

DEVELOPMENT IMPACT FEE PROGRAM FIVE-YEAR FINDINGS

Final Report

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1. INTRODUCTION

The purpose of this report is to support the findings required by the Mitigation Fee Act (MFA) that local agencies shall make every five years for each development impact fee that an agency imposes on development projects. This report provides the information and analysis required to make these findings for the following City of Petaluma (City) development impact fees:

- City Facilities Development Impact Fee
- Parkland Development Impact Fee
- Parkland Acquisition Impact Fee
- Open Space Acquisition Impact Fee
- Traffic Development Impact Fee

The five-year findings required by the MFA are shown below:¹

For the fifth fiscal year following the first deposit into the account or fund, and every five years thereafter, the local agency shall make all of the following findings with respect to that portion of the account or fund remaining unexpended, whether committed or uncommitted:

(A) Identify the purpose to which the fee is to be put.

(B) Demonstrate a reasonable relationship between the fee and the purpose for which it is charged.

(C) Identify all sources and amounts of funding anticipated to complete financing in incomplete improvements identified in paragraph (2) of subdivision (a).

(D) Designate the approximate dates on which the funding referred to in subparagraph (C) is expected to be deposited into the appropriate account or fund.

The City imposes two other capital facilities fees on development projects that are not subject to the MFA. The Quimby Act Dedication and In-Lieu Fee is specifically exempt from the MFA.² The Storm Drainage Impact Fee was adopted in 1982 pursuant to the Subdivision Map Act and has not been updated since the effective date of the MFA on January 1, 1987.³

¹ *California Government Code*, sections 66000 through 66025, specifically section 66001(d)(1).

² *Ibid*, section 66005(b).

³ *Ibid*, section 66483.

Methodology

To make the MFA statutory findings noted above, this report relies on the two nexus studies used to justify adoption of each impact fee. The first study, *City of Petaluma Mitigation Fee Act Nexus Report & Quimby Act In-Lieu Fee Report*, was completed by Municipal Resource Group in 2012 (MRG Nexus Study). This study provided documentation to adopt the City Facilities, Parkland Development, Parkland Acquisition, and Open Space Acquisition impact fees. The second study, *Traffic Mitigation Fee Program Update*, was completed by Fehr & Peers also in 2012 (F&P Nexus Study). This study provided documentation to adopt the Traffic Mitigation Impact Fee. The F&P Nexus Study was updated in a memorandum from Willdan Financial Services to the City of Petaluma dated May 10, 2016 (Willdan Memorandum).

This report also relies on the City's latest five-year capital improvement plan included in the *Adopted Operating & Capital Improvement Budget; FY 2023-2024* adopted in June 2023 (CIP). The CIP covers the period FY 2023-24 through FY 2027-2028. The MFA findings stated above are to be made "with respect to that portion of the account or fund remaining unexpended, whether committed or uncommitted." For the purposes of this report those funds are the FY 2023-24 beginning fund balance for each fee account shown in the CIP.⁴ Total sources of funding over the five-year horizon are derived from estimated FY 2023-24 fee revenue and total sources by fee account.⁵

Additional information was also provided by city staff when necessary.

To comply with the reasonable relationship finding stated above (paragraph B of section 66001(d)(1)), this report examines the programming of the FY 2023-24 beginning fund balance for each fee account to specific capital projects. First, CIP project descriptions are evaluated for compliance with the applicable nexus study. Second, total expenditures over the five-year CIP period (thus excluding expenditures to date) are compared to the beginning fund balance. If expenditures are greater than the beginning fund balance, there remains a reasonable relationship between the fee and the purpose for which it is charged because funds are not being held for unidentified uses.

This report also uses the capital project information in the CIP to comply with the findings regarding alternative funding (paragraphs C and D of section 66001(d)(1)). The CIP identifies non-impact fee funding if needed to fully fund

⁴ City of Petaluma, *Adopted Operating & Capital Improvement Budget; FY 2023-2024* (2023), p. 31.

⁵ Ibid., p. 31 and p. CIP-9. "Budgeted Expenditures" in the table on p. 31 reflect fee program administrative costs for FY 2023-24, while "Budgeted Transfers Out" reflect FY 2023-24 capital project funding. Total sources of funding from each fee account (beginning balance and future revenue) that are funding capital projects within the CIP five-year horizon are shown in the table on p. CIP-9.

a capital project that is also funded by impact fees, and the timing of that funding.

Several CIP projects include undetermined funding when the City fully anticipates sufficient funding for a capital project, but specific sources have yet to be authorized. This approach is not unusual in capital improvement planning for two reasons:

- ◆ The long time horizon for the planning, permitting, environmental compliance, and construction of public capital projects requires initiation of the project before a complete funding plan is developed. Otherwise, many potential projects would be deferred indefinitely.
- ◆ The time needed to access specific funding sources, particularly intergovernmental grants, other intergovernmental funding programs, and private donations, as well as the time it takes to plan for the issuance of long-term debt to fund large capital projects, limits a local agency's ability to include them in a funding plan until authorization for the funding source has occurred.

Project funding will be updated in the CIP and future five-year development impact fee program reports as specific sources are identified.

Development Capacity and Growth Projections

Urban Economics examined the amount of future development that may be reasonably anticipated within the City given available capacity, and therefore the continuing need for a development impact fee program.

The latest 2023 estimates from the California Department of Finance indicate the City currently has a household population of 57,659. The latest estimate of jobs from the U.S. Census Bureau's OnTheMap estimates shows 27,131 primary jobs in Petaluma as of 2020. As further explained below, there remains significant development demand and available capacity to meet that demand within the City.

Growth projections for the San Francisco Bay region are prepared by the Association of Bay Area Governments (ABAG).⁶ The most recent ABAG projections are for 2050. The ABAG growth projections did not identify specific figures for the City but rather for the South Sonoma County super district. The super district encompasses the cities of Petaluma, Cotati, Sonoma, and Rohnert Park, plus surrounding unincorporated areas. From the 2015 base year of the projections to 2050, super district households are projected to increase by 30 percent and jobs by 11 percent.

⁶ Association of Bay Area Governments, *Plan Bay Area 2050 Final Blueprint Growth Pattern*, updated January 21, 2021.

The City of Petaluma comprised approximately 36 percent of the households and 35 percent of the jobs within the super district in 2015. Applying the City's share of super district 2015 land use to the ABAG projections suggests approximately 71,000 residents and 28,000 jobs in 2050 within the City. Jobs grow by the same rate as the super district (11 percent) while population grows at a slower rate than households (20 percent versus 30 percent) because of declining household size (persons per household).

The General Plan has a total buildout capacity of 72,707 residents and 46,540 jobs within City limits as reported in the MRG Nexus Study. The ABAG projections allocated to the City suggest that the City will be nearing residential buildout by 2050 while substantial nonresidential (job) capacity will remain.

