 0.33   | 0.11                                    | 862                             | 99                      |
| Commercial / Office        | 5,655                    | 0.88   | 0.31                                    | 6,462,644                       | 1,999                   |
| Industrial / Mannufacturin | 1,948                    | 0.45   | 0.16                                    | 4,328,242                       | 688                     |
| <b>Total</b>               | <b>65,901</b>            |  |   |                                 | <b>23,194</b>           |

| Existing                    | Units/SF  | Units per Acre / FAR | Net Acreage |
|-----------------------------|-----------|----------------------|-------------|
| Detached Dwellings          | 7,408     | 6                    | 1235        |
| Attached Dwellings          | 2,642     | 15                   | 176         |
| Mobile Home Dwellings       | 872       | 12                   | 73          |
| Commercial Lodging Units    | 790       | 30                   | 26          |
| Commercial / Office         | 1,421,719 | 0.25                 | 131         |
| Industrial / Mannufacturing | 928,000   | 0.35                 | 61          |

| I. Run off Rate Coefficient Calculation |                             |              |                   |
|---|-----------------------------|--------------|-------------------|
| Land Use Category                       | Runoff Rate Coefficient "C" | Net Acreage  | Total Unit Runoff |
| Detached Dwellings                      | 0.45                        | 1,235        | 556               |
| Attached Dwellings                      | 0.85                        | 176          | 150               |
| Mobile Home Dwellings                   | 0.45                        | 73           | 33                |
| Commercial Lodging Units                | 0.85                        | 26.3         | 22.38             |
| Commercial / Office                     | 0.95                        | 131          | 124               |
| Industrial / Mannufacturing             | 0.90                        | 61           | 55                |
|   |                             | <b>1,701</b> | <b>939</b>        |

| Build out thru 2040         | Units/SF  | Units per Acre / FAR | Net Acreage |
|-----------------------------|-----------|----------------------|-------------|
| Detached Dwellings          | 12,585    | 6                    | 2098        |
| Attached Dwellings          | 9,197     | 15                   | 613         |
| Mobile Home Dwellings       | 1,349     | 12                   | 112         |
| Commercial Lodging Units    | 862       | 30                   | 29          |
| Commercial / Office         | 6,462,644 | 0.25                 | 593         |
| Industrial / Mannufacturing | 4,328,242 | 0.35                 | 284         |

| I. Run off Rate Coefficient Calculation |                                 |              |                   |
|---|---------------------------------|--------------|-------------------|
| Land Use Category                       | Runoff Rate Coefficient "C" [1] | Net Acreage  | Total Unit Runoff |
| Detached Dwellings                      | 0.45                            | 2,098        | 944               |
| Attached Dwellings                      | 0.85                            | 613          | 521               |
| Mobile Home Dwellings                   | 0.45                            | 112          | 51                |
| Commercial Lodging Units                | 0.85                            | 28.73        | 24.42             |
| Commercial / Office                     | 0.95                            | 593          | 564               |
| Industrial / Mannufacturing             | 0.90                            | 284          | 256               |
|   |                                 | <b>3,729</b> | <b>2,359</b>      |

II. Proposed Facilities

| Facility                            | Facility Costs        |
|-------------------------------------|-----------------------|
| Storm Drain Facilities              | \$ 101,153,878        |
| <b>Offsetting Revenues</b>          | <b>\$ 301,280</b>     |
| <b>Total Storm Drain Facilities</b> | <b>\$ 100,852,598</b> |

|                              |                             |                          |
|------------------------------|-----------------------------|--------------------------|
|                              | <b>Cost Per Unit Runoff</b> | <b>Cost Per Net Acre</b> |
| <b>Cost Per unit Run off</b> | <b>\$42,746</b>             | <b>\$27,044.58</b>       |

**III. Allocation Rate per Unit or 1,000 Square Feet**

| <b>Land Use Category</b>   | <b>Runoff Rate Coefficient "C"</b> | <b>Allocation Rate per Acre</b> | <b>Cost Financed</b> |
|----------------------------|------------------------------------|---------------------------------|----------------------|
| Detached Dwellings         | 0.45                               | \$19,236                        | \$40,347,176         |
| Attached Dwellings         | 0.85                               | \$36,334                        | \$22,277,811         |
| Mobile Home Dwellings      | 0.45                               | \$19,236                        | \$2,162,429          |
| Commercial Lodging Units   | 0.85                               | \$36,334                        | \$1,044,007          |
| Commercial / Office        | 0.95                               | \$40,609                        | \$24,099,311         |
| Industrial / Manufacturing | 0.90                               | \$38,472                        | \$10,921,865         |
| <b>Total</b>               |                                    |                                 | <b>\$100,852,598</b> |

**IV. Existing / New Development Percentage Breakout**

| <b>Land Use Category</b> | <b>Allocation by</b>     |                   | <b>New Development Costs</b> |
|--------------------------|--------------------------|-------------------|------------------------------|
|                          | <b>Total Unit Runoff</b> | <b>Percentage</b> |                              |
| Existing Development     | 939                      | 28.47%            | \$28,715,547                 |
| New Development          | 2,359                    | 71.53%            | \$72,137,051                 |
| <b>Total</b>             | <b>3,299</b>             | <b>100.00%</b>    | <b>\$100,852,598</b>         |

|                                |                 |
|--------------------------------|-----------------|
| <b>Cost per Unit if Runoff</b> | <b>\$30,575</b> |
|--------------------------------|-----------------|

**V. Development Impact Fee Calculations**

| <b>Land Use Category</b>   | <b>Fee per Unit / Fee per 1,000 SF</b> | <b>Number of Units/ Non-Res. Sq. Ft.</b> | <b>New Development</b> |
|----------------------------|--|--|------------------------|
| Detached Dwellings         | \$2,293                                | 12,585                                   | \$28,859,210           |
| Attached Dwellings         | \$1,733                                | 9,197                                    | \$15,934,697           |
| Mobile Home Dwellings      | \$1,147                                | 1,349                                    | \$1,546,725            |
| Commercial Lodging Units   | \$866                                  | 862                                      | \$746,749              |
| Commercial / Office        | \$2,667                                | 6,462,644                                | \$17,237,565           |
| Industrial / Manufacturing | \$1,805                                | 4,328,242                                | \$7,812,105            |
| <b>Total</b>               |  |  | <b>\$72,137,051</b>    |

**VII. Development Impact Fees**

| <b>Land Use Type</b>       | <b>Fee Per Unit/ Per SF</b> |
|----------------------------|-----------------------------|
| Detached Dwellings         | \$2,293                     |
| Attached Dwellings         | \$1,733                     |
| Mobile Home Dwellings      | \$1,147                     |
| Commercial Lodging Units   | \$866                       |
| Commercial / Office        | \$2.67                      |
| Industrial / Manufacturing | \$1.80                      |

