

RESOLUTION NO. 2021-193

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE APPROVING THE CAPITAL FACILITIES FEE NEXUS STUDY UPDATE DATED JUNE 11, 2021, AND ESTABLISHING THE FEES RELATIVE TO THE CAPITAL FACILITIES FEE PROGRAM

WHEREAS, the City of Elk Grove (City) General Plan includes a general description of the location, capacity, and types of capital facilities needed to serve new development in the City; and

WHEREAS, in order to ensure adequate facilities are provided for City residents and that new development mitigates its impacts for the cost of providing these facilities, the levy of capital facilities development impact fees is necessary; and

WHEREAS, Chapter 16.95 of the Elk Grove Municipal Code establishes a program for funding capital facilities from development impact fees (Capital Facilities Fee Program); and

WHEREAS, Goodwin Consulting Group, Inc. has prepared a Capital Facilities Fee Nexus Study Update dated June 11, 2021 (“Nexus Study Update”), which details the relationship between the use of and need for the proposed fees and the types of development on which the fees are imposed, as well as the relationship between the amount of the fees, and the cost of the public facilities, which has been presented to the City Council; and

WHEREAS, in accordance with the Mitigation Fee Act (Government Code Section 66000 *et seq.*), at least one open and public hearing was held on the adoption of the Nexus Study and proposed fees, at which written and oral presentations were received as part of a regularly scheduled City Council meeting. The date, time and place for the public hearing(s) was duly noticed in accordance with Government Code Sections 66018 and 6062a and a draft Nexus Study was made available for public inspection for a period of at least ten (10) days prior to said public hearing, with background data and materials referenced therein available to interested parties upon request to the City Clerk’s Office at least ten (10) days prior to the date of said hearing. Following receipt of any written and/or oral comments from interested persons on the Nexus Study, the City Council closed the public hearing on the Nexus Study, and provided direction to staff concerning the Nexus Study; and

WHEREAS, adoption of this Resolution is exempt from the California Environmental Quality Act (Section 21000, *et. seq.* of the California Public Resources Code, hereafter CEQA) pursuant to Public Resources Code Section 21080(b)(8) and CEQA Guidelines Section 15273 (establishment of a fee); CEQA Guidelines Section 15061(b)(3) (no significant effect on the environment); and CEQA Guidelines Section 15378 (creation of government funding mechanisms are not projects under CEQA).

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Elk Grove hereby takes the following actions:


- 1. Incorporation of the Nexus Study:** This Resolution adopts the City of Elk Grove Capital Facilities Fee Nexus Study Update dated June 11, 2021 (Nexus Study), attached hereto as Exhibit A and incorporated herein by reference. The Nexus Study, along with the studies and reports it may reference or be based upon in whole or in part, and together with any amendments thereto and any supplemental or implementation actions pursuant thereto made after its initial adoption, does update and re-establish the need, costs and financing of certain capital facilities improvements arising out of development in the City, and presents a reasonable basis on which to update the Capital Facilities Fee under this Resolution. The Nexus Study establishes the reasonable relationship between the need for the public facilities and the impacts of the various types of new development identified, for which the corresponding Capital Facilities Fee is to be charged.
- 2. Capital Facilities Fee:** The amounts of the Capital Facilities Fees established and imposed for Administrative Facilities and Police Facilities pursuant to Elk Grove Municipal Code Chapter 16.95 are hereby established at the levels set forth in the Nexus Study.
- 3. Adjustments:** The Capital Facilities Fee Program development impact fees shall be adjusted pursuant to the guidelines prescribed in Elk Grove Municipal Code Section 16.95.060, or its replacement section should that section be amended during the duration of the Nexus Study.
- 4. Construction of Resolution:** The provisions of this Resolution are subject and subordinate to the provisions of Elk Grove Municipal Code Chapter 16.95 and shall at all times be constructed and applied consistent therewith as the same presently exists or may from time-to-time hereafter be amended.
- 5. Effective Date:** This Resolution shall be effective 60 days after its adoption.

PASSED AND ADOPTED by the City Council of the City of Elk Grove this 23rd day of June 2021




BOBBIE SINGH-ALLEN, MAYOR of the
CITY OF ELK GROVE

ATTEST:



JASON LINDGREN, CITY CLERK

APPROVED AS TO FORM:



JONATHAN P. HOBBS,
CITY ATTORNEY

GCG

GOODWIN CONSULTING GROUP



CITY OF
ELK GROVE

CITY OF ELK GROVE

**CAPITAL FACILITIES FEE
NEXUS STUDY UPDATE**

INCLUDES FEES FOR:

**CITY ADMINISTRATIVE FACILITIES &
POLICE FACILITIES**

June 11, 2021

**CITY OF ELK GROVE
CAPITAL FACILITIES FEE
NEXUS STUDY UPDATE**

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EXECUTIVE SUMMARY

The City of Elk Grove (the “City”) approved its first Capital Facilities Fee Program in 2001. Subsequently, the City updated the Capital Facilities Fee Program in 2004, 2009, and lastly in 2018. This Capital Facilities Fee Nexus Study updates two fees in the Capital Facilities Fee Program, namely, the City Administrative Facilities Fee and the Police Facilities Fee.

PURPOSE OF FEE NEXUS STUDY

As the City continues to grow, additional capital facilities will be required to meet the service needs of future residents and employees. The City has identified these facilities to include new or improvements of existing City administration facilities and police facilities. These facilities will be funded, in part, through the City’s Capital Facilities Fee (“CFF”) program (“Fee Program”), which includes separate fees for each facility category. The updated CFFs will apply to all future growth within the City limits. These CFFs, that will be levied throughout the City, comply with AB 1600 nexus requirements, because the fees are set at the amounts needed to mitigate the specific impacts that will result from new development within the City.

The City retained Goodwin Consulting Group, Inc. to assist with the update of the Fee Program, which will be put into effect by the Elk Grove City Council through the adoption of this *Capital Facilities Fee Nexus Study Update* report (the “Nexus Study”). The Fee Program is compliant with the requirements set forth in the Mitigation Fee Act, also known as AB 1600, and ensures that a rational nexus exists between the impact from future development in the City and the cost or portion of the cost of capital facilities attributable to future development.

FACILITIES AND COSTS INCLUDED IN THE FEE PROGRAM

Administrative and police facilities will be required to serve City residents and employees through buildout of the City. Facilities and cost estimates have been prepared by the City and its consultants and are presented in this report. In September 2019, the City’s consultant, Group 4 Architecture, completed a draft of the *Elk Grove Civic Facilities Assessment Master Plan* (the “Master Plan”). The Master Plan assessed the City’s existing administrative and police facilities and provided recommendations for additional facilities and improvements that would be needed to serve new development in City through build out.

SUMMARY OF THE FEE SCHEDULE

The Table 1 summarizes the CFFs calculated in this report. The City will add a 4.0% administration fee to the CFFs shown below to pay for the administrative duties associated with the Fee Program. Calculations performed by City staff for other City fee programs show that expenditures for program administration equal and often exceed 4.0% of the fee program's expenditures. Costs included in the administration of the program include, but are not limited to, preparation of the nexus study; preparation of updates to the nexus study; preparation of annual reports for the fee; and administration costs for maintaining the fee fund. The City should monitor its costs in the following years and adjust the rate, as necessary.

Tables A-1.0 and A-1.1 in the Appendix compare the proposed CFFs shown in Table 1 to the City's current CFFs. On average, the proposed Administrative Facilities CFFs increase by approximately 59% for residential development and by 75% to 100% for nonresidential development. The proposed Police Facilities CFFs decrease by approximately 3% compared to the current CFFs for residential development and increase by 0% to 5% for nonresidential development.