The City's Housing Element, recently adopted in May 2023 demonstrates the City's capacity for near term growth. The City's Regional Housing Needs Allocation (RHNA) is 1,910 new units and the Housing Element estimates that the City can accommodate 3,241 new housing units by 2031. Given the City's current average household size of 2.45 persons per household (based on California Department of Finance estimates) this represents a population growth of between 4,680 to 7,940 new residents within the next eight years, or a total population by 2031 of between 62,339 and 65,599. This pace of growth would result in achieving the ABAG projections and buildout before 2050.

The pace of development and total population within the City will be affected by periodic swings in the real estate development cycle and other factors. For example, the City is currently experiencing a dip in population due to higher vacancy rates and lower persons per household. These factors are not constant and change over time. Based on this analysis of General Plan capacity and ABAG's regional projections, this report finds that overall, the City's population is expected to grow for several decades. Furthermore, the City has existing capacity to accommodate that growth. Therefore, this report concludes that the City has an ongoing need for a development impact fee program.

2. CITY FACILITIES DEVELOPMENT IMPACT FEE

Finding: Purpose of Fee

The Capital Facilities Development Impact Fee funds several types of facilities including city administration, public safety, and community service facilities (library, community center, etc.). The purpose of the fee is to provide funding to achieve the City's goal of either maintaining existing or achieving desired service levels (depending on the facility type) as new development occurs. The MRG Nexus Study identifies the specific purposes of each of the facility types funded by the Fee and the share funded by the fee.⁷

The MRG Nexus Study identifies the maximum fair share of each capital project that can be funded by the fee program based on the nexus methodology. The nexus allocates 100 percent of costs to the fee if the fee is based on existing standards or levels of service, and fee revenues are used to expand facility capacity and/or capabilities. The nexus allocates 21.1 percent of costs to the fee if the capital project serves both existing and new development by raising existing standards or level of service. These maximum funding shares remains unchanged until the nexus study is updated. **Table 1** displays a summary of the 2012 project list, and the overall allocation to new development by project. These figures have not been updated for construction cost inflation to 2023.

Finding: Reasonable Relationship

The Capital Facilities Development Impact Fee bears a reasonable relationship to the purpose for which it is charged for the reasons explained below. These findings are based on the current CIP and additional information provided by city staff.

- ◆ The CIP programs the beginning fee account fund balance and future revenue to projects identified in the MRG Nexus Study, as revised, that remain incomplete.
- ◆ The CIP shows that the fee funds no more than the maximum funding share of each capital project based on the nexus methodology described above and additional information provided by city staff.
- ◆ The CIP shows that fee program expenditures over the five-year horizon are greater than the FY 2023-24 beginning fee account fund balance,

⁷ Municipal Resources Group, *City of Petaluma Mitigation Fee Act Nexus Report & Quimby Act In-Lieu Fee Report*, Aug. 14, 2012, pp. 9-31.

indicating that fee revenues are not being accumulated for unidentified purposes.

Table 1: City Facilities Development Impact Fee Project Summary

Project	Total Cost	Fee Program Funding	
		Percent	Amount
Construct City Hall	\$ 15,043,280	21.1%	\$ 3,174,132
Construct corporation yard	7,664,300	21.1%	1,617,167
Purchase VOIP system	200,000	21.1%	42,200
Purchase vehicles	556,250	100.0%	556,250
Purchase technology equipment	36,000	100.0%	36,000
Relocate and construct Fire Station #1	15,528,049	21.1%	3,276,418
Refurbish Fire Stations #2 and #3	6,344,000	21.1%	1,338,584
Purchase ALS ambulance	298,104	50.0%	149,052
Purchase firefighter protective equipment	98,175	100.0%	98,175
Construct Police Station	25,491,130	21.1%	5,378,628
Install communication tower	165,000	21.1%	34,815
Purchase Police officer equipment	90,666	100.0%	90,666
Purchase patrol vehicles	486,774	100.0%	486,774
Construct aquatic facility	9,787,382	21.1%	2,065,138
Expand library facility	4,600,340	100.0%	4,600,340
Expand community center	9,229,605	100.0%	9,229,605
Total	\$ 95,619,055	33.6%	\$ 32,173,945

Sources: Municipal Resources Group, LLC, *City of Petaluma Mitigation Fee Act Nexus Report and Quimby Act In-Lieu Fee Report*, Aug. 14, 2012.

A brief description of the reasonable relationship of each project in the CIP to the fee is described below. Based on the CIP, total expenditures and funding by funding source for each project are shown in **Table 2** at the end of this section. Total uses of funds are consolidated into a single annual figure and the CIP provides more detail.

- ◆ **Reserve Apparatus Storage & Security Gate Installation:** This project supports expansion of the fire apparatus fleet. The project reflects a more detailed specification of the vehicles and fire safety equipment projects included in the 2012 project list. Consistent with projects that expand facility capacity and/or capabilities, up to 100 percent of costs can be allocated to new development and the impact fee program. The fee funds 100 percent of project costs.
- ◆ **City Hall West Wing Space Remodel:** This project creates a new City permit center and consolidates all building permit related departments into a single counter to facilitate the issuance of permits. The space being remodeled was previously rented by County, and the

project is converting this space for City uses. This conversion increases the City's permitting capacity. The project reflects a more detailed specification of the city hall and related general administrative facility projects included in the 2012 project list. Consistent with projects that expand facility capacity and/or capabilities, up to 100 percent of costs can be allocated to new development and the impact fee program. The fee funds 60.4 percent of project costs.

- ◆ **Electrical Vehicle Chargers:** This project will support additional planning, investigation, and design documentation of existing building electrical capacity to prioritize electric vehicle charger installation at city facilities. The project reflects a more detailed specification of the new vehicles project included in the 2012 project list. Consistent with projects that expand facility capacity and/or capabilities, up to 100 percent of costs can be allocated to new development and the impact fee program based on in the 2012 nexus study. The fee funds 7.4 percent of project costs.
- ◆ **Library Facility Enhancement and Expansion:** This project is a joint venture between Sonoma County and the City of Petaluma. The project will improve and enhance the Petaluma branch of the Sonoma County Library. Major elements of the project include improving access to the facility, expanding public areas, and upgrading the fire suppression system. The project reflects a more detailed specification of the library project included in the 2012 project list. Consistent with projects that expand facility capacity and/or capabilities, up to 100 percent of costs can be allocated to new development and the impact fee program. The fee funds 16.1 percent of project costs.
- ◆ **HVAC & Energy Efficiency Upgrades:** This project will improve the efficiency of HVAC at most city owned facilities and include upgrades and replacements where necessary. The project reflects a more detailed specification of the city hall and related general administrative facility projects included in the 2012 project list. Consistent with projects that expand facility capacity and/or capabilities, up to 100 percent of costs can be allocated to new development and the impact fee program. The fee funds 35 percent of project costs.
- ◆ **Fire Station #4 / Public Safety Building:** The Public Safety Facilities Assessment, completing in FY 22/23, is informing the construction and siting of a new fire headquarters that will include space for some integral police/public safety operations as well. The assessment is creating a roadmap for next steps including planning and funding needs. The existing facilities do not meet the departments' collective operational needs. The new facility will provide space for current and future needs, accommodate a diverse workforce, and

comply with current seismic and other public safety facility standards. The project reflects an expansion of the 2012 project list based on the recent facilities assessment. Consistent with projects that serve both existing and new development, up to 21.1 percent of costs can be allocated to new development and the impact fee program based on in the 2012 nexus study. The fee funds 20.8 percent of project costs.

