



City Council Agenda Report

Meeting Date: June 5, 2018

TO: City Council

FROM: Brendan Ottoboni, Public Works Director - Engineering (879-6901)

RE: Development Impact Fee (DIF) Program Update (also known as the Nexus) – Final Report Adoption

REPORT IN BRIEF:

Since August of 2015, City staff and Omni-Means/GHD (consultant) have performed detailed analyses to update the Development Impact Fee (DIF) program. The DIF program includes a total of fourteen (14) separate fee categories identified through various City of Chico documents, most notably, our current 2030 General Plan. The overall theme of this type of program is to maintain certain levels of service for various aspects of governmental services as growth (and therefore population) occurs and impacts our infrastructure. It is generally through the CEQA process, that impacts are identified and it becomes the responsibility of the development to pay for their share of the costs associated with mitigation of those impacts. This approach is further identified in our General Plan policies and goals. Through a process of transparency and engagement, staff has held a rigorous schedule of multiple publicly held meetings to date on this item, in order to ensure that it is properly vetted and understood. This includes a significant number of stakeholder meetings to develop the plan, as well as the following public meetings:

1. Finance Committee – February 22, 2017
2. Finance Committee – April 26, 2017
3. Finance Committee – May 24, 2017
4. City Council – August 15, 2017
5. Finance Committee – August 23, 2017
6. Finance Committee – October 25, 2017
7. Finance Committee – November 29, 2017
8. City Council – December 19, 2017
9. City Council – February 20, 2018

Staff returns at this meeting in follow up from the Council's direction at the February 20, 2018 Council meeting to address the concerns highlighted by developers in their letters presented on February 20, 2018. Staff have continued to work diligently with the City Attorney's Office and have coordinated communication with the developers who have raised concerns to date. The report and updated fee schedule presented address these concerns, while providing a program that adequately reflects the infrastructure needs to keep pace with new growth in our community moving forward. In discussion with the developer groups, this report has been provided publicly for two weeks prior to tonight's meeting in an effort to further allow ample time to review and comment accordingly, minimizing last minute correspondence.

Recommendation: The Director of Public Works – Engineering recommends that Council approve the recommended Development Impact Fee Program and supporting documents by adopting the following resolution:

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE CITY'S FEE SCHEDULE (AMENDMENT NO. 339 – TRANSPORTATION FACILITY FEES, BUILDING AND EQUIPMENT FEES, SEWER FEES, AND PARK FACILITY FEES

FISCAL IMPACT:

See attached Fee Resolution Table. **(Attachment A)**

BACKGROUND:

See above for history of publicly held meetings to date on this subject.

DISCUSSION:

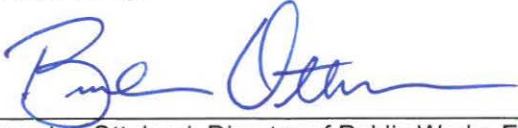
Since the February 20, 2018 City Council meeting, City staff, consultants and the City Attorney's office have worked together to add value and clarification to the proposed update of the DIF program. This included close review of the letters presented by developers, as well as follow up meetings to further listen to the concerns of the report and provide open dialogue on best methods for moving forward towards adoption. Both the City and developers benefit from having a DIF program that collects fees for the identified infrastructure demands of new growth, while also balancing that with a cost effective fee structure that allows for economic development activity to occur.

Through our collaborative efforts, the following changes have been made since the February 20, 2018 Council meeting report, including:

1. The Urbanization Fee Category (Technical Memorandum #11 from previous reports) has been set aside for further data collection and evaluation to present a more accurate depiction of how development impacts existing roadway infrastructure. Therefore, this fee category is not a part of the presented update and will return at a future date individually, if applicable.
2. Project cost estimates have been updated to reflect current unit prices. A separate cost estimate methodology breakdown has been provided in Technical Memorandum #12 to provide transparency on how the cost estimates are derived. These are planning level estimates. As a result of updated figures, City staff have removed the inflationary increases previously presented as they are not warranted with this change. Also, some of the acquisition costs were removed on portions of projects that are known to have dedications through ongoing development activity, at no cost. Lastly, updated fund balances were used to accurately account for revenues already collected.
3. Added information relating to development's share of costs in the Street Facilities Fee category. Refined "non-fee" trip numbers have been provided so that new development's share of costs do not include impacts created by other, non-fee generating sources (such as University and outside City trip ends). Based on the information provided on page 3 of the 'Final Report' (Attachment B – DIF Final Report), 20% of the identified trips are attributable to non-fee generating sources. Therefore, 20% of the identified Street Facilities costs were removed from developer's responsibility. Table 20A (page 29) of the 'Final Report' shows what the fee for new development would be based on their 80% share of identified costs. This cost was high and based on previous Council input, in an effort to reduce fees, identified projects were pulled off of the list, reducing the 'funded' project list down to a minimal set of projects that have been identified mostly through project specific studies and rely upon the fee programs existence in order to mitigate their impacts. This reduced the fees by approximately 45% from the total development responsibility of costs.

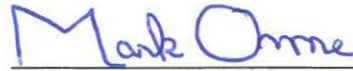
The proposed fees set for the Street Facilities fee category, for the most part, reflect project specific identified impacts. Project approvals include references that the payment of impact fees meets their requirements of identified direct impacts. Therefore, those approvals represent commitments by the City to include those mitigation efforts in our fee program. The current methodology of breaking down the unfunded projects list, provides City staff clarity on what is included, and what is not included as part of the fee program. If a development project application identifies a direct impact that is shown as a part of the "un-funded" in the DIF program, that development would likely be responsible for the full costs of mitigation, without reimbursement. If Council action is not received, staff looks for further direction on how to address ongoing development activity and applications as it relates to mitigation of impacts and prior commitments.

Prepared by:



Brendan Ottoboni, Director of Public Works-Engineering

Approved and recommended by:



Mark Orme, City Manager

DISTRIBUTION:

City Clerk (3)
Developers

ATTACHMENTS:

- A – Resolution including Fee Schedule
- B – DIF Final Report
- C – DIF Final Report – Supplemental Information (Technical Memorandums)

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f. As demonstrated by the City of Chico Development Impact Fees Nexus Study Update, 2016, on file with the City Clerk, there is a reasonable relationship between the amount of the fees and the cost of the public facilities or portion of the public facilities attributable to the development project on which the fees are imposed.

- 2. That Fee Schedule No. 50.010, "TRANSPORTATION FACILITY FEES" is hereby amended to read as set forth on the attached Exhibit "A."
- 3. That Fee Schedule No. 50.030, "PARK FACILITY FEES" is hereby amended to read as set forth on the attached Exhibit "A".
- 4. That Fee Schedule No. 50.040, "BUILDING AND EQUIPMENT FEES" is hereby amended to read as set forth on the attached Exhibit "A."
- 5. That Fee Schedule No. 50.050, "SEWER FEES" is hereby amended to read as set forth on the attached Exhibit "A."
- 6. That the City has complied with all procedural requirements contained in Government Code Sections 66016-66018 relating to the increase of fees.

The foregoing resolution was adopted by the City Council of the City of Chico at its meeting held on _____, 2018, by the following vote:

AYES:

NOES:

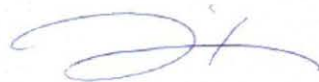
ABSENT:

ABSTAINED:

DISQUALIFIED:

ATTEST:

APPROVED AS TO FORM:



Vincent C. Ewing, City Attorney*

*Pursuant to The Charter of the City of Chico, Section 906(E)

Deborah R. Presson, City Clerk

EXHIBIT 'A'

I. TRANSPORTATION FACILITY FEES:		
A. Street Facility Improvement Fee (Fund 308)		Unit
<u>Residential:</u>		
Single Family	\$9,299.72	DU
Multifamily	\$7,934.85	DU
<u>Non-Residential:</u>		
Commercial		
Retail	\$17.91	Sq. Ft.
Office and Medical	\$4.15	Sq. Ft.
Industrial	\$2.09	Sq. Ft.
B. Street Maintenance Equipment Fee (Fund 335)		Unit
<u>Residential:</u>		
Single Family	\$239.16	DU
Multifamily	\$204.06	DU
<u>Non-Residential:</u>		
Commercial		
Retail	\$0.46	Sq. Ft.
Office and Medical	\$0.11	Sq. Ft.
Industrial	\$0.05	Sq. Ft.
C. Bikeway Improvement Fee (Fund 305)		Unit
<u>Residential:</u>		
Single Family	\$642.93	DU
Multifamily	\$548.58	DU
<u>Non-Residential:</u>		
Commercial		
Retail	\$1.24	Sq. Ft.
Office and Medical	\$0.28	Sq. Ft.
Industrial	\$0.14	Sq. Ft.

EXHIBIT 'A'

II. BUILDING AND EQUIPMENT FEES:

A. Administrative Building Fee (Fund 336)

Unit

Residential:

Single Family	\$45.58	DU
Multifamily	\$45.58	DU

Non-Residential:

Commercial		
Retail	-	Sq. Ft.
Office and Medical	-	Sq. Ft.
Industrial	-	Sq. Ft.

B. Fire Protection Building and Equipment Fee (Fund 337)

Unit

Residential:

Single Family	\$356.16	DU
Multifamily	\$356.16	DU

Non-Residential:

Commercial		
Retail	\$0.66	Sq. Ft.
Office and Medical	\$0.59	Sq. Ft.
Industrial	\$0.01	Sq. Ft.

C. Police Protection Building and Equipment Fee (Fund 338) *

Unit

Residential:

Single Family	\$407.04	DU
Multifamily	\$407.04	DU

Non-Residential:

Commercial		
Retail	\$2.00	Sq. Ft.
Office and Medical	\$0.22	Sq. Ft.
Industrial	\$0.02	Sq. Ft.

* Police Protection Building and Equipment Fee includes both Animal Shelter and Police Facility Fees for consistency with City Fund 338.

EXHIBIT 'A'

III. PARK FACILITY FEES:

A. Basic Park Facility Fee (Various Funds) ** Unit

Residential:

Single Family	\$4,253.78	DU
Multifamily	\$4,253.78	DU

Non-Residential:

Commercial		
Retail	-	Sq. Ft.
Office and Medical	-	Sq. Ft.
Industrial	-	Sq. Ft.

** Basic Park Facility Fee Includes: Neighborhood Park Funds (Funds 341 - 348), Community Park Fund (Fund 330) and Linear Parks/Greenways Fund (Fund 333)

B. Bidwell Park Land Acquisition Fee (Fund 332) Unit

Residential:

Single Family	\$76.32	DU
Multifamily	\$76.32	DU

Non-Residential:

Commercial		
Retail	-	Sq. Ft.
Office and Medical	-	Sq. Ft.
Industrial	-	Sq. Ft.

IV. SEWER FACILITY FEES:

A. Sewer Trunkline Capacity Rates (Fund 320) Unit

Residential:

Single Family	\$1,825.46	DU
Multifamily	\$1,545.80	DU

Non-Residential:

	Cost per EDU	EDU Factor	Fee per Acre
Commercial, Office & Medical, Industrial	\$2,068.70	4.0 EDUs per acre	\$6,800.26
Other Non-Residential Categories [2]	<i>Metric</i>		<i>EDU's</i>
Motel/Hotel with Restaurant	Per Room	=	1.00

EXHIBIT 'A'

Motel/Hotel without Restaurant	Per Room	=	0.50
Convalescent Hospitals	Per Bed	=	0.50
Hospitals	Per Bed	=	0.75
Dormitory/Group Dwelling with Food	Per 3 Occupants	=	1.00
Dormitory/Group Dwelling without Food	Per 6 Occupants	=	1.00
Schools (FTE)	9.2 FTE	=	1.00
Park or Recreational Facility (restrooms)	20 FU	=	1.00

B. Water Pollution Control Plant Capacity Rates (Fund 321)

Unit

Residential:

Single Family	\$1,528.52	DU
Multifamily	\$1,294.26	DU

Non-Residential:

	Cost per EDU	EDU Factor	Fee per Acre
Commercial, Office & Medical, Industrial	\$1,498.95	4.0 EDUs per acre	\$5,693.99
Other Non-Residential Categories [2]	<i>Metric</i>		<i>EDU's</i>
Motel/Hotel with Restaurant	Per Room	=	1.00
Motel/Hotel without Restaurant	Per Room	=	0.50
Convalescent Hospitals	Per Bed	=	0.50
Hospitals	Per Bed	=	0.75
Dormitory/Group Dwelling with Food	Per 3 Occupants	=	1.00
Dormitory/Group Dwelling without Food	Per 6 Occupants	=	1.00
Schools (FTE)	9.2 FTE	=	1.00
Park or Recreational Facility (restrooms)	20 FU	=	1.00



City of Chico Development Impact Fee Update Final Report

Prepared By:
The City of Chico
Engineering Department



May 2018

**City of Chico Nexus Fee Update
2016 Development Impact Fee Update
Final Report**

**Prepared By:
City of Chico Public Works Department
411 Main Street, 2nd Floor
Chico, CA 95928**

**With Assistance From:

Omni-Means, Ltd., a GHD Company

New Economics & Advisory**

May 2018

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Introduction

The City of Chico (City), with assistance from Omni-Means and New Economics & Advisory, embarked on a comprehensive update to the City's Development Impact Fees (DIF). This process included a re-evaluation of the improvement needs required to support continued City development through 2040, consistent with the City's 2030 General Plan, and with the Butte County Association of Governments (BCAG) 2040 growth projections. The overall effort included the update of, or development of, the following thirteen (13) existing and new fee categories:

- #1 - Population and Land Use Increment
- #2 - Administrative Building Fee
- #3 - Fire Facilities Fee
- #4 - Animal Shelter Fee
- #5 - Police Facilities Fee
- #6 - Sewer Trunk Line Fee and Water Pollution Control Plant Fee
- #7 - Bikeway Improvement Fee
- # 8 - Greenways Impact Fee
- #9 - Park Impact Fee
- #10 - Street Maintenance Fee
- #11 - Urbanization Street Fee (deferred)
- #12 - Street Facilities Fee
- #13 - Storm Drain Fee (deferred)

The detailed calculation of these individual fee categories is included in the respective eleven (11) Technical Memoranda numbered accordingly to match the above fee categories. Each existing fee category was updated. Two (2) new fee categories were created: an Animal Shelter fee, which was previously part of the Police Facilities Fee, and a new Urbanization Fee, which was previously part of the Street Facilities Improvement Fee. It is recommended that the Urbanization Fee be deferred to a future date for further study. Two other fees remain to be updated in the future, including the Water Fee and Storm Drainage Fee. This report is to serve as a summary of the eleven (11) fee calculations, a presentation of the proposed fee amounts in comparison to the existing fee structure and amounts, and to present the Program Administration Costs and Overhead Allocation to each fee category. Accompanying this report as Appendix C, is an informational supplement, which contains the aforementioned eleven (11) Technical Memoranda, which provide a more detailed breakdown of the data and calculations that were used in the fee determinations. Appendix C which contains each respective fee category's Technical Memorandum, are available on the City's website or at the City's Public Works Department.