**General Facilities**

**I. Existing EDU Calculation**

| Land Use Type              | Number of Persons Served | Residents per Unit/ Persons Served per 1,000 Non-Res. SF | EDUs per Unit/ 1,000 Non-Res. SF | Number of Units/ Non-Res. SF | Total Number of EDUs |
|----------------------------|--------------------------|--|----------------------------------|------------------------------|----------------------|
| Detached Dwellings         | 20,959                   | 2.829  | 1.00                             | 7,408                        | 7,408                |
| Attached Dwellings         | 7,473                    | 2.200  | 0.78                             | 3,397                        | 2,642                |
| Mobile Home Dwellings      | 1,228                    | 1.408  | 0.50                             | 872                          | 434                  |
| Commercial Lodging Units   | 514                      | 0.325  | 0.11                             | 790                          | 91                   |
| Commercial / Office        | 1,244                    | 0.875  | 0.31                             | 1,421,719                    | 440                  |
| Industrial / Manufacturing | 418                      | 0.450  | 0.16                             | 928,000                      | 148                  |
| <b>Total</b>               | <b>31,835</b>            |  |                                  |                              | <b>11,162</b>        |

**II. Projected EDU Calculation**

| Land Use Type              | Number of Persons Served | Residents per Unit/ Persons Served per 1,000 Non-Res. SF | EDUs per Unit/ 1,000 Non-Res. SF | Number of Units/ Non-Res. SF | Total Number of EDUs |
|----------------------------|--------------------------|--|----------------------------------|------------------------------|----------------------|
| Detached Dwellings         | 35,605                   | 2.829  | 1.00                             | 12,585                       | 12,585               |
| Attached Dwellings         | 20,233                   | 2.200  | 0.78                             | 9,197                        | 7,152                |
| Mobile Home Dwellings      | 1,899                    | 1.408  | 0.50                             | 1,349                        | 671                  |
| Commercial Lodging Units   | 560                      | 0.325  | 0.11                             | 862                          | 99                   |
| Commercial / Office        | 5,655                    | 0.875  | 0.31                             | 6,462,644                    | 1,999                |
| Industrial / Manufacturing | 1,948                    | 0.450  | 0.16                             | 4,328,242                    | 688                  |
| <b>Total</b>               | <b>65,901</b>            |  |                                  |                              | <b>23,194</b>        |

**III. Projected General Facilities Costs**

| Facility                     | Facility Cost        |
|------------------------------|----------------------|
| General Facilities           | \$ 24,026,000        |
| <b>Offsetting Revenues</b>   | <b>\$ 27,762</b>     |
| <b>Total Facilities Cost</b> | <b>\$ 23,998,238</b> |

**IV. Allocation of New Development to New and Existing Facilities**

| Development          | EDU's         | Percentage of Cost Allocated | Percentage of Cost Allocated |
|----------------------|---------------|------------------------------|------------------------------|
| Existing Development | 11,162        | 32.49%                       | \$ 7,796,590                 |
| New Development      | 23,194        | 67.51%                       | \$ 16,201,648                |
|                      | <b>34,356</b> | <b>100.00%</b>               | <b>\$ 23,998,238</b>         |

**V. Allocation of New Development**

| Facility           | Number of Projected EDUs | Cost to New Development | Cost per EDU |
|--------------------|--------------------------|-------------------------|--------------|
| General Facilities | 23,194                   | \$ 16,201,648           | \$ 699       |

**VI. Development Impact Fee Calculations**

| Land Use Type              | EDU's per Unit | Fee Per Unit/ Per 1,000 SF | Total Units/ Non-Res SF | Costs Financed by DIF |
|----------------------------|----------------|----------------------------|-------------------------|-----------------------|
| Detached Dwellings         | 1.00           | \$698.52                   | 12,585                  | \$8,790,905           |
| Attached Dwellings         | 0.78           | \$543                      | 9,197                   | \$4,995,576           |
| Mobile Home Dwellings      | 0.50           | \$348                      | 1,349                   | \$468,955             |
| Commercial Lodging Units   | 0.11           | \$80                       | 862                     | \$69,168              |
| Commercial / Office        | 0.31           | \$216                      | 6,462,644               | \$1,396,159           |
| Industrial / Manufacturing | 0.16           | \$111                      | 4,328,242               | \$480,884             |
| <b>Total</b>               |                |                            |                         | <b>\$16,201,648</b>   |

**VII. Development Impact Fees**

| Land Use Type              | Fee Per Unit/ Per SF | Current ( Move) |
|----------------------------|----------------------|-----------------|
| Detached Dwellings         | \$699                | 749             |
| Attached Dwellings         | \$543                | 749             |
| Mobile Home Dwellings      | \$348                | 749             |
| Commercial Lodging Units   | \$80                 | 71              |
| Commercial / Office        | \$0.22               | 0.15            |
| Industrial / Manufacturing | \$0.11               | 0.15            |

**Community Centers**

**I. Existing EDU Calculation**

| Land Use Type         | Number of Persons Served | Residents per Unit/<br>Persons Served per<br>1,000 Non-Res. SF | EDUs per Unit/<br>1,000 Non-Res. SF | Number of Units/<br>Non-Res. SF | Total<br>Number of EDUs |
|-----------------------|--------------------------|--|-------------------------------------|---------------------------------|-------------------------|
| Detached Dwellings    | 20,959                   | 2.829  | 1.00                                | 7,408                           | 7,408                   |
| Attached Dwellings    | 7,473                    | 2.200  | 0.78                                | 3,397                           | 2,642                   |
| Mobile Home Dwellings | 1,228                    | 1.408  | 0.50                                | 872                             | 433.97                  |
| <b>Total</b>          | <b>29,660</b>            |  |                                     |                                 | <b>10,483</b>           |

**II. Projected EDU Calculation**

| Land Use Type         | Number of Persons Served | Residents per Unit/<br>Persons Served per<br>1,000 Non-Res. SF | EDUs per Unit/<br>1,000 Non-Res. SF | Number of Units/<br>Non-Res. SF | Total<br>Number of EDUs |
|-----------------------|--------------------------|--|-------------------------------------|---------------------------------|-------------------------|
| Detached Dwellings    | 35,605                   | 2.829  | 1.00                                | 12,585                          | 12,585                  |
| Attached Dwellings    | 20,233                   | 2.200  | 0.78                                | 9,197                           | 7,152                   |
| Mobile Home Dwellings | 1,899                    | 1.408  | 0.50                                | 1,349                           | 671.35                  |
| <b>Total</b>          | <b>57,738</b>            |  |                                     |                                 | <b>20,408</b>           |