The CIP includes undetermined funding sources for this project. The City uses this designation when a capital project has adequate funding to proceed and full funding is anticipated, but the complete funding plan is under development (see *Methodology* section in the *Introduction* for more explanation). Project funding will be updated as specific sources are identified.

- ◆ **Fire Stations 1, 2, and 3 Remodel:** Identified by the Fire Department as needed to continue service to the community and to accommodate growth in both population and building density. The project reflects a more detailed specification of the two fire station projects included in the 2012 project list. Consistent with projects that serve both existing and new development, up to 21.1 percent of costs could be allocated to new development and the impact fee program based on in the 2012 nexus study. The fee funds 21.1 percent of project costs.

The CIP includes undetermined funding sources for this project. The City uses this designation when a capital project has adequate funding to proceed and full funding is anticipated, but the complete funding plan is under development (see *Methodology* section in the *Introduction* for more explanation). Project funding will be updated as specific sources are identified.

- ◆ **Police Department Facility Remodel:** This project will expand the capacity of the police station. This is considered part of the total cost of new police station listed in the MRG Nexus Study. The allocation of \$4.6 million to the City Facilities Impact Fee is less than the \$5.4 million allocated to the impact fee in the 2012 nexus study (not adjusted for inflation). The project reflects a more detailed specification of the police facility project included in the 2012 project list. Consistent with projects that serve both existing and new development, up to 21.1 percent of costs could be allocated to new development and the impact fee program based on in the 2012 nexus study. The fee funds 91.3 percent of project costs. However, city staff indicates that considering all police facility capital projects, either completed since the 2012 nexus study, under construction, or anticipated, particularly the estimate of \$102 mil. for a new police headquarters that is outside the current five-year CIP planning horizon, fee funding for all projects will be less than 21.1 percent.

Of the projects identified in the MRG Nexus Study (see Table 1), the City is still pursuing projects which are not anticipated to be initiated until after the current five-year CIP. Below is a list of those projects:

- ◆ Construct New City Hall
- ◆ Construct Corp Yard
- ◆ Expand Community Center

Fee revenue also may be used for costs to comply with the MFA such as costs for fee collection and accounting, plus costs for administration and management of capital improvement projects funded by fee revenues.

Findings: Alternative Funding Sources and Timing

See **Table 2** for the identified funding sources needed to complete each project and the timing of those sources. Sources of funds are differentiated by source and year.

Table 2: City Facilities Development Impact Fee (\$000s)

Project No.	Description	Estimate	Adopted					Total	DIF Fee Funding Share
		Life to Date thru FY 23	Budget FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28		
C11501911	Reserve Apparatus Storage & Security Gate Installation								
	Total Uses	28	247	-	-	-	-	275	
	Sources								
	City Facilities DIF	50	225	-	-	-	-	275	100.0%
	Total Sources	50	225	-	-	-	-	275	
C11202017	City Hall West Wing Space Remodel & Permit Center								
	Total Uses	371	449	-	-	-	-	820	
	Sources								
	City Facilities DIF	238	257	-	-	-	-	495	60.4%
	American Rescue Plan Act (ARPA)	160	-	-	-	-	-	160	
	Grants -SB2	165	-	-	-	-	-	165	
	Total Sources	563	257	-	-	-	-	820	
C11502015	Electrical Vehicle Chargers								
	Total Uses	394	301	181	181	181	142	1,380	
	Sources								
	City Facilities DIF	17	17	17	17	17	17	102	7.4%
	General Fund	17	-	-	-	-	-	17	
	General Fund- Measure U	300	200	135	135	135	125	1,030	
	BayAreaAirQualityMgtDistrict Grant	15	-	-	-	-	-	15	
	Water Capital	76	-	-	-	-	-	76	
	Waste Water Capital	59	-	-	-	-	-	59	
	Donation- Green Building	22	-	-	-	-	-	22	
	Street Maintenance	59	-	-	-	-	-	59	
	Total Sources	565	217	152	152	152	142	1,380	
C11202121	Library Facility Enhancement and Expansion								
C11502224	Total Uses	88	4,293	-	-	-	-	4,381	
	Sources								
	City Facilities DIF	175	530	-	-	-	-	705	16.1%
	General Fund- Measure U	600	268	-	-	-	-	868	
	Transient Occupancy Tax	12	-	-	-	-	-	12	
	ARPA	192	-	-	-	-	-	192	
	Library Infrastructure Grant	-	1,110	-	-	-	-	1,110	
	Sonoma County Contribution	-	1,494	-	-	-	-	1,494	
	Total Sources	979	3,402	-	-	-	-	4,381	
C11202223	HVAC & Energy Efficiency Upgrades								
	Total Uses	307	1,877	214	-	-	-	2,398	
	Sources								
	City Facilities DIF	-	440	400	-	-	-	840	35.0%
	General Fund- Measure U	50	-	-	-	-	-	50	
	American Rescue Plan Act (ARPA)	1,508	-	-	-	-	-	1,508	
	Total Sources	1,558	440	400	-	-	-	2,398	
New	Fire Station #4 / Public Safety Building								
	Total Uses	-	750	750	8,900	16,525	-	26,925	
	Sources								
	City Facilities DIF	-	250	750	-	4,600	-	5,600	20.8%
	Infrastructure Bond - Measure U	-	-	-	8,900	6,100	-	15,000	
	Developer Contributions/Donations	-	500	-	-	-	-	500	
	Undetermined ¹	-	-	-	-	5,825	-	5,825	
	Total Sources	-	750	750	8,900	16,525	-	26,925	
New	Fire Stations 1, 2 & 3 Remodel								
	Total Uses	101	-	-	236	2,833	2,830	6,000	
	Sources								
	City Facilities DIF	101	-	-	236	929	-	1,266	21.1%
	Undetermined ¹	-	-	-	-	1,904	2,830	4,734	
	Total Sources	101	-	-	236	2,833	2,830	6,000	
C11202225	Police Department Facility Remodel								
	Total Uses	20	353	2,339	2,288	-	-	5,000	
	Sources								
	City Facilities DIF	-	-	2,279	2,288	-	-	4,567	91.3%
	American Rescue Plan Act (ARPA)	433	-	-	-	-	-	433	
	Total Sources	433	-	2,279	2,288	-	-	5,000	