Table 1
Fee Summary /1

Land Use Category	City Admin Facilities Fees	Police Facilities Fees
<u>Residential</u>		
	<i>per Unit</i>	
Single-Family (< 3 units incl. duplexes)	\$455	\$1,189
Single-Family TOD	\$455	\$1,189
Single-Family Age Restricted	\$246	\$645
Multi-Family (3+ units attached)	\$331	\$867
Multi-Family TOD	\$331	\$867
Multi-Family Age Restricted	\$178	\$465
<u>Non-Residential</u>		
	<i>per Square Foot</i>	
Commercial		
Shopping Center/General Commercial	\$0.09	\$0.23
Shopping Center/General Commercial TOD	\$0.09	\$0.23
Car Sales	\$0.07	\$0.18
Hotel	\$0.04	\$0.10
Office		
Office	\$0.14	\$0.36
Office TOD	\$0.14	\$0.36
Industrial		
	\$0.08	\$0.20

- The City charges a separate 4.0% Fee Program administration fee on the sum total of all the CFFs.

ASSEMBLY BILL NO. 1483 REPORTING REQUIREMENT

On October 9, 2019, Governor Gavin Newsom signed Assembly Bill No. 1483, adding Section 65940.1 to the California Government Code (GC). As it relates to development impact fees, a city, county, or special district that has an internet website shall make the following available on its website:

- A current schedule of fees, exactions, or affordability requirements imposed by the city, county, or special district, including any dependent special district applicable to a proposed housing development project, which shall be presented in a manner that clearly identifies the fees, exactions, or affordability requirements that apply to each parcel
- The current and five previous annual fee reports or the current and five previous annual financial reports, that were required pursuant to subdivision (b) of Section 66006 and subdivision (d) of Section 66013 of the GC
- An archive of impact fee nexus studies, cost of service studies, or equivalent, conducted by the public agency on or after January 1, 2018. A cost of service study means the data provided to the public pursuant to subdivision (a) of Section 66016 of the GC

Assembly Bill No. 1483 defines a housing development project as consisting of (a) residential units only; or (b) mixed-use developments consisting of residential and non-residential land uses with at least two-thirds of the square footage designated for residential use; or (c) transitional housing or supportive housing. Assembly Bill No. 1483 also requires a city, county, or special district to update this information on their website within 30 days of any changes made to the information. Therefore, the City will post this Nexus Study and fees on its website.

FEE ADJUSTMENTS

The CFFs may be adjusted in future years to reflect revised facility standards, receipt of funding from alternative sources (i.e., state or federal grants), revised costs, or changes in demographics or the land use plan. The CFFs will be adjusted in future years to reflect revised facility standards, receipt of funding from alternative sources (i.e., state or federal grants), revised costs, or changes in demographics or land use. In addition to such adjustments, in January of each calendar year, the CFF will automatically be adjusted by the change in the San Francisco Construction Cost Index (CCI) as reported in the Engineering News Record for the twelve-month period ending October of the prior year.

I. INTRODUCTION

BACKGROUND

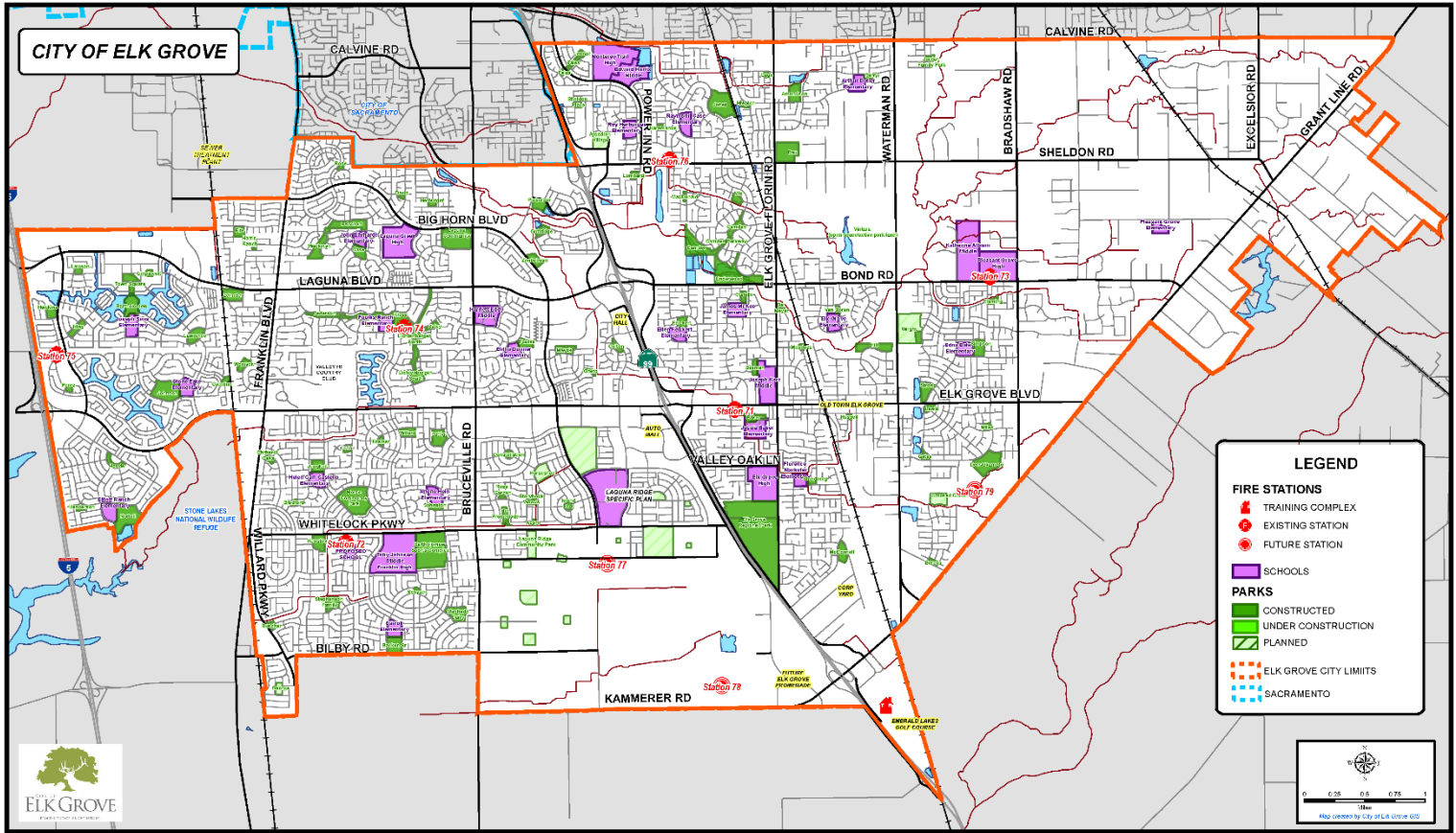
Incorporated in 2000, the City of Elk Grove is located in the south central portion of Sacramento County along Highway 99, approximately 20 miles south of downtown Sacramento. At the beginning of 2020, the City had a population of approximately 175,500 residents and an estimated employment base of over 39,000 jobs. Exhibit 1 on the following page illustrates the City boundary.

The growing population and employment in the City will lead to increased demand for public services and will ultimately impact the facilities required for such services. Funding for these facilities will come from several sources, including development impact fees, federal and state programs, existing revenues in the impact fee funds, and other funding sources. The development impact fees discussed in this report will apply to all future growth within the City.

FEES INCLUDED IN CFF STUDY

The Master Plan assessed the space needs for several City facilities and departments, including the city hall, police department, corporation yard campus, the special waste collection center, and the Elk Grove library on Elk Grove Boulevard. However, the City has determined that the City Hall, corporation yard, and the police department have the most immediate space needs. For the police department, in addition to space requirements, police vehicles also need to be addressed to meet the demands of future growth in the City. As a result, based on the options presented in the Master Plan, City staff recommends updating the Administrative Facilities CFF and the Police Facilities CFF at this time.