**III. Projected Community Centers**

| Facility                     | Facility Cost        |
|------------------------------|----------------------|
| Community Centers            | \$ 31,960,000        |
| <b>Offsetting Revenues</b>   | <b>\$ 232,491</b>    |
| <b>Total Facilities Cost</b> | <b>\$ 31,727,509</b> |

Facility

**IV. Allocation of New Development to New and Existing Facilities**

| Development          | EDU's         | Percentage of Cost<br>Allocated | Percentage of<br>Cost Allocated |
|----------------------|---------------|---------------------------------|---------------------------------|
| Existing Development | 10,483        | 33.94%                          | \$ 10,767,210                   |
| New Development      | 20,408        | 66.06%                          | \$ 20,960,299                   |
|                      | <b>30,891</b> | <b>100.00%</b>                  | <b>\$ 31,727,509</b>            |

**V. Allocation of New Development**

| Facility          | Number of Projected EDUs | Cost to New Development | Cost per EDU |
|-------------------|--------------------------|-------------------------|--------------|
| Community Centers | 20,408                   | \$ 20,960,299           | \$ 1,027     |

**VI. Development Impact Fee (Community Centers) Calculations**

| Land Use Type         | EDU's per Unit | Fee Per Unit/ Per 1,000 SF | Total Units/ Non-<br>Res SF | Costs Financed<br>bv DIF |
|-----------------------|----------------|----------------------------|-----------------------------|--------------------------|
| Detached Dwellings    | 1.00           | \$1,027                    | 12,585                      | \$12,925,595             |
| Attached Dwellings    | 0.78           | \$799                      | 9,197                       | \$7,345,182              |
| Mobile Home Dwellings | 0.50           | \$511                      | 1,349                       | \$689,522                |
|                       |                |                            |                             | <b>\$20,960,299</b>      |

**VII. Development Impact Fees**

| Land Use Type         | Fee Per Unit |
|-----------------------|--------------|
| Detached Dwellings    | \$1,027      |
| Attached Dwellings    | \$799        |
| Mobile Home Dwellings | \$511        |

**Aquatic Centers**

**I. Existing EDU Calculation**

| Land Use Type         | Number of Persons Served | Residents per Unit/<br>Persons Served per<br>1,000 Non-Res. SF | EDUs per Unit/<br>per 1,000 Non-Res. SF | Number of Units/<br>Non-Res. SF | Total<br>Number of EDUs |
|-----------------------|--------------------------|--|---|---------------------------------|-------------------------|
| Detached Dwellings    | 20,959                   | 2.829  | 1.00                                    | 7,408                           | 7,408                   |
| Attached Dwellings    | 7,473                    | 2.200  | 0.78                                    | 3,397                           | 2,642                   |
| Mobile Home Dwellings | 1,228                    | 1.408  | 0.50                                    | 872                             | 434                     |
| <b>Total</b>          | <b>29,660</b>            |  |   |                                 | <b>10,483</b>           |

**II. Projected EDU Calculation**

| Land Use Type         | Number of Persons Served | Residents per Unit/<br>Persons Served per<br>1,000 Non-Res. SF | EDUs per Unit/<br>per 1,000 Non-Res. SF | Number of Units/<br>Non-Res. SF | Total<br>Number of EDUs |
|-----------------------|--------------------------|--|---|---------------------------------|-------------------------|
| Detached Dwellings    | 35,605                   | 2.829  | 1.00                                    | 12,585                          | 12,585                  |
| Attached Dwellings    | 20,233                   | 2.200  | 0.78                                    | 9,197                           | 7,152                   |
| Mobile Home Dwellings | 1,899                    | 1.408  | 0.50                                    | 1,349                           | 671                     |
| <b>Total</b>          | <b>57,738</b>            |  |   |                                 | <b>20,408</b>           |

**III. Projected Aquatic Center Facilities Costs**

| Facility                     | Facility Cost       |
|------------------------------|---------------------|
| Aquatic Center Facilities    | \$5,972,000         |
| <b>Offsetting Revenues</b>   | <b>\$ 61,629</b>    |
| <b>Total Facilities Cost</b> | <b>\$ 5,910,371</b> |

**IV. Allocation of New Development to New and Existing Facilities**

| Development          | EDU's         | Percentage of Cost<br>Allocated | Percentage of Cost<br>Allocated |
|----------------------|---------------|---------------------------------|---------------------------------|
| Existing Development | 10,483        | 33.94%                          | \$ 2,005,774                    |
| New Development      | 20,408        | 66.06%                          | \$ 3,904,597                    |
|                      | <b>30,891</b> | <b>100.00%</b>                  | <b>\$ 5,910,371</b>             |

**V. Allocation of New Development**

| Facility                  | Number of Projected EDUs | Cost to New Development | Cost per EDU |
|---------------------------|--------------------------|-------------------------|--------------|
| Aquatic Center Facilities | 20,408                   | \$ 3,904,597            | \$ 191       |

**VI. Development Impact Fee Calculations**

| Land Use Type         | EDU's per Unit | Fee Per Unit/ Per 1,000 SF | Total Units/ Non-Res SF | Costs Financed by<br>DIF |
|-----------------------|----------------|----------------------------|-------------------------|--------------------------|
| Detached Dwellings    | 1.00           | \$191                      | 12,585                  | \$2,407,849              |
| Attached Dwellings    | 0.78           | \$149                      | 9,197                   | \$1,368,300              |
| Mobile Home Dwellings | 0.50           | \$95                       | 1,349                   | \$128,448                |
|                       |                |                            |                         | <b>\$3,904,597</b>       |

**VII. Development Impact Fees**

| Land Use Type         | Fee Per Unit |
|-----------------------|--------------|
| Detached Dwellings    | \$191        |
| Attached Dwellings    | \$149        |
| Mobile Home Dwellings | \$95         |

**Parks**

**I. Existing EDU Calculation**

| Land Use Type             | Number of Persons Served | Residents per Unit/<br>Persons Served per<br>1,000 Non-Res. SF | EDUs per Unit/<br>00 Non-Res. SF | Number of Units/<br>Non-Res. SF | Total<br>Number of EDUs |
|---------------------------|--------------------------|--|----------------------------------|---------------------------------|-------------------------|
| Single Family Residential | 20,959                   | 2.829  | 1.00                             | 7,408                           | 7,408                   |
| Multi Family Residential  | 7,473                    | 2.200  | 0.78                             | 3,397                           | 2,642                   |
| Mobile Home Dwellings     | 1,228                    | 1.408  | 0.50                             | 872                             | 434                     |
| <b>Total</b>              | <b>29,660</b>            |  |                                  |                                 | <b>10,483</b>           |