Purpose of Fee Update

This fee update is being undertaken in order to bring the City's Development Impact Fees up to date to reflect the City's 2030 General Plan, which identifies land use growth and improvement needs that are different than those that formed the basis of the previous fee program (based on the prior General Plan). Additionally, the City's fee program is being updated pursuant to the Mitigation Fee Act (Assembly Bill 1600), as set forth in Sections 66000 et seq. of the California Government Code, which requires jurisdictions to update their fee programs every five (5) years and reestablish the program's "nexus". The Mitigation Fee Act, enacted by the California State legislature in 1987, requires that all public agencies in establishing "nexus", 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 that there is a reasonable relationship between the fee's use and the type of development on which the fee is imposed;
4. Determine how there is a reasonable relationship between the need for the public facility and the type of development on which the fee is imposed; and,
5. 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.

For the City of Chico, their Development Impact Fee Program was first adopted in 1997, with the current program in place having been last adopted in fiscal year 2008-09.

Population and Housing Forecast

The 2016 to 2040 estimated City growth was developed based on existing population and dwelling units and projected 2040 housing units identified by the Butte County Association of Governments (BCAG). **Technical Memorandum #1**, submitted under separate cover, documents this growth increment and the basis upon which all of the fee categories were calculated.

For purposes of this fee update effort, the City expects to increase its population by 36,899 persons and add 16,409 residential units by 2040. This growth would produce a total estimated City-wide population of 129,016 by 2040. Shown in Appendix Figures A-1 and A-2 and Table A-1 are the General Plan boundary, the traffic analysis zone representation and net growth by land use of the City of Chico and its Sphere of Influence.

Residential and Non-Residential Cost Attribution

In determining the residential and non-residential cost attribution for improvements for transportation infrastructure, in that they are transportation improvements, the same methodology for street facility improvements was decided, with City direction, to be applied.

For the purposes of determining new residential trips, model "Home-Based" trips and "School" trips (K-12) were aggregated. "Non-Home-Based" and "Casino" trips were considered Non-Residential trips. This analysis excludes one-half of trips whose origin or destination are from areas outside of the city ("I-X" and "X-I" trips) and completely excludes the trips which do not have an origin or destination within the city ("X-X"). Additionally, based on the direction of the City, it also excludes "University" trips from the fee calculation.

As shown in Table 1, between 2016 and 2040, a total of 197,872 residential and non-residential trips are estimated. While "University" trips (of 8%) and "IX" and "XI" trips (of 4%) contribute to 12% of the total non-fee trips, the addition of the "XX" trips (of 8%) increases the total non-fee trips to approximately 20%. Therefore, of the total cost of \$38,713,402.90, 20%, or \$7,742,680.58, is attributable to non-fee trips, and is not included in the calculation of development impact fees related to transportation.

**TABLE 1:
BCAG MODEL TRIP END GROWTH ESTIMATES**

Trip Type	2014 Model	2016 Trip	2040 Model	2014-2040	2016-2040
	Trip Ends	Estimate	Trip Ends	Trip End Growth	Trip End Growth
Home-Based Work (P)	50,410	51,356	71,675	21,265	20,319
Home-Based Work (A)	62,661	63,451	80,397	17,735	16,946
Home-Based Other (P)	118,947	121,174	168,974	50,027	47,800
Home-Based Other (A)	151,626	153,747	199,292	47,666	45,545
School (P)	15,322	15,659	22,900	7,578	7,241
School (A)	16,771	17,144	25,151	8,380	8,007
Total Trips Assigned to Residential Uses	415,737 69%	422,531 69%	568,389 70%	152,652 74%	145,858 74%
Non-Home-Based (P)	91,164	92,338	117,554	26,390	25,216
Non-Home-Based (A)	91,164	92,338	117,554	26,390	25,216
Casino (P)	3,346	3,420	5,003	1,657	1,583
Casino (A)	-	-	-	-	-
Total Trips Assigned to Non-Residential Uses	185,673 31%	188,095 31%	240,110 30%	54,437 26%	52,015 26%
TOTAL FEE TRIPS	601,411	610,626	808,499	207,089	197,873
University (P)	13,874	14,103	19,032	5,158	4,929
University (A)	28,675	29,220	40,928	12,254	11,708
X-X	71,217	72,298	92,681	21,464	20,383
IX (P)	13,157	13,391	18,430	5,274	5,039
XI (A)	16,567	16,784	21,448	4,881	4,664
TOTAL NON-FEE TRIPS	143,489	145,796	192,519	49,031	46,723

"P" represents Productions

"A" represents Attractions

"I" represents Internal

"X" represents External for City of Chico and SOI

"I-X" and "X-I" reflect 1/2 the total.

The City recognizes that the fees shown in representing the entire list of the needed transportation projects would cause economic hardships within the community.

However, as the unfunded costs are significantly more than 20%¹ of the total costs of the needed transportation improvements (i.e., bikeways, street maintenance and street facilities) which are not fundable within the development fee program, no reduction for non-fee trips is required in determining the amount of the priority transportation improvements (i.e., for bikeways, street maintenance and street facilities) to be funded by the fee.

Updated Fee Calculation Summary

Each fee was calculated based on the *nexus* (i.e. reasonable relationship) between the need for new facilities created by future development and the relative usage or benefit by land use category. Some improvement needs were based on Level of Service (LOS) standards, such as parks (i.e. 4 acres per 1,000 residents). Others were based on an established capital improvement program (CIP). Cost estimates for identified projects needed to mitigate the impacts of future development and maintain acceptable service standards were then apportioned between various land uses based on their relative impacts/usage. The details of these calculations are included in each respective fee category's Technical Memorandum, which are available on the City's website or at the City's Public Works Department.

1. Given the uncertainties associated with accurately accounting for all the "X-X" trips and that some "College" trips are likely "X-I" or "I-X" trips, the actual non-fee percentage of 19.1% was conservatively rounded up to 20%

To these updated fees including the 2015-2016 inflation costs, the following program administration costs and overhead allocation costs were added.

Program Administration Costs

The City acknowledges that costs are incurred while administering the fee program. Previously, these costs were included, but not clearly separated out from the project costs. Moving forward, the City has expressed a need to capture these administrative costs in the fee schedule in a more open and transparent manner. Administrative costs have therefore been included in this updated fee structure, as follows:

- 2% for Capital Outlay Support (for fee administration and future nexus study updates);
- 1% for Building Department fee collection;
- Total Administrative component of 3%

Overhead Allocation

A 15 percent Overhead Allocation is incurred for the following calculated fee rates to account for overhead allocation associated with the delivery of new capital projects in the capital improvement program:

- Sewer (Trunk Line)
- Bikeways
- Urbanization (deferred)
- Street Facilities

A three (3) percent Overhead Allocation is applied for the following fee programs:

- Administrative Building
- Fire
- Animal Shelter
- Police
- Sewer (WPCP)
- Greenways
- Parks
- Street Maintenance

Note that the inflationary increases, program administration costs and overhead allocation are not included in the Technical Memoranda, and were only included within the Final Report and Executive Summary to show total impacts of the proposed fee rates. Impact fees included within the Technical Memoranda are only calculated based on the base hard costs for improvements and do not include any soft costs (on either a cost per unit or cost per building square foot basis).

Appendix A shows the three (3) or fifteen (15) percent Overhead Allocation figure for affected fee programs.

Maximum Fee Rates Summary

The maximum fee rate is the total amount that can be legally levied on new development projects according to the “nexus” requirements set forth in the Mitigation Fee Act, as calculated in each fee category for each Technical Memorandum.

The following briefly summarizes each of the 11 fee categories, how they fulfill their “nexus” requirements and the proposed impact fee for this update.

Administrative Building

Purpose of Fee

The purpose of this fee is to fund Administrative Building space required to serve new growth as shown in Technical Memorandum #2. New residential development that is forecasted to occur will generate sufficient funds to retire the debt of \$701,189 for the expansion of Administrative Building facilities.

Use of Fee

The revenue generated from this fee will be used to repay the outstanding loan portion of cost for the City Hall Building and City Council chambers expansion designed to serve future growth.

Relationship between Use of Fee and Type of Development Project upon which Imposed

New residential development will produce the need for additional City services, which will be housed in Administrative Building space. Revenue generated by the collection of the fee will be used to fund this Administrative Building space.

Relationship between Need for Facility and Type of Project Upon Which Imposed

New residential development will produce the need for additional City services, which will be housed in Administrative Building space.

Relationship between Amount of Fee and Cost of Portion of Facility Attributed to New Development

The recommended fee for Administrative Building costs were apportioned solely to residential developments.

Recommended Fee

Using the methodology outlined above, the City of Chico Capital Project Services Department developed the fees shown in the following Table 1. The table identifies the fees proposed for each land use type.

**TABLE 1
PROPOSED ADMINISTRATIVE BUILDING FEES**

FEE CATEGORY:	Unit	Admin. Building Fee		% Change
		Proposed [4]	Existing [5]	
<i>Residential Uses</i>				
Single-Family Residential [1]	DU	\$45.58	\$202.00	-77.4%
Multifamily Residential [1],[2]	DU	\$45.58	\$174.00	-73.8%
<i>Non-Residential Uses</i>				
Retail [3]	Sq. Ft.	-	\$0.07	-
Office and Medical	Sq. Ft.	-	\$0.14	-
Industrial	Sq. Ft.	-	\$0.05	-

Notes:

[1] Consistent with existing fee structure, rural, very low, & low density residential units are classified as Single-Family; medium, medium high, & high density residential units are classified as Multifamily.

[2] Multifamily residential includes Mobile Home units.

[3] Hotels are included as Retail Uses.

[4] Proposed Maximum Fee per Unit includes 3% Admin Cost for all fee categories and 3% or 15% Overhead Allocation. Appendix A contains breakdown of cost and overhead allocations.

The rates included within the technical memorandum are not inclusive of these allocations.

[5] Reflects FY 2016/17 rates.

Fire Facilities

Purpose of Fee

The purpose of this fee is to fund the expansion of fire stations and equipment needed to serve new growth as indicated within Technical Memorandum #3. The new residential, retail, office and medical and industrial development that is projected to occur between 2016 and 2040 will generate significant additional fire service demands to require additional capital fire apparatus, equipment and facilities of \$12,330,000 as shown in Appendix Table A-2.

Use of Fee

To fund the expansion of additional fire facilities and fire apparatus and equipment required to maintain fire protection services to accommodate projected new growth and development within the community.

Relationship between Use of Fee and Type of Development Project upon which Imposed

New development will produce the need for additional fire protection staffing and equipment, and new fire stations to house these items. Revenue generated by the collection of the fee will be used to fund these new fire stations.

Relationship between Need for Facility and Type of Project Upon Which Imposed

New development will produce the need for additional fire protection staffing and equipment and new fire stations to house these items.

Relationship between Amount of Fee and Cost of Portion of Facility Attributed to New Development

The recommended fee for Fire Facilities costs were apportioned using Fire Incidents by land use type during the 2016 calendar year.

Recommended Fee

Using the methodology outlined above, the City of Chico Capital Project Services Department developed the fees shown in the following Table 2. The table identifies the fees proposed for each land use type.

**TABLE 2
PROPOSED FIRE FACILITIES FEES**

FEE CATEGORY:	Fire Facilities Fee			% Change
	Unit	Proposed [4]	Existing [5]	
<i>Residential Uses</i>				
Single-Family Residential [1]	DU	\$356.16	\$777.00	-54.2%
Multifamily Residential [1],[2]	DU	\$356.16	\$617.00	-42.3%
<i>Non-Residential Uses</i>				
Retail [3]	Sq. Ft.	\$0.66	\$0.37	77.6%
Office and Medical	Sq. Ft.	\$0.59	\$0.22	169.8%
Industrial	Sq. Ft.	\$0.01	\$0.05	-78.8%

Notes:

[1] Consistent with existing fee structure, rural, very low, & low density residential units are classified as Single-Family; medium, medium high, & high density residential units are classified as Multifamily.

[2] Multifamily residential includes Mobile Home units.

[3] Hotels are included as Retail Uses.

[4] Proposed Maximum Fee per Unit includes 3% Admin Cost for all fee categories and 3% or 15% Overhead Allocation. Appendix A contains breakdown of cost and overhead allocations.

The rates included within the technical memorandum are not inclusive of these allocations.

[5] Reflects FY 2016/17 rates.

Animal Shelter

Purpose of Fee

The purpose of this fee is to fund the expansion of additional animal shelter facilities required to provide animal shelter services at current levels as stated within Technical Memorandum #4. The Additional animal shelter facilities requirement has been calculated to be \$1,166,313.

Use of Fee

The revenue generated from this fee will be used to fund additional animal shelter facilities.

Relationship between Use of Fee and Type of Development Project upon which Imposed

New development will produce the need for additional animal shelter space. Revenue generated by the collection of the fee will be used to fund this new animal shelter space.

Relationship between Need for Facility and Type of Project Upon Which Imposed

New residential development will produce the need for additional animal shelter space.

Relationship between Amount of Fee and Cost of Portion of Facility Attributed to New Development

The recommended fee for Animal Shelter costs were apportioned solely to residential developments.

Recommended Fee

Using the methodology outlined above, the City of Chico Capital Project Services Department developed the fees shown in the following Table 3. The table identifies the fees proposed for each land use type.

**TABLE 3
PROPOSED ANIMAL SHELTER FACILITIES FEES**

FEE CATEGORY:	Animal Shelter Fee			% Change
	Unit	Proposed [4]	Existing [5]	
<i>Residential Uses</i>				
Single-Family Residential [1]	DU	\$75.26	\$73.00	3.1%
Multifamily Residential [1],[2]	DU	\$75.26	\$82.00	-8.2%
<i>Non-Residential Uses</i>				
Retail [3]	Sq. Ft.	-	\$0.11	-
Office and Medical	Sq. Ft.	-	\$0.14	-
Industrial	Sq. Ft.	-	\$0.01	-

Notes:

[1] Consistent with existing fee structure, rural, very low, & low density residential units are classified as Single-Family; medium, medium high, & high density residential units are classified as Multifamily.

[2] Multifamily residential includes Mobile Home units.

[3] Hotels are included as Retail Uses.

[4] Proposed Maximum Fee per Unit includes 3% Admin Cost for all fee categories and 3% or 15% Overhead Allocation. Appendix A contains breakdown of cost and overhead allocations.

The rates included within the technical memorandum are not inclusive of these allocations.

[5] Reflects FY 2016/17 rates.

