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CITY OF
ELK GROVE

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**CAPITAL FACILITIES FEE
NEXUS STUDY UPDATE**

December 20, 2017

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NEXUS STUDY UPDATE**

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EXECUTIVE SUMMARY

The City of Elk Grove approved its first Capital Facilities Fee Program in 2001. In 2004 and again in 2009, the City adopted updates of the Capital Facilities Fee Program. This Capital Facilities Fee Nexus Study updates the prior analysis and includes changes to facilities and construction cost estimates.

PURPOSE OF FEE STUDY

As new development continues within the City, additional capital facilities will be required to meet the service needs of future development. The City has identified these improvements to include new, or an expansion of existing, facilities, including City administration facilities, police station and vehicles, corporation yard facilities, animal shelter facilities, new library facilities, and multiple transit projects. These facilities will be funded, in part, through the City's Capital Facilities Fee ("CFF") program ("Fee Program"), which contains a separate fee for each. The updated Fee Program will apply to all future growth within the City limits. The fees that will be levied throughout the CFF area comply with AB 1600 nexus requirements, because the fees are set at the amount 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 established by the Elk Grove City Council through the adoption of this Capital Facilities Fee Nexus Study Update ("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

Various capital facilities will be required to serve the City at buildout. Facilities and cost estimates have been prepared by the City and are presented in this report and Table ES-1 on the following page. The gross cost of the planned facilities contained in this Nexus Study is \$205.7 million. Federal funding in the amount of \$47.4 million reduces the net amount of the total cost to approximately \$158.2 million. Of this portion, approximately \$71.2 million will be funded by the CFF. The remaining \$87 million is expected to be funded from other sources, including, the City's General Fund, State grants, and other contributions. Examples of this non developer impact fee funding includes the planned 2018 bond issuance to support the construction of the Animal Shelter and the Federal Transportation Administration grants that will partially fund the acquisition of transit vehicles. Details showing how these costs are allocated among future

development in the City are presented in chapters IV through VIII of this report.

**Table ES-1
Cost Allocation of Planned Facilities in the CFF Program**

Planned Facilities	Total Planned Facilities Cost	Estimated Federal Funding	Percent Allocated to Existing Development	Cost Allocated to Existing Development	Percent Allocated to Future Development	Cost Allocated to Future Development
CITY ADMIN						
Administration Building	\$3,965,438	\$0	0.0%	\$0	100.0%	\$3,965,438
Land Acquisition	\$430,566	\$0	0.0%	\$0	100.0%	\$430,566
Subtotal - City Admin	\$4,396,004	\$0	0.0%	\$0	100.0%	\$4,396,004
POLICE						
Police Building	\$19,022,560	\$0	20.1%	\$3,817,990	79.9%	\$15,204,570
Land Acquisition	\$1,080,000	\$0	20.1%	\$216,765	79.9%	\$863,235
Vehicles	\$2,692,000	\$0	0.0%	\$0	100.0%	\$2,692,000
Subtotal – Police	\$22,794,560	\$0	17.7%	\$4,034,755	82.3%	\$18,759,805
CORPORATION YARD						
Community Enhancement & Code Compliance	\$700,000	\$0	75.7%	\$530,203	24.3%	\$169,797
Fleet Maintenance Facility	\$8,820,000	\$0	75.7%	\$6,680,557	24.3%	\$2,139,443
Facility Maintenance Facility	\$1,722,000	\$0	75.7%	\$1,304,299	24.3%	\$417,701
Animal Shelter Enclosed/Covered Areas	\$14,626,075	\$0	75.7%	\$11,078,268	24.3%	\$3,547,807
Animal Shelter Exterior Areas and Parking	\$3,218,583	\$0	75.7%	\$2,437,860	24.3%	\$780,723
Animal Shelter Financing Cost	\$3,758,554	\$0	75.7%	\$2,846,852	24.3%	\$911,702
Construction Services Areas	\$976,500	\$0	75.7%	\$739,633	24.3%	\$236,867
Maintenance Admin. Enclosed Areas	\$840,000	\$0	75.7%	\$636,243	24.3%	\$203,757
Street Maintenance Areas	\$2,184,000	\$0	75.7%	\$1,654,233	24.3%	\$529,767
Traffic Signal/Street Light Maint. Areas	\$1,953,000	\$0	75.7%	\$1,479,266	24.3%	\$473,734
Street Signs and Markings Maint. Areas	\$1,785,000	\$0	75.7%	\$1,352,017	24.3%	\$432,983
Landscape/Irrigation Maintenance Areas	\$1,113,000	\$0	75.7%	\$843,023	24.3%	\$269,977
Drainage Maintenance Areas	\$735,000	\$0	75.7%	\$556,713	24.3%	\$178,287
Land Acquisition	\$2,527,118	\$0	75.7%	\$1,914,122	24.3%	\$612,996
Subtotal - Corp Yard	\$44,958,830	\$0	75.7%	\$34,053,289	24.3%	\$10,905,541
LIBRARY						
Planned Library Facilities	\$45,218,128	\$0	68.8%	\$31,106,530	31.2%	\$14,111,598
Technology, Furniture & Public Art	\$3,272,000	\$0	68.8%	\$2,250,880	31.2%	\$1,021,120
Land Acquisition	\$2,500,542	\$0	68.8%	\$1,720,177	31.2%	\$780,365
Subtotal – Library	\$50,990,670	\$0	68.8%	\$35,077,587	31.2%	\$15,913,083
TRANSIT /1						
Transit Shelters – Current	\$656,000	\$0	39.5%	\$259,348	60.5%	\$396,652
Transit Passenger Amenities – Future	\$240,000	\$0	39.5%	\$94,884	60.5%	\$145,116
Real Time Passenger Notification – Future	\$875,000	\$0	39.5%	\$345,930	60.5%	\$529,070
Administration	\$1,137,166	\$0	39.5%	\$449,577	60.5%	\$687,590
Operations	\$4,358,977	\$0	39.5%	\$1,723,314	60.5%	\$2,635,663
Vehicle Maintenance	\$868,014	\$0	39.5%	\$343,168	60.5%	\$524,846
Vehicle Maint. (Shop & Special Use)	\$6,742,251	\$0	39.5%	\$2,665,537	60.5%	\$4,076,715
Site Preparation	\$4,182,000	\$0	39.5%	\$1,653,346	60.5%	\$2,528,654
Land Acquisition	\$4,182,000	\$0	39.5%	\$1,653,346	60.5%	\$2,528,654
Right of Way	\$8,156,250	\$6,525,000	39.5%	\$644,912	60.5%	\$986,338
Overcrossing Signal Modification	\$14,700,000	\$11,760,000	39.5%	\$1,162,324	60.5%	\$1,777,676
Station Construction	\$22,400,000	\$17,920,000	39.5%	\$1,771,160	60.5%	\$2,708,840
Park & Ride Construction	\$11,340,000	\$9,072,000	39.5%	\$896,650	60.5%	\$1,371,350
Park & Ride Landscaping	\$1,680,000	\$1,344,000	39.5%	\$132,837	60.5%	\$203,163
Crossing at Shed C	\$1,027,600	\$822,080	39.5%	\$81,252	60.5%	\$124,268
Subtotal – Transit	\$82,545,259	\$47,443,080	39.5%	\$13,877,583	60.5%	\$21,224,596
TOTAL	\$205,685,322	\$47,443,080	55.0%	\$87,043,213	45.0%	\$71,199,028

/1 Percent allocation figures shown for transit facilities are net of federal funding.

CHANGES INCLUDED IN THE 2017 NEXUS STUDY

As mentioned, this Nexus Study is an update of the City of Elk Grove's 2009 Fee Study. This report contains the following changes and additions:

- The City has updated its planned animal shelter facilities to include 21,850 square feet of interior space and 101,308 square feet of exterior space. In addition, this Fee Program update also includes financing costs for the animal shelter facilities. In the 2009 Fee Study the CFF program included 10,500 square feet of dedicated interior space, 1,226 square feet of office space, and 120 square feet of warehouse space for animal shelter facilities. The 2009 Fee Study also included the costs for 1.14 acres of site preparation and land acquisition, which are no longer included in this Nexus Report.
- The Animal Shelter Fee is now an individual fee, but is still a component within the Corporation Yard Fee Fund
- The City now expects to receive federal funding for certain transit facilities; this was not assumed in the 2009 Nexus Study
- Person per household and square feet per employee assumptions have been updated to match current City estimates and planning documents. The 2009 Nexus Study assumes single family and multi-family residential development would generate 2.83 and 1.87 persons per dwelling unit compared to 3.32 and 2.42 persons per dwelling unit identified in this report. This Nexus Study also assumes a reduced estimate for the number of employees as reflected in the employee-per-square-foot assumption for the industrial land use category. This factor is reduced from the 1,200 square feet used in the prior analysis to 470 square feet of building space per employee.

A comparison of the costs and sizes of planned facilities included in the 2009 Nexus Study to those in this Nexus Study are presented in Tables ES-2.1 and ES-2.2 on the following pages.

Table ES-2.1
Changes in Planned Facilities Costs and Square Footage Quantities

	2017 Total Planned Facilities Cost	2009 Total Planned Facilities Cost	2017 Square Footage Quantities	2009 Square Footage Quantities
<u>City Admin</u>			<u>Building SF</u>	
Administration Building	\$3,965,438	\$4,509,691	11,908	16,911
<i>Subtotal - City Admin Facilities</i>	\$3,965,438	\$4,509,691	11,908	16,911
			<u>Land SF</u>	
Land Acquisition	\$430,566	\$0	47,633	0
Site Development	\$0	\$388,231	-	-
<i>Subtotal - City Admin Land</i>	\$430,566	\$388,231	47,633	0
<u>Police</u>			<u>Building SF</u>	
Police Building	\$19,022,560	\$5,252,464	30,000	17,906
Vehicles	\$2,692,000	\$2,493,900	-	-
<i>Subtotal - Police Facilities</i>	\$21,714,560	\$7,746,364	30,000	17,906
			<u>Land SF</u>	
Land Acquisition	\$1,080,000	\$554,366	119,790	71,438
Site Development	\$0	\$411,068	-	-
<i>Subtotal - Police Land</i>	\$1,080,000	\$965,434	119,790	71,438
<u>Corporation Yard</u>			<u>Building SF</u>	
Code Enforcement Enclosed/Covered Areas	\$700,000	\$395,550	2,000	1,758
Fleet Maintenance Facility	\$8,820,000	\$6,390,600	42,000	29,318
Facilities Maintenance Facility	\$1,722,000	\$668,565	8,200	6,803
Animal Shelter Enclosed/Covered Areas	\$14,626,075	\$3,461,850	21,850	11,846
Animal Shelter Financing Cost	\$3,758,554	\$0	-	-
Construction Service Areas	\$976,500	\$1,011,150	4,650	4,638
Maintenance Administration Enclosed Areas	\$840,000	\$827,550	4,000	3,678
Street Maintenance Areas	\$2,184,000	\$851,265	10,400	8,788
Traffic Signal/Street Light Maintenance Areas	\$1,953,000	\$933,615	9,300	7,570
Street Signs and Markings Maintenance Areas	\$1,785,000	\$600,165	8,500	6,079
Landscape/Irrigation Maintenance Areas	\$1,113,000	\$367,290	5,300	3,712
Drainage Maintenance Areas	\$735,000	\$370,935	3,500	3,532
Common/Shared	\$0	\$3,170,025	0	20,593
Fleet Services	\$0	\$249,210	0	2,256
Police Fleet	\$0	\$1,575,000	0	7,000
<i>Subtotal - Corporation Yard Facilities</i>	\$39,213,129	\$20,872,770	119,700	117,571
			<u>Land SF</u>	
Land Acquisition	\$2,527,118	\$3,399,026	391,604	603,742
Site Preparation	\$0	\$3,465,000	-	-
Animal Shelter Exterior Areas and Parking	\$3,218,583	\$0	101,308	0
<i>Subtotal - Corporation Yard Land</i>	\$5,745,701	\$6,864,026	492,912	603,742

Table ES-2.2

Changes in Planned Facilities Costs and Square Footage Quantities - Continued

	2017 Total Planned Facilities Cost	2009 Total Planned Facilities Cost	2017 Square Footage Quantities	2009 Square Footage Quantities
<u>Library</u>				
Planned Library Facilities	\$45,218,128	\$22,603,732	69,459	60,277
Technology, Furniture, and Public Art	\$3,272,000	\$3,918,005	-	-
<i>Subtotal - Library Facilities</i>	\$48,490,128	\$26,521,737	69,459	60,277
<u>Land SF</u>				
Land Acquisition	\$2,500,542	\$1,866,141	277,838	241,322
Site Development	\$0	\$1,383,762	-	-
<i>Subtotal - Library Land</i>	\$2,500,542	\$3,249,903	277,838	241,322
<u>Transit</u>				
<u>Building SF</u>				
Transit Shelters - Current	\$656,000	\$0	0	0
Transit Passenger Amenities - Future	\$240,000	\$0	0	0
Real Time Passenger Notification - Future	\$875,000	\$0	0	0
Administration	\$1,137,166	\$798,525	3,549	3,549
Operations	\$4,358,977	\$3,060,900	13,604	13,604
Vehicle Maintenance	\$868,014	\$812,700	2,709	2,709
Vehicle Maintenance (Shop & Special Use)	\$6,742,251	\$1,893,780	21,042	21,042
Right of Way	\$8,156,250	\$3,589,543	1,263,240	1,263,240
Overcrossing Signal Modification	\$14,700,000	\$10,500,000	0	0
Station Construction	\$22,400,000	\$16,000,000	0	0
Park & Ride Construction	\$11,340,000	\$8,100,000	0	0
Park & Ride Landscaping	\$1,680,000	\$1,200,000	0	0
Crossing at Shed C	\$1,027,600	\$0	0	0
<i>Subtotal - Transit Facilities</i>	\$74,181,258	\$45,955,448	1,304,144	1,304,144
<u>Land SF</u>				
Land Acquisition	\$4,182,000	\$2,942,880	522,720	522,720
Site Preparation	\$4,182,000	\$3,000,000	-	-
<i>Subtotal - Transit Land</i>	\$8,364,000	\$5,942,880	522,720	522,720
TOTAL	\$205,685,322	\$123,016,484	2,996,105	2,956,031

SUMMARY OF THE FEE SCHEDULE

Table ES-3 below summarizes the fees as calculated in this report.