**II. Projected EDU Calculation**

| Land Use Type             | Number of Persons Served | Residents per Unit/<br>Persons Served per<br>1,000 Non-Res. SF | EDUs per Unit/<br>00 Non-Res. SF | Number of Units/<br>Non-Res. SF | Total<br>Number of EDUs |
|---------------------------|--------------------------|--|----------------------------------|---------------------------------|-------------------------|
| Single Family Residential | 35,605                   | 2.829  | 1.00                             | 12,585                          | 12,585                  |
| Multi Family Residential  | 20,233                   | 2.200  | 0.78                             | 9,197                           | 7,152                   |
| Mobile Home Dwellings     | 1,899                    | 1.408  | 0.50                             | 1,349                           | 671                     |
| <b>Total</b>              | <b>57,738</b>            |  |                                  |                                 | <b>20,408</b>           |

**III. Projected Parks Facilities Costs**

| Facility                     | Facility Cost        |
|------------------------------|----------------------|
| Parks Facilities             | \$68,520,000         |
| <b>Offsetting Revenues</b>   | <b>\$113,455</b>     |
| <b>Total Facilities Cost</b> | <b>\$ 68,406,545</b> |

**IV. Allocation of New Development to New and Existing Facilities**

| Development          | EDU's         | Percentage of Cost<br>Allocated | Percentage of<br>Cost Allocated |
|----------------------|---------------|---------------------------------|---------------------------------|
| Existing Development | 10,483        | 33.94%                          | \$ 23,214,796                   |
| New Development      | 20,408        | 66.06%                          | \$ 45,191,749                   |
|                      | <b>30,891</b> | <b>100.00%</b>                  | <b>\$ 68,406,545</b>            |

**V. Allocation of New Development**

| Facility          | Number of Projected EDUs | Cost to New Development | Cost per EDU |
|-------------------|--------------------------|-------------------------|--------------|
| Parks. Facilities | 20,408                   | \$ 45,191,749           | \$ 2,214     |

**VI. Development Impact Fee per Unit**

| Land Use Type             | EDU's | Fee Per Unit/ Per 1,000 SF | Total Units/<br>Non-Res SF | Costs Financed by<br>DIF |
|---------------------------|-------|----------------------------|----------------------------|--------------------------|
| Single Family Residential | 1.00  | \$2,214.41                 | 12,585                     | \$27,868,412             |
| Multi Family Residential  | 0.78  | \$1,721.94                 | 9,197                      | \$15,836,683             |
| Mobile Home Dwellings     | 0.50  | \$1,102.04                 | 1,349                      | \$1,486,654              |
| <b>Total</b>              |       |                            |                            | <b>\$45,191,749</b>      |

**VII. Development Impact Fees**

| Land Use Type         | Fee Per Unit |
|-----------------------|--------------|
| Detached Dwellings    | \$2,214      |
| Attached Dwellings    | \$1,722      |
| Mobile Home Dwellings | \$1,102      |