Table 2: City Facilities Development Impact Fee (\$000s) (continued)

Project No.	Description	Estimate	Adopted					DIF Fee Funding Share
		Life to Date thru FY 23	Budget FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28	
City Facilities Development Impact Fee Account								
	Beginning Fund Balance	NA	7,705	7,133	4,834	3,440	(959)	7,705
	Estimated Fee Revenue ²	581	1,147	1,147	1,147	1,147	1,147	6,316
	Expenditures ³	(581)	(1,719)	(3,446)	(2,541)	(5,546)	(17)	(13,850)
	Estimated Ending Fund Balance	NA	7,133	4,834	3,440	(959)	171	171

¹ "Undetermined funding" as a source is used when a project has adequate funding to proceed and full funding is anticipated, but the complete funding plan is under development (see *Methodology* section in the *Introduction* for more explanation). Project funding will be updated as specific sources are identified.

² CIP does not estimate fee revenue beyond FY 2023-2024 so future annual revenue assumed to equal revenue for FY 2023-2024.

³ Expenditures do not include fee program administration costs.

3. PARKLAND DEVELOPMENT IMPACT FEE

Finding: Purpose of Fee

The Parkland Development Impact Fee provides funding to achieve the City's General Plan standards for construction of neighborhood and community parks. Parkland acquisition is funded separately by the Parkland Acquisition Impact Fee.

The MRG Nexus Study applies General Plan standards for community and neighborhood parks to future development to determine the funding required by the fee.⁸ New development can fund up to 100 percent of associated costs if new development is the primary beneficiary of the additional parks, or up to 21.1 percent if both existing and new development benefit (see *Finding: Purpose of Fee* section in Chapter 2, *City Facilities Development Impact Fee*).

Finding: Reasonable Relationship

The Parkland Development Impact Fee bears a reasonable relationship to the purpose for which it is charged for the reasons explained below. These findings are based on the current CIP.

- ◆ The CIP programs the beginning fee account fund balance and future revenue to projects that expand neighborhood and community parks as identified in the MRG Nexus Study.
- ◆ The CIP shows that the fee funds no more than the maximum funding share of each capital project based on the nexus methodology described above.
- ◆ The CIP shows that fee program expenditures over the five-year horizon are greater than the FY 2023-24 beginning fee account fund balance, indicating that fee revenues are not being accumulated for unidentified purposes.

A brief description of the reasonable relationship of each project in the CIP to the fee is described below. Based on the CIP, total expenditures and funding by funding source for each project are shown in **Table 2** at the end of this section. Total uses of funds are consolidated into a single annual figure and the CIP provides more detail.

- ◆ **Petaluma Community Baseball Field:** This project expands the City's capacity of park amenities. The fee funds 77 percent of project costs. All fee funding occurred in prior years and no funds are allocated in the CIP.

⁸ Ibid., pp. 32-41.

- ♦ **Lucchesi Skate Park:** This project adds capacity to the existing skatepark by identifying and adding elements that would encourage participation and skills progression from a broader range of ages, ability levels, and user groups. The fee funds 23.1 percent of project costs.

The CIP includes undetermined funding sources for this project. The City uses this designation when a capital project has adequate funding to proceed and full funding is anticipated, but the complete funding plan is under development (see *Methodology* section in the *Introduction* for more explanation). Project funding will be updated as specific sources are identified.

- ♦ **Marina, Turning Basin Dredging & Dock Upgrades:** This project benefits both existing and new development. The primary goal of this project is to recover the full operational water depth for boating safety, navigation, and (state-leased) Marina operations. The project includes removal of dredged material from Shollenberger Park for beneficial reuse at an adjacent wetland area. The fee funds 3.6 percent of project costs.

The CIP includes undetermined funding sources for this project. The City uses this designation when a capital project has adequate funding to proceed and full funding is anticipated, but the complete funding plan is under development (see *Methodology* section in the *Introduction* for more explanation). Project funding will be updated as specific sources are identified.

- ♦ **Shollenberger Amphitheater and Kiosk Improvements:** This project will expand park facilities by constructing an environmental educational kiosk and an outdoor amphitheater at Shollenberger Park. The fee funds 13.5 percent of project costs.

Fee revenue also may be used for costs to comply with the MFA such as costs for fee collection and accounting, plus costs for administration and management of capital improvement projects funded by fee revenues.

Findings: Alternative Funding Sources and Timing

See Table 3 for the identified funding sources needed to complete each project and the timing of those sources. Sources of funds are differentiated by source and year.

Table 3: Parkland Development Impact Fee (\$000s)

Project No.	Description	Estimate	Adopted					Total	DIF Fee Funding Share
		Life to Date thru FY 23	Budget FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28		
C14501607	Petaluma Community Baseball Field								
	Total Uses	6,284	913	-	-	-	-	7,197	
	Sources								
	Parkland DIF	5,543	-	-	-	-	-	5,543	77.0%
	Donations/Developer Contrib.	100	-	400	-	-	-	500	
	Measure M - Parks	-	300	-	-	-	-	300	
	General Fund Measure U	154	-	-	-	-	-	154	
	Transient Occupancy Tax	-	500	-	-	-	-	500	
	Traffic Impact Fees	200	-	-	-	-	-	200	
	Total Sources	5,997	800	400	-	-	-	7,197	
C14402215	Lucchesi Skate Park								
	Total Uses	110	1,528	1,175	-	-	-	2,813	
	Sources								
	Parkland DIF	-	650	-	-	-	-	650	23.1%
	Measure M - Parks	150	-	400	-	-	-	550	
	American Rescue Plan Act (ARPA)	313	-	-	-	-	-	313	
	General Fund	525	-	-	-	-	-	525	
	Transient Occupancy Tax (TOT)	-	-	500	-	-	-	500	
	Undetermined ¹	-	-	275	-	-	-	275	
	Total Sources	988	650	1,175	-	-	-	2,813	
c14402010	Marina Dredging & Dock Upgrades								
	Total Uses	2,070	5,259	6,418	-	-	-	13,747	
	Sources								
	Parkland DIF	387	-	107	-	-	-	494	3.6%
	General Fund	1,100	-	-	-	-	-	1,100	
	General Fund-Measure U	-	700	700	-	-	-	1,400	
	Transient Occupancy Tax (TO)	573	-	-	-	-	-	573	
	Storm Drainage Utility	50	-	-	-	-	-	50	
	Undetermined ¹	-	4,559	5,571	-	-	-	10,130	
	Total Sources	2,110	5,259	6,378	-	-	-	13,747	
C14502012	Shollenberger Amphitheater & Kiosk Improvements								
	Total Uses	26	249	-	-	-	-	275	
	Sources								
	Parkland DIF	27	10	-	-	-	-	37	13.5%
	Measure M - Parks	-	25	-	-	-	-	25	
	California State Parks Grant	-	213	-	-	-	-	213	
	Total Sources	27	248	-	-	-	-	275	
Parkland Development Impact Fee Account									
	Beginning Fund Balance	NA	335	289	796	1,410	2,024	335	
	Estimated Fee Revenue ²	5,957	614	614	614	614	614	9,027	
	Expenditures ^{2,3}	(5,957)	(660)	(107)	-	-	-	(6,724)	
	Ending Fund Balance	NA	289	796	1,410	2,024	2,638	2,638	