Table ES-3
Fee Summary

Land Use Category	City Admin Facilities	Police Fac. & Equip.	Corp. Yard	Corp Yard - Animal Shelter	Library	Transit	Program Admin- istration	Total CFF Fee
<u>Residential</u>								
	<i>per Unit</i>							
Single-Family (1-2 units)	\$261	\$1,115	\$475	\$312	\$1,271	\$658	\$164	\$4,256
Single-Family TOD /1	\$261	\$1,115	\$475	\$312	\$1,271	\$730	\$167	\$4,331
Single-Family Age Restricted	\$142	\$605	\$257	\$169	\$689	\$255	\$85	\$2,202
Multi-Family (3+ units attached)	\$191	\$813	\$346	\$227	\$927	\$553	\$122	\$3,179
Multi-Family TOD /1	\$191	\$813	\$346	\$227	\$927	\$736	\$130	\$3,370
Multi-Family Age Restricted	\$102	\$437	\$186	\$122	\$498	\$353	\$68	\$1,766
<u>Non-Residential</u>								
	<i>per Square Foot</i>							
Commercial								
Commercial	\$0.05	\$0.21	\$0.09	\$0.06	n/a	\$0.82	\$0.05	\$1.28
Commercial TOD /1	\$0.05	\$0.21	\$0.09	\$0.06	n/a	\$0.87	\$0.05	\$1.33
Car Sales	\$0.04	\$0.17	\$0.07	\$0.05	n/a	\$0.67	\$0.04	\$1.04
Hotel/Motel	\$0.02	\$0.09	\$0.04	\$0.03	n/a	\$0.35	\$0.02	\$0.55
Office								
Office	\$0.08	\$0.33	\$0.14	\$0.09	n/a	\$0.88	\$0.06	\$1.58
Office TOD /1	\$0.08	\$0.33	\$0.14	\$0.09	n/a	\$0.98	\$0.06	\$1.68
Industrial								
	\$0.04	\$0.19	\$0.08	\$0.05	n/a	\$0.18	\$0.02	\$0.56

/1 Land uses identified as Transit Oriented Development (TOD) have the same fee rates as their non-TOD related land uses (i.e., Single Family TOD vs. Single Family) except for their Transit Fees, which do differ between the related land uses.

FEE ADJUSTMENTS

The CFF 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. In addition to such adjustments, the fees will be inflated each year by a predetermined index. The City will determine the specific characteristics of the development at the time when the impact fees are to be assessed in order to categorize the development into the proper land use category and to determine the CFF.

City staff indicates that this Nexus Study is consistent with the listing of 2009 facilities and that a more comprehensive fee may be completed at a future date. The future fee study may include additional facilities that have been excluded from this fee update.

I. INTRODUCTION

BACKGROUND

Incorporated in 2000, the City of Elk Grove (the “City”) is located in the south central portion of Sacramento County along Highway 99, approximately 20 miles south of downtown Sacramento. The City has a population of approximately 164,200 residents and an estimated employment base of over 38,000 jobs. Exhibit 1 on the following page illustrates the boundaries and location of the City.

Increased population and employment in the City will lead to increased demand on 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.

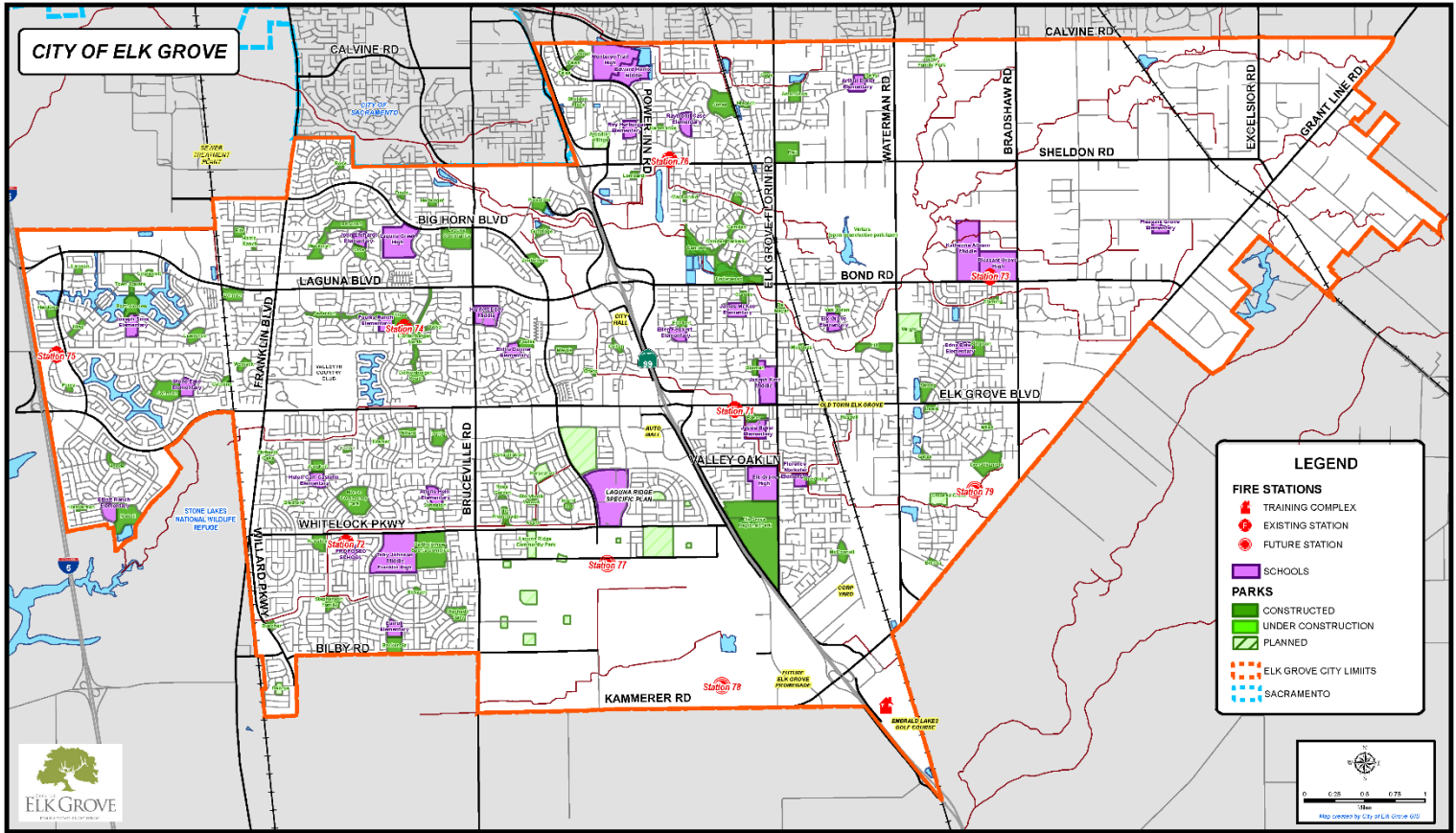
FEES INCLUDED IN CFF STUDY

The City of Elk Grove has determined that the CFF is needed to mitigate the impacts of future development on the following citywide municipal facilities:

- City Administrative Facilities
- Police Facilities and Equipment
- Corporation Yard (Non-Animal Shelter Costs & Animal Shelter Costs Only)
- Library Facilities
- Transit Facilities

The Capital Facilities Fees will be accounted for separately; fee revenues will not be commingled and will fund only those facilities that are assigned to the fee category.

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-VIII	Provide the details of the cost calculations for City administrative, police, corporation yard, library, and transit facilities
Chapter IX	Provides a summary of the impact fees calculated in this report
Chapter X	Explains the nexus findings for the Fee Program
Chapter XI	Addresses implementation of the Fee Program, use of fees, future fee adjustments, credit/reimbursement policies, and administrative duties required by the program
Chapter XII	Summarizes the annual and five year reporting requirements set forth in Government Code Sections 66001 and 66006

II. LAND USES

POPULATION

In the past two decades, the Elk Grove area 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 164,200. At buildout of the City, these figures are estimated to grow to 66,400 residential units and approximately 205,700 residents.

City staff has also 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 estimate, the City is estimated to currently have approximately 38,000 jobs. At build out of the City, it is estimated that total jobs in the City will grow to approximately 91,300. Population and employment figures are presented in Table 2 of Appendix A.

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 the CFF 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 categories. 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
- 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, book stores, 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

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, mini-storage facilities, etc.

The City will make the final determination as to which land use category a particular development will be assigned. Staff will determine the land use category that corresponds most directly to the development, or alternatively, can determine that none of the land use categories in this Nexus Study adequately correspond to the development. In such case, staff will work with the Director of Finance to determine the applicable category and ad hoc impact fees.

SERVICE AREA

The CFF 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 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 CFF 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 facilities 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 rates 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, 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 that particular land use category.

The plan-based fee methodology has been used in this report to calculate the police, corporation yard, and transit fees.

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. The standard to be used in calculating impact fees under this method is described further in each of the standard-based CFF categories and their related chapters in this report. 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, officers per 1,000 residents) 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 fee methodology has been used in this report to calculate the City administrative facility and library fees.

By applying either of these methodologies, the fee for each land use is based on the benefit it will receive from 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 for the calculation of each fee in the CFF is included in sections IV through VIII of this report.

TRANSIT-ORIENTED DEVELOPMENT

Section 66005.1 of the Government Code requires that if a housing development satisfies the following three criteria, then the development shall be deemed a transit-oriented development (“TOD”). The three criteria that must be met are as follows:

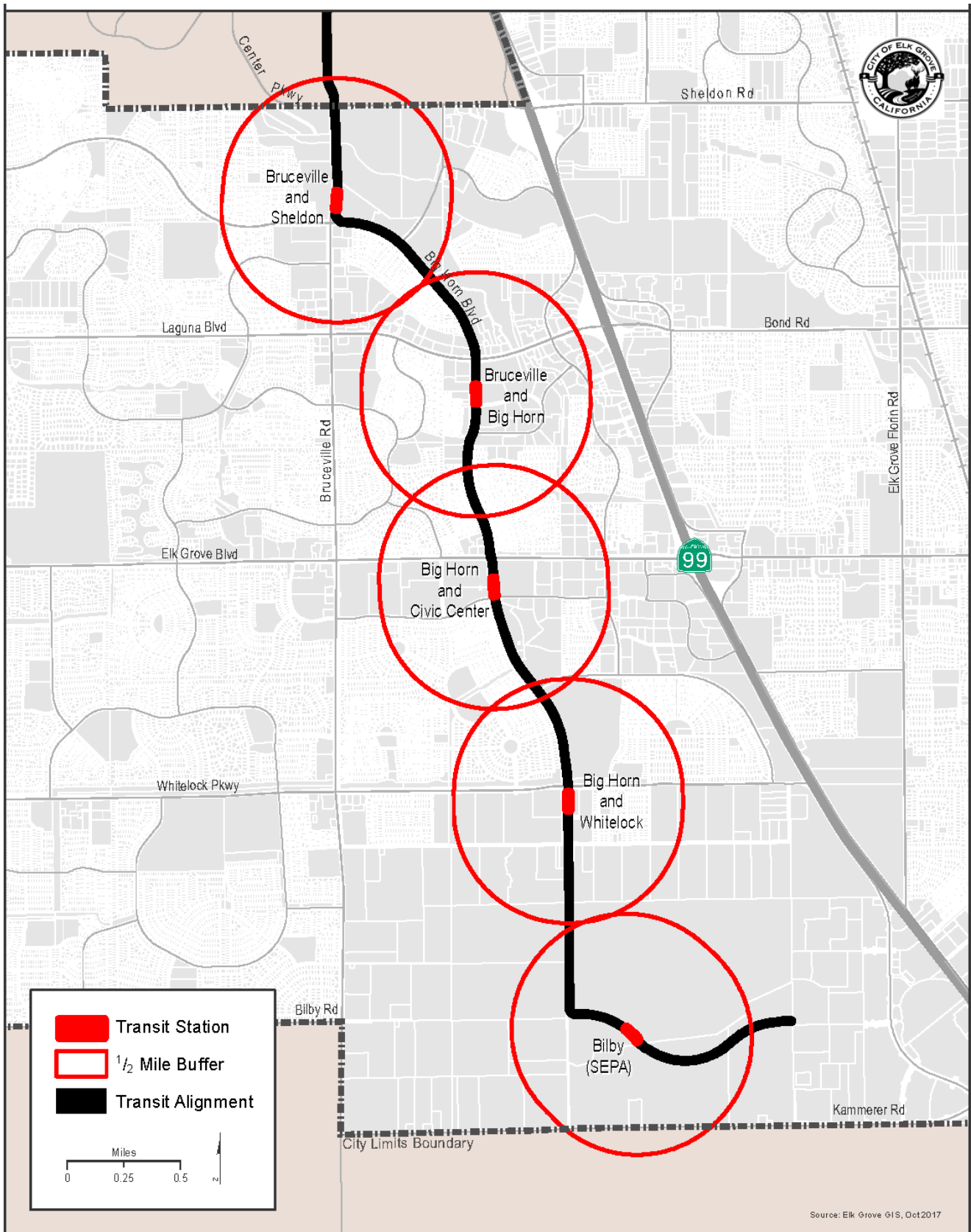
1. The housing development is within one-half mile walking distance of a transit station and there is a direct barrier-free pathway to the transit station.
2. Convenience retail uses, including a food store are located within one-half mile of the housing development.
3. The development provides the minimum number of parking spaces per local ordinance, or no more than 1 space per 0-2 bedroom units, and 2 parking spaces for units with 3 or more bedroom units, whichever is less.