# **APPENDIX B**

City of Desert Hot Springs  
Development Impact Fee Justification Study



## **NEEDS LIST**

**DEVELOPMENT IMPACT FEE UPDATE  
CITY OF DESERT HOT SPRINGS  
PUBLIC FACILITIES NEEDS LIST THROUGH 2040**

|   | (1)                     | (2)                  | (3)                  | (4)  | (5)                               | (6)   |
|---|-------------------------|----------------------|----------------------|--|-----------------------------------|---|
| Facility Name   | Total Cost for Facility | Off-setting Revenues | Net Cost to City     | Percent of Cost Allocated to New Development | Cost Allocated to New Development | Policy Background or Objective  |
| <b>1. LAW ENFORCEMENT FACILITIES</b>  |                         |                      |                      |  |                                   |   |
| PD 1 Building - Upgrade/Addition (6,000 sf)   | \$4,320,000             | \$ -                 | \$ 4,320,000         | 67.51%                                       | \$ 2,916,511                      | Per the City's Police Department  |
| PD 2 Vehicles - Administration (12 Vehicles)  | \$1,080,000             | \$ -                 | \$ 1,080,000         | 67.51%                                       | \$ 729,128                        | Per the City's Police Department  |
| PD 3 Vehicles - Detective & Patrol (30 Vehicles)  | \$3,600,000             | \$ -                 | \$ 3,600,000         | 67.51%                                       | \$ 2,430,426                      | Per the City's Police Department  |
| PD 4 Vehicles - Code Compliance (9 Vehicles)  | \$810,000               | \$ -                 | \$ 810,000           | 67.51%                                       | \$ 546,846                        | Per the City's Police Department  |
| PD 5 Vehicles - Animal Services (6 Vehicles)  | \$864,000               | \$ -                 | \$ 864,000           | 67.51%                                       | \$ 583,302                        | Per the City's Police Department  |
| PD 6 Safety Equipment - Body Worn Cameras, Tasers, Handguns, etc. (33 Officers)                               | \$557,000               | \$ -                 | \$ 557,000           | 67.51%                                       | \$ 376,041                        | Per the City's Police Department  |
| PD 7 Communication Upgrade (radios)   | \$750,000               | \$ -                 | \$ 750,000           | 67.51%                                       | \$ 506,339                        | Per the City's Police Department  |
| PD 8 Office Equipment - Computers, Furniture, Etc. (45 Computers)   | \$335,000               | \$ -                 | \$ 335,000           | 67.51%                                       | \$ 226,165                        | Per the City's Police Department  |
| PD 9 Dispatch Center Equipment - Computers, Furniture, Mis, etc.  | \$808,783               | \$ -                 | \$ 808,783           | 67.51%                                       | \$ 546,024                        | Per the City's Police Department  |
| PD 10 Dispatch Center Structure / Infrastructure (4,000 sf)   | \$3,000,000             | \$ -                 | \$ 3,000,000         | 67.51%                                       | \$ 2,025,355                      | Per the City's Police Department  |
| PD 11 Mobile Command Post   | \$1,000,000             | \$ -                 | \$ 1,000,000         | 67.51%                                       | \$ 675,118                        | Per the City's Police Department  |
| PD 12 Animal Care and Control Upgrade/Addition (4,000 sf)   | \$2,880,000             | \$ -                 | \$ 2,880,000         | 67.51%                                       | \$ 1,944,341                      | Per the City's Police Department  |
| <b>Offsetting Revenues</b>  | <b>\$ 609,406</b>       |                      |                      |  |                                   |   |
| <b>Law Enforcement Subtotal</b>   | <b>\$ 20,004,783</b>    | <b>\$ 609,406</b>    | <b>\$ 19,395,377</b> |  |                                   |   |
| <b>2. FIRE SUPPRESSION FACILITIES</b>   |                         |                      |                      |  |                                   |   |
| FD 1 Buildings - Southern City Fire Station (9,800 sq. ft.)   | \$ 7,056,000            | \$ -                 | \$ 7,056,000         | 67.51%                                       | \$ 4,763,634                      | Per the City's Fire Department  |
| FD 2 Buildings - Eastside City Fire Station (8,200 sq. ft.)   | \$ 5,904,000            | \$ -                 | \$ 5,904,000         | 67.51%                                       | \$ 3,985,898                      | Per the City's Fire Department  |
| FD 3 Buildings - Central City Fire Station (4,500 sq. ft.)  | \$ 3,240,000            | \$ -                 | \$ 3,240,000         | 67.51%                                       | \$ 2,187,383                      | Per the City's Fire Department  |
| FD 4 Vehicles & Equipment - Type I Paramedic Fire Engine x3 (3 Vehicles)                                      | \$ 2,055,000            | \$ -                 | \$ 2,055,000         | 67.51%                                       | \$ 1,387,368                      | Per the City's Fire Department  |
| FD 5 Vehicles & Equipment - Paramedic Truck/Ladder/Quint x1 (1 Vehicle)                                       | \$ 1,850,000            | \$ -                 | \$ 1,850,000         | 67.51%                                       | \$ 1,248,969                      | Per the City's Fire Department  |
| FD 6 Vehicles & Equipment - Paramedic Squad/Patrol x2 (2 Vehicles)  | \$ 550,000              | \$ -                 | \$ 550,000           | 67.51%                                       | \$ 371,315                        | Per the City's Fire Department  |
| FD 7 Land - Southern City Fire Station (5.0 Acres)  | \$ 60,000               | \$ -                 | \$ 60,000            | 67.51%                                       | \$ 40,507                         | Per the City's Fire Department  |
| FD 8 Land - Eastside City Fire Station (3.0 Acres)  | \$ 40,000               | \$ -                 | \$ 40,000            | 67.51%                                       | \$ 27,005                         | Per the City's Fire Department  |
| <b>Offsetting Revenues</b>  | <b>\$ 734,169</b>       |                      |                      |  |                                   |   |
| <b>Fire Suppression Subtotal</b>  | <b>\$ 20,755,000</b>    | <b>\$ 734,169</b>    | <b>\$ 20,020,831</b> |  |                                   |   |
| <b>3. CIRCULATION SYSTEMS (STREETS, TRAFFIC SIGNALS AND BRIDGES)</b>  |                         |                      |                      |  |                                   |   |
| C 1 20th Avenue - Indian Ave to Palm Drive 1 new road   | \$ 18,544,507.65        | \$ -                 | \$ 18,544,508        | 72.50%                                       | \$ 13,445,493                     | Per the City's goal to maintain / improve the City's Circulation System |
| C 2 Dillon Road - Indian Ave to Palm Drive 1 road widening - complete streets - two bridges                   | \$ 17,521,040.57        | \$ -                 | \$ 17,521,041        | 72.50%                                       | \$ 12,703,440                     | Per the City's goal to maintain / improve the City's Circulation System |
| C 3 Hacienda Avenue - Cholla Dr Long Canyon Road 1 road widening - complete streets                           | \$ 10,066,701.36        | \$ -                 | \$ 10,066,701        | 72.50%                                       | \$ 7,298,752                      | Per the City's goal to maintain / improve the City's Circulation System |
| C 4 Indian Avenue - City Limits North to Pierson Blvd 1 road widening - complete streets - two bridges        | \$ 19,903,788.00        | \$ -                 | \$ 19,903,788        | 72.50%                                       | \$ 14,431,025                     | Per the City's goal to maintain / improve the City's Circulation System |
| C 5 Indian Avenue - Pierson Blvd to Dillon Road 1 road widening - complete streets                            | \$ 3,463,498.06         | \$ -                 | \$ 3,463,498         | 72.50%                                       | \$ 2,511,172                      | Per the City's goal to maintain / improve the City's Circulation System |
| C 6 Indian Avenue - Dillon Road to I-10 1 road widening - complete streets                                    | \$ 4,271,801.60         | \$ -                 | \$ 4,271,802         | 72.50%                                       | \$ 3,097,223                      | Per the City's goal to maintain / improve the City's Circulation System |
| C 7 Little Morongo Road - Annandale Road to Mission Lakes Blvd 1 road widening - complete streets             | \$ 7,210,662.40         | \$ -                 | \$ 7,210,662         | 72.50%                                       | \$ 5,228,012                      | Per the City's goal to maintain / improve the City's Circulation System |
| C 8 Little Morongo Road - Mission Lakes Blvd to Pierson Blvd 1 road widening - complete streets - one bridge  | \$ 8,736,790.84         | \$ -                 | \$ 8,736,791         | 72.50%                                       | \$ 6,334,515                      | Per the City's goal to maintain / improve the City's Circulation System |
| C 9 Little Morongo Road - Pierson Blvd to Two Bunch Palms Trail 1 road widening - complete streets            | \$ 2,513,522.32         | \$ -                 | \$ 2,513,522         | 72.50%                                       | \$ 1,822,402                      | Per the City's goal to maintain / improve the City's Circulation System |
| C 10 Little Morongo Road - Two Bunch Palms Trail to Dillon Rd 1 road widening - complete streets - one bridge | \$ 9,317,662.57         | \$ -                 | \$ 9,317,663         | 72.50%                                       | \$ 6,755,670                      | Per the City's goal to maintain / improve the City's Circulation System |
| C 11 Little Morongo Road - Dillon Road to 20th 1 new road   | \$ 10,255,285.16        | \$ -                 | \$ 10,255,285        | 72.50%                                       | \$ 7,435,483                      | Per the City's goal to maintain / improve the City's Circulation System |
| C 12 Mission Lakes Blvd - Indian Canyon Ave to Little Morongo Road 1 road widening - complete streets         | \$ 7,682,504.39         | \$ -                 | \$ 7,682,504         | 72.50%                                       | \$ 5,570,116                      | Per the City's goal to maintain / improve the City's Circulation System |
| C 13 Mission Lakes Blvd - Little Morongo Road to Verbena 1 road widening - complete streets                   | \$ 7,876,503.55         | \$ -                 | \$ 7,876,504         | 72.50%                                       | \$ 5,710,773                      | Per the City's goal to maintain / improve the City's Circulation System |
| C 14 Palm Drive - Mission Lakes Blvd to Pierson Blvd 1 road widening - complete streets                       | \$ 1,700,167.78         | \$ -                 | \$ 1,700,168         | 72.50%                                       | \$ 1,232,688                      | Per the City's goal to maintain / improve the City's Circulation System |
| C 15 Palm Drive - Pierson Blvd to Two Bunch Palms Trail 1 road widening - complete streets                    | \$ 6,018,952.56         | \$ -                 | \$ 6,018,953         | 72.50%                                       | \$ 4,363,976                      | Per the City's goal to maintain / improve the City's Circulation System |
| C 16 Palm Drive - Two Bunch Palms Trail to Camino Aventura 1 road widening - complete streets                 | \$ 8,133,039.24         | \$ -                 | \$ 8,133,039         | 72.50%                                       | \$ 5,896,771                      | Per the City's goal to maintain / improve the City's Circulation System |
| C 17 Palm Drive - Camino Aventura to Dillon Road 1 road widening - complete streets                           | \$ 2,109,159.08         | \$ -                 | \$ 2,109,159         | 72.50%                                       | \$ 1,529,223                      | Per the City's goal to maintain / improve the City's Circulation System |
| C 18 Palm Drive - Dillon Road to I-10 1 road widening - complete streets                                      | \$ 22,081,859.37        | \$ -                 | \$ 22,081,859        | 72.50%                                       | \$ 16,010,211                     | Per the City's goal to maintain / improve the City's Circulation System |
| C 19 Pierson Blvd - Hwy 62 to Indian Canyon 1 road widening - complete streets                                | \$ 17,935,232.04        | \$ -                 | \$ 17,935,232        | 72.50%                                       | \$ 13,003,745                     | Per the City's goal to maintain / improve the City's Circulation System |
| C 20 Pierson Blvd - Indian Canyon to Little Morongo Road 1 road widening - complete streets                   | \$ 10,256,844.38        | \$ -                 | \$ 10,256,844        | 72.50%                                       | \$ 7,436,613                      | Per the City's goal to maintain / improve the City's Circulation System |
| C 21 Pierson Blvd - Little Morongo Road to Palm Drive 1 road widening - complete streets                      | \$ 15,643,400.39        | \$ -                 | \$ 15,643,400        | 72.50%                                       | \$ 11,342,077                     | Per the City's goal to maintain / improve the City's Circulation System |
| C 22 Pierson Blvd - Palm Drive to Verbena 1 road widening - complete streets                                  | \$ 862,867.10           | \$ -                 | \$ 862,867           | 72.50%                                       | \$ 625,612                        | Per the City's goal to maintain / improve the City's Circulation System |
| C 23 Pierson Blvd - Verbena to Miracle Hill Road 1 road widening - complete streets                           | \$ 2,122,564.35         | \$ -                 | \$ 2,122,564         | 72.50%                                       | \$ 1,538,942                      | Per the City's goal to maintain / improve the City's Circulation System |
| C 24 Two Bunch Palms Trail - Little Morongo Road to West Dr 1 road widening - complete streets                | \$ 4,964,323.60         | \$ -                 | \$ 4,964,324         | 72.50%                                       | \$ 3,599,329                      | Per the City's goal to maintain / improve the City's Circulation System |
| C 25 Two Bunch Palms Trail - West Dr to Palm Drive 1 road widening - complete streets                         | \$ 862,867.10           | \$ -                 | \$ 862,867           | 72.50%                                       | \$ 625,612                        | Per the City's goal to maintain / improve the City's Circulation System |
| C 26 Two Bunch Palms Trail - Palm Drive to Hacienda Ave 1 road widening - complete streets                    | \$ 5,055,128.69         | \$ -                 | \$ 5,055,129         | 72.50%                                       | \$ 3,665,166                      | Per the City's goal to maintain / improve the City's Circulation System |
| C 27 Varner Road - N Indian Ave to Little Morongo 1 new road  | \$ 11,420,662.07        | \$ -                 | \$ 11,420,662        | 72.50%                                       | \$ 8,280,427                      | Per the City's goal to maintain / improve the City's Circulation System |