¹ "Undetermined funding" as a source is used when a project has adequate funding to proceed and full funding is anticipated, but the complete funding plan is under development (see *Methodology* section in the *Introduction* for more explanation). Project funding will be updated as specific sources are identified.

² CIP does not estimate fee revenue beyond FY 2023-2024 so future annual revenue assumed to equal revenue for FY 2023-2024. "Life To Date" expenditures and revenue exclude \$105,000 for a playground replacements project not included in this table because no future funding is allocated.

³ Expenditures do not include fee program administration costs.

4. PARKLAND ACQUISITION IMPACT FEE

Finding: Purpose of Fee

The purpose of the Park Land Acquisition Fee is to provide funding to achieve the City's goal of acquiring the neighborhood and community parks identified in its General Plan. Park construction is funded separately by the Parkland Development Impact Fee.

The MRG Nexus Study calculates the remaining parkland necessary to purchase to meet the level of park development proposed by the General Plan and allocates those costs to the fee. The implied standard for purposes of the fee (new park acres per 1,000 residents) is less than the existing standard so new development can fund up to 100 percent of parkland acquisition costs.

Finding: Reasonable Relationship

The Parkland Acquisition Impact Fee bears a reasonable relationship to the purpose for which it is charged for the reasons explained below.

City staff has been exploring the acquisition of land to become Cedar Grove Park. According to city staff, this project is not reflected in the current CIP because acquisition is not anticipated during the current five-year CIP horizon. With adoption of this report the City is establishing a capital project reserve account for this project. See **Table 4** at the end of this section for detail. Based on the information in Table 4:

- ◆ City staff program the beginning fee account fund balance and future revenue to projects that expand parkland as identified in the MRG Nexus Study.
- ◆ The CIP shows that the fee funds no more than the maximum funding share of each capital project based on the nexus methodology described above.
- ◆ The CIP shows that fee program expenditures over the five-year horizon are greater than the FY 2023-24 beginning fee account fund balance, indicating that fee revenues are not being accumulated for unidentified purposes.

Fee revenue also may be used for costs to comply with the MFA such as costs for fee collection and accounting, plus costs for administration and management of capital improvement projects funded by fee revenues.

Findings: Alternative Funding Sources and Timing

As shown in **Table 4**, no additional funding sources are anticipated to complete this project.

Table 4: Parkland Acquisition Impact Fee (\$000s)

Project No.	Description	Estimate	Adopted Budget					DIF Fee Funding Share	
		Life to Date thru FY 23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28	Total	Share
N/A	Cedar Grove Park (reserve to complete)¹								
	Total Uses	-	-	3,057	195	195	195	3,641	
	Sources								
	Parkland Acquisition DIF	-	-	3,057	195	195	195	3,641	100%
	Total Sources	-	-	3,057	195	195	195	3,641	
	Parkland Acquisition Impact Fee Account								
	Beginning Fund Balance	NA	2,668	2,862	-	-	-	2,668	
	Estimated Fee Revenue ²	-	195	195	195	195	195	973	
	Expenditures ³	-	-	(3,057)	(195)	(195)	(195)	(3,641)	
	Ending Fund Balance	NA	2,862	-	-	-	-	-	

¹ This project is not in the City's CIP. Funds are being accumulated in a capital project reserve account for future acquisition anticipated to occur beyond the CIP five-year planning horizon.

² CIP does not estimate fee revenue beyond FY 2023-2024 so future annual revenue assumed to equal revenue for FY 2023-2024.

³ Expenditures do not include fee program administration costs.

5. OPEN SPACE ACQUISITION IMPACT FEE

Finding: Purpose of Fee

The purpose of the Open Space Acquisition Fee is to provide funding to acquire sufficient open space to achieve the City's General Plan standard. Unlike neighborhood and community parks, there are no construction costs associated with open space.

The MRG Nexus Study calculates the remaining open space necessary to purchase to achieve the General Plan standard and allocates those costs to the fee. The implied standard for purposes of the fee (open space acres per 1,000 residents) is less than the existing standard so new development can fund up to 100 percent of open space acquisition costs.

Finding: Reasonable Relationship

The Open Space Acquisition Impact Fee bears a reasonable relationship to the purpose for which it is charged for the reasons explained below.

City staff has been exploring two open space acquisition projects, La Questa Ridge and Denman Reach Phase V. According to city staff, these projects are not reflected in the current CIP because acquisition is not anticipated during the current five-year CIP horizon. With adoption of this report the City is establishing a capital project reserve account for each project.

- ◆ City staff program the beginning fee account fund balance and future revenue to projects that expand open space as identified in the MRG Nexus Study.
- ◆ The fee funds no more than the maximum funding share of each capital project based on the nexus methodology described above.
- ◆ Fee program expenditures over the five-year horizon are greater than the FY 2023-24 beginning fee account fund balance, indicating that fee revenues are not being accumulated for unidentified purposes.

A brief description of the reasonable relationship of each project to the fee is described below. Total expenditures and funding by funding source for each project are shown in **Table 5** at the end of this section.

- ◆ **La Cresta Ridge Open Space:** This project seeks to acquire open space at La Cresta Ridge. The City estimates that fees will fund 46 percent of project costs.

The project includes undetermined funding sources. The City uses this designation when a capital project has adequate funding to proceed and full funding is anticipated, but the complete funding plan is under

development (see *Methodology* section in the *Introduction* for more explanation). Project funding will be updated as specific sources are identified.

- ♦ **Denman Reach Phase V:** This project consists of the acquisition of land and/or an easement so that the Denman Reach trail can connect to Petaluma Boulevard North at Industrial Drive. The City estimates that fees will fund 100 percent of project costs.