For purposes of this Nexus Study, the City has estimated the portion of development that may be located near future transit stations for residential, commercial, and office development. As shown in Table 3-1, the residential and non-residential TOD land uses identified below are expected to develop within a one-half mile walking distance based on expected transit station locations identified in Exhibit 3-1 on the following page. The City will have the final determination to evaluate the proposed development and determine the proper fees that will apply to it.

**Table 3-1
Transit – Oriented Development**

Future Development		
<u>Residential</u>	<u>Units</u>	<u>Pop</u>
Single-Family TOD	700	2,324
Multi-Family TOD	1,400	3,388
Subtotal	2,100	5,712
<u>Non-Residential</u>	<u>SF</u>	<u>Emp</u>
Commercial TOD	500,000	1,176
Office TOD	100,000	370
Subtotal	600,000	1,546

Exhibit 3-1 – Future Rapid Transit Stations



IV. CITY ADMINISTRATIVE FACILITIES FEE

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

ASSUMPTIONS

The City currently occupies two administrative buildings which include over 47,000 square feet. While these buildings will provide sufficient space for the City's current staff, as the City continues to grow, there will be a need for additional staff who will require additional building space.

The calculation of the future City administrative facilities requirement is based on the City's current service standard of 0.29 square feet per resident. Based on an estimated 41,564 future residents in the City and assuming a building space standard of 0.29 square feet per resident, the City will need approximately 11,908 square feet of additional building space.

FACILITIES AND COSTS

Table 4-1 on the following page identifies the City administrative facilities that will serve future development. The City estimates an average administrative building cost of \$333 per square foot, which is used to approximate the cost of future City administrative facilities. This amount includes the cost of the building, as well as all furniture, fixtures, and equipment. Applying this cost to the 11,908 square feet of building space required for the new administrative building produces a total cost of \$4.0 million. Land costs for the new City administrative building were calculated assuming the City acquires 1.09 acres of land at \$350,000 per acre plus a 12.5% contingency for soft costs, for a total land acquisition cost of \$430,566.

The total cost for future City administrative facilities and land acquisition is \$4.4 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 works 45 hours per week and services are available to a resident 24/7, the weighting for each employee is calculated as follows:

$$\text{Employee: } 45 \text{ hrs/week} \div 168 \text{ hrs week (24 hrs x 7 days)} = 0.27 \text{ residents}$$

Multiplying 0.27 by the 53,289 future employees, as shown in Table 2 of Appendix A, produces an equivalent of 14,274 residents. Therefore, the total future persons served will be 41,564 + 14,274 = 55,837. Dividing the \$4.4 million total cost that is allocated to future development by the 55,837 persons served from future development provides a cost of \$79 per person served.

Table 4-1
City Administrative Facility Costs Allocated to Future Development

Facility Cost	Improvement Size	Cost per Unit	Total Cost
Construction	11,908 SF	\$333	\$3,965,438
Land Acquisition	1.09 Acres	\$393,750	<u>\$430,566</u>
Total			\$4,396,004

CITY ADMINISTRATIVE FACILITIES FEE

Table 4-2 on the following page shows the calculation of the City administrative fee of the CFF. Applying the \$79 per person served to the average number of persons per household for each residential land use category yields impact fees of \$261 per single family unit, \$191 per multi-family use, \$142 per single family age-restricted unit, and \$102 per multi-family age-restricted unit.

For non-residential development, multiplying the persons served cost of \$79 by 27% to account for the reduced impact of employees, produces a cost of \$21 per employee. Dividing this figure by the number of square feet per employee for each non-residential land use category produces the fee rates shown in Table 4-2.

**Table 4-2
City Administrative Facilities Fees**

Land Use Category	PPH or SF per Employee	Cost per Persons Served	Impact Fee per Unit/ Bldg SF
<u>Residential</u>			
	<i>PPH</i>	<i>per Resident</i>	<i>per Unit</i>
Single-Family (1-2 units)	3.32	\$79	\$261
Single-Family Age Restricted	1.80	\$79	\$142
Multi-Family (3+ units attached)	2.42	\$79	\$191
Multi-Family Age Restricted	1.30	\$79	\$102
<u>Non-Residential</u>			
	<i>SF/Emp.</i>	<i>per Employee</i>	<i>per Bldg SF</i>
Commercial			
Commercial	425	\$21	\$0.05
Car Sales	520	\$21	\$0.04
Hotel/Motel	1,000	\$21	\$0.02
Office	270	\$21	\$0.08
Industrial	470	\$21	\$0.04

V. POLICE FACILITIES & EQUIPMENT FEE

This Chapter of the report identifies the facilities, costs, and fee rates required to fund a police station and police vehicles to serve the City at buildout.

ASSUMPTIONS

Table 4 in Appendix A shows the assumptions used in the calculation of the police facilities and equipment fee of the CFF. The top section of this table identifies the current and proposed police stations required to serve the City at buildout. The police department currently occupies approximately 68,900 square feet of building space which will be inadequate to serve the City's population at build out. The bottom section of Table 4 in Appendix A identifies the police department's desired level of service standards for patrol vehicles, motorcycles, and support vehicles required to serve future development in the City.

FUTURE FACILITY REQUIREMENTS AND COSTS

As the City grows, police staffing levels will increase to meet the higher demands generated by new development. Proposed facilities in the CFF include an additional 30,000 square foot police station. The City estimates that the existing police building cost, on average, is approximately \$453 per square foot. This figure is therefore used to approximate the cost of future police buildings. Applying this cost to the 30,000 square feet of building space required for the new police station produces a cost of \$13.6 million. Soft costs for the police facilities are estimated to be approximately 40 percent of the total associated hard costs. Adding the soft costs to the estimated hard costs produces a total cost of \$19.0 million. In addition to hard and soft costs, facility construction costs include all costs for surface parking improvements and \$500,000 in offsetting revenues that City staff indicates the City has received in a grant from Proposition 1B State funds. Land costs for the new police building were calculated assuming the City acquires 2.75 acres of land at \$348,480 per acre plus a 12.5% contingency for soft costs, for a total land acquisition cost of \$1.1 million.

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 \$2.7 million.

As shown in Table 5-1 below, the total cost for the existing facilities, proposed facilities, and land acquisition is \$66.2 million. Approximately \$50.2 million of the police station and land acquisition costs are existing development's fair share of the total cost, leaving future development responsible for the remaining \$16.1 million plus the \$2.7 million for future vehicles. Dividing the \$18.8 million total by the 55,837 persons served from future development produces a cost of \$336 per person served.

**Table 5-1
Police Facilities and Equipment Cost Estimates**

Field Services	Improvement Size		Cost per Unit	Construction Cost Estimate	Soft Cost Estimate	Project Cost Estimate
<u>Current</u>						
Construction	68,854	SF	\$453	\$31,185,223	\$12,474,089	\$43,659,312
Land Acquisition	6.32	Acres	\$348,480	\$2,203,328	\$275,416	\$2,478,744
Subtotal						\$46,138,056
<u>Proposed</u>						
Construction	30,000	SF	\$453	\$13,587,543	\$5,435,017	\$19,022,560
Land Acquisition	2.75	Acres	\$348,480	\$960,000	\$120,000	\$1,080,000
Subtotal						\$20,102,560
Total Field Services						\$66,240,616
Field Services Cost Allocated to Existing Development						\$50,172,811
Field Services Cost Allocated to Future Development						\$16,067,805
<hr/>						
Fleet Services			LOS Standard	Future Quantity	Cost per Vehicle	Fleet Cost Estimate
Patrol Vehicles			0.44	22	\$65,000	\$1,430,000
Motorcycles			0.08	4	\$36,500	\$146,000
Support Vehicles			0.62	31	\$36,000	\$1,116,000
Total Fleet Services for Future Development						\$2,692,000

POLICE FACILITIES AND EQUIPMENT FEE

Table 5-2 below shows the calculation of the police facilities and equipment fee of the CFF. Applying the \$336 cost per person served to the average number of persons per household for each residential land use category yields impact fees of \$1,115 per single family unit, \$813 per multi-family unit, \$605 per single family age-restricted unit, and \$437 per multi-family age-restricted unit.

For non-residential development, applying 27% of the \$336 per person served cost to the employees per square feet of building space yields fees ranging from \$0.09 per square foot of hotel/motel space to \$0.33 per square foot of office space.

**Table 5-2
Police Facilities and Equipment Fees**

Land Use Category	PPH or SF per Employee	Cost per Persons Served	Impact Fee per Unit/ Bldg SF
<u>Residential</u>			
	<i>PPH</i>	<i>per Resident</i>	<i>per Unit</i>
Single-Family (1-2 units)	3.32	\$336	\$1,115
Single-Family Age Restricted	1.80	\$336	\$605
Multi-Family (3+ units attached)	2.42	\$336	\$813
Multi-Family Age Restricted	1.30	\$336	\$437
<u>Non-Residential</u>			
	<i>SF/Emp.</i>	<i>Per Employee</i>	<i>per Bldg SF</i>
Commercial			
Commercial	425	\$90	\$0.21
Car Sales	520	\$90	\$0.17
Hotel/Motel	1,000	\$90	\$0.09
Office	270	\$90	\$0.33
Industrial	470	\$90	\$0.19

VI. CORPORATION YARD FEE

This Chapter identifies the facilities, costs, and the fee rates required to fund the corporation yard facilities that will serve the City at buildout.

FACILITIES AND COSTS

The City plans to expand its existing corporation yard to accommodate future growth in Elk Grove. The corporation yard will include maintenance facilities and the purchase and installation of equipment required to support maintenance operations. Maintenance facilities include code enforcement areas, fleet and facility areas, construction services areas, maintenance administration areas, street maintenance areas, traffic signal/street light maintenance areas, street signs and markings maintenance areas, landscape/irrigation maintenance areas, and drainage maintenance areas. The corporation yard will also contain animal shelter facilities including the enclosed and covered animal shelter areas as well as the exterior and parking areas. The City will also need 8.99 acres of land to accommodate all of the corporation yard functions for this new site. The services and facilities housed in the corporation yard will benefit the residents and employees of the entire City, and therefore, both existing and future development will share in the funding of these facilities.

Table 6-1 on the following page shows the estimated cost for the corporation yard facilities at \$54.5 million. This includes \$9.5 million for current corporation yard facilities, \$42.5 million for planned facilities, and \$2.5 million in land acquisition costs. Financing costs for the animal shelter facilities are estimated to be \$3.8 million, based on funding 100% of the facility costs, an average 5.0% interest rate, a 20 year bond term, and 3.0% annual inflation.

The City has decided to include two separate corporation yard fees in the CFF program: one for non-animal shelter corporation yard facilities and a second for animal shelter costs only. The total cost allocated to existing and future development for non-animal shelter corporation yard facilities is \$32.9 million. Dividing the \$32.9 million by the 230,193 persons served at buildout provides a cost of \$143 per person served. The total cost allocated to existing and future development for animal shelter facilities is \$21.6 million. Dividing the \$21.6 million by the 230,193 persons served at buildout provides a cost of \$94 per person served.

Table 6-1
Corporation Yard and Animal Shelter Facilities Cost Estimates

Facilities	Project Cost Estimate
<hr/>	
<u>Existing Facilities</u>	
General Fund Office Space	\$189,000
General Fund Warehouse	\$2,583,000
Public Works Office Space	\$775,950
Public Works Warehouse	\$3,632,580
Internal Services Office Space	\$478,800
Internal Services Warehouse	\$840,000
Land Acquisition	\$1,045,274
Subtotal – Existing Facilities	\$9,544,604
<u>Planned Facilities</u>	
Code Enforcement	\$700,000
Fleet and Facilities	\$10,542,000
Animal Shelter	\$21,603,212
Public Works – Field Operations	\$9,586,500
Land Acquisition	\$2,527,118
Subtotal – Planned Facilities	\$44,958,830
Total	\$54,503,433

CORPORATION YARD FEES

Table 6-2 on the following page shows the calculation of the non-animal shelter facilities component of the corporation yard fee. Multiplying the \$143 cost per person served by the average number of persons living in each type of residential unit produces a fee of \$475 per single family unit, \$346 per multi-family unit, \$257 per single family age-restricted unit, and \$186 per multi-family age-restricted unit.