|      |   |    |               |    |   |    |            |        |    |            |   |
|------|---|----|---------------|----|---|----|------------|--------|----|------------|---|
| C 28 | Varner Road - Little Morongo to Palm Drive*1 new road   | \$ | 15,451,009.94 | \$ | - | \$ | 15,451,010 | 72.50% | \$ | 11,202,586 | Per the City's goal to maintain / improve the City's Circulation System |
| C 29 | Mesquite - 8th Street to Hacienda Ave*1 road widening - complete streets                      | \$ | 3,955,042.05  | \$ | - | \$ | 3,955,042  | 72.50% | \$ | 2,867,560  | Per the City's goal to maintain / improve the City's Circulation System |
| C 30 | Cholla Drive - Mission Lakes Blvd to Two Bunch Palms Trail*2 road widening - complete streets | \$ | 6,073,110.38  | \$ | - | \$ | 6,073,110  | 72.50% | \$ | 4,403,242  | Per the City's goal to maintain / improve the City's Circulation System |

**Offsetting Revenues**      \$                      -  
**Circulation Subtotal**    \$    262,010,499    \$                      -    \$    262,010,499

**\*\* Circulation costs include: lanes, median islands, curb and gutters,, sidewalks, bridges, raised landscape and lighting and bike lanes and shoulders,**