Fee revenue also may be used for costs to comply with the MFA such as costs for fee collection and accounting, plus costs for administration and management of capital improvement projects funded by fee revenues.

Findings: Alternative Funding Sources and Timing

See **Table 5** for the identified funding sources needed to complete each project and the timing of those sources. Sources of funds are differentiated by source and year.

Table 5: Open Space Acquisition Impact Fee (\$000s)

Project No.	Description	Estimate	Adopted					DIF Fee Funding	
		Life to Date thru FY 23	Budget FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28	Total	Share
N/A	La Cresta Ridge Open Space (reserve to complete)¹								
	Total Uses	-	-	532	82	82	1,705	2,400	
	Sources								
	Open Space Acquisition Impact Fee	-	-	532	82	82	82	776	32%
	Undetermined ²	-	-	-	-	-	1,624	1,624	
	Total Sources	-	-	532	82	82	1,705	2,400	
N/A	Denman Reach Phase V (reserve to complete)¹								
	Total Uses	-	-	-	-	-	300	300	
	Sources								
	Open Space Acquisition Impact Fee	-	-	-	-	-	300	300	100%
	Total Sources	-	-	-	-	-	300	300	
Open Space Development Impact Fee Account									
	Beginning Fund Balance	N/A	669	750	300	300	300	669	
	Estimated Fee Revenue ³	-	82	82	82	82	82	408	
	Expenditures ⁴	-	-	(532)	(82)	(82)	(382)	(1,076)	
	Ending Fund Balance	N/A	750	300	300	300	-	-	

¹ This project is not in the City's CIP. Funds are being accumulated in a capital project reserve account for future acquisition anticipated to occur beyond the CIP five-year planning horizon.

² "Undetermined funding" as a source is used when a project has adequate funding to proceed and full funding is anticipated, but the complete funding plan is under development (see *Methodology* section in the *Introduction* for more explanation). Project funding will be updated as specific sources are identified.

³ CIP does not estimate fee revenue beyond FY 2023-2024 so future annual revenue assumed to equal revenue for FY 2023-2024.

⁴ Expenditures do not include fee program administration costs.

6. TRAFFIC DEVELOPMENT IMPACT FEE

Finding: Purpose of Fee

The purpose of the Traffic Development Impact Fee is to fund improvements and expansion to the City's citywide transportation infrastructure to address and manage the impacts of additional travel demand from new development. Strategies may include not only managing vehicle impacts, but also shifting vehicle trip demand to transit, biking, and walking. The F&P Nexus Study identifies the specific purposes of each of the facility types funded by the fee.

The Willdan Memorandum (2016 update to the F&P Nexus Study) updated the maximum fair share of each capital project that can be funded by the fee based on the F&P Nexus Study methodology. That study allocated a share of the cost of each project to the fee based on the results of a traffic modeling analysis that identified the impacts of new development. These maximum funding shares remains unchanged until the nexus study is updated. **Table 6** displays a summary of the F&P Nexus Study project list as updated by the Willdan Memorandum, and the cost allocation to new development. These figures have not been updated for construction cost inflation to 2023.

Table 6: Traffic Development Impact Fee Project Summary

Project	Cost ¹	Maximum Fee Funding (Nexus Analysis)	
		Fair Share	Amount
Rainier Avenue Extension and Interchange	\$ 89,725,097	100.0%	\$ 89,725,097
Caulfield Lane Extension	54,561,194	100.0%	54,561,194
Old Redwood Highway Interchange Improvements	2,879,990	100.0%	2,879,990
Caulfield Lane/Payran Street Intersection Improvements	500,000	100.0%	500,000
Petaluma Blvd./Magnolia Ave. – Payran St. Intersection	500,000	100.0%	500,000
Construction of New Intersections Throughout the City	2,250,000	74.1%	1,668,224
Traffic Signal Upgrades Throughout the City	1,885,000	22.4%	422,803
Pedestrian/Bicycle Improvements Throughout the City	27,389,000	32.8%	8,978,853
Transit Improvements Throughout the City	2,500,000	22.4%	560,746
Redevelopment Supplement ²	9,972,739	100.0%	9,972,739
SMART Station (350 Parking Spaces)	10,500,000	22.4%	2,355,134
Administration	<u>1,278,262</u>	<u>100.0%</u>	<u>1,278,262</u>
Total	\$ 203,941,282	85.0%	\$ 173,403,042

¹ Costs exclude previously identified funding for Rainier Avenue, Caulfield Land, and Old Redwood Highway projects shown in the F&P Nexus Study.

² Represents the funding disputed by the California Department of Finance in former Petaluma Community Development Commission (PCDC) (redevelopment agency) agreements for the Rainier Avenue and Old Redwood Highway projects. The City will collect this supplement pending resolution of the status of these funds. If the PCDC agreements are recognized the project list and fee will be adjusted to remove the Redevelopment Supplement.

Sources: Willdan Financial Services, memorandum to City of Petaluma, May 10, 2016.

Finding: Reasonable Relationship

The Traffic Mitigation Fee bears a reasonable relationship to the purpose for which it is charged for the reasons explained below:

- ◆ The fee funds no more than the maximum funding share of each capital project based on the nexus methodology described above.
- ◆ The fee is programmed to projects identified in the 2016 nexus study, as revised, that remain incomplete. These projects are documented in the CIP.
- ◆ The CIP shows that fee program expenditures over the five-year horizon are greater than the FY 2023-24 beginning fee account fund balance, indicating that fee revenues are not being accumulated for unidentified purposes

A brief description of the reasonable relationship of each project in the CIP to the Fee is described below. Based on the CIP, total expenditures and funding by funding source for each project are shown in **Table 7**. Total uses of funds are consolidated into a single annual figure and the CIP provides more detail.

- ◆ **Rivertrail – 101/Crossing, Crosstown Connector-** The Rivertrail-101/Crossing, included in the Petaluma River Access and Enhancement Plan, provides a critical Rivertrail gap linkage with access to the river as well as the downtown transit area. It is a Crosstown Connector linking the southern, central, and eastern portions of the City. The project reflects a more detailed specification of the pedestrian/bicycle improvements project included in the 2016 project list. Up to 32.8 percent of costs can be allocated to new development and the impact fee program. The fee funds 27.6 percent of project costs.

The CIP includes undetermined funding sources for this project. The City uses this designation when a capital project has adequate funding to proceed and full funding is anticipated, but the complete funding plan is under development (see *Methodology* section in the *Introduction* for more explanation). Project funding will be updated as specific sources are identified.

- ◆ **North McDowell Boulevard Complete Streets:** This project expands bike and pedestrian capacity. This design will improve safety for all modes of transportation and encourage more bicycle and pedestrian use by adding bicycle lanes, improving sidewalks, and installing ADA accessibility improvements. The project reflects a more detailed specification of the pedestrian/bicycle improvements project included in the 2016 project list. Up to 32.8 percent of costs can be allocated to new development and the impact fee program. The fee funds 11.8 percent of project costs.