For non-residential development, multiplying the person served cost of \$143 by 27% to account for the reduced impact from employees produces a cost of \$38 per employee. Dividing \$38 per employee by the number of square feet per employee for each land use category produces fees ranging from \$0.04 per square foot of hotel/motel space to \$0.14 per square foot of office space.

**Table 6-2
Non-Animal Shelter Corporation Yard Fees**

Land Use Category	PPH or SF per Employee	Cost per Persons Served	Impact Fee per Unit/ Bldg SF
<u>Residential</u>			
	<i>PPH</i>	<i>per Resident</i>	<i>per Unit</i>
Single-Family (1-2 units)	3.32	\$143	\$475
Single-Family Age Restricted	1.80	\$143	\$257
Multi-Family (3+ units attached)	2.42	\$143	\$346
Multi-Family Age Restricted	1.30	\$143	\$186
<u>Non-Residential</u>			
	<i>SF/Emp.</i>	<i>per Employee</i>	<i>per Bldg SF</i>
Commercial			
Commercial	425	\$38	\$0.09
Car Sales	520	\$38	\$0.07
Hotel/Motel	1,000	\$38	\$0.04
Office	270	\$38	\$0.14
Industrial	470	\$38	\$0.08

Table 6-3 on the following page shows the calculation of the animal shelter facilities component of the corporation yard fee. Multiplying the \$94 cost per person served by the average number of persons living in each type of residential unit produces a fee of \$312 per single family unit, \$227 per multi-family unit, \$169 per single family age-restricted unit, and \$122 per multi-family age-restricted unit.

For non-residential development, multiplying the person served cost of \$94 by 27% to account for the reduced impact from employees, produces a cost of \$25 per employee. Dividing \$25 per employee by the number of square feet per employee for each land use category produces fees ranging from \$0.03 per square foot of hotel/motel space to \$0.09 per square foot of office space.

**Table 6-3
Animal Shelter Corporation Yard Fees**

Land Use Category	PPH or SF per Employee	Cost per Persons Served	Impact Fee per Unit/ Bldg SF
<u>Residential</u>			
	<i>PPH</i>	<i>per Resident</i>	<i>per Unit</i>
Single-Family (1-2 units)	3.32	\$94	\$312
Single-Family Age Restricted	1.80	\$94	\$169
Multi-Family (3+ units attached)	2.42	\$94	\$227
Multi-Family Age Restricted	1.30	\$94	\$122
<u>Non-Residential</u>			
	<i>SF/Emp.</i>	<i>per Employee</i>	<i>per Bldg SF</i>
Commercial			
Commercial	425	\$25	\$0.06
Car Sales	520	\$25	\$0.05
Hotel/Motel	1,000	\$25	\$0.03
Office	270	\$25	\$0.09
Industrial	470	\$25	\$0.05

VII. LIBRARY FEE

This Chapter of the report identifies the facilities, costs, and the fee rates for library facilities required to serve future development in the City.

ASSUMPTIONS

The City of Elk Grove currently has two libraries, the Elk Grove Community Library and the Franklin Joint Use Library, serving its residents. The Elk Grove Community Library is the older of the two facilities and has approximately 13,785 square feet of library space. The Franklin Joint Use Library is a shared facility located at the Franklin High School campus and serves students and the community at large. This library has 19,621 square feet of space and the combined square footage of both libraries is 33,406 square feet.

City staff has identified its desired LOS to match the Sacramento County Library Authority's standard of 0.50 square feet per resident. By applying the LOS to the number of estimated residents at buildout, a total of 102,865 building square feet is required. The City's existing level of service standard is inadequate at 0.20 square feet per resident. Approximately 48,678 building square feet represents an existing deficiency and may be funded through grants, the general fund, or other available funding sources. To meet the standard of 0.50 square feet per future resident, the City will have to construct approximately 20,782 square feet of library facilities.

FACILITIES AND COSTS

Table 7-1 on the following page identifies the library facilities that will serve future development in the City. The new library building is estimated to be 20,782 square feet in size to accommodate future growth in the City. At an estimated cost of \$465 per building square foot, the total cost of constructing this facility is approximately \$9.7 million. Soft costs for the library facilities are estimated to be 40% of the total associated hard costs. Adding the soft costs to the estimated hard costs produces a total cost of \$13.5 million. Land costs for the new library building were calculated assuming the City acquires 1.91 acres of land at \$348,480 per acre plus a 12.5% contingency for soft costs, for a total land acquisition cost of \$748,144. Funding for technology, furniture, and public art for the library totals approximately \$1.6 million. The total cost for library facilities allocated to future development equals \$15.9 million. Dividing the \$15.9 million by the number of future residents (41,564) produces a cost of \$383 per future resident.

**Table 7-1
Library Facilities Cost Estimates**

Facilities	Improvement Size		Cost per Unit	Construction Cost Estimate	Soft Cost Estimate	Total Project Estimate
Planned Library Facilities	20,782	SF	\$465	\$9,663,528	\$3,865,411	\$13,528,939
Technology, Furniture & Public Art			-	\$1,636,000	-	\$1,636,000
Land Acquisition	1.91	Acres	\$348,480	\$665,017	\$83,127	<u>\$748,144</u>
Total						\$15,913,083

LIBRARY FEE

Table 7-2 on the following page shows the calculation of the library fee. Multiplying the \$383 per future resident by the average number of persons per household for each residential land use category produces a library fee of \$1,271 per single family unit, \$927 per multi-family unit, \$689 per single family age-restricted unit, and \$498 per multi-family age-restricted unit. Non-residential land uses are not responsible for funding library facilities, as employees will not have a significant impact on the library system.

**Table 7-2
Library Fees**

Land Use Category	PPH or SF per Employee	Cost per Resident	Cost per Units/ Bldg SF
<u>Residential</u>			
	<i>PPH</i>		<i>per Unit</i>
Single-Family (1-2 units)	3.32	\$383	\$1,271
Single-Family Age Restricted	1.80	\$383	\$689
Multi-Family (3+ units attached)	2.42	\$383	\$927
Multi-Family Age Restricted	1.30	\$383	\$498
<u>Non-Residential</u>			
	<i>SF/Emp.</i>		<i>per Bldg SF</i>
Commercial			
Commercial	n/a	n/a	n/a
Car Sales	n/a	n/a	n/a
Hotel/Motel	n/a	n/a	n/a
Office	n/a	n/a	n/a
Industrial	n/a	n/a	n/a

VIII. TRANSIT FEE

New development in the City will generate traffic on City roads. Construction of additional transit facilities, however, will reduce congestion on the City’s roadways. The transit fee will fund new development’s fair share of the cost of these required transit facilities.

FACILITIES AND COSTS

Table 8-1 below identifies the transit facilities that will serve the City at buildout. The facilities include transit shelters, urban buses, paratransit vehicles, transit corporation yard facilities, rapid transit facilities, transit passenger amenities, and real time passenger notification facilities. In addition to the hard and soft costs identified in Table 7 in Appendix A, facility construction costs include all costs for surface parking improvements and \$500,000 in offsetting revenues the City has received from Proposition 1B State funds. The total cost of all transit facilities included in the CFF is \$123.2 million. The City has stated that it expects certain rapid transit facilities will receive funding from the federal government equal to 80% of the cost of the facilities. Table 8-1 identifies those facilities that the City expects to receive federal funding based on an 80% cost recovery assumption; thus, total estimated federal funding for planned rapid transit facilities is estimated to be \$47.4 million.

**Table 8-1
Transit Facilities and Costs**

Facilities	Project Cost Estimate	Federal Funding	Net City Project Costs
<u>Existing Facilities</u>			
Administration	\$388,348	\$0	\$388,348
Warehouse Space	\$5,141,119	\$0	\$5,141,119
Urban Buses	\$33,600,000	(\$11,896,780)	\$21,703,220
Paratransit	\$1,560,000	(\$234,000)	\$1,326,000
Subtotal	\$40,689,466	(\$12,130,780)	\$28,558,686
<u>Planned Facilities</u>			
Transit Shelters	\$656,000	\$0	\$656,000
Transit Passenger Amenities	\$240,000	\$0	\$240,000
Real Time Passenger Notification	\$875,000	\$0	\$875,000
Transit Corp Yard Facilities	\$21,470,409	\$0	\$21,470,409
Rapid Transit	\$59,303,850	(\$47,443,080)	\$11,860,770
Subtotal	\$82,545,259	(\$47,443,080)	\$35,102,179
Total	\$123,234,725	(\$59,573,860)	\$63,660,865

DEMAND VARIABLE

The demand variable used to allocate the cost of transit facilities for the City is based on transit trips generated by each land use category. To determine the relative impact of each land use category, transit trip factors were converted to a dwelling unit equivalent (“DUE”) by selecting the transit trip factor for the land use category and dividing its rate by the rate identified for a single family residential unit. Table 8-2 below summarizes the DUE calculations for each land use category.

**Table 8-2
Transit Trip DUE Calculation**

Land Use Category	Bldg SF per Emp.	Average Daily Trips per Res/Emp	Percent of Daily Trips Using Transit	Transit Trips per Unit/KSF	DUE Rate	TOD Rates	
						Adjustment	DUE Rates
<u>Residential</u>							
Single-Family (1-2 units)	n/a	15.17	1.03%	0.156	1.00	1.11	1.11
Single-Family Age Restricted	n/a	5.88	1.03%	0.061	0.39	1.00	0.39
Multi-Family (3+ units attached)	n/a	6.67	1.97%	0.131	0.84	1.33	1.12
Multi-Family Age Restricted	n/a	4.25	1.97%	0.084	0.54	1.00	0.54
<u>Non-Residential</u>							
Commercial							
Commercial	425	24.24	0.34%	0.194	1.24	1.06	1.32
Car Sales	520	24.24	0.34%	0.158	1.01	1.00	1.01
Hotel/Motel	1,000	24.24	0.34%	0.082	0.53	1.00	0.53
Office	270	3.71	1.52%	0.209	1.34	1.11	1.48
Industrial	470	3.13	0.63%	0.042	0.27	1.00	0.27

TRANSIT FEE

The total net cost of \$63.7 million is allocated to all residential and non-residential development in the City at buildout. Table 8-3 on the following page shows the DUE factors for each land use category as well as the total DUEs in the City. The cost per DUE is \$658 and is determined by dividing the total transit cost of \$63.7 million by the total number of DUEs in the City. Multiplying the \$658 cost per DUE by the DUE rate for each residential development produces fee rates of \$658 per single family unit, \$553 per multi-family unit, \$255 per single family age-restricted unit, and \$353 per multi-family age-restricted unit.

For non-residential development, multiplying the \$658 by each land use category and dividing the number by 1,000 produces fees ranging from \$0.18 per square foot of industrial space to \$0.98 per square foot of transit oriented office space.

**Table 8-3
Transit Fees**

Land Use Category	Units/ 1,00 SF	Trip DUEs	Total Trip DUEs	Percent Allocation	Cost Allocation	Fee per Units/ Bldg SF
<u>Residential</u>						
	<i>Units</i>					<i>per Unit</i>
Single-Family (1-2 units)	51,767	1.00	51,767	53.5%	\$34,064,104	\$658
Single-Family TOD	700	1.11	777	0.8%	\$511,287	\$730
Single-Family Age Restricted	932	0.39	361	0.4%	\$237,712	\$255
Multi-Family (3+ units attached)	10,217	0.84	8,592	8.9%	\$5,653,750	\$553
Multi-Family TOD	1,400	1.12	1,566	1.6%	\$1,030,369	\$736
Multi-Family Age Restricted	1,346	0.54	721	0.7%	\$474,593	\$353
Subtotal			63,784	65.9%	\$41,971,817	
<u>Non-Residential</u>						
	<i>KSF</i>					<i>per SF</i>
Commercial						
Commercial	11,500	1.24	14,272	14.8%	\$9,391,644	\$0.82
Commercial TOD	500	1.32	658	0.7%	\$432,832	\$0.87
Car Sales	750	1.01	761	0.8%	\$500,600	\$0.67
Hotel/Motel	-	0.53	-	-	-	\$0.35
Office						
Office	10,800	1.34	14,436	14.9%	\$9,499,454	\$0.88
Office TOD	100	1.48	148	0.2%	\$97,633	\$0.98
Industrial	10,000	0.27	2,685	2.8%	\$1,766,885	\$0.18
Subtotal			32,961	34.1%	\$21,689,048	
Total			96,745	100.0%	\$63,660,865	

IX. FEE SUMMARY

The table below summarizes the fees as calculated in this report. A 4.0% administration fee for the CFF is included to pay for the administrative duties associated with the Fee Program.