Exhibit 1 – Map of the City



MITIGATION FEE ACT (AB 1600)

The Mitigation Fee Act, commonly known as Assembly Bill (AB) 1600, was enacted by the State of California in 1987 and created Section 66000 et. seq. of the Government Code. AB 1600 requires that all public agencies satisfy the following requirements when establishing, increasing, or imposing a fee as a condition of approval for a development project:

1. Identify the purpose of the fee
2. Identify the use to which the fee will be put
3. Determine how there is a reasonable relationship between:
 - A. The fee's use and the type of development project on which the fee is imposed
 - B. The need for the public facility and the type of development project on

which the fee is imposed

- C. The amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed

As stated above, the purpose of this Nexus Study is to demonstrate that the fees calculated herein comply with the Mitigation Fee Act. The assumptions, methodologies, facility standards, costs, and cost allocation factors that were used to establish the nexus between the fees and the development on which the fees will be levied are summarized in subsequent chapters of this report.

ORGANIZATION OF REPORT

The remainder of this report has been organized into the following chapters:

Chapter II	Defines the demographic and land use assumptions used in the application of the Fee Program
Chapter III	Provides an explanation of the fee methodology used to calculate the portion of the impact fee related to the various facilities
Chapters IV-V	Provide the details of the costs and fee calculations for City administrative and police facilities CFFs
Chapter VI	Provides a summary of the CFFs calculated in this report
Chapter VII	Explains the nexus findings for the CFFs in this Nexus Study
Chapter VIII	Addresses implementation of the Fee Program, use of fees, future fee adjustments, credit/reimbursement policies, and administrative duties required by the program

II. LAND USES

POPULATION

In the past two decades, the City of Elk Grove has experienced significant growth and all projections suggest that the strong growth will continue. Based on the City's recent housing estimates, there are approximately 51,400 single and multi-family units in the City, with a total residential population of approximately 175,500. At buildout of the City, these figures are estimated to grow to almost 66,400 residential units and approximately 215,000 residents.

City staff has estimated the existing non-residential building square footage in the City and designated it into commercial, office, and industrial land uses categories. Based on this, the City is estimated to currently have over 39,000 jobs. At build out of the City, it is estimated that total jobs in the City will grow to over 91,000. Population and employment figures are presented in Table A-2 in the Appendix of this report.

LAND USE CATEGORIES

The Mitigation Fee Act requires that a reasonable relationship exist between the need for public facilities and the type of development on which an impact fee is imposed. The need for public facilities is related to the level of service demanded, which usually varies in proportion to the number of residents or employees generated by a particular land use type. Therefore, land use categories have been defined in order to distinguish between relative impacts on the proposed public facilities. All fees in this study have been calculated per dwelling unit for residential land use categories and per square-foot of building space for each non-residential land use category. The following land use categories are in the CFF and are described below:

- | | |
|------------------------|---|
| Single Family: | all single family residential development categories, including duplex units |
| Multi-Family: | all multi-family residential development categories, including residential buildings with three or more units; also includes residential care facilities that have kitchens in the individual residential units |
| Age Restricted: | retirement communities which are restricted to adults or senior citizens only |

Commercial: Retail and service businesses, including the following subcategories:

Shopping Center/General Commercial:

includes, but not limited to, general retail stores, clothing stores, bookstores, video rental stores, drug stores, professional services (i.e., barber shops, dry cleaners), hospitals, movie theaters, appliance and electronics stores, home supply stores, tire stores, auto parts stores, auto service centers, oil change service centers and other businesses providing auto-related products and services; residential care facilities that do not include kitchens within the individual residential units.

Car Sales:

includes new and used car dealerships

Hotel/Motel

Office: includes, but not limited to, buildings in which professional, banking, insurance, real estate, administrative or in-office medical or dental activities are conducted

Industrial: includes, but is not limited to, manufacturing, heavy and light industrial uses, processing, fabricating, assembly, refining, repairing, packaging, or treatment of goods, material or produce, sheet metal and welding shops, wholesale lumber yards, contractor yards, auto wrecking yards, warehouses, storage and mini-storage facilities, etc.

ADUs: Accessory dwelling units are exempt from the paying CFFs

The City will make the final determination as to which land use category a particular development will be assigned. The Finance Director is authorized to determine the land use category that corresponds most directly to the land use. Alternatively, the Finance Director can determine that no land use category adequately corresponds to the development in question and may work in conjunction with the City Engineer to determine the applicable ad hoc fee.

CFF SERVICE AREA

The CFFs calculated in this Nexus Study will apply only to new development in the City. All residential, commercial, office, and industrial development in the CFF service area will be subject to the CFF Fee Program unless a developer has entered into a development agreement with the City that includes fee mitigation that is at least at the level of the CFFs established herein.

III. FEE METHODOLOGY

When impact fees are calculated, an analysis must be presented in enough detail to demonstrate that a logical and thorough consideration was applied in the process of determining how the fees relate to the impacts from new development. Various findings pursuant to the impact fee statute must be made to ensure that there is a reasonable relationship between the fee amount and the impact caused by development on which the fee will be levied. Following is a discussion of the methods used in this Nexus Study to allocate facilities costs to development and determine the fees in the CFF Program.

A. Plan-Based Fee Methodology

The plan-based fee methodology is used for facilities that must be designed based on future demand projections within a geographic location. Typically, a formal plan such as a specific plan, facilities needs assessment, or master plan identifies and supports the level of facilities required to serve the plan area. This plan would typically consider the existing facilities already in place and determine what additional facilities would be necessary to accommodate new development. For example, the need for transportation-related improvements depends specifically on the projected number of trips that must be accommodated on specific roadways. An analysis of existing facilities, geographic constraints, and current levels of service must be completed in order to identify the future facility needs. This information is analyzed in conjunction with a projection of the amount and location of future development in the plan area to determine the adequacy of existing facilities and the demand for new improvements that will be required. Depending on the level of existing facilities, the Plan-Based fee methodology may allocate planned facilities costs to either future development only or to future and existing development. The steps to calculate a fee under the plan-based fee methodology include the following:

- Step 1*** Identify existing development and estimate future demand for facilities.
- Step 2*** Determine facilities needed to serve anticipated growth and, if necessary, existing development in the City.
- Step 3*** Estimate the gross cost of facilities needed to serve both existing and future development.
- Step 4*** Subtract the gross cost of any facilities included in the facilities plan that will cure an existing deficiency in service or will serve existing development.

- Step 5** Subtract revenues available from alternative funding sources, if any, to identify a net facility cost that will be allocated to future development.
- Step 6** Select the demand variable (e.g., trips generated, gallons per day, persons served) that will be used to allocate facility costs on a benefit rationale basis; apply demand variable to each of the land use categories based on its service demand.
- Step 7** Estimate the total demand from future development by multiplying the total number of units/acres/square footage within each respective land use by its assigned demand variable rate. Sum the totals for all the land uses.
- Step 8** Divide the net facilities cost allocated to future development that was calculated in Step 5 by the total demand derived in Step 7 to determine the cost per demand variable (e.g., cost per trip generated, cost per gallon, or cost per person served).
- Step 9** Multiply the cost per demand variable determined in Step 8 by the demand variable assigned to each land use category in Step 6 to compute the impact fee for each land use category.

The plan-based fee methodology was used to calculate the Administrative Facilities CFF and Police Facilities CFF since the scope and size of these facilities were based on the City's Master Plan.

B. Standard-Based Fee Methodology

The standard-based fee methodology is used when a consistent facility level of service standard is to be applied to each increment of new development (i.e., residential unit, non-residential square foot) regardless of the amount of future development. To the extent a preferred standard is used which is higher than the existing standard, the public agency will need to rely on other sources of funds to mitigate the deficit related to existing development in the City created through the adoption of the higher standard. The steps to calculate a fee under the standard-based fee methodology include the following:

- Step 1** Define the existing facility standard (e.g., park acres per 1,000 residents, office building square footage per resident) expressed in terms of residents, employees,

or other standard appropriate for the type of facility for which a fee is being calculated.