Police Facilities

Purpose of Fee

The purpose of this fee is to fund the expansion of additional police facilities and equipment required to maintain police protection services for new growth, as stated within Technical Memorandum #5. The projected capital police facility, vehicle and equipment costs to support new development has been calculated to be \$9,600,697.

Use of Fee

The revenue generated from this fee will be used to fund additional police facilities and equipment.

Relationship between Use of Fee and Type of Development Project upon which Imposed

New development will place increasing demand on police services. Revenue generated from the fee will be used to fund new police stations and equipment required to provide services for new development.

Relationship between Need for Facility and Type of Project Upon Which Imposed

New residential development will produce the need for additional police staffing and corresponding space and equipment.

Relationship between Amount of Fee and Cost of Portion of Facility Attributed to New Development

The recommended fee for Police facilities and equipment costs were apportioned using Incident Calls for service by land use type for October, 2016 through October, 2017.

Recommended Fee

Using the methodology outlined above, the City of Chico Capital Project Services Department developed the fees shown in the following Table 4. The table identifies the fees proposed for each land use type.

**TABLE 4
PROPOSED POLICE FACILITIES FEES**

FEE CATEGORY:	Police Facilities Fee			% Change
	Unit	Proposed [4]	Existing [5]	
<i>Residential Uses</i>				
Single-Family Residential [1]	DU	\$331.78	\$812.00	-59.1%
Multifamily Residential [1],[2]	DU	\$331.78	\$916.00	-63.8%
<i>Non-Residential Uses</i>				
Retail [3]	Sq. Ft.	\$2.00	\$1.24	61.6%
Office and Medical	Sq. Ft.	\$0.22	\$1.54	-85.5%
Industrial	Sq. Ft.	\$0.02	\$0.12	-82.3%

Notes:

[1] Consistent with existing fee structure, rural, very low, & low density residential units are classified as Single-Family; medium, medium high, & high density residential units are classified as Multifamily.

[2] Multifamily residential includes Mobile Home units.

[3] Hotels are included as Retail Uses.

[4] Proposed Maximum Fee per Unit includes 3% Admin Cost for all fee categories and 3% or 15% Overhead Allocation. Appendix A contains breakdown of cost and overhead allocations.

The rates included within the technical memorandum are not inclusive of these allocations.

[5] Reflects FY 2016/17 rates.

Sewer Facilities Fee: Trunk Line

Purpose of Fee

The purpose of this fee is to fund the expansion of the wastewater trunk line and outfall systems needed to meet the needs of new growth, as stated within Technical Memorandum #6. The portion calculated to be funded by new development through 2040 is \$36,026,704.

Use of Fee

The revenue generated from this fee will be used to assist in the funding of trunk line and outfall systems needed to meet the needs of future growth.

Relationship between Use of Fee and Type of Development Project upon which Imposed
New development will generate the need for increased sewer trunk line and outfall system capacity.

Relationship between Need for Facility and Type of Project Upon Which Imposed
New development of all types will generate the need for increased sewer collection system expansion as identified in the 2013 Sanitary Sewer Master Plan.

Relationship between Amount of Fee and Cost of Portion of Facility Attributed to New Development
The recommended fee for Sewer Trunk Line Facility costs have been apportioned first between existing and new development. New development's share was then apportioned to each major land use category using sewer flow coefficients from the City's 2013 Sewer Master Plan Update.

Recommended Fee

Using the methodology outlined above, the City of Chico Capital Project Services Department developed the fees shown in the following Table 5. The table identifies the fees proposed for each land use type.

**TABLE 5
PROPOSED SEWER TRUNK LINE FACILITIES FEES**

FEE CATEGORY:	Unit	Sewer Trunk Line Facilities Fee		% Change
		Proposed [4]	Existing [5]	
<i>Residential Uses</i>				
Single-Family Residential [1]	DU	\$1,825.46	\$1,707.00	6.9%
Multifamily Residential [1],[2]	DU	\$1,545.80	\$1,707.00	-9.4%
<i>All Other Non-Residential Uses [3]</i>				
	Acres	\$6,800.26	\$6,831.00	-0.4%

Notes:

[1] Consistent with existing fee structure, rural, very low, & low density residential units are classified as Single-Family; medium, medium high, & high density residential units are classified as Multifamily.

[2] Multifamily residential includes Mobile Home units.

[3] All Other Non-residential includes Retail, Office & Medical and Industrial Uses

[4] Proposed Maximum Fee per Unit includes 3% Admin Cost for all fee categories and 3% or 15% Overhead Allocation. Appendix A contains breakdown of cost and overhead allocations. The rates included within the technical memorandum are not inclusive of these allocations.

[5] Reflects FY 2016/17 rates.

Sewer Facilities Fee: Water Pollution Control Plant

Purpose of Fee

The purpose of this fee is to fund the expansion of the Water Pollution Control Plant to meet the demands of new growth, as stated within Technical Memorandum #6. The portion calculated to be funded by new development through 2040 is \$33,580,374.

Use of Fee

The revenue generated from this fee will be used to assist in the funding of Water Pollution Control Plan expansions to meet the needs of future growth.

Relationship between Use of Fee and Type of Development Project upon which Imposed

New development will generate the need for increased sewer capacity which can be accommodated by the Water Pollution Control Plant expansion.

Relationship between Need for Facility and Type of Project Upon Which Imposed

The following section summarizes the allocation WPCP costs.

Residential Allocation of Costs of Water Pollution Control Plant

Because the City already funded these two plant expansions, the updated Sewer WPCP is based on Future Development's share of the remaining debt service for these plant expansions. As of June 30, 2017, the remaining debt service for these expansions was \$43.4 million. Of this amount, approximately \$1.3 million is associated with trunk line improvements—this share was moved from the WPCP Fee calculation to the Sewer Trunk Line fee (shown in Table 3).

Of the remaining \$42.2 million in completed improvements, 65.5 percent, or \$27.6 million is allocated to Future Development. Prior to the two recent WPCP expansions (for which the existing debit service was incurred), the existing plant was running at about 6.5 mgd. The two plant expansions brought on line approximately an additional 8.4 mgd of capacity. Operation of the existing plant was discontinued after these expansions were brought on line. The existing plant's capacity has been re-rated downward to 3.6 mgd. The combined capacity of the two new expansions and the existing plant is estimated to be 12 mgd, sufficient for the forecast development expected by 2040. Within the prior nexus study, the fees were designed such that new development would pay for approximately 80% of the capacity of the debit service for the two plant expansions. However, upon closer examination, new development is only expected to use approximately 65% of the capacity of the debit service of the two plant expansions. Therefore the existing debit service is now proposed to be split approximately 65% to new development and 35% to existing users, instead of the present 80% and 20%, respectively. Table 8 shows this updated cost allocation.

Prior to the two recent expansions of the City WPCP for which the existing debit service was incurred, the existing plant was running at about 6.5 mgd. The two plant expansions brought on line approximately an additional 8.4 mgd of capacity. Operation of the existing plant was discontinued after these expansions were brought on line. The existing plant's capacity has been re-rated downward to 3.6 mgd. The combined capacity of the two new expansions and the existing plant is estimated to be 12 mgd, sufficient for the forecast development expected by 2040. Within the prior nexus study, the fees were designed such that new development would pay for approximately 80% of the debit service for the two plant expansions. However, upon closer examination, new development is only expecting to use approximately 65% of the capacity of these two new expansions. Therefore the existing debit service is now proposed to be split

approximately 65% to new development, and 35% to existing users, instead of the present 80% and 20% respectively.

In addition to this amount, the current negative WPCP fund balance of \$4.7 million is allocated entirely to Future Development. Finally, the remaining debt obligation for the Outfall assigned to Fund 321 is also allocated entirely to Future Development. Total costs allocated to new development, including plant expansion debt service, the Outfall debt obligation, and outstanding fund balance amount to \$33.6 million, are shown in Table 6.

**TABLE 6
ALLOCATION OF WPCP DEBT SERVICE**

Item	Amount [1]	Portion to Existing Development		Portion to Future Development	
		Amount (\$)	Percent	Amount (mgd)	Percent
Plant Improvements (Remaining Debt Service)	\$ 43,454,590				
Trunk Line Improvements (shifted to Trunk Line Fee) [2]	\$ (1,289,175)				
Net Plant Improvements	\$ 42,165,415	\$ 14,547,068	34.5%	\$ 27,618,347	65.5%
Plus Current Fund 321 Balance Owed [3]	\$ 4,724,640	\$ -	0.0%	\$ 4,724,640	100.0%
Plus Fund 321 Debt Obligation [4]	\$ 1,237,387	\$ -	0.0%	\$ 1,237,387	100.0%
Total Costs	\$ 48,127,442	\$ 14,547,068		\$ 33,580,374	

Sources: Sewer Master Plan Update, 2013; City Staff, November 2016.

[1] Amounts provided by City staff.

[2] Fund 320 Balance as of June 30, 2017. This amount pertains to trunk lines and is accounted for in Table 3.

[3] Negative balance identified in Figure 2. Allocated entirely to Future Development.

[4] Reflects Fund 321 (WPCP) debt obligation for Outfall as of June 30, 2017. Figure provided by City staff, April 2018.

The share of residential cost is shown below in Table 7. Once again, the residential share allocations are based on the growth in ADWF identified in the 2013 Sewer Master Plan, including a redistribution of the Special Planning Area (SPA) growth increment. Table 8 calculates the residential cost per single-family unit and per multifamily unit.

**TABLE 7
RESIDENTIAL ALLOCATION OF SEWER WPCP COSTS FOR FUTURE USERS**

Land Use Category	Percent ADWF [1]	Total CIP + Debt Service Cost
Total	100.0%	\$ 33,580,374
Single-Family Portion	38.9%	\$ 13,065,000
Multifamily Portion	26.7%	\$ 8,971,000
Subtotal Residential		\$ 22,036,000

Sources: Sewer Master Plan Update, 2013; City Staff, November 2016 and April 2018.

[1] Average Dry Weather Flow percentages derived from Sewer Master Plan Table 5.4 (Buildout - Existing), adjusted to include Special Planning Area (SPA) within existing residential and non-residential land use categories.

**TABLE 8
WPCP: COST PER RESIDENTIAL UNIT**

Item	Cost	Future Units [1]	Cost per Unit
Residential			
Single-Family	\$ 13,065,000	9,063	\$ 1,442
Multifamily	\$ 8,971,000	7,346	\$ 1,221
Residential Total	\$ 22,036,000	16,409	
Weighted Avg. Cost per EDU			\$ 1,343

Notes: [1] From Technical Memorandum #1.

Relationship between Amount of Fee and Cost of Portion of Facility Attributed to New Development

The recommended fee for Sewer Water Pollution Control Plant costs have been apportioned first between existing and new development. New development's share was then apportioned to each major land use category using sewer flow coefficients from the City's 2013 Sewer Master Plan Update.

Recommended Fee

Using the methodology outlined above, the City of Chico Capital Project Services Department developed the fees shown in the following Table 9. The table identifies the fees proposed for each land use type.

**TABLE 9
PROPOSED SEWER WATER POLLUTION CONTROL PLANT FACILITIES FEE**

FEE CATEGORY:	Water Pollution Control Plant Fee			% Change
	Unit	Proposed [4]	Existing [5]	
<i>Residential Uses</i>				
Single-Family Residential [1]	DU	\$1,528.52	\$2,270.00	-32.7%
Multifamily Residential [1],[2]	DU	\$1,294.26	\$2,270.00	-43.0%
<i>All Other Non-Residential Uses [3]</i>	Acres	\$5,693.99	\$9,080.00	-37.3%

Notes:

[1] Consistent with existing fee structure, rural, very low, & low density residential units are classified as Single-Family; medium, medium high, & high density residential units are classified as Multifamily.

[2] Multifamily residential includes Mobile Home units.

[3] All Other Non-residential includes Retail, Office & Medical and Industrial Uses

[4] Proposed Maximum Fee per Unit includes 3% Admin Cost for all fee categories and 3% or 15% Overhead Allocation. Appendix A contains breakdown of cost and overhead allocations. The rates included within the technical memorandum are not inclusive of these allocations.

[5] Reflects FY 2016/17 rates.

Bikeways Improvement Fees

Purpose of Fee

The purpose of this fee is to fund the construction of identified bikeway improvements in the City, as stated within Technical Memorandum #7. An estimated cost of \$11,288,130 worth of identified bikeways improvements is to be funded by the Bikeways Improvement Fee. The Bikeway Improvement Project List is contained in Appendix Table A-3.

Use of Fee

The revenue generated from this fee will be used to assist in the funding of identified bikeway facilities.

Relationship between Use of Fee and Type of Development Project upon which Imposed

New development will generate additional bicycle traffic and the City's bikeways will need to be improved, connected, and expanded to service added demand. The fee will be used to provide funding for these improvements and allow expanded use of bikeway facilities.

Based on the 74% residential and 26% non-residential trip growth attribution from the BCAG model (see Table 1 on page 3), Table 10 presents the cost attributed to each category, of the entire amount needed to be funded by the fee, which is 29.2% of the bikeway improvements cost summary of \$38,713,402.90.

**TABLE 10
RESIDENTIAL AND NON-RESIDENTIAL COST ATTRIBUTION**

Description	Amount	%
Developments Share of Funding ¹	\$ 11,288,129.10	100%
Attributable to Residential	\$ 8,353,216.00	74%
Attributable to Non-Residential	\$ 2,934,913.10	26%

Source: City of Chico Engineering Department

This allocation of fees based on BCAG model trip purpose splits, at 74/26 between residential and non-residential growth, is an accurate representation of net trip growth "causality" in the City of Chico area. This methodology does differ from the existing fee splits, which are based solely on national average trip generation rates and trip causality factors.

Relationship between Need for Facility and Type of Project Upon Which Imposed

New residential, office/medical, retail, and industrial development will generate additional bicycle traffic, and the City's bikeways will need to be improved and expanded to service added demand.

Relationship between Amount of Fee and Cost of Portion of Facility Attributed to New Development

The recommended fee for Bikeways Facilities improvement costs were apportioned to major land use categories using Butte County Association of Governments (BCAG) trip generation rates and the City of Chico trip rates.

Recommended Fee

Using the methodology outlined above, the City of Chico Capital Project Services Department developed the fees shown in the following Table 11. The table identifies the fees proposed for each land use type.

**TABLE 11
PROPOSED BIKEWAYS FACILITIES IMPROVEMENT FEE**

FEE CATEGORY:	Unit	Bikeway Facilities Improvement Fees		% Change
		Proposed [4]	Existing [5]	
<i>Residential Uses</i>				
Single-Family Residential [1]	DU	\$642.93	\$504.05	27.6%
Multifamily Residential [1],[2]	DU	\$548.58	\$435.38	26.0%
<i>Non-Residential Uses</i>				
Retail [3]	Sq. Ft.	\$1.24	\$0.17	628.8%
Office and Medical	Sq. Ft.	\$0.28	\$0.32	-11.5%
Industrial	Sq. Ft.	\$0.14	\$0.13	8.9%

Notes:

[1] Consistent with existing fee structure, rural, very low, & low density residential units are classified as Single-Family; medium, medium high, & high density residential units are classified as Multifamily.