Land Use Category	City Admin Facilities	Police Fac. & Equip.	Corp. Yard	Corp Yard - Animal Shelter	Library	Transit	Program Admin- istration	Total CFF Fee
Residential								
	<i>per Unit</i>							
Single-Family (1-2 units)	\$261	\$1,115	\$475	\$312	\$1,271	\$658	\$164	\$4,256
Single-Family TOD /1	\$261	\$1,115	\$475	\$312	\$1,271	\$730	\$167	\$4,331
Single-Family Age Restricted	\$142	\$605	\$257	\$169	\$689	\$255	\$85	\$2,202
Multi-Family (3+ units attached)	\$191	\$813	\$346	\$227	\$927	\$553	\$122	\$3,179
Multi-Family TOD /1	\$191	\$813	\$346	\$227	\$927	\$736	\$130	\$3,370
Multi-Family Age Restricted	\$102	\$437	\$186	\$122	\$498	\$353	\$68	\$1,766
Non-Residential								
	<i>per Square Foot</i>							
Commercial								
Commercial	\$0.05	\$0.21	\$0.09	\$0.06	n/a	\$0.82	\$0.05	\$1.28
Commercial TOD /1	\$0.05	\$0.21	\$0.09	\$0.06	n/a	\$0.87	\$0.05	\$1.33
Car Sales	\$0.04	\$0.17	\$0.07	\$0.05	n/a	\$0.67	\$0.04	\$1.04
Hotel/Motel	\$0.02	\$0.09	\$0.04	\$0.03	n/a	\$0.35	\$0.02	\$0.55
Office								
Office	\$0.08	\$0.33	\$0.14	\$0.09	n/a	\$0.88	\$0.06	\$1.58
Office TOD /1	\$0.08	\$0.33	\$0.14	\$0.09	n/a	\$0.98	\$0.06	\$1.68
Industrial								
	\$0.04	\$0.19	\$0.08	\$0.05	n/a	\$0.18	\$0.02	\$0.56

/1 Land uses identified as Transit Oriented Development (TOD) have the same fee rates as their non-TOD related land uses (i.e., Single Family TOD vs. Single Family) except for their Transit Fees, which do differ between the related land uses.

X. 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 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 CFF calculated in this Nexus Study meets the nexus requirements of the law, as outlined below.

NEXUS TEST

Purpose of the Fees

The purpose of the CFF is to provide funding for the infrastructure, facilities, vehicles, and equipment identified in this Nexus Study.

Use of Fee

CFF revenue will be used to fund future development's fair share of the cost of infrastructure, facilities, vehicles, and equipment that have been identified by the City as necessary to serve new development in the City.

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 infrastructure, facilities, vehicles, and equipment identified in this Nexus Study. The facilities, infrastructure improvements, and capacity enhancements included in this Nexus Study will ensure that the City will maintain the existing and 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.

Fee revenue collected from the CFF 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 CFF will be established to ensure that fee revenue is applied to the infrastructure, facilities, vehicles, and equipment 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 fee and the cost of the public facility, or portion thereof, is established in this Nexus Study through the use of demand variables to estimate the demand for a facility or, the impact that a land use will have on a facility. For example, the cost allocation for the library fee is based on the number of residents since residents will be the primary users of the library. The cost allocation for the City administrative facilities, police, and corporation yard fees 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 in the City. Transit trip dwelling unit equivalents are used to allocate the costs of the transit fee in this Nexus Study. The DUEs, which differ between land use categories, measure each land use's impact on facilities and infrastructure. As a result, each land use category or development type is allocated its fair share of the cost based on its impact, as identified by its demand variable.

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

XI. FEE PROGRAM 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 will be adopted through a City ordinance and resolution. Once the Fee Program is adopted by the Elk Grove City Council, the Fee Program shall become effective no sooner than sixty days after the final legislative action.

FEE ADJUSTMENTS

The CFF 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 2019 will be determined by calculating the change from October 2017 to October 2018 in the San Francisco CCI, and the resulting value will be the adjustment factor for 2019.

City staff indicates that this Nexus Study is consistent with the listing of 2009 facilities and that a more comprehensive fee study may be completed at a future date. The future fee study may include additional facilities that have been excluded from this fee update. The facilities that could potentially to be incorporated in the future fee study could include the following:

Civic Center Facilities

- Performing/Cultural Arts Center
- Community Center
- Aquatic Center
- Discovery Museum
- Nature Center
- Future Meadow Improvements

Corporation Yard Facilities

- Miscellaneous Lot Improvements

Transit Facilities

- Multi-Modal Station
- Transfer Center at Mall/Casino
- Bus Rapid Transit Station

Trail Facilities

- Class 1 Bikeway Projects

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 in order 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 publically-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. In order to obtain fee credits for a single family project, a developer must enter into a credit agreement with the City. In order to obtain fee credits for a multi-family or non-residential project the developer must enter into a credit 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 at the issuance of a building permit.

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.

Developers will be eligible for fee credits and reimbursements up to, but not exceeding, 100% of the improvement they built 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 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.

In order 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 of the following, subject to the review and 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.

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.

XII. ANNUAL AND FIVE YEAR REPORTING FOR EXISTING CFF

As discussed in the prior section, Government Code Sections 66001 and 66006 require local agencies to submit annual and five-year reports detailing the status of development impact fees. Annual reports must be made available to the public no later than 180 days after the end of the fiscal year and must be presented to the Elk Grove City Council at least fifteen days after it is made available to the public. This chapter of the report presents the annual report for fiscal year 2016-17 and the five-year report ending June 30, 2017.

Annual Report Pursuant to Government Code 66006

The annual report provides the following information:

- 1) **Brief description of the fee** – the CFF is levied on development within the City of Elk Grove to fund infrastructure, facilities, vehicles, and equipment identified in CFF program.

- 2) **The amount of the fee** - the CFF rates for year 2018 for each land use category are as follows:

Land Use Category	City Admin Fac.	Police Fac. & Equip.	Corp. Yard	Corp Yard - Animal Shelter	Library	Transit	Program Admin- istration	Total CFF Fee
<u>Residential</u>								
	<i>per Unit</i>							
Single-Family (1-2 units)	\$291	\$517	\$400	\$68	\$853	\$678	\$56	\$2,863
Single-Family TOD	\$291	\$517	\$400	\$68	\$853	\$754	\$58	\$2,941
Single-Family Age Restricted	\$184	\$328	\$254	\$43	\$543	\$263	\$32	\$1,647
Multi-Family (3+ units attached)	\$192	\$341	\$262	\$45	\$562	\$574	\$39	\$2,015
Multi-Family TOD	\$192	\$341	\$262	\$45	\$562	\$762	\$43	\$2,207
Multi-Family Age Restricted	\$134	\$237	\$184	\$31	\$391	\$362	\$27	\$1,366
<u>Non-Residential</u>								
	<i>per Square Foot</i>							
Commercial								
Commercial	\$0.06	\$0.09	\$0.07	\$0.01	\$0.00	\$0.72	\$0.02	\$0.98
Commercial TOD	\$0.06	\$0.09	\$0.07	\$0.01	\$0.00	\$0.76	\$0.02	\$1.01
Car Sales	\$0.04	\$0.07	\$0.06	\$0.01	\$0.00	\$0.56	\$0.01	\$0.75
Hotel/Motel	\$0.02	\$0.05	\$0.04	\$0.01	\$0.00	\$0.35	\$0.01	\$0.48
Office								
Office	\$0.09	\$0.16	\$0.13	\$0.02	\$0.00	\$0.82	\$0.02	\$1.24
Office TOD	\$0.09	\$0.16	\$0.13	\$0.02	\$0.00	\$0.90	\$0.02	\$1.32
Industrial								
	\$0.02	\$0.03	\$0.03	\$0.00	\$0.00	\$0.08	\$0.003	\$0.16

3) Beginning and ending balances in the fee accounts are identified in the table below

CFF Fund Balance FY 2016-17

	July 1, 2016	June 30, 2017
City Admin Facilities (Fund 311)	\$1,346,327	\$944,796
Police Facilities (Fund 312)	\$3,788,702	\$2,521,096
Corporation Yard (Fund 313)	\$1,173,920	\$770,105
Library Facilities (Fund 315)	\$2,717,249	\$2,951,009
Transit Facilities (Fund 317)	\$3,180,352	\$3,277,787
CFF Administration (Fund 319)	\$239,102	\$287,442
CFF Fund Balance	\$12,445,652	\$10,752,235

4) Amount of fees collected and interest earning in FY 2016-17

CFF Collected and Interest Earned in FY 2016-17

	Fees	Interest
City Admin Facilities (Fund 311)	\$84,664	--
Police Facilities (Fund 312)	\$151,812	--
Corporation Yard (Fund 313)	\$135,081	--
Library Facilities (Fund 315)	\$247,208	--
Transit Facilities (Fund 317)	\$215,289	--
CFF Administration (Fund 319)	\$17,333	\$159,820
CFF Fund Balance	\$851,387	\$159,820

- 5) **An identification of each public improvement on which fees were expended in FY 2016-17 and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees.**

**Identification of Public Improvements
Fiscal Year 2016-17**

Public Improvements	Expenditures	Percentage Funded with CFF
Police Facilities - Corporation Yard Parking and Entryway Improvements	\$24,631	5.2%
Animal Shelter	\$520,851	100.0%
Light Rail Alignment Study	\$16,561	100.0%
Transit Facilities - Corporation Yard Parking and Entryway Improvements	\$17,128	3.1%
Multi-Modal Station	\$26,244	61.6%
Total	\$605,415	

- 6) **An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete the financing on an incomplete public improvement.**

Please see Appendix B for detailed information regarding project completion estimates for police, corporation yard, and transit facilities.

- 7) **A description of each interfund transfer or loan made from this account.**

None

- 8) **Refunds made in FY 2016-17 pursuant to subdivision (e) of Section 66001 and any allocations pursuant to subdivision (f) of Section 66001.**

None

Five-Year Report Pursuant to Government Code 66001

The five-year report provides the following information:

- 1) **Identify the purpose to which the fee is to be put** – The purpose of the total CFF fund balance, totaling approximately \$10.8 million as of June 30, 2017, is to fund the various capital public facilities identified in the 2009 Nexus Study. The facilities have been identified by the City’s engineers as needed to mitigate the impacts from new development within the City of Elk Grove.
- 2) **Demonstrate a reasonable relationship between the fee and the purpose for which it is charged** – the 2009 Nexus Study demonstrates that a reasonable relationship exists between the fee and the purpose for which it is charged. New development anticipated in the City of Elk Grove will generate a need for additional capital facilities. The total \$10.8 million remaining in existing Fee accounts will be used to fund a fair-share portion of these capital facilities to serve new residential and non-residential development in the City. Since all facilities in the separate fee categories have not been completed or fully funded as of the date of this report, the remaining fee account balances will be needed to pay the costs of these future facilities projects.
- 3) **Identify all sources and amount of funding anticipated to complete financing in incomplete improvements identified in paragraph (2) of subdivision (a) of Section 66001** – Table ES-1 of this Nexus Study identifies the various sources of funding for the CFF including federal funding, CFF funding, and other funding sources. The City of Elk Grove anticipates funding the identified shortfalls with various available sources including grants, state funding, and the City’s General Fund.
- 4) **Designate the approximate dates on which the funding is expected to be deposited into the appropriate fund** – the capital facilities identified in the 2009 Nexus Report will be constructed or purchased as the City continues to grow. City staff has estimated development projections at buildout of the City, which will occur over the next couple of decades, unfortunately this is a broad estimate. Funding for the various facilities will occur throughout development and it is not known at this time when funding for each of the specific facilities will be needed since this will depend on where and when development occurs in the City as well as when the City receives funding from other sources such as the federal government.

APPENDIX A

Capital Facilities Fee Program Calculations

**Table 1-A
Proposed CFF Program**

Land Use Category	City Admin Facilities	Police Facilities & Equipment	Corporation Yard	Corporation Yard - Animal Shelter	Library	Transit	Program Administration	Total CFF Fee
Residential								
	<i>per Unit</i>							
Single-Family (1-2 units)	\$261	\$1,115	\$475	\$312	\$1,271	\$658	\$164	\$4,256
Single-Family TOD /1	\$261	\$1,115	\$475	\$312	\$1,271	\$730	\$167	\$4,331
Single-Family Age Restricted	\$142	\$605	\$257	\$169	\$689	\$255	\$85	\$2,202
Multi-Family (3+ units attached)	\$191	\$813	\$346	\$227	\$927	\$553	\$122	\$3,179
Multi-Family TOD /1	\$191	\$813	\$346	\$227	\$927	\$736	\$130	\$3,370
Multi-Family Age Restricted	\$102	\$437	\$186	\$122	\$498	\$353	\$68	\$1,766
Non-Residential								
	<i>per Square Foot</i>							
Commercial								
Commercial	\$0.05	\$0.21	\$0.09	\$0.06	n/a	\$0.82	\$0.05	\$1.28
Commercial TOD /1	\$0.05	\$0.21	\$0.09	\$0.06	n/a	\$0.87	\$0.05	\$1.33
Car Sales	\$0.04	\$0.17	\$0.07	\$0.05	n/a	\$0.67	\$0.04	\$1.04
Hotel/Motel	\$0.02	\$0.09	\$0.04	\$0.03	n/a	\$0.35	\$0.02	\$0.55
Office								
Office	\$0.08	\$0.33	\$0.14	\$0.09	n/a	\$0.88	\$0.06	\$1.58
Office TOD /1	\$0.08	\$0.33	\$0.14	\$0.09	n/a	\$0.98	\$0.06	\$1.68
Industrial								
Industrial	\$0.04	\$0.19	\$0.08	\$0.05	n/a	\$0.18	\$0.02	\$0.56

/1 Land uses identified as Transit Oriented Development (TOD) have the same fee rates as their non-TOD related land uses (i.e., Single Family TOD vs. Single Family) except for their Transit Fees, which do differ between the related land uses.