- Step 2** Determine a cost for each incremental facility standard identified in Step 1 based on current replacement costs; reduce the facility costs by subtracting alternative funding sources, if applicable.
- Step 3** Apply demand variable rates to each of the land uses based on service demand (e.g., residents, persons served).
- Step 4** Multiply the demand variable for each type of land use identified in Step 3 by the cost for each incremental facility standard determined in Step 2 to calculate the impact fee for each of the land use categories.

The standard-based methodology was used to determine the number of future police vehicles needed based on the department's level of service standards for vehicles serving future development.

By applying either of these methodologies, the fee for each land use is based on the estimated level of impact the development will place on the facility and thus, a nexus, or a reasonable relationship, is established between the amount of the fee and the cost of the facilities attributable to each type of development. Additional details regarding the calculation of each CFF in this report is included in the following sections IV and V.

IV. CITY ADMINISTRATIVE FACILITIES FEE

This section of the report identifies the administrative facilities, costs, and the fee rates required to fund the City administrative facilities needed to serve future development in the City through buildout.

ADMINISTRATIVE FACILITIES

The Master Plan states that City staff are located at several City facilities including the City Hall, the Corporation Yard, and the Special Waste Collection Center. These facilities total approximately 59,000 square feet of administrative office space. The Master Plan estimates that the City will need an additional 13,000 square feet of office space through buildout of the City. Additionally, the Master Plan recommends making improvements to the City Hall and corporation yard building to enhance their office space capacity.

Table 2 on the following page shows the current City office space as well as the space needs at buildout of the City when the population is expected to reach 215,000 residents. At that time, the Master Plan estimates the City will require 72,000 square feet of office space. The existing and future City administrative facilities and their estimated cost or value are presented in Table 2. Table 2 categorizes the administrative facilities costs into three categories: existing facilities, capacity improvements for existing facilities, and future facilities.

FACILITY COSTS

The value of existing office space is based on the estimated value incorporated in the prior CFF nexus study that was adopted by the City in 2018. The value used in that nexus study was inflated by the ENR construction index and is estimated at \$347 per square foot in today's dollars. The total value of the 59,000 square feet of office space and the estimated 5.42 acres of land on which the properties are sited is estimated to equal \$22.7 million in Table 2.

The Master Plan also discusses the need to densify existing building space at the City Hall and the corporation yard for needed near term space requirements. The Master Plan estimates the costs of these capacity improvements to the City Hall and corporation yard to be \$1.8 million and \$0.8 million, respectively, for a total cost of \$2.6 million. Lastly, the Master Plan estimates the cost of a new 13,000 square foot building to be approximately \$7.0 million; the estimated land acquisition cost is estimated at \$0.5 million. Table 2 shows the total cost or value of existing and future City administrative facilities and land is \$32.8 million.

This total cost is allocated to residents and employees, since both residential and non-residential developments benefit from municipal services. This “persons served” figure is used to calculate future City administrative building costs applicable to each land use category. The persons served factor is defined as the residential population plus a percentage of employees. Assuming the average employee in the City is at the work site for 45 hours per week and services are available to a resident 24/7, the weighting for each employee is calculated as follows:

$$\text{One employee} = 45 \text{ hrs/week} \div 168 \text{ hrs week (24 hrs x 7 days)} = 0.268 \text{ residents}$$

Table A-2 in the Appendix shows the existing and future persons served in the City. The existing City resident and employee populations equal 186,024 persons served; future persons served total 53,438 persons served. At buildout of the City, the existing persons served equal approximately 78% of the total and future persons served equal the 22% of the total. These percentages are used to allocate the total \$32.8 million facilities cost between existing and future development in the City. As shown at the bottom of Table 2, future development’s share of the total cost is \$7.3 million.

Table 2
City Administrative Facility Costs Allocation

<u>Assumptions</u>		<u>Existing</u>	<u>Future</u>	<u>Buildout</u>
Facility Square Footage		59,000	13,000	72,000
Population		175,485	39,515	215,000
Square Foot per Resident		0.34	0.34	0.34

<u>Facility Cost</u>	<u>Unit</u>	<u>Improvement Size</u>	<u>Cost per Unit</u>	<u>Total Cost</u>
Existing Facilities Replacement Costs				
Existing Buildings	Square Foot	59,000 SF	\$347	\$20,473,000
Land /2	Acre	5.42 Acres	\$410,288	<u>\$2,222,862</u>
Subtotal				\$22,695,862
Existing Facilities - Capacity Improvement Costs				
Capacity Improvements - City Hall				\$1,777,256
Capacity Improvement - Corp Yard				<u>\$853,083</u>
Subtotal				\$2,630,339
Future Facilities Estimated Costs				
Building Construction	Square Foot	13,000 SF	\$536	\$6,966,845
Land	Acre	1.19 Acres	\$410,288	<u>\$489,783</u>
Subtotal				\$7,456,628
Total Cost				\$32,782,829
Cost Allocated to Existing Development				\$25,467,122
Cost Allocated to Future Development				\$7,315,706

CITY ADMINISTRATIVE FACILITIES CFF

Table 3 shows the calculation of the City administrative CFF. The total \$7.3 million cost allocated to future development is divided by the 53,438 future persons served to arrive at a cost of \$137 per person served.

Applying the \$137 per person served to the average number of persons per household (“PPH”) for each residential land use category yields CFFs of \$455 per single family unit, \$331 per multi-family use, \$246 per single family age-restricted unit, and \$178 per multi-family age-restricted unit.

For non-residential development, multiplying the persons served cost of \$137 by 26.8% to account for the reduced impact from employees, produces a cost of \$37 per employee. Dividing this figure by the number of square feet per employee for each non-residential land use category produces the CFF rates shown in Table 3.

Table 3
City Administrative Facilities Fees /1

Total Cost Allocated to Future Development:	\$7,315,706		
Future Persons Served	53,438		
Cost per Person Served:	\$137		
Land Use Category	PPH or SF per Employee	Cost per Persons Served	Proposed Impact Fee
<u>Residential</u>			
	<i>PPH</i>	<i>per Resident</i>	<i>per Unit</i>
Single-Family (< 3 units incl. duplexes)	3.32	\$137	\$455
Single-Family TOD	3.32	\$137	\$455
Single-Family Age Restricted	1.80	\$137	\$246
Multi-Family (3+ units attached)	2.42	\$137	\$331
Multi-Family TOD	2.42	\$137	\$331
Multi-Family Age Restricted	1.30	\$137	\$178
<u>Non-Residential</u>			
	<i>SF/Emp.</i>	<i>per Employee</i>	<i>per Bldg SF</i>
Commercial			
Shopping Center/General Commercial	425	\$37	\$0.09
Shopping Center/General Commercial TOD	425	\$37	\$0.09
Car Sales	520	\$37	\$0.07
Hotel/Motel	1,000	\$37	\$0.04
Office	270	\$37	\$0.14
Industrial	470	\$37	\$0.08

1. The City charges a separate 4.0% Fee Program administration fee on the sum total of all the CFFs.

V. POLICE FACILITIES FEE

This section of the report identifies the facilities, costs, and CFF rates required to fund police facilities and vehicles to serve the City through buildout.

POLICE FACILITIES

The Master Plan states that police personnel are currently located at four City buildings. Most of the police personnel are located at 8380 and 8400 Laguna Palms Way, with a smaller amount located at 10190 and 10250 Iron Rock Way. The total space for these four buildings is approximately 59,000 square feet. The Master Plan estimates that the police department will need an additional 21,000 square feet of building space to accommodate growth through buildout of the City. Additionally, the Master Plan recommends the City make renovations to existing buildings at 8380 and 8400 Laguna Palms Way to create additional space.