- ◆ **Caulfield Bridge Crosstown Connector:** Project (listed as Caulfield Lane Extension in the 2016 project list) will connect east and west Petaluma via Caulfield Lane over the Petaluma River to Petaluma Blvd. South near the Hwy 101 bridge at the southern end of the city. Up to 100 percent of costs can be allocated to new development and the impact fee program. The fee funds 48.9 percent of project costs.

The CIP includes undetermined funding sources for this project. The City uses this designation when a capital project has adequate funding to proceed and full funding is anticipated, but the complete funding plan is under development (see *Methodology* section in the *Introduction* for more explanation). Project funding will be updated as specific sources are identified.

- ◆ **Pedestrian Improvements Citywide:** This program delivers roadway and multi-use trail improvements focused on safety and accessibility. Priority will be given to areas with high pedestrian activity, including areas surrounding schools and parks, as well as streets and intersections with higher collision rates. The project reflects a more detailed specification of the pedestrian/bicycle improvements project included in the 2016 project list. Up to 32.8 percent of costs can be allocated to new development and the impact fee program. The fee funds 32.8 percent of project costs.
- ◆ **1st and F St Bridge Replacement:** Street maintenance funds will fund most project costs. Traffic impact fees will fund the pedestrian elements including a new sidewalk. The project reflects a more detailed specification of the pedestrian/bicycle improvements project included in the 2016 project list. Up to 32.8 percent of costs can be allocated to new development and the impact fee program. The fee funds 8.2 percent of project costs.
- ◆ **Traffic Signal Improvements – Citywide:** This multi-year, multi-phased project will modernize the City’s Traffic Signal Timing System to deliver continuous and reliable communications with a central management system. Up to 22.4 percent of costs can be allocated to new development and the impact fee program. The fee funds 16.4 percent of project costs.
- ◆ **Traffic Calming & Bike Boulevards:** This project targets safer walking and biking, particularly around schools and parks. The project reflects a more detailed specification of the pedestrian/bicycle improvements project included in the 2016 project list. Up to 32.8 percent of costs can be allocated to new development and the impact fee program. The fee funds 32.7 percent of project costs.
- ◆ **D Street Improvements:** This Complete Streets project will include reconstruction of D Street from the city limits to Petaluma Boulevard

South along with traffic calming and bike and pedestrian improvements to address safety and equity. Traffic impact fees will fund the bike and pedestrian elements. The project reflects a more detailed specification of the pedestrian/bicycle improvements project included in the 2016 project list. Up to 32.8 percent of costs can be allocated to new development and the impact fee program. The fee funds 11.5 percent of project costs.

The CIP includes undetermined funding sources for this project. The City uses this designation when a capital project has adequate funding to proceed and full funding is anticipated, but the complete funding plan is under development (see *Methodology* section in the *Introduction* for more explanation). Project funding will be updated as specific sources are identified.

- ◆ **Pedestrian Bridge Renovations:** New development is funding the share of this project that will add capacity. The project reflects a more detailed specification of the pedestrian/bicycle improvements project included in the 2016 project list. Up to 32.8 percent of costs can be allocated to new development and the impact fee program. The fee funds 32.8 percent of project costs.
- ◆ **Active Transportation Plan & Wayfinding:** New development is funding a share of the implementation of this master plan. The project reflects a more detailed specification of the pedestrian/bicycle improvements project included in the 2016 project list. Up to 32.8 percent of costs can be allocated to new development and the impact fee program. The fee funds 32.6 percent of project costs.
- ◆ **Pavement Restoration & Reconstruction Citywide:** The fee will fund the parts of this project associated with expansion of the City's bike, pedestrian, and active transportation infrastructure. The project reflects a more detailed specification of the pedestrian/bicycle improvements project included in the 2016 project list. Up to 32.8 percent of costs can be allocated to new development and the impact fee program. The fee funds 10.8 percent of project costs.
- ◆ **Bicycle/Pedestrian Wayfinding and Bicycle Parking:** This project will implement bicycle and pedestrian directional/wayfinding signage and bike racks throughout Petaluma on an ongoing basis. The project reflects a more detailed specification of the pedestrian/bicycle improvements project included in the 2016 project list. Up to 32.8 percent of costs can be allocated to new development and the impact fee program. The fee funds 33.0 percent of project costs.
- ◆ **Lynch Creek Trail / Crosstown Connector:** This project is a vital non-motorized east-west connection in the heart of Petaluma. The trail will expand the capacity of the City's parks and transportation

amenities and facilities. The project reflects a more detailed specification of the pedestrian/bicycle improvements project included in the 2016 project list. Up to 32.8 percent of costs can be allocated to new development and the impact fee program. The fee funds 32.8 percent of project costs.

The CIP includes undetermined funding sources for this project. The City uses this designation when a capital project has adequate funding to proceed and full funding is anticipated, but the complete funding plan is under development (see *Methodology* section in the *Introduction* for more explanation). The City is currently seeking grant revenue to fully fund this project. If grants cannot be secured to fund this project, the City may use the fee. Project funding will be updated as specific sources are identified.

- ◆ **Bus Stop Improvements:** This project expands the sidewalk width in front of bus stops to improve accessibility for wheelchair users and adds features for passenger comfort like shelters, benches, trash cans, and bike racks. The project reflects a more detailed specification of the transit improvements project included in the 2016 project list. Up to 22.4 percent of costs can be allocated to new development and the impact fee program. The fee funds 22.3 percent of project costs.

Of the projects identified in the Willdan Memorandum (see Table 6), the City is still pursuing projects which are not anticipated to be initiated until after the current five-year CIP. Below is a list of those projects:

- ◆ Rainier Avenue Extension
- ◆ Old Redwood Highway Interchange Improvements
- ◆ Caulfield Lane/Payran Street Intersection Improvements
- ◆ Petaluma Blvd./Magnolia Ave. – Payran St. Intersection
- ◆ Construction of New Intersections Throughout the City
- ◆ SMART Station (350 Parking Spaces)

Fee revenue also may be used for costs to comply with the MFA such as costs for fee collection and accounting, plus costs for administration and management of capital improvement projects funded by fee revenues.

Findings: Alternative Funding Sources and Timing

See Table 7 for the identified funding sources needed to complete each project and the timing of those sources. Sources of funds are differentiated by source and year.