Source: Goodwin Consulting Group, Inc.

**Table 1-B
Current City CFF Program**

Land Use Category	City Admin Facilities	Police Facilities & Equipment	Corporation Yard	Corporation Yard - Animal Shelter	Library	Transit	Program Administration	Total CFF Fee
Residential								
	<i>per Unit</i>							
Single-Family (1-2 units)	\$291	\$517	\$400	\$68	\$853	\$678	\$56	\$2,863
Single-Family TOD	\$291	\$517	\$400	\$68	\$853	\$754	\$58	\$2,941
Single-Family Age Restricted	\$184	\$328	\$254	\$43	\$543	\$263	\$32	\$1,647
Multi-Family (3+ units attached)	\$192	\$341	\$262	\$45	\$562	\$574	\$39	\$2,015
Multi-Family TOD	\$192	\$341	\$262	\$45	\$562	\$762	\$43	\$2,207
Multi-Family Age Restricted	\$134	\$237	\$184	\$31	\$391	\$362	\$27	\$1,366
Non-Residential								
	<i>per Square Foot</i>							
Commercial								
Commercial	\$0.06	\$0.09	\$0.07	\$0.01	\$0.00	\$0.72	\$0.02	\$0.97
Commercial TOD	\$0.06	\$0.09	\$0.07	\$0.01	\$0.00	\$0.76	\$0.02	\$1.01
Car Sales	\$0.04	\$0.07	\$0.06	\$0.01	\$0.00	\$0.56	\$0.01	\$0.75
Hotel/Motel	\$0.02	\$0.05	\$0.04	\$0.01	\$0.00	\$0.35	\$0.01	\$0.48
Office								
Office	\$0.09	\$0.16	\$0.13	\$0.02	\$0.00	\$0.82	\$0.02	\$1.24
Office TOD	\$0.09	\$0.16	\$0.13	\$0.02	\$0.00	\$0.90	\$0.02	\$1.32
Industrial								
Industrial	\$0.02	\$0.03	\$0.03	\$0.00	\$0.00	\$0.08	\$0.00	\$0.16

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

Table 1-C
Percentage Change in CFF Rates - Proposed v. Current Fees

Land Use Category	City Admin Facilities	Police Facilities & Equipment	Corporation Yard	Corporation Yard - Animal Shelter	Library	Transit	Total CFF Fee
Residential							
	<i>per Unit</i>						
Single-Family (1-2 units)	-10.3%	115.7%	18.9%	356.5%	49.0%	-2.9%	48.7%
Single-Family TOD	-10.3%	115.7%	18.9%	356.5%	49.0%	-3.2%	47.3%
Single-Family Age Restricted	-22.8%	84.5%	1.3%	289.6%	26.9%	-3.0%	33.7%
Multi-Family (3+ units attached)	-0.5%	138.4%	32.0%	406.3%	64.9%	-3.7%	57.8%
Multi-Family TOD	-0.5%	138.4%	32.0%	406.3%	64.9%	-3.4%	52.7%
Multi-Family Age Restricted	-23.9%	84.4%	1.3%	288.5%	27.4%	-2.5%	29.3%
Non-Residential							
	<i>per Square Foot</i>						
Commercial							
Commercial	-16.7%	133.3%	31.7%	413.5%	n/a	13.9%	30.6%
Commercial TOD	-16.7%	133.3%	31.7%	413.5%	n/a	14.5%	31.7%
Car Sales	0.0%	142.9%	17.1%	389.1%	n/a	19.6%	38.7%
Hotel/Motel	0.0%	80.0%	-6.3%	310.8%	n/a	0.0%	14.6%
Office							
Office	-11.1%	106.3%	9.3%	310.8%	n/a	7.3%	27.4%
Office TOD	-11.1%	106.3%	9.3%	310.8%	n/a	8.9%	27.3%
Industrial							
Industrial	100.0%	533.3%	212.3%	1041.1%	n/a	125.0%	243.6%

Source: Goodwin Consulting Group, Inc.

Table 1-D
Dollars Change in CFF Rates - Proposed v. Current Fees

Land Use Category	City Admin Facilities	Police Facilities & Equipment	Corporation Yard	Corporation Yard - Animal Shelter	Library	Transit	Program Administration	Total CFF Fee
Residential								
	<i>per Unit</i>							
Single-Family (1-2 units)	(\$30)	\$598	\$75	\$244	\$418	(\$20)	\$108	\$1,393
Single-Family TOD	(\$30)	\$598	\$75	\$244	\$418	(\$24)	\$109	\$1,390
Single-Family Age Restricted	(\$42)	\$277	\$3	\$126	\$146	(\$8)	\$53	\$555
Multi-Family (3+ units attached)	(\$1)	\$472	\$84	\$182	\$365	(\$21)	\$83	\$1,164
Multi-Family TOD	(\$1)	\$472	\$84	\$182	\$365	(\$26)	\$87	\$1,163
Multi-Family Age Restricted	(\$32)	\$200	\$2	\$91	\$107	(\$9)	\$41	\$400
Non-Residential								
	<i>per Square Foot</i>							
Commercial								
Commercial	(\$0.01)	\$0.12	\$0.02	\$0.05	n/a	\$0.10	\$0.03	\$0.31
Commercial TOD	(\$0.01)	\$0.12	\$0.02	\$0.05	n/a	\$0.11	\$0.03	\$0.32
Car Sales	\$0.00	\$0.10	\$0.01	\$0.04	n/a	\$0.11	\$0.03	\$0.29
Hotel/Motel	\$0.00	\$0.04	(\$0.00)	\$0.02	n/a	\$0.00	\$0.01	\$0.07
Office								
Office	(\$0.01)	\$0.17	\$0.01	\$0.07	n/a	\$0.06	\$0.04	\$0.34
Office TOD	(\$0.01)	\$0.17	\$0.01	\$0.07	n/a	\$0.08	\$0.04	\$0.36
Industrial								
	\$0.02	\$0.16	\$0.05	\$0.05	n/a	\$0.10	\$0.02	\$0.40

Source: Goodwin Consulting Group, Inc.

**Table 2
Land Use Summary**

		Existing Development		Future Development		Total Development	
Residential	PPH	Units	Pop	Units	Pop	Units	Pop
Single-Family (1-2 units)	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	164,167	15,003	41,564	66,362	205,731
Non-Residential	SF/Emp	SF	Emp	SF	Emp	SF	Emp
Commercial							
Commercial	425	6,241,828	14,687	5,258,172	12,372	11,500,000	27,059
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
Office							
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
Industrial							
Industrial	470	3,640,680	7,746	6,359,320	13,530	10,000,000	21,277
Subtotal		14,338,425	38,036	19,311,575	53,289	33,650,000	91,325
Total Persons Served /1			174,356		55,837		230,193

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

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

Table 3
City Administrative Facilities Cost Estimates

<u>Assumptions</u>	<u>Existing</u>	<u>Future</u>	<u>Buildout</u>
Facility Square Footage	47,035	11,908	58,943
Population	164,167	41,564	205,731
Square Foot per Resident	0.29	0.29	0.29
<hr/>			
<u>Facility Cost</u>	<u>Improvement Size</u>	<u>Cost per Unit</u>	<u>Total Cost</u>
Cost Allocated to Existing Development:			
Construction	47,035 SF	\$333	\$15,662,655
Land Acquisition	4.32 Acres	\$393,750	\$1,700,646
Total			\$17,363,301
Cost Allocated to Future Development:			
Construction	11,908 SF	\$333	\$3,965,438
Land Acquisition	1.09 Acres	\$393,750	\$430,566
Total			\$4,396,004

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

Table 4
Police Facilities and Equipment Cost Estimates

Field Services	Improvement Size	Cost per Unit	Construction Cost Estimate	Soft Cost Estimate	Project Cost Estimate /1
<u>Existing</u>					
Construction	68,854 SF	\$453	\$31,185,223	\$12,474,089	\$43,659,312
Land Acquisition	6.32 Acres	\$348,480	\$2,203,328	\$275,416	\$2,478,744
Subtotal					\$46,138,056
<u>Proposed</u>					
Construction	30,000 SF	\$453	\$13,587,543	\$5,435,017	\$19,022,560
Land Acquisition	2.75 Acres	\$348,480	\$960,000	\$120,000	\$1,080,000
Subtotal					\$20,102,560
Total Field Services					\$66,240,616
Field Services Cost Allocated to Existing Development					\$50,172,811
Field Services Cost Allocated to Future Development					\$16,067,805
<hr/>					
Fleet Services		LOS Standard /2	Future Quantity	Cost per Vehicle	Fleet Cost Estimate
Patrol Vehicles		0.44	22	\$65,000	\$1,430,000
Motorcycles		0.08	4	\$36,500	\$146,000
Support Vehicles /3		0.62	31	\$36,000	\$1,116,000
Total Fleet Services for Future Development					\$2,692,000
Total Field and Fleet Services Allocated to Future Development					<u>\$18,759,805</u>

/1 The project cost estimate includes \$500,000 in offsetting revenues the City will receive from Proposition 1B State Funds.

Certain corporation yard surface parking projects may receive funding from CFF Police and CFF Transit fee funds.

/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; Goodwin Consulting Group, Inc.

**Table 5
Corporation Yard and Animal Shelter Facilities Cost Estimates**

Facilities	Improvement Size	Cost per Unit	Construction Cost Estimate	Soft Cost Estimate	Project Cost Estimate
<u>Existing Facilities</u>					
General Fund Office Space	900 SF	\$150	\$135,000	\$54,000	\$189,000
General Fund Warehouse	12,300 SF	\$150	\$1,845,000	\$738,000	\$2,583,000
Public Works Office Space	3,695 SF	\$150	\$554,250	\$221,700	\$775,950
Public Works Warehouse	17,298 SF	\$150	\$2,594,700	\$1,037,880	\$3,632,580
Internal Services Office Space	2,280 SF	\$150	\$342,000	\$136,800	\$478,800
Internal Services Warehouse	4,000 SF	\$150	\$600,000	\$240,000	\$840,000
Land Acquisition	3.72 Acres	\$250,000	\$929,132	\$116,142	<u>\$1,045,274</u>
Subtotal - Existing Facilities					\$9,544,604
<u>Planned Facilities</u>					
Code Enforcement					
Code Enforcement Enclosed/Covered Areas	2,000 SF	\$250	\$500,000	\$200,000	\$700,000
Fleet and Facilities					
Fleet Maintenance Facility Enclosed/Covered Areas	42,000 SF	\$150	\$6,300,000	\$2,520,000	\$8,820,000
Facility Maintenance Facility Enclosed/Covered Areas	8,200 SF	\$150	\$1,230,000	\$492,000	\$1,722,000
Animal Shelter					
Animal Shelter Enclosed/Covered Areas /1	21,850 SF	\$533	\$11,638,202	\$2,987,873	\$14,626,075
Animal Shelter Exterior Areas and Parking /1	101,308 SF	\$27	\$2,721,222	\$497,361	\$3,218,583
Animal Shelter Financing Cost /2					\$3,758,554
Public Works - Field Operations					
Construction Services Enclosed/Covered Areas	4,650 SF	\$150	\$697,500	\$279,000	\$976,500
Maintenance Administration Enclosed/Covered Areas	4,000 SF	\$150	\$600,000	\$240,000	\$840,000
Street Maintenance Enclosed/Covered Areas	10,400 SF	\$150	\$1,560,000	\$624,000	\$2,184,000
Traffic Signal/Street Light Maintenance Enclosed/Covered Areas	9,300 SF	\$150	\$1,395,000	\$558,000	\$1,953,000
Street Signs and Markings Maintenance Enclosed/Covered Areas	8,500 SF	\$150	\$1,275,000	\$510,000	\$1,785,000
Landscape/Irrigation Maintenance Enclosed/Covered Areas	5,300 SF	\$150	\$795,000	\$318,000	\$1,113,000
Drainage Maintenance Enclosed/Covered Areas	3,500 SF	\$150	\$525,000	\$210,000	\$735,000
Land Acquisition	8.99 Acres	\$250,000	\$2,246,327	\$280,791	<u>\$2,527,118</u>
Subtotal - Planned Facilities					\$44,958,830
Total	160,173 SF				\$54,503,433
Cost Allocated to Existing Development					\$41,282,684
Cost Allocated to Future Development					\$13,220,749

/1 Design and maximum cost reimbursement for the Animal Shelter as approved by the City Council on June 14, 2017.

/2 Represents the present value of debt service interest payments over a 20 year bond issue assuming a 5.0% interest rate.