The City intends to address the need for additional space through the recent purchase of a building at 9362 Studio Court as well as reallocation and densification of building space at 8380 and 8400 Laguna Palms Way through capacity enhancing improvements.

The existing and future police facilities and their estimated cost or value are presented in Table 4 on the following page. Table 4 segregates the police facilities costs into four categories: existing facilities, capacity improvements for existing facilities, new facilities, and fleet services.

FACILITY COSTS

The value of existing space is based on the estimated value incorporated in the prior CFF nexus study that was adopted in 2018. The cost used in that nexus study was inflated by the ENR index and is shown in this report with an estimated value of \$472 per square foot in today's dollars. Applying this cost per square foot to the 59,000 square feet of building space and added the estimated cost of the land on which properties are sited is estimated to equal \$41.2 million, as shown in Table 4.

The Master Plan estimates the costs of capacity improvements to the existing police buildings at 8380 and 8400 Laguna Palms Way to be \$8.2 million and \$11.5 million, respectively, for a total cost of \$19.7 million. In addition, the City purchased the Studio Court building for \$2.0 million and estimates the cost of improvements to this building will be \$9.2 million.

Lastly, the City will also require additional police vehicles to serve future development in Elk Grove. The police department has identified its desired level of service (“LOS”) for each type of police fleet vehicle. By applying the LOS to the number of future projected residents in the City, a total of twenty-two patrol vehicles, four motorcycles, and thirty-one support vehicles are included in the CFF. The City estimates these vehicles will cost approximately \$3.0 million.

As shown in Table 4 below, the total cost for the existing facilities and future improvements is \$72.1 million. Based on the percentage of current (78%) versus future (22%) persons served in the City, approximately \$56.0 million of the total police facilities cost is allocated to existing development, leaving future development responsible for the remaining \$16.1 million plus the \$3.0 million for future vehicles. Dividing the \$19.1 million total cost by the 53,438 future persons served equals a cost of \$358 per person served.

Table 4
Police Facilities and Vehicle Cost Estimates

Field Services	Improvement Size	Cost per Unit	Construction Cost Estimate	Soft Cost Estimate	Project Cost Estimate
<u>Existing Facilities</u>					
Buildings	59,000 SF	\$472	\$27,864,362	\$11,145,745	\$39,010,106
Land /1	5.42 Acres	\$363,116	\$1,967,296	\$245,912	\$2,213,208
Subtotal					\$41,223,314
<u>Existing Building Capacity Improvements</u>					
Police Building (8340)					\$8,182,488
Police Building (8400)					\$11,479,654
Subtotal					\$19,662,142
<u>New Facility</u>					
Police Building Purchase (Studio Ct)	8,983 SF	na	na	na	\$1,981,515
Police Building Improvements (Studio Ct)					\$9,200,000
Subtotal					\$11,181,515
Total Cost					\$72,066,971
Field Services Cost Allocated to Existing Development					\$55,984,747
Field Services Cost Allocated to Future Development					\$16,082,224
<hr/>					
Fleet Services		LOS Standard /2	Future Quantity	Cost per Vehicle	Fleet Cost Estimate
Patrol Vehicles		0.44	22	\$68,700	\$1,511,400
Motorcycles		0.08	4	\$46,000	\$184,000
Support Vehicles /3		0.62	31	\$43,750	\$1,356,250
Total Fleet Services for Future Development					\$3,051,650
Total Field and Fleet Services Allocated to Future Development					<u>\$19,133,874</u>

POLICE FACILITIES CFF

Table 5 below shows the calculation of the Police Facilities CFF. Applying the \$358 cost per person served to the average number of PPH for each residential land use category yields CFFs of \$1,189 per single family unit, \$867 per multi-family unit, \$645 per single family age-restricted unit, and \$465 per multi-family age-restricted unit.

For non-residential development, applying 26.8% of the \$358 per person served cost to the employees per square feet of building space yields CFFs ranging from \$0.10 per square foot of Hotel/Motel space to \$0.36 per square foot of Office space.

**Table 5
Police Facilities Fees /1**

Total Field Services Cost for Future Development:			\$16,082,224
Future Persons Served			53,438
Field Services Cost per Person Served at Build Out:			\$301
Total Fleet Services Cost for Future Development:			\$3,051,650
Future Persons Served			53,438
Fleet Services Cost per Future Person Served:			\$57
Total Cost Allocated to Future Development:			\$19,133,874
Total Police Facilities Cost per Person Served:			\$358

Land Use Category	Persons Per Household (PPH) or Sq Ft per Employee	Cost per Persons Served	Impact Fee per Unit/ Bldg SF /1
<u>Residential</u>			
	<i>PPH</i>	<i>per Resident</i>	<i>per Unit</i>
Single-Family (< 3 units incl. duplexes)	3.32	\$358	\$1,189
Single-Family Age Restricted	1.80	\$358	\$645
Multi-Family (3+ units attached)	2.42	\$358	\$867
Multi-Family Age Restricted	1.30	\$358	\$465
<u>Non-Residential</u>			
	<i>SF/Emp.</i>	<i>per Employee</i>	<i>per Bldg SF</i>
Commercial			
Shopping Center/General Commercial	425	\$96	\$0.23
Car Sales	520	\$96	\$0.18
Hotel/Motel	1,000	\$96	\$0.10
Office	270	\$96	\$0.36
Industrial	470	\$96	\$0.20

1. The City charges a separate 4.0% Fee Program administration fee on the sum total of all the CFFs.

VI. FEE SUMMARY

The Table 6 summarizes the CFFs calculated in this report. The City will add a 4.0% administration fee to the CFFs shown below to pay for the administrative duties associated with the Fee Program. Calculations performed by City staff for other City fee programs show that expenditures for program administration equal and often exceed 4.0% of the fee program’s expenditures. Costs included in the administration of the program include, but are not limited to, preparation of the nexus study; preparation of updates to the nexus study; preparation of annual reports for the fee; and administration costs for maintaining the fee fund. The City should monitor its costs in the following years and adjust the rate, as necessary.

Tables A-1.0 and A-1.1 in the Appendix compare the proposed CFFs shown in Table 6 to the City’s current CFFs. On average, the proposed Administrative Facilities CFFs increase by approximately 59% for residential development and by 75% to 100% for nonresidential development. The proposed Police Facilities CFFs decrease by approximately 3% compared to the current CFFs for residential development and increase by 0% to 5% for nonresidential development.

Table 6
Fee Summary /1

Land Use Category	City Admin Facilities Fees	Police Facilities Fees
<u>Residential</u>		
	<i>per Unit</i>	
Single-Family (< 3 units incl. duplexes)	\$455	\$1,189
Single-Family TOD	\$455	\$1,189
Single-Family Age Restricted	\$246	\$645
Multi-Family (3+ units attached)	\$331	\$867
Multi-Family TOD	\$331	\$867
Multi-Family Age Restricted	\$178	\$465
<u>Non-Residential</u>		
	<i>per Square Foot</i>	
Commercial		
Shopping Center/General Commercial	\$0.09	\$0.23
Shopping Center/General Commercial TOD	\$0.09	\$0.23
Car Sales	\$0.07	\$0.18
Hotel	\$0.04	\$0.10
Office		
Office	\$0.14	\$0.36
Office TOD	\$0.14	\$0.36
Industrial		
	\$0.08	\$0.20

1. City charges a separate 4.0% Fee Program administration fee on the sum total of all the CFFs.

VII. NEXUS FINDINGS

Development in the City will create a need for additional public facilities as well as expansion of existing facilities to serve future residents and employees. The CFF Program will provide funding for public facilities in accordance with the policies and goals set forth by the City. As required pursuant to the Mitigation Fee Act, the CFFs calculated in this Nexus Study meet the nexus requirements of the law, as outlined below.

NEXUS TEST

Purpose of the Fees

The purpose of the CFFs is to provide funding for the facilities and vehicles identified in this Nexus Study.