[2] Multifamily residential includes Mobile Home units.

[3] Hotels are included as Retail Uses.

[4] Proposed Maximum Fee per Unit includes 3% Admin Cost for all fee categories and 3% or 15% Overhead Allocation. Appendix A contains breakdown of cost and overhead allocations.

The rates included within the technical memorandum are not inclusive of these allocations.

[5] Reflects FY 2016/17 rates.

Greenways Improvement Fees

Purpose of Fee

The purpose of this fee is to fund the acquisition and development of the Greenways at the General Plan LOS (of 2.5 acres per 1,000 population), as stated within Technical Memorandum #8. To support a projected increase in population of 39,382 persons, a capital cost for the expansion of Greenways of \$5,722,000 has been calculated.

Use of Fee

The revenue generated from this fee will be used to assist in funding the acquisition and development of Greenways.

Relationship between Use of Fee and Type of Development Project upon which Imposed

New development will generate the need for additional Greenways for use by City residents. Revenue generated from this fee will be used to fund the acquisition and development of greenway facilities.

Relationship between Need for Facility and Type of Project Upon Which Imposed

New residential development will generate the need for additional greenway facilities for the use of City residents.

Relationship between Amount of Fee and Cost of Portion of Facility Attributed to New Development

The recommended fee for Greenways acquisition and development costs were apportioned solely to residential development as the General Plan LOS applies to the residential population only.

Recommended Fee

Using the methodology outlined above, the City of Chico Capital Project Services Department developed the fees shown in the following Table 12. The table identifies the fees proposed for each land use type.

**TABLE 12
PROPOSED GREENWAYS FACILITIES FEE**

FEE CATEGORY:	Unit	Greenways Fee		% Change
		Proposed [4]	Existing [5]	
<i>Residential Uses</i>				
Single-Family Residential [1]	DU	\$369.94	\$256.79	44.1%
Multifamily Residential [1],[2]	DU	\$369.94	\$256.79	44.1%
<i>Non-Residential Uses</i>				
Retail [3]	Sq. Ft.	-	-	-
Office and Medical	Sq. Ft.	-	-	-
Industrial	Sq. Ft.	-	-	-

Notes:

[1] Consistent with existing fee structure, rural, very low, & low density residential units are classified as Single-Family; medium, medium high, & high density residential units are classified as Multifamily.

[2] Multifamily residential includes Mobile Home units.

[3] Hotels are included as Retail Uses.

[4] Proposed Maximum Fee per Unit includes 3% Admin Cost for all fee categories and 3% or 15% Overhead Allocation. Appendix A contains breakdown of cost and overhead allocations.

The rates included within the technical memorandum are not inclusive of these allocations.

[5] Reflects FY 2016/17 rates.

Park Impact Fee: Neighborhood, Community and Bidwell Parks

Purpose of Fee

As stated within Technical Memorandum #9, the general purpose of the park impact fees (PIFs) is to collect and distribute funding for the acquisition of parkland and construction of park facilities improvements to meet the continued growing community need within the City through 2040.

- Neighborhood Parks Fee: The fee will fund the acquisition and development of Neighborhood Parks at the General Plan LOS (1.5 acres per 1,000 population).
- Community Parks Fee: The fee will fund acquisition and development of Community Parks/ Community Parks and Special Facilities at the General Plan LOS (2.5 acres per 1,000 population).
- Bidwell Park Fee: The fee will repay the loan used for the acquisition of additional Bidwell Park land.

A combined total of capital improvement costs of \$61,296,055 has been calculated to support an increase in population of 39,382 through 2040.

Use of Fee

- Neighborhood Parks Fee: The fee will be used to fund the acquisition and development of Neighborhood Park facilities.
- Community Parks Fee: The fee will be used to fund the development of Community Parks/Community Parks and Special Facilities.
- Bidwell Park Fee: The fee will be used as debt retirement associated with the loan taken for acquisition of additional Bidwell Park land.

Relationship between Use of Fee and Type of Development Project upon which Imposed

- Neighborhood Parks Fee: New residential development will generate the need for additional neighborhood parks facilities for the use of City residents. Fee revenue will be used to provide new Neighborhood Parks.
- Community Parks Fee: New residential development will generate the need for additional Community Parks/ Community Parks and Special Facilities for the use of City residents. Fee revenue will be used to provide new Community Parks/Community Parks and Special Facilities.
- Bidwell Park Fee: Fee revenue will be used to fund the acquisition and development of Bidwell Park.

Relationship between Need for Facility and Type of Project Upon Which Imposed

- Neighborhood Parks Fee: New residential development will generate the need for additional parks and open space facilities for the use of City residents.
- Community Parks Fee: New residential development will generate the need for additional parks and open space facilities for the use of City residents.
- Bidwell Park: New residential development will generate the need for the expansion of Bidwell Park.

Relationship between Amount of Fee and Cost of Portion of Facility Attributed to New Development

- Neighborhood Parks Fee: Neighborhood Park acquisition and development costs were apportioned solely to residential development, as the General Plan LOS applies to

residential population only. Proposed fees reflect only the costs of mitigating impacts caused by new residential development.

- **Community Parks Fee:** Community Park acquisition and development costs were apportioned solely to residential development, as the General Plan LOS applies to residential population only. Proposed fees reflect only the costs of mitigating impacts caused by new residential development.
- **Bidwell Park Fee:** Bidwell Park acquisition and development costs were apportioned solely to residential development, as the General Plan LOS applies to residential population only. Proposed fees reflect only the costs associated with repayment of the loan used for the acquisition of additional Bidwell Park land.

Recommended Fee

Using the methodology outlined above, the City of Chico Capital Project Services Department developed the fees shown in the following Table 13. The table identifies the combined (Neighborhood, Community and Bidwell Park) fees for parks proposed for each land use type.

**TABLE 13
PROPOSED PARK FACILITIES FEE**

FEE CATEGORY:	Unit	Park Impact Fee		% Change
		Proposed [4],[5]	Existing [6]	
<i>Residential Uses</i>				
Single-Family Residential [1]	DU	\$3,960.16	\$3,024.00	31.0%
Multifamily Residential [1],[2]	DU	\$3,960.16	\$2,568.00	54.2%
<i>Non-Residential Uses</i>				
Retail [3]	Sq. Ft.	-	-	-
Office and Medical	Sq. Ft.	-	-	-
Industrial	Sq. Ft.	-	-	-

Notes:

[1] Consistent with existing fee structure, rural, very low, & low density residential units are classified as Single-Family; medium, medium high, & high density residential units are classified as Multifamily.

[2] Multifamily residential includes Mobile Home units.

[3] Hotels are included as Retail Uses.

[4] Proposed Maximum Fee per Unit includes 3% Admin Cost for all fee categories and 3% or 15% Overhead Allocation. Appendix A contains breakdown of cost and overhead allocations.

The rates included within the technical memorandum are not inclusive of these allocations.

[5] Proposed Park Fee includes Proposed Community Park Fee Scenario 1, selected by City Council on August 15, 2017.

[6] Reflects FY 2016/17 rates.

Additional Notes on Park Impact Fee Development

- In the development of Community Parks Impact Fee (PIF), two PIF scenarios were initially proposed. These scenarios apply market-based cost assumptions pertaining to park facility development and conform to the 2030 General Plan neighborhood parkland standards. Of the two scenarios presented, City Council selected Scenario 1 on August 15, 2017. Details pertaining to the two scenarios may be referred from Technical Memorandum # 9.

Street Maintenance

Purpose of Fee

Since inception of the City's development impact fee program in the early 1990's, funding of the road maintenance has lagged. The road maintenance budget in 1990 was \$1.1 million for 135 miles of City streets or \$8,100 per mile. Now, with over 296 miles of City streets, the road maintenance budget has only increased to \$2.2 million or \$7,400 per mile. When accounting for inflation, to maintain the City streets at the same level as existed in 1990, the 2016 budget would have needed to be over \$6.6 million.

The originally conceived development impact fee program for road maintenance was clearly insufficient to maintain pace with growth. Therefore, new alternative approaches were explored within this development impact fee update.

In pursuing the update of these funds or to pursue potential alternatives to these funds, careful application of Government Code 66000 will be required to meet future street maintenance needs of an expanding City circulation system.

The purpose of this fee is to fund additional maintenance facilities and to purchase maintenance equipment required to serve expanding transportation infrastructure, as stated within Technical Memorandum #10. Additional street maintenance facilities and equipment improvement costs of \$4,610,000 has been calculated to support new development through 2040.

Use of Fee

The revenue generated from this fee will be used to assist in the funding of new street maintenance facilities and equipment required to support an expanded roadway system required by new development.

Relationship between Use of Fee and Type of Development Project upon which Imposed

The revenue generated from this fee will be used to fund additional maintenance facilities and equipment required to maintain additional and/or expanded roadways required by growth. This allocation of fees based on BCAG model trip purpose splits, at 74/26 between residential and non-residential growth, is an accurate representation of net trip growth "causality" in the City of Chico area

Relationship between Need for Facility and Type of Project Upon Which Imposed

New development will generate additional traffic and add miles to the City's maintained street system, and the City's streets will need to maintain additional and/or expanded roadways to service the added travel demand, based on the same 74/26 split described above.

Relationship between Amount of Fee and Cost of Portion of Facility Attributed to New Development

The recommended fee for Street Maintenance (i.e. facility and equipment) costs were apportioned to new development based on expected future population growth and then allocated across new development using BCAG and City of Chico trip rates.

Recommended Fee

The Street Maintenance Impact Fee was initially presented as a range of three (3) alternative fee structures. On August 15, 2017, City Council selected Alternative 2. The following section presents the key features of Alternative 2.

Alternative 2 - New Street Maintenance Facilities & Equipment Fee

The goal of Alternative 2 is to fund the cost for new street maintenance facilities and equipment that would be required to maintain service standards as the City continues to develop and grow. The method for calculating the cost of this equipment, the facilities required to house them, and the buildings required to manage the street maintenance program, diverges from the methods used in Alternative 1. The calculation used in this alternative is based on the following major components:

- The development and growth anticipated through 2040 of the City's General Plan;
- The footprint and value of current street maintenance facilities and buildings; and,
- The composition and value of the current street maintenance fleet.

In 1990, the City of Chico's population was approximately 40,000 and the City maintained approximately 135 miles of streets. In 2015, the population was approximately 92,000 and the City maintained approximately 296 miles of streets. During this time the population increased by approximately 130% and the number of miles of maintained City streets increased by approximately 120%. As presented within Table 14 population and miles of maintained city track very closely.

TABLE 14
SUMMARY OF POPULATION GROWTH AND ROADWAY MAINTENANCE

Year	Total City Population Estimate ¹	Maintained Roadway Mileage ²
1990	39,970	135.00
2015	91,795	296.00
Cumulative Percentage Growth between 1990-2015	130%	119%

Sources:

1. Population Statistics from Butte County Association of Governments
2. City of Chico Public Records

A municipality's street maintenance costs are directly proportional to the number of miles of maintained streets. Over the years, this relationship has been embodied in the California Streets and Highways Code within the formulas for distributing gas tax revenues to local municipalities for street maintenance efforts.

This alternative proposes to rely on using the population increase from the base year to 2040 as the measure of the needs for expanding the City's investment into the road maintenance capital needs; workshop buildings, maintenance yard facilities and total fleet value as shown on Table 15.

As shown in *Technical Memorandum #1*, the City's population is anticipated to grow by 40% through 2040 of the City's General Plan Land Use Element. This 40% growth figure will be utilized as a metric to determine the proportionality of cost needed to support future growth relative to the cost needed to support the City's existing population.

The City has provided an inventory of footprints and approximate values of existing street maintenance facilities and buildings. This inventory has been summarized in Table 15. The City has also estimated the value of the current street maintenance fleet based on the cost to replace the existing fleet. This value is also shown in Table 15 below.

**TABLE 15
EXISTING MAINTENANCE FACILITIES AND EQUIPMENT VALUE INVENTORY**

Description	Estimated Value	Future Cost Needed (Based on 40% Growth)
Workshop Buildings (25,000 square feet @ \$300/sq. ft.)	\$7,500,000	\$3,000,000
Office Buildings (8,000 square feet @ \$350/sq. ft.)	\$2,800,000	\$1,120,000
Maintenance Yard Facilities (9.3 acres @ \$300,000/ac.)	\$2,790,000	\$1,116,000
Current Fleet Value (Based on Replacement Cost)	\$5,738,334	\$2,295,334
Total Needed to Support 40% Growth in City Population [1]:		\$7,531,334
		Current Fund Balance:
		\$1,688,481
		Remaining To Be Funded:
		\$5,842,853

Source: City of Chico Engineering Department

Note: [1] Development Share of Funding based on 40% growth in city population

As stated previously, on August 15, 2017, City Council selected Alternative 2. The following table summarizes the fees proposed by Alternative 2 for each land use type.

**TABLE 16
PROPOSED STREET MAINTENANCE FEE**

FEE CATEGORY:	Street Maintenance Fee			% Change
	Unit	Proposed [4],[5]	Existing [6]	
<i>Residential Uses</i>				
Single-Family Residential [1]	DU	\$239.16	\$115.35	107.3%
Multifamily Residential [1],[2]	DU	\$204.06	\$79.78	155.8%
<i>Non-Residential Uses</i>				
Retail [3]	Sq. Ft.	\$0.46	\$0.59	-22.7%
Office and Medical	Sq. Ft.	\$0.11	\$0.13	-18.5%
Industrial	Sq. Ft.	\$0.05	\$0.06	0.0%

Notes:

[1] Consistent with existing fee structure, rural, very low, & low density residential units are classified as Single-Family; medium, medium high, & high density residential units are classified as Multifamily.

[2] Multifamily residential includes Mobile Home units.

[3] Hotels are included as Retail Uses.

[4] Proposed Maximum Fee per Unit includes 3% Admin Cost for all fee categories and 3% or 15% Overhead Allocation. Appendix A contains breakdown of cost and overhead allocations.

The rates included within the technical memorandum are not inclusive of these allocations.

[5] Proposed Street Maintenance Fee reflects Alternative 2, selected by City Council on August 15, 2017.

[6] Reflects FY 2016/17 rates.

Street Facilities Improvement

Background and Purpose of Fee

The general purpose of the Street Facility Improvement Fee is to collect and distribute funding for the construction of local street and state highway improvements within the City to support new development. In conjunction with the improvements included in other transportation-related fees, these improvements are essential to sustaining a safe and efficient transportation circulation system through continued growth of the City's General Plan Land Use Element through Year 2040. The growth estimate methodology is described in detail in Technical Memorandum #1 and also discussed in this memorandum as it particularly pertains to where growth is planned to occur through 2040 as assumed and estimated in the BCAG Transportation Model.