**4. STORM DRAINAGE IMPROVEMENTS**

|       |   |              |    |            |        |    |            |   |
|-------|---|--------------|----|------------|--------|----|------------|---|
| SD 1  | Storm Drain-1 Line A1Storm Drain- Two Bunch Palms Trails - Cholla to Ocotillo                       | \$19,445,200 | \$ | 19,445,200 | 71.53% | \$ | 13,908,609 | Per the City's goal to maintain / improve the City's Storm Drain System |
| SD 2  | Storm Drain-2 Line A1Storm Drain - Pierson Blvd - west to cactus                                    | \$9,140,440  | \$ | 9,140,440  | 71.53% | \$ | 6,537,902  | Per the City's goal to maintain / improve the City's Storm Drain System |
| SD 3  | Storm Drain-4 Line A-21Storm Drain - Palm - Hacienda - Two Bunch Palms Trail                        | \$1,670,880  | \$ | 1,670,880  | 71.53% | \$ | 1,195,134  | Per the City's goal to maintain / improve the City's Storm Drain System |
| SD 4  | Storm Drain-6 Line A-3a1Storm Drain - Pierson Boulevard, Palm Drive / Ocotillo Rd                   | \$890,520    | \$ | 890,520    | 71.53% | \$ | 636,964    | Per the City's goal to maintain / improve the City's Storm Drain System |
| SD 5  | Storm Drain-7 Line A-3b1Storm Drain - Pierson Boulevard, Mesquite / Ocotillo Rd                     | \$890,520    | \$ | 890,520    | 71.53% | \$ | 636,964    | Per the City's goal to maintain / improve the City's Storm Drain System |
| SD 6  | Storm Drain-8 Line A-3c1Storm Drain - Hacienda Avenue , Palm Drive / Ocotillo RD                    | \$890,520    | \$ | 890,520    | 71.53% | \$ | 636,964    | Per the City's goal to maintain / improve the City's Storm Drain System |
| SD 7  | Storm Drain-9 Line B1Storm Drain - Verbena - Foxdale, Pierson/Line A                                | \$11,274,320 | \$ | 11,274,320 | 71.53% | \$ | 8,064,207  | Per the City's goal to maintain / improve the City's Storm Drain System |
| SD 8  | Storm Drain-10 Line B11Storm Drain- Hacienda - Inaja Street / Hacienda, Mountain View / Line B      | \$5,912,840  | \$ | 5,912,840  | 71.53% | \$ | 4,229,290  | Per the City's goal to maintain / improve the City's Storm Drain System |
| SD 9  | Storm Drain-14 Line B-21Storm Drain - Two Bunch Palms Trails, 2,160 feet east of line B             | \$2,923,192  | \$ | 2,923,192  | 71.53% | \$ | 2,090,878  | Per the City's goal to maintain / improve the City's Storm Drain System |
| SD 10 | Storm Drain-16 Line C-11Storm Drain- Spruce, Redbud, Avenida Serena, Spruce / 1,440 S/O Via Domingó | \$707,544.4  | \$ | 7,075,446  | 71.53% | \$ | 5,060,869  | Per the City's goal to maintain / improve the City's Storm Drain System |
| SD 11 | Storm Drain- 27 Big/Little Morongo Creeks 2 Channels - 2.6 miles                                    | \$21,600,000 | \$ | 21,600,000 | 71.53% | \$ | 15,449,878 | Per the City's goal to maintain / improve the City's Storm Drain System |
| SD 12 | Storm Drain-38 - Mission Creek Channel 2 Channels - 2.6 miles                                       | \$19,440,000 | \$ | 19,440,000 | 71.53% | \$ | 13,904,890 | Per the City's goal to maintain / improve the City's Storm Drain System |

**Offsetting Revenues**      \$                      301,280  
**Storm Drainage Subtotal**    \$    101,153,878    \$    301,280    \$    101,153,878

**5. GENERAL FACILITIES EXPANSION**

|       |  |             |    |           |        |    |           |   |
|-------|--|-------------|----|-----------|--------|----|-----------|---|
| GF 1  | Corporate Yard - Storage Buildings (10,000 SF)                     | \$2,880,000 | \$ | 2,880,000 | 67.51% | \$ | 1,944,341 | Per the City's goal to maintain / improve the City's General Facilities |
| GF 2  | Corporate Yard - Field Office (3,000 SF)                           | \$2,160,000 | \$ | 2,160,000 | 67.51% | \$ | 1,458,255 | Per the City's goal to maintain / improve the City's General Facilities |
| GF 3  | Corporate Yard Expansion - Additional Land and site work (4 acres) | \$600,000   | \$ | 600,000   | 67.51% | \$ | 405,071   | Per the City's goal to maintain / improve the City's General Facilities |
| GF 4  | Corporate Yard - Canopy Structures (9,000 SF)                      | \$1,296,000 | \$ | 1,296,000 | 67.51% | \$ | 874,953   | Per the City's goal to maintain / improve the City's General Facilities |
| GF 5  | Public Works Maintenance Vehicles - 15                             | \$1,620,000 | \$ | 1,620,000 | 67.51% | \$ | 1,093,692 | Per the City's goal to maintain / improve the City's General Facilities |
| GF 6  | Public Works Heavy Equipment - 10                                  | \$2,100,000 | \$ | 2,100,000 | 67.51% | \$ | 1,417,748 | Per the City's goal to maintain / improve the City's General Facilities |
| GF 7  | City Hall Expansion (10,000 SF)                                    | \$7,200,000 | \$ | 7,200,000 | 67.51% | \$ | 4,860,851 | Per the City's goal to maintain / improve the City's General Facilities |
| GF 8  | Visitor Center (4,000 sf)  | \$2,880,000 | \$ | 2,880,000 | 67.51% | \$ | 1,944,341 | Per the City's goal to maintain / improve the City's General Facilities |
| GF 9  | Sand To Snow Visitor Center (2,000 sf)                             | \$1,440,000 | \$ | 1,440,000 | 67.51% | \$ | 972,170   | Per the City's goal to maintain / improve the City's General Facilities |
| GF 10 | Administration Vehicles - 15                                       | \$1,350,000 | \$ | 1,350,000 | 67.51% | \$ | 911,410   | Per the City's goal to maintain / improve the City's General Facilities |
| GF 11 | Computers and Equipment  | \$500,000   | \$ | 500,000   | 67.51% | \$ | 337,559   | Per the City's goal to maintain / improve the City's General Facilities |

**Offsetting Revenues**      \$                      27,762  
**General Facilities Subtotal**    \$    24,026,000    \$    27,762    \$    24,026,000

**6. COMMUNITY (PUBLIC USE) CENTERS**

|      |  |              |    |            |        |    |           |         |
|------|--|--------------|----|------------|--------|----|-----------|---------|
| CC 1 | Hacienda Community Center (8,000 sf)                       | \$6,000,000  | \$ | 6,000,000  | 66.06% | \$ | 3,963,809 | Centers |
| CC 2 | Carl May Community Center Expansion (4,000 sf)             | \$2,880,000  | \$ | 2,880,000  | 66.06% | \$ | 1,902,628 | Centers |
| CC 3 | Senior Center Expansion (2,400 sf)                         | \$1,800,000  | \$ | 1,800,000  | 66.06% | \$ | 1,189,143 | Centers |
| CC 4 | Wardman Community Center (4,000 sf)                        | \$2,880,000  | \$ | 2,880,000  | 66.06% | \$ | 1,902,628 | Centers |
| CC 5 | Health and Wellness Center Youth Sports Center (15,000 sf) | \$10,800,000 | \$ | 10,800,000 | 66.06% | \$ | 7,134,857 | Centers |
| CC 6 | Computers and Equipment                                    | \$400,000    | \$ | 400,000    | 66.06% | \$ | 264,254   | Centers |
| CC 7 | Palm Drive Community Center (6,000 sf)                     | \$4,320,000  | \$ | 4,320,000  | 66.06% | \$ | 2,853,943 | Centers |
| CC 8 | Tedesco Community Center Expansion (4,000 sf)              | \$2,880,000  | \$ | 2,880,000  | 66.06% | \$ | 1,902,628 | Centers |

**Offsetting Revenues**      \$                      232,491  
**Community Facilities Subtotal**    \$    31,960,000    \$    232,491    \$    31,960,000