Use of Fee

CFF revenue will be used to fund future development’s fair share of the cost of facilities and vehicles identified by the City as necessary to serve new development through build out.

Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is imposed.

New residential and non-residential development will generate additional residents and employees in the City that will create demand for the facilities and vehicles identified in this Nexus Study. For example, the City is estimated to grow from a current population of approximately 175,000 residents to 215,000 residents by build out of the City. The City’s Master Plan identifies the additional facilities required to maintain an acceptable level of service for the City’s administrative and police functions. The facilities, capacity enhancements, and vehicles included in this Nexus Study will ensure that the City will maintain the existing or desired level of service standards that are identified for the facility categories included in this Nexus Study.

Determine how there is a reasonable relationship between the fee’s use and the type of development project on which the fee is imposed.

Collected CFF revenue will fund the facilities included in this Nexus Study. These facilities will serve new development in the City, and the estimated fees are a fair-share cost allocation based on the impact that future development will have on these facilities and improvements. Fee accounts for the CFFs are established to ensure that fee revenue is applied to the facilities and improvements for which it is collected.

Determine how there is a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed.

A reasonable relationship between the amount of each CFF and the cost of the public facility, or portion thereof, is established in this Nexus Study using demand variables to estimate the demand for a facility or otherwise stated, the impact that a land use or development type will have on a facility. For example, the cost allocation for the City’s administrative and police facilities are based on residents and a reduced, weighted factor for employees since these facilities will be impacted by residents, and to a lesser extent, by employees from non-residential development. The demand variable for a facility, which differs between land use categories, measures each land use’s impact on the facility. As a result, each land use category or development type is allocated its fair share of the cost of the facility based on its impact, as identified by its demand variable.

By assigning the demand for facilities, vehicles, and improvements based on the demand variable for each land use and quantifying that demand in the calculation of the CFFs, a reasonable relationship is established between the amount of the CFF and the cost of the facilities attributable to the different types of residential and non-residential development in the City.

VIII. FEE PROGRAM IMPLEMENTATION AND ADMINISTRATION

FEE IMPLEMENTATION

According to the California Government Code, prior to levying a new fee or increasing an existing fee, a public agency must hold at least one open and public meeting. At least 10 days prior to this meeting, the agency must make data on facility costs and funding sources available to the public. Notice of the time and place of the meeting, and a general explanation of the matter, are to be published in accordance with Section 6062a of the Government Code, which states that publication of notice shall be posted over a 10-day period in a newspaper regularly published once a week or more. Two publications, with at least five days intervening between the dates of the first and last publication, not counting such publication dates, are sufficient. The Nexus Study and fees established herein, if approved, will be adopted through a City ordinance and resolution. Once the Fee Program is adopted by the Elk Grove City Council, the updated CFFs shall become effective no sooner than sixty days after the final legislative action by the City Council.

FEE ADJUSTMENTS

The CFFs will be adjusted in future years to reflect revised facility standards, receipt of funding from alternative sources (i.e., state or federal grants), revised costs, or changes in demographics or land use. In addition to such adjustments, in January of each calendar year, the CFF for each type of development will automatically be adjusted by the change in the San Francisco Construction Cost Index (CCI) as reported in the Engineering News Record for the twelve-month period ending October of the prior year. For example, the adjustment for January 2022 will be determined by calculating the change from October 2020 to October 2021 in the San Francisco CCI, and the resulting value will be the adjustment factor for calendar year 2022.

ADMINISTRATION FEE

The City will charge a separate administration fee that equals 4.0% of the sum total of all the CFFs in the Fee Program. Calculations performed by City staff for other City fee programs show that expenditures for program administration equal and often exceed 4.0% of the fee program’s expenditures. Costs included in the administration of the program include, but are not limited to, preparation of the nexus study; preparation of updates to the nexus study; preparation of annual reports for the fee; and administration costs for maintaining the fee fund.

CFF EXEMPTIONS

All determinations regarding the exemptions provided in this section shall be made by the City Finance Director or his/her designee. The following shall be exempted from payment of the CFF:

Public Agencies

All federal and state agencies, public school districts, fire stations, and the City of Elk Grove will be exempt from the CFF. Other non-City public agencies will be subject to payment of the fees; however, the City may choose to waive some or all of the CFFs in certain cases.

Replacement/Reconstruction

- a. Any replacement or reconstruction (no change in use) of any residential unit that is damaged or destroyed as a result of fire, flood, explosion, wind, earthquake, riot, or other calamity, or act of God shall be exempt from the CFF, provided the fee was properly remitted to the City at the time the now damaged structure was originally built. However, if the residential unit(s) replaced or reconstructed exceeds the documented total number of units of the damaged/destroyed residential structure, the excess units are subject to the CFF. If a residential structure has been vacant for more than five years, the exemption will not apply.
- b. If a residential and/or non-residential structure is replaced with an alternative land use, such as replacing an office building with a retail building, then City staff will determine the appropriate CFF adjustment to reflect the different characteristics of the original and new land uses that may require the payment of additional fees. No refund will be granted. If replaced with additional square footage, then the additional square footage is subject to the fee. If a structure has been vacant for more than five years, the exemption will not apply.
- C. Any replacement of existing square footage (non-residential) will be assessed for the additional square footage.

FEE CREDITS OR REIMBURSEMENTS

Fee credits and reimbursements will be available as part of the CFF Program. Facilities must meet City standards for acquisition projects to be eligible for fee credits or reimbursements. All construction contracts, construction work, and requests for reimbursement must be performed in conformance with the most current “Reimbursement Policies and Procedures for Privately

Constructed Public Facilities”, which is available from the City’s Development Services Department. Developers will be responsible for complying with all applicable laws, codes, and regulations relating to contracting and construction procedures for publicly-funded public works projects.

Fee credits and reimbursements shall only be given to fully completed projects that are identified as a CFF Program facility and only if they have not received reimbursement from any other source. Developers may only seek fee credits or reimbursements for such projects from the CFF Program. To obtain fee credits, a developer must enter into a credit reimbursement agreement with the City. Large lot maps may be used for credit allocation in multi-family or non-residential projects with mutual agreement between the developer and the City. If all criteria for receiving a fee credit are met as outlined in the credit agreement, the developer may take the credit against the CFF prior to construction.

Developers must enter into a reimbursement agreement with the City prior to acceptance of improvements if they wish to be reimbursed for a facility. The priority of the reimbursement will be determined by the Director of Finance and the reimbursement will only be paid after the City has accepted the developer-funded facility and if reimbursement has not been received from any other source. All reimbursements will be an obligation of the CFF Program and not an obligation of the General Fund or any other unrelated specialty funds.

Developers will be eligible for fee credits and reimbursements up to, but not exceeding, 100% of the improvement they build within the CFF, excluding the administration fee. The City will reimburse the developer for acquisition or installation of the CFF Program improvements based on the lesser of: (i) the actual construction cost of eligible facilities, as determined at the sole discretion of the City, through its review of the construction contract, plus an allowance for soft costs associated with the actual construction costs, as determined by the City, or (ii) the total of allowable costs, based on the cost schedules set forth in the CFF Program (without interest), which may escalate each January by the change in the San Francisco Construction Cost Index as reported in the Engineering New Record for the twelve-month period ending October of the prior year.

USE OF FEES

The fees imposed by the City pursuant to this Nexus Study shall be used to pay for the cost of providing the specified public facilities. Where not explicitly indicated as a separately identified cost, facility construction and/or land acquisition costs may also include site preparation costs, which may include, but are not limited to, clearing and grubbing the site, site grading, and utility

extensions. Landscaping and surface parking costs are included in the facility construction costs. For each separate public facility category, the City shall calculate and impose a separate fee. The property owner shall pay the fee calculated and imposed by the City. The City shall deposit all fees collected into a separate and distinct fee fund, subject to the accounting requirements of the Mitigation Fee Act. Incidental costs for planning documents, such as facilities needs assessments and feasibility studies, may be funded with fee revenues from either the specific facility fee fund or the Program Administration fund or a combination of both funds. City staff will determine which of the fee funds is to be used.