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

**Table 6
Library Facilities Cost Estimates**

<u>Assumptions</u>	<u>Total at Buildout</u>	<u>Current Facilities</u>	<u>Total Planned Facilities</u>	<u>Planned Facilities Allocated to Existing Residents</u>	<u>Planned Facilities Allocated to Future Residents</u>
Facility Square Footage	102,865	33,406	69,459	48,678	20,782
Residents	205,731	164,167	-	164,167	41,564
Square Foot per Resident	0.50	0.20	-	0.30	0.50

Facilities	Improvement Size	Cost per Unit	Construction Cost Estimate	Soft Cost Estimate	Project Estimate
Existing Development					
Existing Library Facilities	33,406 SF	\$465	\$15,533,790	\$6,213,516	\$21,747,306
Technology, Furniture & Public Art /1		-	\$1,636,000	-	\$1,636,000
Land Value	3.07 Acres	\$348,480	\$1,068,992	\$133,624	\$1,202,616
Planned Library Facilities /2	48,678 SF	\$465	\$22,635,135	\$9,054,054	\$31,689,189
Technology, Furniture & Public Art		-	\$1,636,000	-	\$1,636,000
Land Value	4.47 Acres	\$348,480	\$1,557,687	\$194,711	\$1,752,398
Cost Allocated to Existing Development					\$59,663,509
Future Development					
Planned Library Facilities	20,782 SF	\$465	\$9,663,528	\$3,865,411	\$13,528,939
Technology, Furniture & Public Art		-	\$1,636,000	-	\$1,636,000
Land Acquisition	1.91 Acres	\$348,480	\$665,017	\$83,127	\$748,144
Cost Allocated to Future Development					\$15,913,083

/1 The 2009 Nexus Report contained furniture, fixtures, and equipment expenses in its construction costs at a rate of \$65 per square foot.

/2 The City's existing level of service standard is inadequate at 0.2 square feet per resident compared to the Sacramento Public Library Master Plan's level of service standard of 0.5 square feet per resident. These planned library facilities represent an existing deficiency and may be funded through grants, the General Fund, or other available funding sources.

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

**Table 7
Transit Facilities Cost Estimates**

Facilities	Improvement Size	Cost per Unit	Construction Cost Estimate	Soft Cost Estimate	Project Cost Estimate /1	Federal Funding /2	Net City Project Costs
Existing Facilities							
Administration	1,212 SF	\$229	\$277,391	\$110,956	\$388,348	\$0	\$388,348
Warehouse Space	16,045 SF	\$229	\$3,672,228	\$1,468,891	\$5,141,119	\$0	\$5,141,119
Urban Buses - Current	56		\$600,000		\$33,600,000	(\$11,896,780)	\$21,703,220
Paratransit - Current	13		\$120,000		\$1,560,000	(\$234,000)	\$1,326,000
Total - Current Facilities					\$40,689,466	(\$12,130,780)	\$28,558,686
Planned Facilities							
Transit Shelters - Current	82		\$8,000		\$656,000	\$0	\$656,000
Transit Passenger Amenities - Future	60		\$4,000		\$240,000	\$0	\$240,000
Real Time Passenger Notification - Future	250		\$3,500		\$875,000	\$0	\$875,000
Transit Corp Yard Facilities							
Administration	3,549 SF	\$229	\$812,262	\$324,905	\$1,137,166	\$0	\$1,137,166
Operations	13,604 SF	\$229	\$3,113,555	\$1,245,422	\$4,358,977	\$0	\$4,358,977
Vehicle Maintenance	2,709 SF	\$229	\$620,010	\$248,004	\$868,014	\$0	\$868,014
Vehicle Maintenance (Shop & Special Use)	21,042 SF	\$229	\$4,815,894	\$1,926,358	\$6,742,251	\$0	\$6,742,251
Site Preparation	12 Acres	\$8	\$4,182,000		\$4,182,000	\$0	\$4,182,000
Land Acquisition	12 Acres	\$8	\$4,182,000		\$4,182,000	\$0	\$4,182,000
Rapid Transit							
Right of Way	29 Acres	\$250,000	\$7,250,000	\$906,250	\$8,156,250	(\$6,525,000)	\$1,631,250
Overcrossing Signal Modification	3	\$3,500,000	\$10,500,000	\$4,200,000	\$14,700,000	(\$11,760,000)	\$2,940,000
Station Construction	5	\$3,200,000	\$16,000,000	\$6,400,000	\$22,400,000	(\$17,920,000)	\$4,480,000
Park & Ride Construction	3	\$2,700,000	\$8,100,000	\$3,240,000	\$11,340,000	(\$9,072,000)	\$2,268,000
Park & Ride Landscaping	3	\$400,000	\$1,200,000	\$480,000	\$1,680,000	(\$1,344,000)	\$336,000
Crossing at Shed C	1	\$734,000	\$734,000	\$293,600	\$1,027,600	(\$822,080)	\$205,520
Total - Planned Facilities					\$82,545,259	(\$47,443,080)	\$35,102,179
Total Facilities					<u>\$123,234,725</u>	<u>(\$59,573,860)</u>	<u>\$63,660,865</u>

/1 The project cost estimate includes \$500,000 in offsetting revenues the City will receive from Proposition 1B State Funds. Certain corporation yard surface parking projects may include funding from the CFF Police and CFF Transit funds.

/2 City staff have identified certain transit facilities and buses that they believe will receive federal funding of approximately 80% of the cost of these facilities.

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

**Table 8
City Administrative Facilities Cost Allocation**

Total Cost:			\$4,396,004
Future Persons Served			55,837
Cost per Person Served:			\$79
<hr/>			
Land Use Category	PPH or SF per Employee	Cost per Persons Served	Impact Fee per Unit/ Bldg SF
<u>Residential</u>	<i>PPH</i>	<i>per Resident</i>	<i>per Unit</i>
Single-Family (1-2 units)	3.32	\$79	\$261
Single-Family Age Restricted	1.80	\$79	\$142
Multi-Family (3+ units attached)	2.42	\$79	\$191
Multi-Family Age Restricted	1.30	\$79	\$102
<u>Non-Residential</u>	<i>SF/Emp.</i>	<i>per Employee</i>	<i>per Bldg SF</i>
Commercial			
Commercial	425	\$21	\$0.05
Car Sales	520	\$21	\$0.04
Hotel/Motel	1,000	\$21	\$0.02
Office	270	\$21	\$0.08
Industrial	470	\$21	\$0.04

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

**Table 9
Police Facilities & Equipment Cost Allocation**

Total Field Services Cost for Future Development:			\$16,067,805
Future Persons Served			55,837
Field Services Cost per Person Served at Build Out:			\$288
Total Fleet Services Cost for Future Development:			\$2,692,000
Future Persons Served			55,837
Fleet Services Cost per Future Person Served:			\$48
Total Cost Allocated to Future Development:			\$18,759,805
Total Police Facilities Cost per Person Served:			\$336
<hr/>			
Land Use Category	PPH or SF per Employee	Cost per Persons Served	Impact Fee per Unit/ Bldg SF
<u>Residential</u>	<i>PPH</i>	<i>per Resident</i>	<i>per Unit</i>
Single-Family (1-2 units)	3.32	\$336	\$1,115
Single-Family Age Restricted	1.80	\$336	\$605
Multi-Family (3+ units attached)	2.42	\$336	\$813
Multi-Family Age Restricted	1.30	\$336	\$437
<u>Non-Residential</u>	<i>SF/Emp.</i>	<i>per Employee</i>	<i>per Bldg SF</i>
Commercial			
Commercial	425	\$90	\$0.21
Car Sales	520	\$90	\$0.17
Hotel/Motel	1,000	\$90	\$0.09
Office	270	\$90	\$0.33
Industrial	470	\$90	\$0.19

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

**Table 10A
Non-Animal Shelter Corporation Yard Facilities Cost Allocation**

Total Cost Allocated to Existing and Future Development:			\$32,900,222
Persons Served at Build Out			230,193
Cost per Persons Served:			\$143
<hr/>			
Land Use Category	PPH or SF per Employee	Cost per Persons Served	Impact Fee per Unit/ Bldg SF
<u>Residential</u>	<i>PPH</i>	<i>per Resident</i>	<i>per Unit</i>
Single-Family (1-2 units)	3.32	\$143	\$475
Single-Family Age Restricted	1.80	\$143	\$257
Multi-Family (3+ units attached)	2.42	\$143	\$346
Multi-Family Age Restricted	1.30	\$143	\$186
<u>Non-Residential</u>	<i>SF/Emp.</i>	<i>per Employee</i>	<i>per Bldg SF</i>
Commercial			
Commercial	425	\$38	\$0.09
Car Sales	520	\$38	\$0.07
Hotel/Motel	1,000	\$38	\$0.04
Office	270	\$38	\$0.14
Industrial	470	\$38	\$0.08

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

**Table 10B
Animal Shelter Facilities Cost Allocation**

Total Cost Allocated to Existing and Future Development:			\$21,603,212
Persons Served at Build Out			230,193
Cost per Persons Served:			\$94
<hr/>			
Land Use Category	PPH or SF per Employee	Cost per Persons Served	Impact Fee per Unit/ Bldg SF
<u>Residential</u>	<i>PPH</i>	<i>per Resident</i>	<i>per Unit</i>
Single-Family (1-2 units)	3.32	\$94	\$312
Single-Family Age Restricted	1.80	\$94	\$169
Multi-Family (3+ units attached)	2.42	\$94	\$227
Multi-Family Age Restricted	1.30	\$94	\$122
<u>Non-Residential</u>	<i>SF/Emp.</i>	<i>per Employee</i>	<i>per Bldg SF</i>
Commercial			
Commercial	425	\$25	\$0.06
Car Sales	520	\$25	\$0.05
Hotel/Motel	1,000	\$25	\$0.03
Office	270	\$25	\$0.09
Industrial	470	\$25	\$0.05

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

Table 11
Library Facilities Cost Allocation

Library Facility Costs Allocated to Future Residents:	\$15,913,083		
Future Residents	41,564		
Cost per Resident:	\$383		
Land Use Category	PPH or SF per Employee	Cost Allocation	Cost per Units/ Bldg SF
<u>Residential</u>	<i>PPH</i>	<i>per Resident</i>	<i>per Unit</i>
Single-Family (1-2 units)	3.32	\$383	\$1,271
Single-Family Age Restricted	1.80	\$383	\$689
Multi-Family (3+ units attached)	2.42	\$383	\$927
Multi-Family Age Restricted	1.30	\$383	\$498
<u>Non-Residential</u>	<i>SF/Emp.</i>	<i>per Employee</i>	<i>per Bldg SF</i>
Commercial			
Commercial	n/a	n/a	n/a
Car Sales	n/a	n/a	n/a
Hotel/Motel	n/a		n/a
Office	n/a	n/a	n/a
Industrial	n/a	n/a	n/a

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

**Table 12
Transit Facilities Cost Allocation**

Transit Facilities						\$123,234,725
Federal Funding						(\$59,573,860)
Net Transit Facility Costs						\$63,660,865
<hr/>						
Land Use Category	Units/ 1,00 Sq. Ft.	Trip DUEs	Total Trip DUEs	Percent Allocation	Cost Allocation	Cost per Units/ Bldg SF
<u>Residential</u>	<i>Units</i>					<i>per Unit</i>
Single-Family (1-2 units)	51,767	1.00	51,767	53.5%	\$34,064,104	\$658
Single-Family TOD	700	1.11	777	0.8%	\$511,287	\$730
Single-Family Age Restricted	932	0.39	361	0.4%	\$237,712	\$255
Multi-Family (3+ units attached)	10,217	0.84	8,592	8.9%	\$5,653,750	\$553
Multi-Family TOD	1,400	1.12	1,566	1.6%	\$1,030,369	\$736
Multi-Family Age Restricted	1,346	0.54	721	0.7%	\$474,593	\$353
Subtotal			63,784	65.9%	\$41,971,817	
<u>Non-Residential</u>	<i>KSF</i>					<i>per SF</i>
Commercial						
Commercial	11,500	1.24	14,272	14.8%	\$9,391,644	\$0.82
Commercial TOD	500	1.32	658	0.7%	\$432,832	\$0.87
Car Sales	750	1.01	761	0.8%	\$500,600	\$0.67
Hotel/Motel	-	0.53	-	-	-	\$0.35
Office						
Office	10,800	1.34	14,436	14.9%	\$9,499,454	\$0.88
Office TOD	100	1.48	148	0.2%	\$97,633	\$0.98
Industrial	10,000	0.27	2,685	2.8%	\$1,766,885	\$0.18
Subtotal			32,961	34.1%	\$21,689,048	
Total			96,745	100.0%	\$63,660,865	

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

Table 13
Transit Trip DUE Calculation

Land Use Category	Bldg SF per Employee	Average Daily Trips per Resident/ Employee	Percent of Daily Trips Using Transit	Transit Trips per Unit/KSF	DUE Rate	TOD Rates	
						Adjustment	DUE Rates
<u>Residential</u>							
Single-Family (1-2 units)	n/a	15.17	1.03%	0.156	1.00	1.11	1.11
Single-Family Age Restricted	n/a	5.88	1.03%	0.061	0.39	1.00	0.39
Multi-Family (3+ units attached)	n/a	6.67	1.97%	0.131	0.84	1.33	1.12
Multi-Family Age Restricted	n/a	4.25	1.97%	0.084	0.54	1.00	0.54
<u>Non-Residential</u>							
Commercial							
Commercial	425	24.24	0.34%	0.194	1.24	1.06	1.32
Car Sales	520	24.24	0.34%	0.158	1.01	1.00	1.01
Hotel/Motel	1,000	24.24	0.34%	0.082	0.53	1.00	0.53
Office	270	3.71	1.52%	0.209	1.34	1.11	1.48
Industrial	470	3.13	0.63%	0.042	0.27	1.00	0.27

Source: DKS Associates; Goodwin Consulting Group, Inc.