The 2030 General Plan includes the following policies that apply to the establishment of impact fees and construction of transportation improvements to support continued development and eventual build-out of General Plan land uses:

- Policy CIRC -1.1 (Transportation Improvements) - Safely and efficiently accommodate traffic generated by development and redevelopment associated with build-out of the General Plan Land Use Diagram
 - Action CIRC-1.11 (Road Network) - Enhance existing roadways and intersections and develop the roadway system show in Figure CIRC-1 over the life of the General Plan as needed to accommodate development.
- Policy CIRC-1.2 (Project-level Circulation Improvements) - Require new development to finance and construct internal and adjacent roadway circulation improvements as necessary to mitigate project impacts, including roadway, transit, pedestrian, and bicycle facilities.
- Policy CIRC - 1.3 (Citywide Circulation Improvements) - Collect the fair share cost of circulation improvements necessary to address cumulative transportation impacts, including those to state highways, local roadways, and transit, pedestrian and bicycle facilities, through the City's development impact fee program.
- Policy CIRC - 1.4 (Level of Service Standards) - Until a Multimodal Level of Service (MMLOS) methodology is adopted by the City, maintain LOS D or better for roadways and intersections at the peak PM period, except as specified below:
 - LOS E is acceptable for City streets and intersections under the following circumstances:
 - Downtown streets within boundaries identified in **Figure DT-1** of the Downtown Element.
 - Arterials served by scheduled transit.
 - Arterials not served by scheduled transit if bicycle and pedestrian facilities are provided within or adjacent to the roadway.
 - Utilize Caltrans LOS standards for Caltrans' facilities.

- There are no LOS standards for private roads.

The purpose of this fee is to provide funding for the construction of identified local street and state highway improvements, as shown in Technical Memorandum #12, which are required to support new development. From a total street improvement cost need of \$347,045,000 which are needed to mitigate new development impacts only \$168,970,000 (i.e. 48.3%) has been included in this fee update as economically feasible and acceptable to support new development through 2040. Shown in Appendix Tables A-4A, A-4B, A-4C are the State Highway and Local Street Improvement Projects List.

Analysis, Approach and Methodology

The following section presents a discussion of the analysis, approach and methodology taken by the City of Chico in developing the Street Facilities Improvement Fee for the Nexus Update.

Growth Estimates and Transportation Modeling

Technical Memorandum #1 – Population and Housing describes the population and housing forecasts used within the Street Facilities Fee calculations. The California Department of Finance, Butte County Association of Governments and the City of Chico’s General Plan were all sources in assisting in the determination of population and housing growth within the City.

Provided the understanding that the broad acknowledgement of the BCAG long-term forecasts as the best available growth forecasts for Butte County and the City of Chico, this study focused on the usage of BCAG growth forecasts. Additionally, as BCAG also maintains a regional Travel Demand Model (TDM), this forecast information was readily available by geographic location and aggregated by traffic analysis zones (TAZs) for use within the TDM. Therefore, for the City of Chico General Plan area, the specific existing and 2040 land use data was able to be specifically located, aggregated and summarized for use in this study.

Identified for the City of Chico were 326 TAZs to represent the Chico Planning Area, including its Sphere of Influence, which is described further, with the aid of figures and tables in Technical Memorandum #1. As presented, these growth projections were presented by the number of dwelling units for residential uses, and square footage for non-residential uses. The 2014 “base” was adjusted upward to the nexus study “base”, 2016, using the then estimates of growth from the DOF. The resultant 16,409 growth in dwelling units, and associated non-residential growth, were used as the general growth estimates for this Street Facilities Fee Update.

Identification of Transportation Improvements

Following adoption of the 2010 General Plan, the City undertook to update the City’s nexus study, including preparation of a traffic study to identify the transportation projects for an updated nexus study. This resulted in the 2014 W-Trans “Nexus Impact Fee Traffic Analysis” report.

Within the context of that study, new traffic modeling analysis was conducted, refining a list of projects that is now contained within this study. This study’s model analysis used the then current BCAG 2035 model as the analysis base, which was assumed the most current model at the time. This BCAG model was based on a projected population of 133,944 for the City of Chico in the year 2035.

Using initially this 2014 Nexus Impact Fee Study, along with added input from the attached list of reports and studies, and input/suggestions from community and other transportation

stakeholders, a revised list of projects within this Technical Memorandum #12 was developed recognizing that less growth is now anticipated through 2040.

This process identified approximately \$347 million in transportation improvements to be needed by the year 2040 to mitigate the impacts of new development. The methodology used in identifying the project cost estimates are based on engineering judgment and experience of similar projects. All of the noted project costs are estimated to represent costs that would be incurred in implementing the projects in 2018. The State Highway project cost estimates are prepared by a variety of engineering firms, as noted, consistent with the established practices used by Caltrans. The Local Roadway cost estimates are prepared in accordance with the procedures outlined in the "Cost Estimate Assumptions for Local Agency Projects" included in the Appendix, along with the individual project cost breakdowns.

It is important to note that the W-Trans analysis did not examine the "existing conditions". However, the 2010 General Plan transportation model and analysis did. This analysis found there to be only one roadway segment which did not meet the City's level of service (LOS) standards at the time; a small segment of Nord Avenue (State Highway 32) near W. Sacramento Ave. This analysis satisfies the question of "existing deficiencies". No improvements on Hwy 32 (Nord Avenue) are proposed to be funded by this program update. At the time of the W-Trans study, there were no significant "existing deficiencies" within the 2010 to 2013 timeframe. Furthermore, only very limited growth was apparent within this time period.

Based on input received from stakeholders (Caltrans, Butte County, and BCAG), and developers actively working with the City to build the transportation infrastructure, the list of \$347 million of impacts caused by new development was reduced to a more manageable and acceptable priority list of \$167 million of transportation projects seen as needed by the year 2040. This reduced list of priority projects was used to calculate the proposed development fee. This reduced list of high priority projects is seen to strike a balance between transportation needs and fee acceptability.

Some of the more significant decisions relative to process of deciding which projects to include within the proposed fees include the following:

- For several years, the City and others have been considering a proposed new freeway interchange (I/C) at Hwy 99 and Southgate involving a complex of projects. In 2006, a traffic study by Fehr and Peers identified that the levels of service on Skyway east of Hwy 99 would fall below the General Plan level of service expectations by the year 2030. In addition, two significant Special Planning Areas (SPA's) have been earmarked in the 2030 General Plan that would add further traffic demands to this facility. To address this level of service shortcoming a new interchange with a direct connection from Skyway was proposed at Southgate and Hwy 99. This interchange complex is expected to cost approximately \$165 million, of which only \$4 million is included within the proposed fee program. This allocated amount would complete the planning studies for this large complex of projects and hopefully develop an agreement for funding the entire complex with Butte County, BCAG and Caltrans. The responsibility for funding this complex of projects is not seen as only the responsibility of the City of Chico. Additionally, a \$4 million project to improve the capacity of Skyway east of Hwy 99 has been included within the proposed list of local projects. Additionally, about half of the project costs would be expected to be on local streets, not as part of the State Highway System, including the Notre Dame south extension / connection to Southgate Lane, Southgate connection to Skyway to the East, and connection to Midway to the West.

- At the north end of the City, is what might be called the “north end complex”. This involves mainline improvements on Hwy 99, potentially involving a new freeway interchange at Garner Lane / Esplanade and several related surface streets, including a connection between Hicks Road and Hwy 99 as proposed in the General Plan. All of these improvements are seen as necessary to support the high level of development already approved by the County and City in this area. The exact improvements and what level of development that is likely to occur needs to yet be planned and scoped. Within the proposed fee program is \$2 million to accomplish this planning effort. Note that prior efforts by the City of Chico, Butte County and Caltrans were undertaken to determine future conceptual options for this area.
- The Hwy 99 and 20th Street interchange has been the subject of several studies, the latest being the “East 20th Street Circulation Study” by W-Trans (2011). The improvement proposed within the study is a series of roundabouts along with two, new, loop off-ramps as proposed within a report prepared by Quincy Engineering for BCAG in 2001. These originally proposed two loop off ramps were changed to one loop on ramp, and this reduced project was combined with the series of roundabouts on 20th Street prior to incorporating into the project noted within the proposed fee program. However, the necessary studies for these improvements will need to also scope probable improvements needed on 20th Street to the west of Hwy 99 as well. Such improvements are not presently included within the proposed fee program at this time, pending further studies.
- The W-Trans report recommended that the auxiliary lanes be stopped at 20th Street, however in the absence of the proposal to add the planned-for interchange at Southgate, this will increase the volume of on/off vehicles at the Skyway interchange. Therefore, consideration was given to extending the auxiliary lanes to Skyway. However, due to cost, these lanes were not included in the refined program, but may need consideration at a later date. The auxiliary lane costs are very significant. Originally, the full costs of these improvements were included within the proposed fee program. However, after further consideration, only the costs of the advance project planning and design are included within the program, and the construction costs are set aside for the present time. The intent is that Caltrans and BCAG will provide the additional funding to complete this project. However, if this funding is not forthcoming in a timely manner, this potential unmitigated impact could become the responsibility of proposed development.
- Considerable discussion was generated by the proposal to extend Eaton Road west to Hwy 32 as has been included for many years in both the City’s General Plan and BCAG’s Regional Transportation Plan. As this improvement is seen as a potential “bypass” to Hwy 32 thru downtown Chico, this proposed project is to be constructed to a high standard, including an overpass over the RR. After further consideration, this project was removed from the program refined for the proposed fees.
- Also considered and removed from the program were proposed grade separations with the RR on Hwy 32 thru downtown Chico.

In the end, all of the projects included within the proposed fee program have been identified as being needed, and studied, within numerous modeling efforts and specific studies, most of which have been identified as impacts needing to be mitigated as part of the current 2030 General Plan, which included a significant environmental review process. The involved studies are listed and they are referenced for each project on the project lists, for “State Highway Projects” and “Local Roadway Projects”.

The following reports were used in developing the proposed list of projects, and were incorporated herein as though fully set forth in this Fee Study:

1. Chico 2030 General Plan
2. Chico 2030 General Plan Draft Environmental Impact Report
3. Chico 2030 General Plan Public Facilities Assessment and Fiscal Impact Analysis
4. Chico 2030 General Plan Existing Conditions Report, 2008
5. City of Chico Northwest Chico Specific Plan EIR
6. Chico Corridor Study Route 99, Quincy Engineering, 2001
7. Skyway/SR 99 Interchange Study, Mark Thomas, 2006
8. Traffic Report for State Route 99 / Southgate Interchange, Fehr & Peers, 1999
9. Draft Concept Approval Report Eaton / State Route 99 Interchange, URS, 2011
10. Cohasset On-Ramp Project Study Report, Caltrans, 2004
11. North Chico Retail and Annexation EIR, DGE, 2006
12. Chico Nord Ave (Hwy 32) Corridor Plan, Glatting Jackson Kercher Anglin and Walkable Communities, 2006
13. Final Report Development Impact Fee and Nexus Report, Konrad-Rae, 1992
14. Butte County General Plan Circulation Element
15. Butte County Association of Governments Regional Transportation Plan
16. State Route 99 Transportation Corridor Concept Report, Caltrans, 2010
17. East 20th Street Circulation Study, W-Trans, 2011
18. Nexus Impact Fee Traffic Analysis, W-Trans, 2014
19. City of Chico Municipal Code
20. City of Chico 2008-09 Update of Development Impact Fees Analysis and Recommendations (Nexus Study), City of Chico, 2009

The projects identified as being needed by 2040, the planning horizon year, are all listed in Appendix Tables A-4A, A-4B and A-4C. On these tables there is a column titled "Project Identification Source" and a second column titled "Project Need". The "Project Identification Source" column indicates which of the preceding 20 studies contains the analysis identifying the need for each specific project, and the "Project Need" column references the footnotes attached to Appendix Tables A-4A, A-4B and A-4C. These footnotes indicate the nature of the need for each project, with nearly all of the projects being footnote #1 which is that growth within the planning period would result in the level of service dropping below the policies stipulated in the General Plan without the indicated project.

Current Fee Schedule and Fund Balance

The Current Fee Rates for the Street Facility Improvement Development Impact Fee (Fund 308) was recently updated with an effective date of August 20, 2016 and are shown in Table 17. Included in this table is the overall fee that is currently charged by the City as well as the portion of the fee that covers the capacity enhancing street improvements on the State highway system and local streets.

**TABLE 17:
2016 FY STREET FACILITY IMPROVEMENT IMPACT FEE SUMMARY**

Item	Land Use Type	Unit ¹	2016 Street Facility Improvement Fee (Effective 8/20/16)	State Highway and Local Projects (Excluding Road Reconstruction Projects)
A	B	C	D	E
1	Rural	DU	\$4,216.00	\$3,330.64
2	Very Low	DU	\$4,216.00	\$3,330.64
3	Low	DU	\$4,216.00	\$3,330.64
4	Medium	DU	\$2,916.00	\$2,303.64
5	Medium High	DU	\$2,916.00	\$2,303.64
6	High	SQFT	\$2,916.00	\$2,303.64
7	Retail	SQFT	\$18.36	\$14.50
8	Office and Medical	SQFT	\$4.73	\$3.74
9	Industrial	SQFT	\$2.16	\$1.71

Sources: City of Chico Engineering Department, Communications with City of Chico staff

Notes:

1. DU = Dwelling Unit; SQFT = Square Foot

As shown in Table 17, the currently adopted fee, shown in Column D, for a single-family residential unit is \$4,216.00 for the overall fee and \$3,330.64 for the capacity enhancing Street Facility Improvement Fee portion. Several land use categories were included in this fee structure, including six residential categories and three non-residential categories.

In addition, as established in City of Chico Municipal Code (Chapter 3.85), credits and exemptions to fees and deferrals of fees may be permitted pursuant to specific provisions as outlined in the municipal code. In review of these special provisions, one outdated credit provision as follows should be removed:

C. For properties located in an assessment district which was formed prior to January 1, 1985, and for a purpose which included street facility improvements of general benefit to the entire City or any portion thereof outside of the assessment district boundaries.

Any such credits are set forth below:

- | | |
|-------------------------------------|------------|
| 1. Village Park Assessment District | 38% credit |
| 2. Eastwood Assessment District | 12% credit |

This credit provision should be removed as appropriate credits to these districts have been applied.

Street Facility Improvement Fund Balance

The most recent fiscal snapshot (depicting the beginning and ending balances) for the City's Street Facility Improvement Fund (Fund 308) was also obtained from the 2016-2017 Development Impact Fee Report. As of June 30, 2017, the *Gross Available Balance* at the close of the Fiscal Year for Fund 308 was \$4,243,755 and a *Net Available Balance* was \$3,723,042, which is less *Outstanding Encumbrances and Outstanding Reimbursement Agreements*, of \$520,713.