To more effectively mitigate the impacts of new development and maximize the use of fee revenues, revenues may be used as temporary loans from one fee fund to another fee fund only if the Director of Finance finds all the following, subject to the approval of the City Council:

- (1) Based upon planned phasing of the public facilities, and anticipated timing of fee revenues to be collected, it is in the City's best interest to allow the temporary loan.
- (2) The development projects which are required to pay fees to the fee fund from which the loan is made will receive a benefit from the use of the loan by the separate fee fund to which the loan is made.
- (3) All requirements of the Mitigation Fee Act have been satisfied, including a specification of the amount loaned, the date of repayment, and the interest rate to be paid back to the fund providing the loan.

ASSEMBLY BILL NO. 1483 REPORTING REQUIREMENT

On October 9, 2019, Governor Gavin Newsom signed Assembly Bill No. 1483, adding Section 65940.1 to the California Government Code (GC). As it relates to development impact fees, a city, county, or special district that has an internet website shall make the following available on its website:

- A current schedule of fees, exactions, or affordability requirements imposed by the city, county, or special district, including any dependent special district applicable to a proposed housing development project, which shall be presented in a manner that clearly identifies the fees, exactions, or affordability requirements that apply to each parcel
- The current and five previous annual fee reports or the current and five previous annual financial reports, that were required pursuant to subdivision (b) of Section 66006 and subdivision (d) of Section 66013 of the GC

- An archive of impact fee nexus studies, cost of service studies, or equivalent, conducted by the public agency on or after January 1, 2018. A cost of service study means the data provided to the public pursuant to subdivision (a) of Section 66016 of the GC

Assembly Bill No. 1483 defines a housing development project as consisting of (a) residential units only; or (b) mixed-use developments consisting of residential and non-residential land uses with at least two-thirds of the square footage designated for residential use; or (c) transitional housing or supportive housing. Assembly Bill No. 1483 also requires a city, county, or special district to update this information on their website within 30 days of any changes made to the information. Therefore, the City will post this Nexus Study and fees on its website.

ANNUAL ADMINISTRATIVE DUTIES

The Government Code requires a public agency to report, every year and every fifth year, certain financial information regarding their impact fees. Within 180 days after the last day of each fiscal year the public agency must make the following information available for the past fiscal year:

- (a) A brief description of the type of fee in the account or fund
- (b) The amount of fee revenue
- (c) The beginning and ending balance of the account or fund
- (d) The amount of fee revenue collected and interest earned
- (e) An identification of each public improvement on which fees were expended and the amount of expenditures on each improvement, including the total percentage of the cost of public improvement that was funded with fees
- (f) An identification of an approximate date by which time construction on the improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement
- (g) A description of each interfund transfer or loan made from the account or fund, when it will be repaid and at what interest rate
- (h) The amount of any refunds made once it is determined that sufficient monies have been collected to fund all projects

The public agency must make this information available for public review and must also present it at the next regularly scheduled public meeting not less than 15 days after this information is made available to the public.

FIFTH-YEAR ADMINISTRATIVE DUTIES

For the fifth year following the first deposit into the fee account and every five years thereafter, the public agency must make the following findings with respect to any remaining funds in the fee accounts:

- (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 incomplete improvements
- (d) Designate the approximate dates on which funding is expected to be deposited into the appropriate accounts or funds

As with the annual report, the five-year report must be made public within 180 days after the end of the public agency's fiscal year and must be reviewed at the next regularly scheduled public meeting. The public agency must make these findings; otherwise, the law states that the City must refund the fee revenue to the then current owners of the development project.

APPENDIX

Capital Facilities Fee Program Calculations

Table A-1.0
City Administrative Fee Comparison - Proposed vs. Current CFF /1

Land Use Category	Proposed City Admin Facilities Fees	Current City Admin Facilities Fees	Percent Change	Rate Change
Residential				
	<i>per Unit</i>			
Single-Family (< 3 units incl. duplexes)	\$455	\$286	59%	\$169
Single-Family TOD	\$455	\$286	59%	\$169
Single-Family Age Restricted	\$246	\$156	58%	\$90
Multi-Family (3+ units attached)	\$331	\$209	58%	\$122
Multi-Family TOD	\$331	\$209	58%	\$122
Multi-Family Age Restricted	\$178	\$111	60%	\$67
Non-Residential				
	<i>per Square Foot</i>			
Commercial				
Shopping Center/General Commercial	\$0.09	\$0.05	80%	\$0.04
Shopping Center/General Commercial TOD	\$0.09	\$0.05	80%	\$0.04
Car Sales	\$0.07	\$0.04	75%	\$0.03
Hotel	\$0.04	\$0.02	100%	\$0.02
Office				
Office	\$0.14	\$0.08	75%	\$0.06
Office TOD	\$0.14	\$0.08	75%	\$0.06
Industrial				
	\$0.08	\$0.04	100%	\$0.04

1. The City charges a separate 4.0% Fee Program administration fee on the sum total of all the CFFs.

Table A-1.1
Police Facilities Fee Comparison - Proposed vs. Current CFF /1

Land Use Category	Proposed Police Facilities Fees	Current Police Facilities Fees	Percent Change	Rate Change
Residential				
	<i>per Unit</i>			
Single-Family (< 3 units incl. duplexes)	\$1,189	\$1,222	-3%	(\$33)
Single-Family TOD	\$1,189	\$1,222	-3%	(\$33)
Single-Family Age Restricted	\$645	\$663	-3%	(\$18)
Multi-Family (3+ units attached)	\$867	\$892	-3%	(\$25)
Multi-Family TOD	\$867	\$892	-3%	(\$25)
Multi-Family Age Restricted	\$465	\$479	-3%	(\$14)
Non-Residential				
	<i>per Square Foot</i>			
Commercial				
Shopping Center/General Commercial	\$0.23	\$0.22	5%	\$0.01
Shopping Center/General Commercial TOD	\$0.23	\$0.22	5%	\$0.01
Car Sales	\$0.18	\$0.18	0%	\$0.00
Hotel	\$0.10	\$0.10	0%	\$0.00
Office				
Office	\$0.36	\$0.35	3%	\$0.01
Office TOD	\$0.36	\$0.35	3%	\$0.01
Industrial				
	\$0.20	\$0.20	0%	\$0.00

1. The City charges a separate 4.0% Fee Program administration fee on the sum total of all the CFFs.

Source: City of Elk Grove; Goodwin Consulting Group, Inc.

**Table A-2
Land Use Summary - as of January 1, 2020**

	Persons/ <u>Household</u>	<u>Existing Development</u>		<u>Future Development</u>		<u>Total Development</u>	
		<u>Units</u>	<u>Population</u>	<u>Units</u>	<u>Population</u>	<u>Units</u>	<u>Population</u>
<u>Residential</u>							
Single-Family (< 3 units incl. duplexes)	3.32	45,300	150,396	6,467	21,470	51,767	171,866
Single-Family TOD	3.32	0	0	700	2,324	700	2,324
Single-Family Age Restricted	1.80	632	1,138	300	540	932	1,678
Multi-Family (3+ units attached)	2.42	4,981	12,054	5,236	12,671	10,217	24,725
Multi-Family TOD	2.42	0	0	1,400	3,388	1,400	3,388
Multi-Family Age Restricted	1.30	446	580	900	1,170	1,346	1,750
Subtotal		51,359	175,485	15,003	39,515	66,362	215,000
<u>Non-Residential</u>							
<u>Commercial</u>							
Shopping Center/General Commercial	425	6,241,828	14,687	5,258,172	12,372	11,500,000	27,059
Shopping Center/General Commercial TOD	425	0	0	500,000	1,176	500,000	1,176
Car Sales	520	505,506	972	244,494	470	750,000	1,442
<u>Office</u>							
Office	270	3,950,411	14,631	6,849,589	25,369	10,800,000	40,000
Office TOD	270	0	0	100,000	370	100,000	370
<u>Industrial</u>							
Industrial	470	3,640,680	7,746	6,359,320	13,530	10,000,000	21,277
Subtotal		14,338,425	39,347	19,311,575	51,977	33,650,000	91,325
Total Persons Served /1 (2020)			186,024		53,438		239,462

/1 The persons served factor equals residents plus 26.8% of employees.