Table 14
Corporation Yard - Animal Shelter
Net Effective Interest Cost Estimate

Assumptions			
\$14,626,075	Net Proceeds for Animal Shelter Facilities		
5.0%	Issuance Costs		
\$15,400,000	Bond Issue		
5.00%	Average Bond Interest Rate		
3.00%	Impact Fee Annual Escalator		
2.00%	Net Bond Interest Rate		
20	Bond Term (Years)		
Year	Principal	Interest	Debt Service
1	\$465,736	\$770,000	\$1,235,736
2	\$489,023	\$746,713	\$1,235,736
3	\$513,474	\$722,262	\$1,235,736
4	\$539,147	\$696,588	\$1,235,736
5	\$566,105	\$669,631	\$1,235,736
6	\$594,410	\$641,326	\$1,235,736
7	\$624,131	\$611,605	\$1,235,736
8	\$655,337	\$580,399	\$1,235,736
9	\$688,104	\$547,632	\$1,235,736
10	\$722,509	\$513,227	\$1,235,736
11	\$758,635	\$477,101	\$1,235,736
12	\$796,566	\$439,170	\$1,235,736
13	\$836,395	\$399,341	\$1,235,736
14	\$878,214	\$357,521	\$1,235,736
15	\$922,125	\$313,611	\$1,235,736
16	\$968,231	\$267,504	\$1,235,736
17	\$1,016,643	\$219,093	\$1,235,736
18	\$1,067,475	\$168,261	\$1,235,736
19	\$1,120,849	\$114,887	\$1,235,736
20	\$1,176,891	\$58,845	\$1,235,736
	\$15,400,000	\$9,314,717	\$24,714,717
Net Present Value of Debt Service			\$18,384,629
Proceeds for Animal Shelter Facilities			<u>\$14,626,075</u>
Facility Financing Cost			\$3,758,554

Source: Goodwin Consulting Group, Inc.

APPENDIX B

Capital Improvement Program Details

Obligated Projected Budgeted Cash

Fund: 312 - Capital Facilities Fee (CFF) Police

	Actual Prior Years	Projected FY 16/17	Proposed FY 17/18	Proposed FY 18/19	Proposed FY 19/20	Proposed FY 20/21	Proposed FY 21/22	Proposed Future Years	Total Cost This Fund	Total Cost All Proj Funds	% of Total All Proj Funds
<i>Beginning Projected Available Fund Balance</i>	-	3,788,701	2,544,786	2,624,038	2,922,828	3,166,813	3,360,727				
Revenues											
Program Fees		145,000	202,635	335,307	279,640	229,711	182,071		1,374,364		
<i>Expenditure Reversal for prior Animal Shelter Expenses (WFC012)</i>		209,615							209,615		
Other Misc. Revenues		30,000	32,000	34,000	35,000	35,000	35,000		201,000		
Total Revenues		384,615	234,635	369,307	314,640	264,711	217,071		1,784,979		
CIP Expenses											
Project #	Project Name										
WCY005	Corporation Yard Parking and Entry Improvements	(10,372)	(222,640)	(85,000)				-	(318,012)	(986,914)	32%
	Total CIP Expenses	(10,372)	(222,640)	(85,000)	-	-	-	-	(318,012)		
Non-CIP Expenses											
	Overhead Allocation Expenses		(298,967)	(5,383)	(5,517)	(5,655)	(5,797)	(5,941)	(327,260)		
	Patrol Cars		(65,000)	(65,000)	(65,000)	(65,000)	(65,000)	(65,000)	(390,000)		
	Accelerated Payment of Series '07 LRBs for Refunding		(1,041,923)						(1,041,923)		
	Total Non-CIP Expenses	-	(1,405,890)	(70,383)	(70,517)	(70,655)	(70,797)	(70,941)	-	(1,759,183)	
	Total Revenues		384,615	234,635	369,307	314,640	264,711	217,071	1,784,979		
	Total CIP Expenses	(10,372)	(222,640)	(85,000)	-	-	-	-	(307,640)		
	Total Non-CIP Expenses		(1,405,890)	(70,383)	(70,517)	(70,655)	(70,797)	(70,941)	(1,759,183)		
	Ending Projected Available Fund Balance		2,544,786	2,624,038	2,922,828	3,166,813	3,360,727	3,506,856	-		

Projects budgeted expenses are presented in the year of expected initiation of work. Since many projects span multiple fiscal years, the actual expenditures may not be fully expended in the initial year. Therefore, the activity presented is not an actual cash flow projection but a presentation of projected cash obligations.

Obligated Projected Budgeted Cash

Fund: 313 - Capital Facilities Fee (CFF) Corporation Yard

	Actual Prior Years	Projected FY 16/17	Proposed FY 17/18	Proposed FY 18/19	Proposed FY 19/20	Proposed FY 20/21	Proposed FY 21/22	Proposed Future Years	Total Cost This Fund	Total Cost All Proj Funds	% of Total All Proj Funds
<i>Beginning Projected Available Fund Balance</i>	-	1,173,921	665,527	54,626	362,281	619,749	832,241				
<i>Revenues</i>											
Program Fees		130,000	184,270	304,005	253,583	208,373	165,236		1,245,466		
Bond Proceeds			500,000						500,000		
Other Misc. Revenues		3,600	4,000	4,250	4,500	4,750	5,000		26,100		
Total Revenues		133,600	688,270	308,255	258,083	213,123	170,236		1,771,566		
<i>CIP Expenses</i>											
Project #	Project Name										
WFC012	Elk Grove Animal Shelter		(627,508)	(1,298,671)				-	(1,926,179)	(17,846,179)	11%
Total CIP Expenses			(627,508)	(1,298,671)	-	-	-	-	(1,926,179)		
<i>Non-CIP Expenses</i>											
Overhead Allocation Expenses		(8,886)							(8,886)		
Operations, Maint., and Admin Expenses		(5,600)	(500)	(600)	(615)	(630)	(646)		(8,592)		
Total Non-CIP Expenses		-	(14,486)	(500)	(600)	(615)	(630)	(646)	-	(17,478)	
Total Revenues		133,600	688,270	308,255	258,083	213,123	170,236		1,771,566		
Total CIP Expenses		-	(627,508)	(1,298,671)	-	-	-	-	(1,926,179)		
Total Non-CIP Expenses		(14,486)	(500)	(600)	(615)	(630)	(646)		(17,478)		
Ending Projected Available Fund Balance		665,527	54,626	362,281	619,749	832,241	1,001,830	-			

Projects budgeted expenses are presented in the year of expected initiation of work. Since many projects span multiple fiscal years, the actual expenditures may not be fully expended in the initial year. Therefore, the activity presented is not an actual cash flow projection but a presentation of projected cash obligations.

Obligated Projected Budgeted Cash

Fund: 317 - CFF Bus Facilities

	Actual Prior Years	Projected FY 16/17	Proposed FY 17/18	Proposed FY 18/19	Proposed FY 19/20	Proposed FY 20/21	Proposed FY 21/22	Proposed Future Years	Total Cost This Fund	Total Cost All Proj Funds	% of Total All Proj Funds
<i>Beginning Projected Available Fund Balance</i>	-	3,180,353	2,083,296	2,463,464	2,981,236	3,154,149	3,532,804				
Revenues											
Program Fees		200,000	407,620	505,261	430,464	366,270	305,104		2,214,719		
Other Misc. Revenues		15,000	15,000	15,000	15,000	15,000	15,000		90,000		
Total Revenues		215,000	422,620	520,261	445,464	381,270	320,104		2,304,719		
CIP Expenses											
Project # Project Name											
WCC002 Aquatics Center and Civic Center Commons Site		(1,000,000)						-	(1,000,000)	(39,590,986)	3%
WCY005 Corporation Yard Parking and Entry Improvements	(3,630)	(125,370)	(40,000)						(169,000)	(986,914)	17%
WFC019 Bus Stop and Shelter Improvements						(270,000)			(270,000)	(270,000)	100%
Total CIP Expenses	(3,630)	(1,125,370)	(40,000)	-	(270,000)	-	-		(1,439,000)		
Non-CIP Expenses											
Overhead Allocation Expenses		(960)	(1,453)	(1,489)	(1,526)	(1,564)	(1,603)		(8,595)		
Fee Reimbursement		(38,161)							(38,161)		
Operations, Maint., and Admin Expenses		(17,566)	(1,000)	(1,000)	(1,025)	(1,051)	(1,077)		(22,719)		
WFC006 Minor PW Projects - Multi-modal Station Study	(26,197)	(130,000)							(156,197)		
Total Non-CIP Expenses	(26,197)	(186,687)	(2,453)	(2,489)	(2,551)	(2,615)	(2,680)	-	(225,672)		
Total Revenues		215,000	422,620	520,261	445,464	381,270	320,104		2,304,719		
Total CIP Expenses	(3,630)	(1,125,370)	(40,000)	-	(270,000)	-	-		(1,439,000)		
Total Non-CIP Expenses	(26,197)	(186,687)	(2,453)	(2,489)	(2,551)	(2,615)	(2,680)	-	(225,672)		
Ending Projected Available Fund Balance		2,083,296	2,463,464	2,981,236	3,154,149	3,532,804	3,850,228	-			

Projects budgeted expenses are presented in the year of expected initiation of work. Since many projects span multiple fiscal years, the actual expenditures may not be fully expended in the initial year. Therefore, the activity presented is not an actual cash flow projection but a presentation of projected cash obligations.



Incorporated July 1, 2000

8401 Laguna Palms Way
Elk Grove, California 95758

CITY OF ELK GROVE

Telephone: (916) 683-7111
Fax: (916) 627-4400
www.elkgrovecity.org

City of Elk Grove – City Council NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on **Wednesday, January 10, 2018 at the hour of 6:00 p.m.**, or as soon thereafter as the matter may be heard, the Elk Grove City Council will conduct a public hearing at City Hall in the Council Chambers, 8400 Laguna Palms Way, Elk Grove, California, to consider the following matter:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ELK GROVE UPDATING A NEXUS STUDY FOR A CITYWIDE CAPITAL FACILITIES FEE (CFF) PROGRAM

A proposed adoption of updated Capital Facilities Fee (CFF) Program rates to be imposed against new construction citywide to pay for their impact on certain identified public improvements, including, without limitation, certain City administrative facilities, police facilities, an animal shelter, the City’s corporation yard, library facilities, and transit facilities. The proposed update increases CFF rates by up to 48.7% for new Single Family Residential units from current fee rates, and varied percentage increases for other land use categories, if adopted, as proposed below.

Proposed Capital Facilities Fee (CFF) Rates										
Land Use Category	Unit Type	City Admin Facilities	Police Facilities and Equipment	Corporation Yard	Corporation Yard – Animal Shelter	Library	Transit	Program Administration	Total	
Residential										
Single-Family (1-2 units)	Dwelling Units	\$261	\$1,115	\$475	\$312	\$1,271	\$658	\$164	\$4,256	
Single-Family TOD		\$261	\$1,115	\$475	\$312	\$1,271	\$730	\$167	\$4,331	
Single-Family Age Restricted		\$142	\$605	\$257	\$169	\$689	\$255	\$85	\$2,202	
Multi-Family (3+ units attached)		\$191	\$813	\$346	\$227	\$927	\$553	\$122	\$3,179	
Multi-Family TOD		\$191	\$813	\$346	\$227	\$927	\$736	\$130	\$3,370	
Multi-Family Age Restricted		\$102	\$437	\$186	\$122	\$498	\$353	\$68	\$1,766	
Commercial										
Commercial	Square Foot	\$0.05	\$0.21	\$0.09	\$0.06	n/a	\$0.82	\$0.05	\$1.28	
Commercial TOD		\$0.05	\$0.21	\$0.09	\$0.06	n/a	\$0.87	\$0.05	\$1.33	
Car Sales		\$0.04	\$0.17	\$0.07	\$0.05	n/a	\$0.67	\$0.04	\$1.04	
Hotel		\$0.02	\$0.09	\$0.04	\$0.03	n/a	\$0.35	\$0.02	\$0.55	
Office										
Office		\$0.08	\$0.33	\$0.14	\$0.09	n/a	\$0.88	\$0.06	\$1.58	
Office TOD		\$0.08	\$0.33	\$0.14	\$0.09	n/a	\$0.98	\$0.06	\$1.68	
Industrial										
Industrial	\$0.04	\$0.19	\$0.08	\$0.05	n/a	\$0.18	\$0.02	\$0.56		

The City Council will have the option to set the CFFs at a rate equal to or lower than this published rate for each category at the noticed public hearing.

The data indicating the amount of cost, or the estimated cost, required to provide the public facilities and the revenue sources anticipated to fund those public facilities, including general fund revenues, along with other information regarding this item may be obtained from the Finance Department of the City of Elk Grove located at 8401 Laguna Palms Way, Elk Grove, California, 95758. The data is available and shall be mailed (or emailed, as applicable) at least 14 days prior to the first meeting to an interested party who files a written request with the City for mailed (or emailed) notice of a meeting on a new or increased fee to be enacted by the City.

All interested persons are invited to present their views and comments on this matter. Written statements may be filed with the City Clerk at any time prior to the close of the hearing scheduled herein, and oral statements may be made at the public hearing.

If you challenge the subject matter in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice or in written correspondence delivered to the City Clerk, 8401 Laguna Palms Way, 1st Floor, Elk Grove, CA, 95758, at or prior to the close of the public hearing.

Dated / Published: December 29, 2017 and January 5, 2018

JASON LINDGREN
CITY CLERK, CITY OF ELK GROVE

ADA COMPLIANCE STATEMENT

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Office of the City Clerk at (916) 478-3635. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.