Identification of Land Use Growth Increment

The 2014 to 2040 City growth was obtained from BCAG's *Butte County Long-Term Regional Growth Forecasts 2014 - 2040* report, and is consistent with the BCAG Regional Travel Demand Model. Based on direction from City staff, a 2016 - 2040 land use growth increment was developed and fully described in Technical Memorandum #1.

For the purposes of this fee update effort, the 24-year 2016 to 2040 growth increment was utilized to calculate following alternative fees.

Identification of Transportation Improvements

Two types of improvement projects have been identified that will be included in the Street Facility Improvement Fee program: State Highway Projects and Local Projects. The State highway projects are ones that are either on or associated with State Route 99 or Hwy 32. All of these identified projects are needed to address the transportation needs of the City as it grows per the expectations of the City's General Plan.

State Highway Projects

The list of State Highway projects included in the Street Facility Improvement Fee includes different levels of funding for a variety of improvement types, including construction costs of signalization and roundabout projects and soft costs for larger projects such as installation of auxiliary lanes on the State Route 99 (SR 99) mainline. The full list of State Highway projects, with cost estimates is presented on Appendix Table A-4A.

Included in both the "*Estimated Cost*" and "*Cost Included in Impact Fee*" were two projects, **716 SR 99 at Garner, Esplanade and Hicks complex** and **717 SR 99 at Southgate complex (I/C and connector roads)**. For these two projects, only the soft costs for processing plans and environmental clearance through Caltrans are included in the cost estimates and impact fees. Estimated costs for the Garner area interchange and road improvements are over \$100 million and the Southgate area, over \$165 million. It is anticipated the need for these improvements are beyond 2040 and therefore, not included as a part of the State Highway Projects list.

Local Projects

As with the State Highway projects list, the list of Local projects included in the Street Facility Improvement Fee includes a variety of improvement types, including new roadway construction, construction costs of signalization and roundabout projects and installation of turn lanes, and turn lane extensions. The full list of Local projects, with cost estimates and cost allocated to the fee program is presented on Appendix Table A-4A

Street Facility Improvement Fee Calculation

The following section walks through the main components of the Street Facility Improvement fee calculation: Improvement Costs; Trip Generation and Cost Allocation by Use; Cost per trip by Use; and Fee Schedule.

Street Facility Improvement Cost Summary

As mentioned within the previous sections of this memorandum, a list of approximately \$347 million in transportation improvements were identified to be needed by year 2040. Table 18A presents a summary of the total estimated costs of these identified improvement projects.

**TABLE 18A
TOTAL CAPITAL IMPROVEMENT PROJECT COSTS BY CATEGORY**

All Capital Improvement Project Descriptions	Total Estimated Cost
State Highway Projects	\$ 149,855,000
Local Street Projects	\$ 197,149,250
<i>Total</i>	\$ 347,004,250

In updating the Street Facilities Improvement fee, cost attribution to residential and non-residential developments was conducted per the methodology described within the section titled “Residential and Non-Residential Cost Attribution” presented earlier within this report.

This allocation of fees based on BCAG model trip purpose splits, at 74/26 between residential and non-residential growth, is an accurate representation of net trip growth "causality" in the City of Chico area. This methodology does differ from the existing fee splits, which are based solely on national average trip generation rates and trip causality factors.

Following determination of residential and non-residential fee and improvement cost allocation, this allocation was further distributed between land use types within the larger residential and non-residential categories. This distribution was determined using the trip generation rates shown in Column D of Tables 20A and 20B for each land use type. These rates are consistent with national trip rate averages, and result in the improvement cost distributions shown in Column F between residential use types (single family and multi-family) and between non-residential use types (office and medical, retail, and industrial).

The proposed fee schedule by land use type was calculated by dividing the costs in Column G by the land use quantities shown in Column C. The proposed fees are shown in Column H alongside the corresponding existing fee in Column I.

Table 19A presents the cost attributed to residential and non-residential land uses, for the entire cost of the full list of identified CIP projects less the 20% of the total related to non-fee trip ends.

**TABLE 19A:
RESIDENTIAL AND NON-RESIDENTIAL COST ATTRIBUTION: FULL CIP LIST**

Description	Total CIP List Amounts	Percentage Split for Land Uses
State Highway and Local Improvements	\$ 347,004,250	
Current Fund Balance	\$ (3,723,042)	
Attributable for Non-Fee Trips (20% of total)	\$ (69,400,850)	
<i>Developments Share of Funding</i>	\$ 273,880,358	
Attributable for Residential	\$ 202,671,464.92	74%
Attributable for Non-Residential	\$ 71,208,893.08	26%

Table 20A presents the potential street facility improvement fee schedule, for the total costs of the full list of capital improvement projects needed by year 2040.

**TABLE 20A:
POTENTIAL STREET FACILITY IMPROVEMENT FEE SCHEDULE: FULL CIP LIST**

Item	Land Use Type	Unit	Number of New Housing Units or Square Foot Commercial	Daily Trip Generation Rates Per Housing Unit or Per Square Foot Commercial ⁴	Proportional Distribution by Trip Generation	Share of Total Cost Allocated to Each Land Use Type	Potential Street Facility Improvement Fee	Current Street Facility Improvement Fee
A	B		C	D	F	G	H	I
1	Single Family Residential ¹	DU	9,063	10.7000	59.12%	\$ 119,811,308	\$ 13,219.83	\$ 3,330.64
2	Multi-Family Residential ^{1,2}	DU	7,346	7.4000	40.88%	\$ 82,860,157	\$ 11,279.63	\$ 2,303.64
3	<i>RESIDENTIAL TOTAL</i>				100.00%	<i>\$202,671,465</i>		
4	Retail ³	SQFT	2,122,000	0.0550	75.86%	\$ 54,020,540	\$ 25.46	\$ 14.50
5	Office and Medical	SQFT	1,998,000	0.0120	16.55%	\$ 11,786,300	\$ 5.90	\$ 3.74
6	Industrial	SQFT	1,817,000	0.0055	7.59%	\$ 5,402,054	\$ 2.97	\$ 1.71
7	<i>NON-RESIDENTIAL TOTAL</i>				100.00%	<i>\$ 71,208,893</i>		
8						\$ 273,880,358		

Source: Fee calculation methodology developed by City of Chico Engineering Department, Cost estimates by Omni-Means

Notes:

1) Consistent with the existing fee structure, rural, very low, and low density residential units are considered Single-Family residential; medium, medium high, and high density residential units are considered Multi-Family residential

2) Multi-Family residential includes Mobile Home units.

3) Hotels are included as Retail Uses.

4) Daily trip generation rates are as approved in previous updates by City Council.

The City recognizes that the fees shown in Table 20A representing the entire list of the needed projects would cause economic hardships within the community.

In recognition of these economic hardships, from within the list of approximately \$347 million in transportation improvements which were identified to be needed by year 2040, approximately \$167 million of high priority projects were identified and are proposed to be funded within the nexus program. Table 18B presents the total estimated costs for this subset of the full list of necessary capital improvement projects (CIP) that were identified to be of higher priority for implementation.

**TABLE 18B
TOTAL HIGH PRIORITY PROJECT COSTS BY CATEGORY**

High Priority Improvement Project Descriptions	Total Estimated Cost
State Highway Projects	\$ 65,300,000
Local Street Projects	\$ 101,699,250
<i>Total</i>	<i>\$ 166,999,250</i>

Table 19B presents the cost attributed to each category, respectively, of the amount needed to be funded by the fee, should the fee only support the costs of the high priority projects (which is approximately 48.1% of the total state highway and local improvement needs cost summary of \$367,004,250).

**TABLE 19B:
RESIDENTIAL AND NON-RESIDENTIAL COST ATTRIBUTION: HIGH PRIORITY PROJECTS**

Description	Amounts	Percentage Split for Land Uses
High Priority State Highway and Local Improvements	\$ 166,999,250	
Current Fund Balance	\$ (3,723,042)	
<i>Developments Share of Funding</i>	\$ 163,276,208	
Attributable for Residential	\$ 120,824,393.92	74%
Attributable for Non-Residential	\$ 42,451,814	26%

Table 19B presents the proposed street facility improvement fee schedule, including only the total costs of the high priority projects.

**TABLE 20B:
PROPOSED STREET FACILITY IMPROVEMENT FEE SCHEDULE: HIGH PRIORITY PROJECTS**

Item	Land Use Type	Unit	Number of New Housing Units or Square Foot Commercial	Daily Trip Generation Rates Per Housing Unit or Per Square Foot Commercial ⁴	Proportional Distribution by Trip Generation	Share of Total Cost Allocated to Each Land Use Type	Recommended Street Facility Improvement Fee	Current Street Facility Improvement Fee
A	B		C	D	F	G	H	I
1	Single Family Residential ¹	DU	9,063	10.7000	59.12%	\$ 71,426,575	\$ 7,881.12	\$ 3,330.64
2	Multi-Family Residential ^{1,2}	DU	7,346	7.4000	40.88%	\$ 49,397,819	\$ 6,724.45	\$ 2,303.64
3	<i>RESIDENTIAL TOTAL</i>				100.00%	\$120,824,394		
4	Retail ³	SQFT	2,122,000	0.0550	75.86%	\$ 32,204,824	\$ 15.18	\$ 14.50
5	Office and Medical	SQFT	1,998,000	0.0120	16.55%	\$ 7,026,507	\$ 3.52	\$ 3.74
6	Industrial	SQFT	1,817,000	0.0055	7.59%	\$ 3,220,482	\$ 1.77	\$ 1.71
7	<i>NON-RESIDENTIAL TOTAL</i>				100.00%	\$ 42,451,814		
8						\$ 163,276,208		

Source: Fee calculation methodology developed by City of Chico Engineering Department, Cost estimates by Omni-Means

Notes:

- 1) Consistent with the existing fee structure, rural, very low, and low density residential units are considered Single-Family residential; medium, medium high, and high density residential units are considered Multi-Family residential
- 2) Multi-Family residential includes Mobile Home units.
- 3) Hotels are included as Retail Uses.
- 4) Daily trip generation rates are as approved in previous updates by City Council.

Again, the reduced fees shown in Table 20B representing only the high priority projects noted in Appendix Tables A-4A, A-4B and A-4C as included in the impact fee programs, are proposed for consideration. Doing this will leave the lower priority, but still needed, projects unfunded.

By leaving needed projects unfunded, this means that impacts to the street and highway system as a result of anticipated growth will not be fully mitigated with the fee program. These remaining impacts will need to be addressed as part of the environmental review process associated with each individual development project.

Recommended Fee

Using the methodology outlined above, the City of Chico Capital Project Services Department developed the fees shown in the following Table 21. The table identifies the fees proposed for each land use type.

**TABLE 21
PROPOSED STREET FACILITIES FEE**

FEE CATEGORY:	Street Facilities Fee			% Change
	Unit	Proposed [4]	Existing [5]	
<i>Residential Uses</i>				
Single-Family Residential [1]	DU	\$9,299.72	\$3,330.64	179.2%
Multifamily Residential [1],[2]	DU	\$7,934.85	\$2,303.64	244.4%
<i>Non-Residential Uses</i>				
Retail [3]	Sq. Ft.	\$17.91	\$14.50	23.5%
Office and Medical	Sq. Ft.	\$4.15	\$3.74	11.0%
Industrial	Sq. Ft.	\$2.09	\$1.71	22.3%

Notes:

[1] Consistent with existing fee structure, rural, very low, & low density residential units are classified as Single-Family; medium, medium high, & high density residential units are classified as Multifamily.

[2] Multifamily residential includes Mobile Home units.

[3] Hotels are included as Retail Uses.

[4] Proposed Maximum Fee per Unit includes 3% Admin Cost for all fee categories and 3% or 15% Overhead Allocation. Appendix A contains breakdown of cost and overhead allocations.

The rates included within the technical memorandum are not inclusive of these allocations.

[5] Reflects FY 2016/17 rates.

Comparison to Similar Communities

Residential Comparison

Figure 1 shows Chico's existing and proposed residential fee rates, excluding water and storm drainage fees, for a single-family dwelling unit compared to other communities. The comparison communities for single-family residential development include Davis, Oroville, El Dorado Hills, Redding, San Luis Obispo, and Vacaville. Figure 1 also compares the fees as a percentage of median new home price. Appendix Table B-1 provides more detailed information supporting total single-family fee levels and also compares total fee rates for a single-family dwelling unit to existing rates in these other communities.

These tables show that Chico's existing single-family rates (\$13,978, excluding water and storm drainage) are the lowest among all of these communities. These tables also show that the proposed rates (\$18,675 excluding water and storm drainage) would keep Chico at or near the bottom of the range. Chico's existing rates, excluding water and storm drainage, constitute 4.0 percent of new home prices; total updated rates would increase this share to 5.7 percent of the total median new home price, whereas other fees in the other communities comprise anywhere from 3.4 – 11.4 percent of new home prices. Appendix B contains the supporting residential fee calculations for comparable communities.

Non-Residential Comparison

Figures 2-4 show Chico's existing and proposed non-residential fee rates, excluding water and storm drainage, for Retail, Office and Medical, and Industrial, respectively, compared to other communities, including Oroville, El Dorado Hills, Redding, San Luis Obispo, and Vacaville.