Source: City of Elk Grove; Goodwin Consulting Group, Inc.

Table A-3
City Administrative Facilities Cost Estimates

<u>Assumptions</u>	<u>Existing</u>	<u>Future</u>	<u>Buildout</u>
Facility Square Footage	59,000	13,000	72,000
Population	175,485	39,515	215,000
Square Foot per Resident	0.34	0.34	0.34

<u>Facility Cost</u>	<u>Unit</u>	<u>Improvement Size</u>	<u>Cost per Unit</u>	<u>Total Cost</u>
Existing Facilities Replacement Costs /1				
Existing Buildings	Square Foot	59,000 SF	\$347	\$20,473,000
Land /2	Acre	5.42 Acres	\$410,288	<u>\$2,222,862</u>
Subtotal				\$22,695,862
Existing Facilities - Capacity Improvement Costs				
Capacity Improvements - City Hall				\$1,777,256
Capacity Improvement - Corp Yard				<u>\$853,083</u>
Subtotal				\$2,630,339
Future Facilities Estimated Costs				
Building Construction	Square Foot	13,000 SF	\$536	\$6,966,845
Land /2	Acre	1.19 Acres	\$410,288	<u>\$489,783</u>
Subtotal				\$7,456,628
Total Cost				\$32,782,829
Cost Allocated to Existing Development				\$25,467,122
Cost Allocated to Future Development				\$7,315,706

1. Existing facilities cost estimates have been increased based on the inflation increase applied to this CFF since 2018.
2. Site acreage estimated assuming a floor-to-area ratio of 0.25.

Source: City of Elk Grove; Civic Facilities Assessment Master Plan, 09/20/2019; Goodwin Consulting Group, Inc.

Table A-4
City Administrative Facilities Cost Allocation

Total Cost Allocated to Future Development:	\$7,315,706
Future Persons Served	53,438
Cost per Person Served:	\$137

<u>Land Use Category</u>	<u>Persons Per Household (PPH) or Sq Ft per Employee</u>	<u>Cost per Persons Served</u>	<u>Proposed Impact Fee /1</u>
<u>Residential</u>			
	<i>PPH</i>	<i>per Resident</i>	<i>per Unit</i>
Single-Family (< 3 units incl. duplexes)	3.32	\$137	\$455
Single-Family TOD	3.32	\$137	\$455
Single-Family Age Restricted	1.80	\$137	\$246
Multi-Family (3+ units attached)	2.42	\$137	\$331
Multi-Family TOD	2.42	\$137	\$331
Multi-Family Age Restricted	1.30	\$137	\$178
<u>Non-Residential</u>			
	<i>SF/Emp.</i>	<i>per Employee</i>	<i>per Bldg SF</i>
Commercial			
Shopping Center/General Commercial	425	\$37	\$0.09
Shopping Center/General Commercial TOD	425	\$37	\$0.09
Car Sales	520	\$37	\$0.07
Hotel/Motel	1,000	\$37	\$0.04
Office	270	\$37	\$0.14
Industrial	470	\$37	\$0.08

1. The City charges a separate 4.0% Fee Program administration fee on the sum total of all the CFFs.

Source: Goodwin Consulting Group, Inc.

Table A-5
Police Facilities and Vehicle Cost Estimates

Field Services	Improvement Size	Cost per Unit	Construction Cost Estimate	Soft Cost Estimate	Project Cost Estimate
<u>Existing Facilities</u>					
Buildings	59,000 SF	\$472	\$27,864,362	\$11,145,745	\$39,010,106
Land /1	5.42 Acres	\$363,116	\$1,967,296	\$245,912	\$2,213,208
Subtotal					\$41,223,314
<u>Existing Building Capacity Improvements</u>					
Police Building (8340)					\$8,182,488
Police Building (8400)					\$11,479,654
Subtotal					\$19,662,142
<u>New Facility</u>					
Police Building Purchase (Studio Ct)	8,983 SF	na	na	na	\$1,981,515
Police Building Improvements (Studio Ct)					\$9,200,000
Subtotal					\$11,181,515
Total Cost					\$72,066,971
Field Services Cost Allocated to Existing Development					\$55,984,747
Field Services Cost Allocated to Future Development					\$16,082,224
<hr/>					
Fleet Services		LOS Standard /2	Future Quantity	Cost per Vehicle	Fleet Cost Estimate
Patrol Vehicles		0.44	22	\$68,700	\$1,511,400
Motorcycles		0.08	4	\$46,000	\$184,000
Support Vehicles /3		0.62	31	\$43,750	\$1,356,250
Total Fleet Services for Future Development					\$3,051,650
Total Field and Fleet Services Allocated to Future Development					\$19,133,874

/1 Site acreage estimated assuming a floor-to-area ratio of 0.25.

/2 Based on the City's desired level of service for each police fleet vehicle.

/3 Average cost of support vehicle equipped with emergency response equipment.

Source: City of Elk Grove; Civic Facilities Assessment Master Plan, 09/20/2019; Goodwin Consulting Group, Inc.

**Table A-6
Police Facilities & Equipment Cost Allocation**

Total Field Services Cost for Future Development:	\$16,082,224
Future Persons Served	53,438
Field Services Cost per Person Served at Build Out:	\$301
Total Fleet Services Cost for Future Development:	\$3,051,650
Future Persons Served	53,438
Fleet Services Cost per Future Person Served:	\$57
Total Cost Allocated to Future Development:	\$19,133,874
Total Police Facilities Cost per Person Served:	\$358

Land Use Category	Persons Per Household (PPH) or Sq Ft per Employee	Cost per Persons Served	Impact Fee per Unit/ Bldg SF /1
<u>Residential</u>	<i>PPH</i>	<i>per Resident</i>	<i>per Unit</i>
Single-Family (< 3 units incl. duplexes)	3.32	\$358	\$1,189
Single-Family Age Restricted	1.80	\$358	\$645
Multi-Family (3+ units attached)	2.42	\$358	\$867
Multi-Family Age Restricted	1.30	\$358	\$465
<u>Non-Residential</u>	<i>SF/Emp.</i>	<i>per Employee</i>	<i>per Bldg SF</i>
Commercial			
Shopping Center/General Commercial	425	\$96	\$0.23
Car Sales	520	\$96	\$0.18
Hotel/Motel	1,000	\$96	\$0.10
Office	270	\$96	\$0.36
Industrial	470	\$96	\$0.20

1. The City charges a separate 4.0% Fee Program administration fee on the sum total of all the CFFs.

Source: City of Elk Grove; Goodwin Consulting Group, Inc.

CERTIFICATION
ELK GROVE CITY COUNCIL RESOLUTION NO. 2021-193

STATE OF CALIFORNIA)
COUNTY OF SACRAMENTO) ss
CITY OF ELK GROVE)

I, Jason Lindgren, City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Elk Grove at a regular meeting of said Council held on June 23, 2021 by the following vote:

AYES: **COUNCILMEMBERS:** *Singh-Allen, Nguyen, Hume, Spease, Suen*

NOES: **COUNCILMEMBERS:** *None*

ABSTAIN: **COUNCILMEMBERS:** *None*

ABSENT: **COUNCILMEMBERS:** *None*



Jason Lindgren, City Clerk
City of Elk Grove, California