Table 7: Traffic Mitigation Fee (\$000s)

Project No.	Description	Estimate	Adopted					Total	DIF Fee Funding Share
		Life to Date thru FY 23	Budget FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28		
C16101519	Rivertrail – 101/Crossing, Crosstown Connector								
	Total Uses	53	150	-	4,520	-	-	4,723	
	Sources								
	Traffic DIF	3	155	-	1,146	-	-	1,304	27.6%
	Developer contributions	50	-	-	-	-	-	50	
	Undetermined ¹	-	-	-	3,369	-	-	3,369	
	Total Sources	53	155	-	4,515	-	-	4,723	
C16102147	North McDowell Boulevard Complete Streets								
	Total Uses	8,868	5,235	-	-	-	-	14,103	
	Sources								
	Traffic DIF	1,300	364	-	-	-	-	1,664	11.8%
	Street Maintenance	719	3,320	-	-	-	-	4,039	
	Bond- Measure U Sales Tax	5,000	3,400	-	-	-	-	8,400	
	Total Sources	7,019	7,084	-	-	-	-	14,103	
C16401824	Caulfield Bridge Crosstown Connector								
	Total Uses	570	341	6,199	51,335	-	-	58,445	
	Sources								
	Traffic DIF	-	-	5,784	22,789	-	-	28,573	48.9%
	Developer contributions	1,326	-	-	-	-	-	1,326	
	Undetermined ^{1,2}	-	-	-	28,546	-	-	28,546	
	Total Sources	1,326	-	5,784	51,335	-	-	58,445	
C16102032	Pedestrian Improvements Citywide								
	Total Uses	314	440	273	221	221	221	1,690	
	Sources								
	Traffic DIF	77	287	136	20	20	14	554	32.8%
	Street Maintenance	193	164	137	201	201	202	1,098	
	Measure M Parks	38	-	-	-	-	-	38	
	Total Sources	308	451	273	221	221	216	1,690	
C16402141	1st and F St Bridge Replacement								
	Total Uses	2,101	422	-	-	-	-	2,523	
	Sources								
	Traffic DIF	168	39	-	-	-	-	207	8.2%
	Street Maintenance	2,022	294	-	-	-	-	2,316	
	Total Sources	2,190	333	-	-	-	-	2,523	
C16102250	Traffic Signal Improvements - Citywide								
	Total Uses	512	153	153	153	153	153	1,277	
	Sources								
	Traffic DIF	34	35	35	35	35	35	209	16.4%
	Street Maintenance	478	118	118	118	118	118	1,068	
	Total Sources	512	153	153	153	153	153	1,277	
C16102146	Traffic Calming & Bike Boulevards								
	Total Uses	246	200	200	200	200	200	1,246	
	Sources								
	Traffic DIF	115	66	66	66	66	29	408	32.7%
	Street Maintenance	90	134	134	134	134	212	838	
	Total Sources	205	200	200	200	200	241	1,246	
C16102251	D Street Improvements								
	Total Uses	177	500	1,348	2,762	-	-	4,787	
	Sources								
	Traffic DIF	11	102	264	172	-	-	549	11.5%
	Street Maintenance	92	103	-	-	-	-	195	
	Undetermined ¹	-	369	1,084	2,590	-	-	4,043	
	Total Sources	103	574	1,348	2,762	-	-	4,787	
C16402252	Pedestrian Bridge Renovations								
	Total Uses	22	248	1,730	-	-	-	2,000	
	Sources								
	Traffic DIF	21	80	555	-	-	-	656	32.8%
	Street Maintenance	-	190	1,154	-	-	-	1,344	
	Total Sources	21	270	1,709	-	-	-	2,000	

Table 7: Traffic Mitigation Fee (\$000s) (continued)

Project No.	Description	Estimate	Adopted					DIF Fee Funding Share
		Life to Date thru FY 23	Budget FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28	
E16502134	Active Transportation Plan & Wayfinding							
	Total Uses	223	10	-	-	-	-	233
	Sources							
	Traffic DIF	60	16	-	-	-	-	76
	Street Maintenance	123	34	-	-	-	-	157
	Total Sources	183	50	-	-	-	-	233
C16102248	Pavement Restoration & Reconstruction Citywide							
	Total Uses	1,923	6,719	5,197	3,198	3,198	3,198	23,433
	Sources							
	Traffic DIF	-	-	1,200	561	561	213	2,535
	Road Maint & Rehab Acct (RMRA)	-	-	-	1,878	2,000	420	4,298
	Bond- Measure U Sales Tax	2,000	7,000	7,600	-	-	-	16,600
	Total Sources	2,000	7,000	8,800	2,439	2,561	633	23,433
New	Bicycle/Pedestrian Wayfinding and Bicycle Parking							
	Total Uses	-	120	62	-	-	-	182
	Sources							
	Traffic DIF	-	30	30	-	-	-	60
	Street Maintenance / Highway Users	-	-	26	62	-	-	88
	BAAQMD TFCA	34	-	-	-	-	-	34
	Total Sources	34	30	56	62	-	-	182
C14502114	Lynch Creek Trail / Crosstown Connector							
	Total Uses	539	577	311	311	-	-	1,738
	Sources							
	Donations/Developer Contrib.	30	-	-	-	-	-	30
	TFCA	173	-	-	-	-	-	173
	SCTA TDA 3	213	-	-	-	-	-	213
	Traffic DIF	143	427	-	-	-	-	570
	Undetermined ^{1,2}	-	236	311	205	-	-	752
	Total Sources	559	663	311	205	-	-	1,738
C65502211	Bus Stop Improvements							
	Total Uses	66	80	80	80	80	80	466
	Sources							
	Traffic DIF	14	18	18	18	18	18	104
	TDA Transit Capital	52	62	62	62	62	62	362
	Total Sources	66	80	80	80	80	80	466
Traffic Development Impact Fee Account								
	Beginning Fund Balance	NA	34,667	36,723	32,310	11,178	14,153	34,667
	Estimated Fee Revenue ³	1,946	3,675	3,675	3,675	3,675	3,675	20,321
	Expenditures ⁴	(1,946)	(1,619)	(8,088)	(24,807)	(700)	(309)	(37,469)
	Estimated Ending Fund Balance	NA	36,723	32,310	11,178	14,153	17,519	17,519

¹ "Undetermined funding" as a source is used when a project has adequate funding to proceed and full funding is anticipated, but the complete funding plan is under development (see *Methodology* section in the *Introduction* for more explanation). Project funding will be updated as specific sources are identified.

² The City is currently seeking grant revenue to fully fund this project. If grants cannot be secured to fund this project, the City may use the traffic development impact fee fund.

³ CIP does not estimate fee revenue beyond FY 2023-2024 so future annual revenue assumed to equal revenue for FY 2023-2024. "Life To Date" expenditures and revenue exclude \$200,000 for a Petaluma Community Baseball Field project not included in this table because no future funding is allocated.

⁴ Expenditures do not include fee program administration costs.