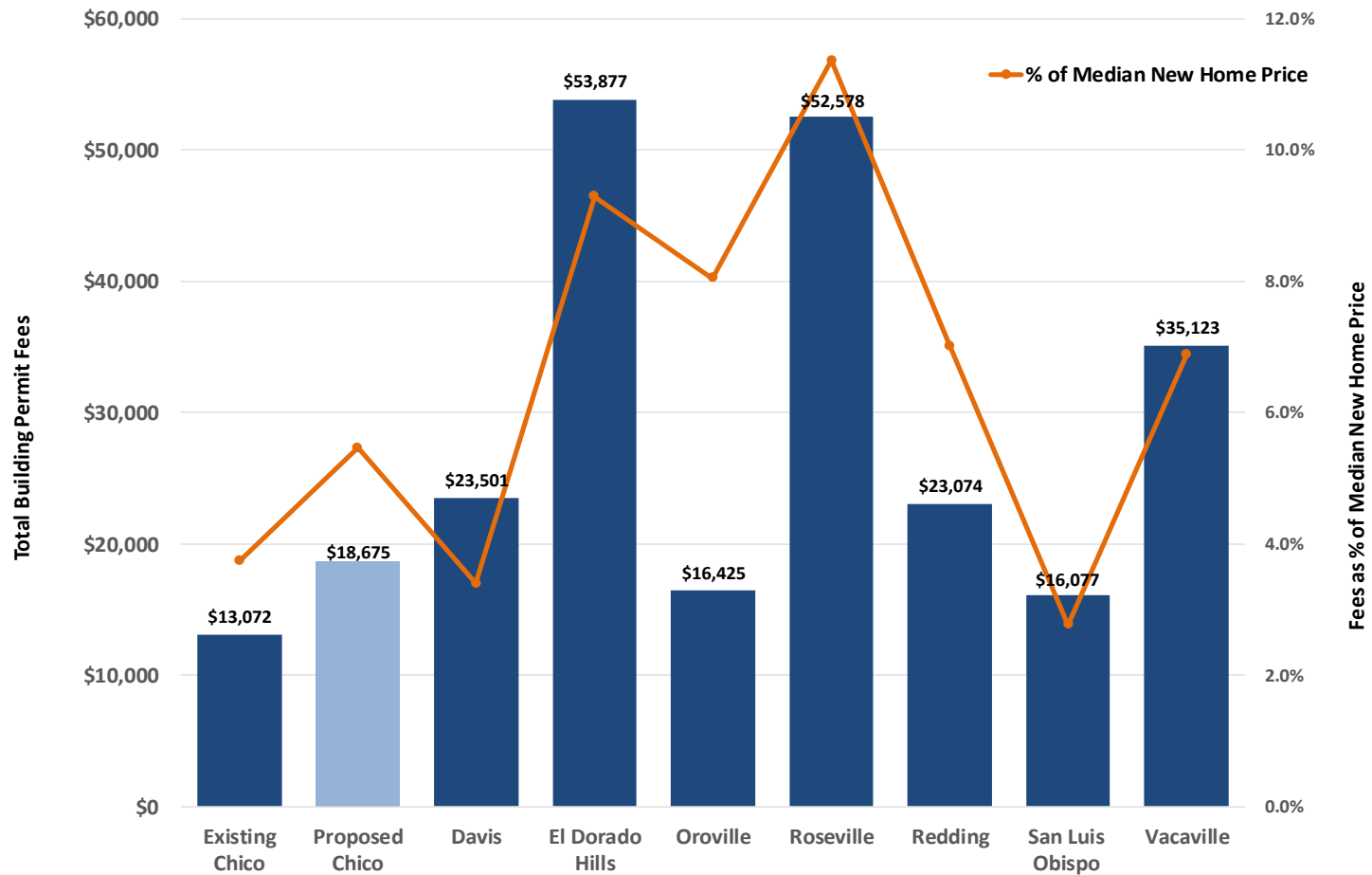
Figure 2 shows that Chico's existing and proposed retail rates are the highest among comparison communities.

Figure 3 shows that Chico's existing and proposed office and medical rates are among the lowest of the comparable communities.

Figure 4 also shows that Chico's existing and proposed industrial rates are also among the lowest of the comparable communities.

Appendix B contains the supporting non-residential fee calculations for comparable communities. Although the proposed fees for Sewer Trunk Line and Sewer WPCP are to be implemented on a per acre basis, for comparative purposes a floor area ratio (FAR) based on acreage was assumed for the calculation of both sewer fee rates (see Tables B-2 – B-10).

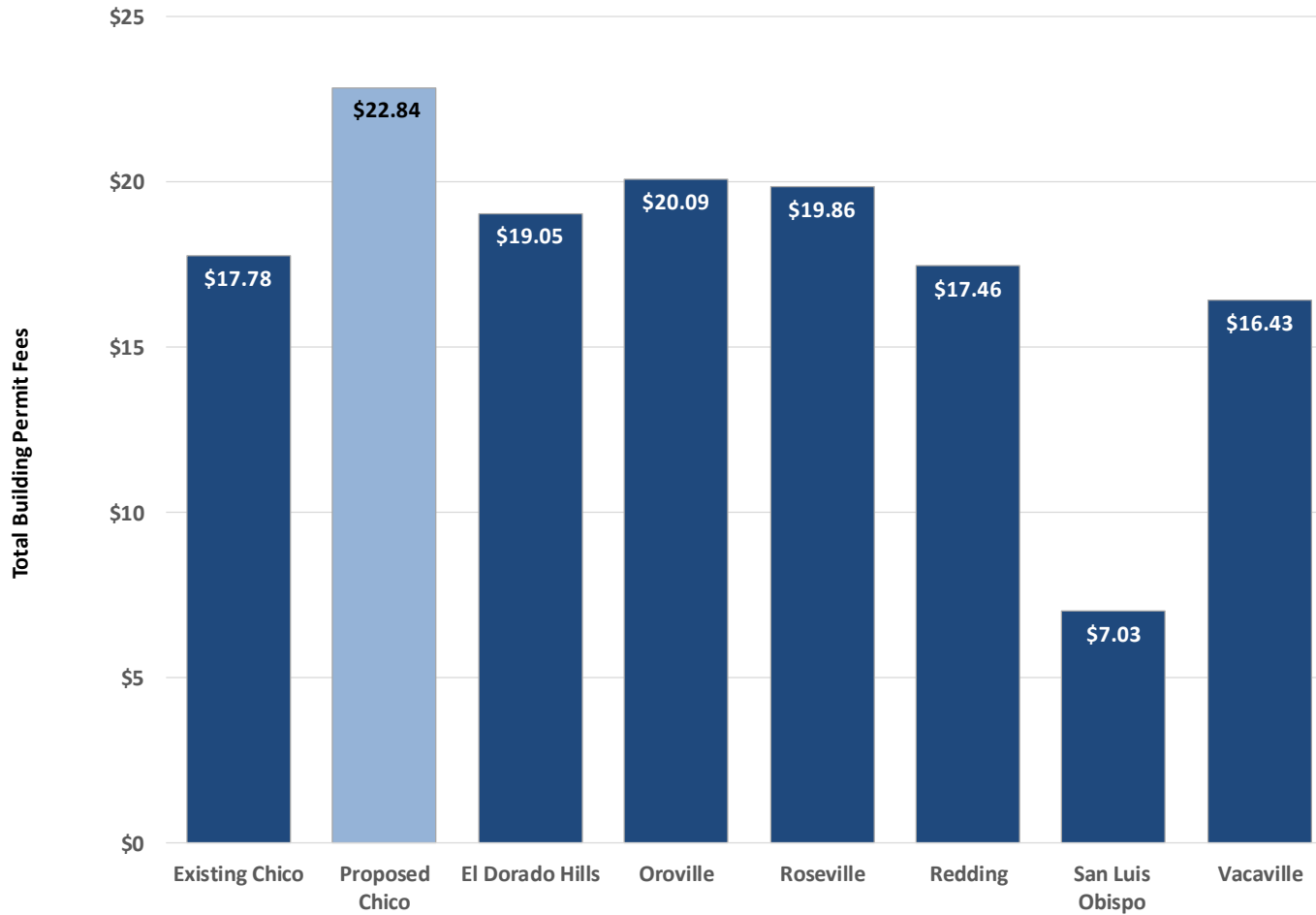
FIGURE 1 - COMPARABLE SINGLE-FAMILY DEVELOPMENT FEES



[1] Excluding any water or storm drainage impact fees.

Source: Municipal websites, planning staff.

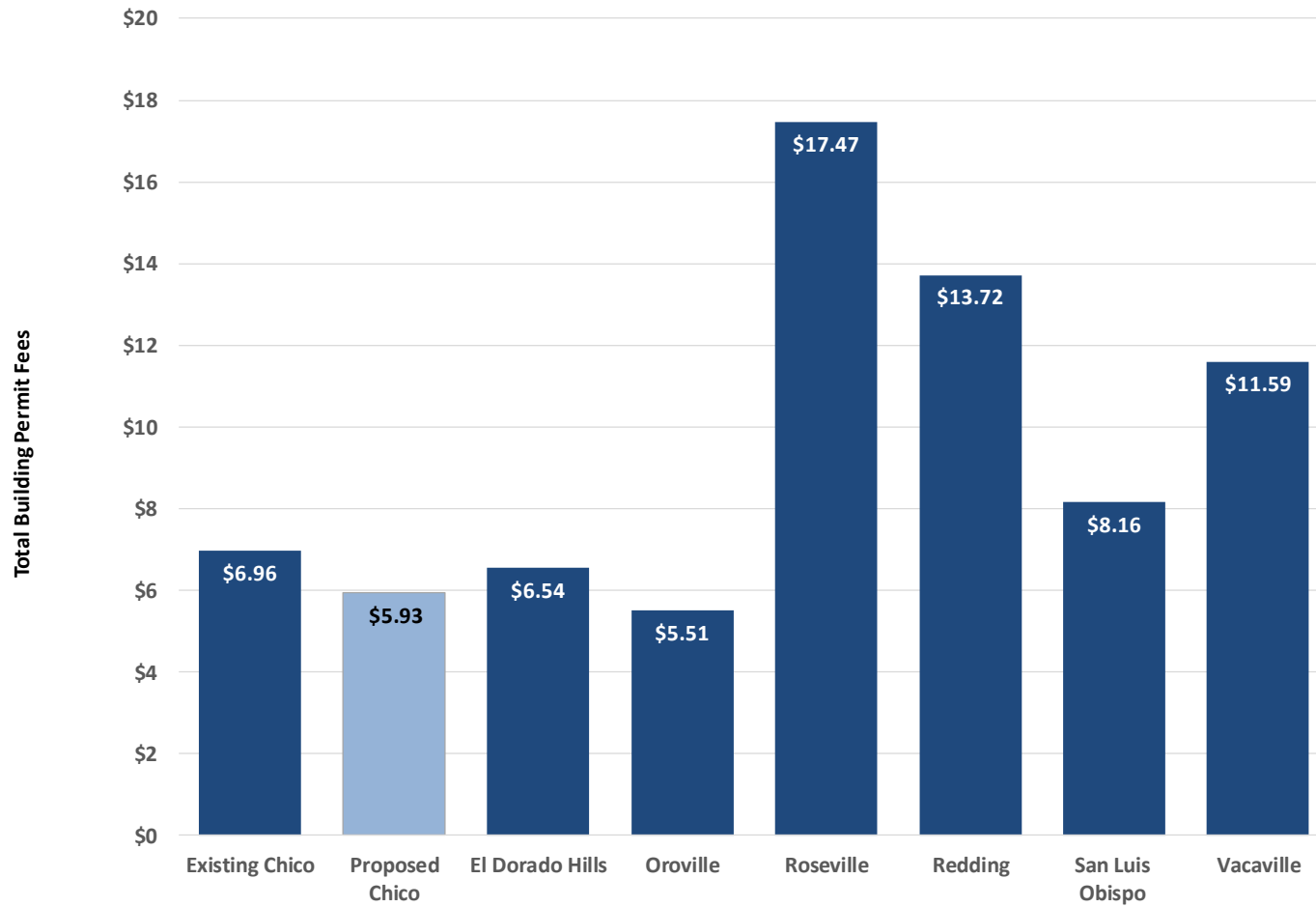
FIGURE 2 – COMPARABLE RETAIL DEVELOPMENT FEES



[1] Excluding any water or storm drainage impact fees.

Source: Municipal websites, planning staff.

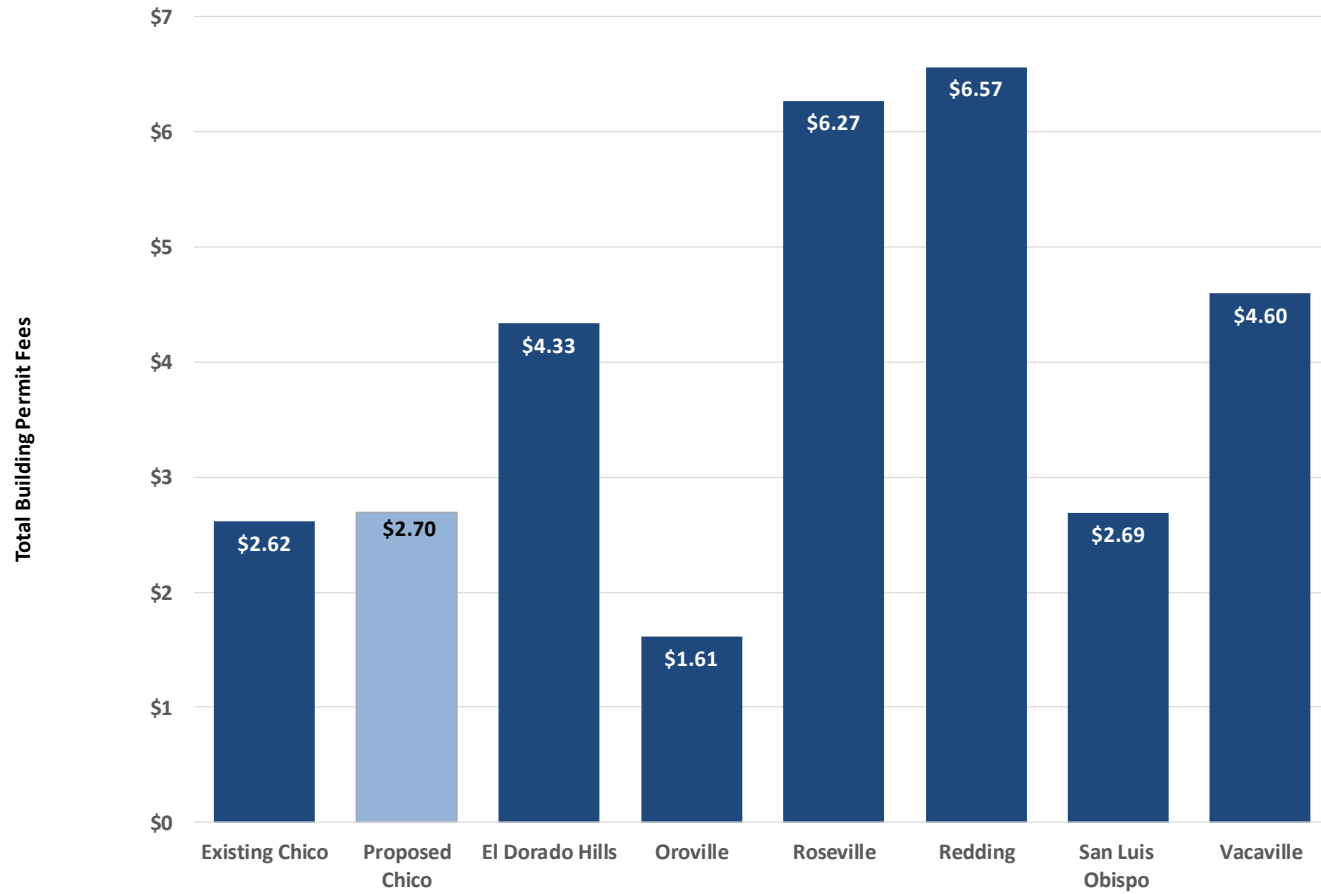
FIGURE 3 – COMPARABLE OFFICE & MEDICAL DEVELOPMENT FEES



[1] Excluding any water or storm drainage impact fees.