**7. AQUATIC CENTER FACILITIES**

|      |   |             |    |           |        |    |           |         |
|------|---|-------------|----|-----------|--------|----|-----------|---------|
| AQ 1 | Wardman Community Pool (2,400 sf)                           | \$1,728,000 | \$ | 1,728,000 | 66.06% | \$ | 1,141,577 | Centers |
| AQ 2 | Health and Wellness Center - Splash Pad Expansion (1000 sf) | \$864,000   | \$ | 864,000   | 66.06% | \$ | 570,789   | Centers |
| AQ 3 | Wardman Community Pool Splash Pad (2,000 sf)                | \$1,584,000 | \$ | 1,584,000 | 66.06% | \$ | 1,046,446 | Centers |
| AQ 4 | Health and Wellness Center Pool Expansion (1,500 sf)        | \$1,080,000 | \$ | 1,080,000 | 66.06% | \$ | 713,486   | Centers |
| AQ 5 | Pool Equipment  | \$500,000   | \$ | 500,000   | 66.06% | \$ | 330,317   | Centers |
| AQ 6 | Pool Maintenance Vehicles - 2                               | \$216,000   | \$ | 216,000   | 66.06% | \$ | 142,697   | Centers |

**Offsetting Revenues**      \$                      61,629  
**Aquatic Center Subtotal**    \$    5,972,000    \$    61,629    \$    5,972,000

**8. PARKLAND ACQUISITION AND IMPROVEMENTS**

|       |  |                       |                     |                       |        |              |  |
|-------|--|-----------------------|---------------------|-----------------------|--------|--------------|--|
| PK 1  | PRK-1 Corporate Yard Park (7 acres)            | \$6,624,000           | \$ -                | \$ 6,624,000          | 72.50% | \$ 4,802,659 | Per the City's goal to maintain / improve the City's Parks |
| PK 2  | PRK-2 Wardman Park Expansion (5 acres)         | \$6,240,000           | \$ -                | \$ 6,240,000          | 72.50% | \$ 4,524,244 | Per the City's goal to maintain / improve the City's Parks |
| PK 3  | PRK-3 Mission Springs Park Expansion (4 acres) | \$5,856,000           | \$ -                | \$ 5,856,000          | 72.50% | \$ 4,245,829 | Per the City's goal to maintain / improve the City's Parks |
| PK 4  | PRK-4 Palm at Park Lane Park (5 acres)         | \$8,424,000           | \$ -                | \$ 8,424,000          | 72.50% | \$ 6,107,729 | Per the City's goal to maintain / improve the City's Parks |
| PK 5  | PRK-5 Hacienda at Long Canyon Park (1 acre)    | \$2,160,000           | \$ -                | \$ 2,160,000          | 72.50% | \$ 1,566,084 | Per the City's goal to maintain / improve the City's Parks |
| PK 6  | PRK-6 8 Pocket Parks                           | \$9,216,000           | \$ -                | \$ 9,216,000          | 72.50% | \$ 6,681,960 | Per the City's goal to maintain / improve the City's Parks |
| PK 7  | PRK-7 Park at Palm and 12th (3 acres)          | \$5,712,000           | \$ -                | \$ 5,712,000          | 72.50% | \$ 4,141,423 | Per the City's goal to maintain / improve the City's Parks |
| PK 8  | PRK-9 Hacienda Park (3 acres)                  | \$6,408,000           | \$ -                | \$ 6,408,000          | 72.50% | \$ 4,646,051 | Per the City's goal to maintain / improve the City's Parks |
| PK 9  | PRK-10 West Area Park (4 acres)                | \$5,280,000           | \$ -                | \$ 5,280,000          | 72.50% | \$ 3,828,206 | Per the City's goal to maintain / improve the City's Parks |
| PK 10 | PRK-22 Parks Master Plan                       | \$180,000             | \$ -                | \$ 180,000            | 72.50% | \$ 130,507   | Per the City's goal to maintain / improve the City's Parks |
| PK 11 | PRK-21 West Dr Skate Park Expansion            | \$1,584,000           | \$ -                | \$ 1,584,000          | 72.50% | \$ 1,148,462 | Per the City's goal to maintain / improve the City's Parks |
| PK 12 | TRL-1 Rotary Park Expansion and Trail Head     | \$1,824,000           | \$ -                | \$ 1,824,000          | 72.50% | \$ 1,322,471 | Per the City's goal to maintain / improve the City's Parks |
| PK 13 | TRL-3 Sand To Snow Monument Trail Head         | \$1,704,000           | \$ -                | \$ 1,704,000          | 72.50% | \$ 1,235,467 | Per the City's goal to maintain / improve the City's Parks |
| PK 14 | TRL-4 Miracle Hill Trails                      | \$1,704,000           | \$ -                | \$ 1,704,000          | 72.50% | \$ 1,235,467 | Per the City's goal to maintain / improve the City's Parks |
| PK 15 | TRL-5 Cabot Yerxa Museum Trails                | \$1,200,000           | \$ -                | \$ 1,200,000          | 72.50% | \$ 870,047   | Per the City's goal to maintain / improve the City's Parks |
| PK 16 | TRL-6 Trails Master Plan                       | \$180,000             | \$ -                | \$ 180,000            | 72.50% | \$ 130,507   | Per the City's goal to maintain / improve the City's Parks |
| PK 17 | Rotary Dog Park Expansion                      | \$288,000             | \$ -                | \$ 288,000            | 72.50% | \$ 208,811   | Per the City's goal to maintain / improve the City's Parks |
| PK 18 | Dog Park at Hacienda                           | \$408,000             | \$ -                | \$ 408,000            | 72.50% | \$ 295,816   | Per the City's goal to maintain / improve the City's Parks |
| PK 19 | Dog Park at Park Lane                          | \$288,000             | \$ -                | \$ 288,000            | 72.50% | \$ 208,811   | Per the City's goal to maintain / improve the City's Parks |
| PK 20 | Skate Park at Hacienda                         | \$840,000             | \$ -                | \$ 840,000            | 72.50% | \$ 609,033   | Per the City's goal to maintain / improve the City's Parks |
| PK 21 | Skate Park at Wardman                          | \$720,000             | \$ -                | \$ 720,000            | 72.50% | \$ 522,028   | Per the City's goal to maintain / improve the City's Parks |
| PK 22 | Cabot Yerxa Park                               | \$1,680,000           | \$ -                | \$ 1,680,000          | 72.50% | \$ 1,218,066 | Per the City's goal to maintain / improve the City's Parks |
|       | <b>Offsetting Revenues</b>                     | <b>\$ 113,455</b>     |                     |                       |        |              |  |
|       | <b>Parks Subtotal</b>                          | <b>\$ 68,520,000</b>  | <b>\$ 113,455</b>   | <b>\$ 68,406,545</b>  |        |              |  |
|       | <b>Total</b>                                   | <b>\$ 534,402,160</b> | <b>\$ 2,080,192</b> | <b>\$ 532,321,968</b> |        |              |  |



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