Source: Municipal websites, planning staff.

FIGURE 4 – COMPARABLE INDUSTRIAL DEVELOPMENT FEES



[1] Excluding any water or storm drainage impact fees.

Source: Municipal websites, planning staff.

APPENDIX A

FIGURE A-1 – CITY OF CHICO GENERAL PLAN DIAGRAM

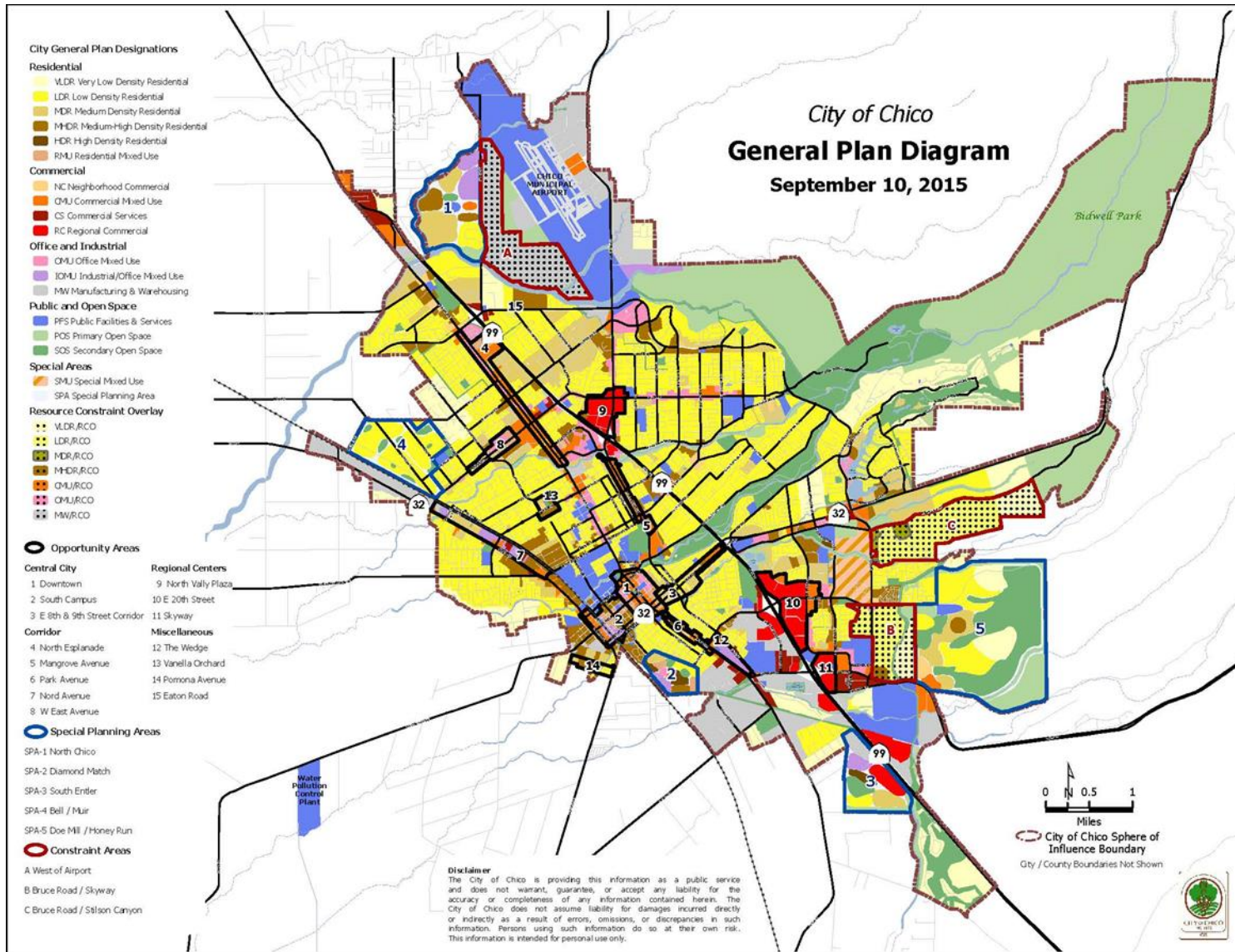
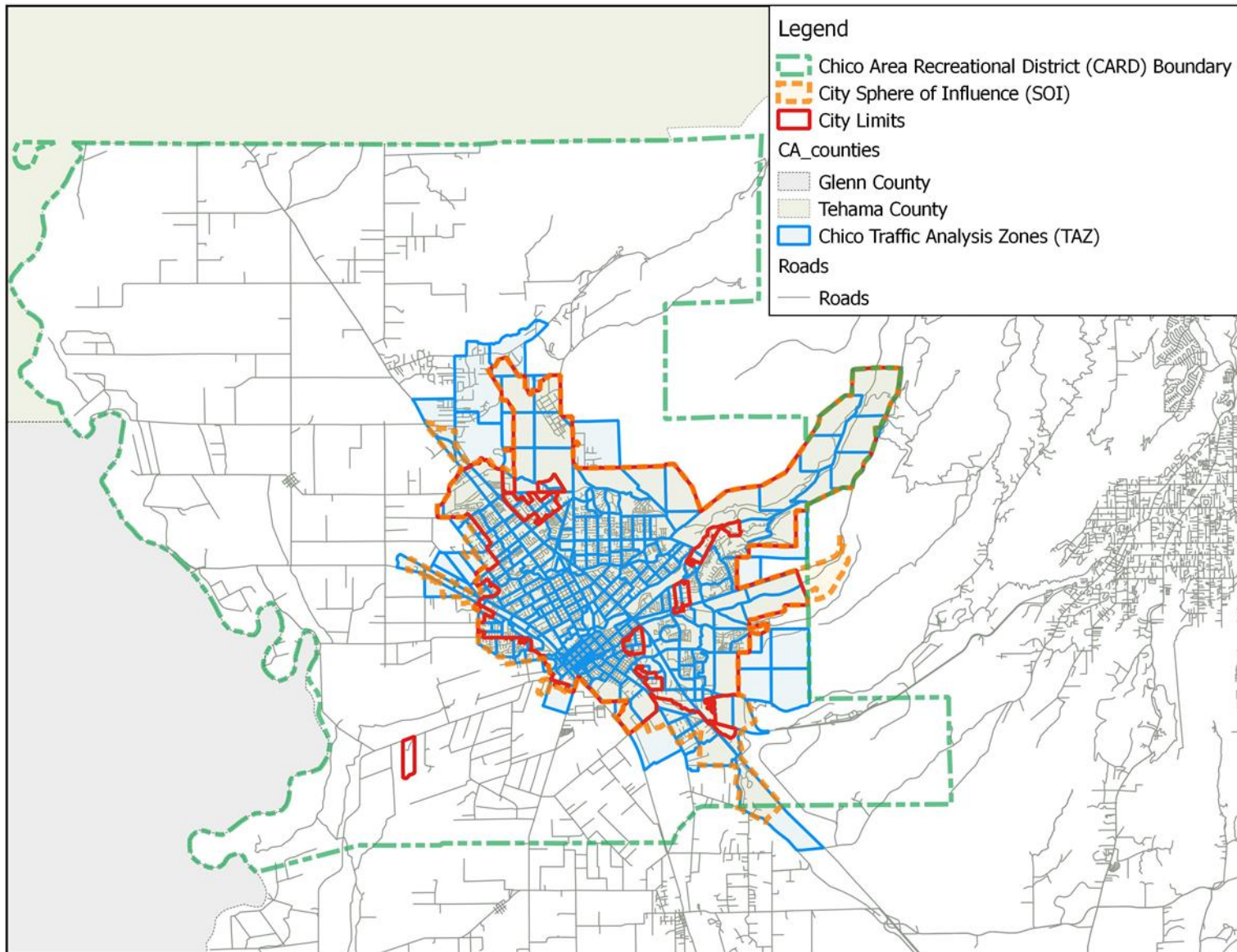


FIGURE A-2 – CHICO CITY LIMITS, SPHERE OF INFLUENCE AND TRAFFIC ANALYSIS ZONES



**TABLE A-1
CITY OF CHICO NET GROWTH BY LAND USE**

Land Use	Unit	2014¹	2016²	2040¹	Growth (2014-2040)	Growth (2016-2040)
Population	Persons	90,217	92,117	129,016	38,799	36,899
Single Family	Dwelling Units	20,963	21,388	30,451	9,488	9,063
Multi Family	Dwelling Units	16,749	17,088	24,391	7,642	7,303
Mobile Homes	Dwelling Units	1,838	1,838	1,881	43	43
Total DU	Dwelling Units	39,550	40,314	56,723	17,173	16,409
Retail/ Commercial	KSF	6,327	6,449	8,571	2,244	2,122
Industrial	KSF	6,059	6,176	7,993	1,934	1,817
Office	KSF	4,266	4,348	5,697	1,431	1,349
Medical Office	KSF	1,025	1,045	1,376	351	331
Hospital	KSF	786	801	1,119	333	318
Public/ Quasi-Public	KSF	617	629	984	367	355
Hotel	Rooms	1,323	1,349	1,883	560	534
University	Students	16,500	16,819	23,504	7,004	6,685
Community College	Students	3,100	3,160	4,490	1,390	1,330
School	Students	12,654	12,899	13,118	464	219
Park	Acres	266	271	393	127	122

Sources: Butte County Association of Governments Travel Demand Model, California Department of Finance

Notes:

- 1. Represents totals of 327 TAZs within Chico Sphere of Influence & Special Planning Areas*
- 2. Based on Department of Finance 2014 to 2016 Population Growth Rate for City of Chico (1.93%)*

**TABLE A-2
CITY OF CHICO FIRE APPARATUS & EQUIPMENT COSTS FOR BUILDOUT**

Item	New (or Additional Planned) Square Feet	Cost per Square Foot	Total
Station 2	2,500	\$550	\$1,375,000
Station 6	8,500	\$550	\$4,675,000
Station 7	9,600	\$550	\$5,280,000
Station 7 Equipment	N/A	N/A	\$1,000,000 [1]
Total Costs			\$12,330,000

Source: City of Chico Staff, March 2017.

Notes: [1] \$1.0 million for an engine, a ladder truck, and a utility vehicle.

**TABLE A-3
CITY OF CHICO BIKEWAY IMPROVEMENTS PROJECT LIST**

ID	On Street	From/to	Related Capital Project	Facility Type	Cost Estimate	Past Project Status	Length	Automated Priority from Bike Plan Analysis	Grant Funded (Programmed)	\$ TDA Funded	% Direct Developer Funded	% Nexus	Unfunded Amount (calc)	Impact Fee Responsibility
2	Comanche Creek Phase II	Midway to Meyers Industrial Park		Multi-Use Path	\$ 1,661,833.00	New	1.1	15			0%	50%	\$ 830,916.50	\$ 830,916.50
4	Comanche Creek Phase I	Midway to Otterson Dr		Multi-Use Path	\$ 1,000,000.00	New	0.4	13	\$ 1,000,000.00		0%	0%	\$ -	\$ -
6	Ivy St Path	Ivy St to W 22nd St		Multi-Use Path	\$ 51,311.00	New	0.0	12		\$ 51,311.00	0%	0%	\$ -	\$ -
10	Hwy 99 Path 2	Skyway to Existing Path	Bikeway 99 Phase 4	Multi-Use Path	\$ 1,111,956.00	New	0.7	12	\$ 500,000.00		0%	50%	\$ 55,978.00	\$ 555,978.00
11	Fair St	E 20th St St to E Park Ave	Fair St Road Diet	Protected Bike Lane	\$ 185,401.00	New	0.7	12		\$ 185,401.00	0%	100%	\$ -	\$ 185,401.00
13	Park Ave	E 20th St to W 20th St		Protected Bike Lane	\$ 4,578.00	Plan	0.0	12			0%	100%	\$ -	\$ 4,578.00
14	Path 6	Hwy 99 to Forest Ave	Bikeway 99 Phase 5	Multi-Use Path	\$ 275,442.00	New	0.2	12			100%	0%	\$ -	\$ -
18	Walnut St	W 1st St to W 5th St	ATP Nord Road Diet, buffered bike lane	Protected Bike Lane	\$ 286,000.00	New	0.3	12	\$ 286,000.00		0%	0%	\$ -	\$ -
25	Park Ave	Main St to E 20th St		Protected Bike Lane	\$ 181,610.00	New	0.7	12			0%	100%	\$ -	\$ 181,610.00
26	Main St	E 1st St to Park Ave		Protected Bike Lane	\$ 199,664.00	New	0.7	12			0%	100%	\$ -	\$ 199,664.00
31	Nord Ave	W 1st St to Bidwell Ave		Protected Bike Lane	\$ 23,740.00	New	0.1	11			0%	100%	\$ -	\$ 23,740.00
38	Connector Path	Olive St to Humboldt Ave		Multi-Use Path	\$ -	New	0.0	11			0%	0%	\$ -	\$ -
39	Broadway	W 2nd St to Main St		Protected Bike Lane	\$ 144,263.00	New	0.5	11			0%	100%	\$ -	\$ 144,263.00
42	Hwy 99 Path 3	Hwy 99 to East 20th St	Bikeway 99 Phase 5	Multi-Use Path	\$ 1,000,000.00	New	0.2	11			0%	50%	\$ 500,000.00	\$ 500,000.00
50	Path 5	Hwy 99 Path to Springfield Dr		Multi-Use Path	\$ 257,803.00	New	0.2	11			100%	0%	\$ -	\$ -
52	E 4th St	Salem St to Cypress St		Protected Bike Lane	\$ 141,258.00	New	0.5	10			0%	100%	\$ -	\$ 141,258.00
56	E 3rd St	Broadway to Pine St		Protected Bike Lane	\$ 106,348.00	New	0.4	10			0%	100%	\$ -	\$ 106,348.00
69	Path 2	Humboldt Ave to Existing 99 Bike Path	Bikeway 99 Phase 6	Multi-Use Path	\$ 500,000.00	New	0.1	10			0%	10%	\$ 450,000.00	\$ 50,000.00
74	Path 3	Hwy 99 Path to Edgebrook Way		Multi-Use Path	\$ 521,012.00	New	0.3	9			0%	100%	\$ -	\$ 521,012.00
82	Esplanade	E 11th Ave to Memorial Way		Protected Bike Lane	\$ 319,145.00	New	1.2	9			0%	100%	\$ -	\$ 319,145.00
95	Path 4	Sierra Vista Way to Palmetto Ave	Bikeway 99 phase ?	Multi-Use Path	\$ 400,000.00	New	0.1	9			0%	100%	\$ -	\$ 400,000.00
97	Mangrove Ave	Manzanita Ct to Vallombrosa Ave		Protected Bike Lane	\$ 370,660.00	New	1.4	9			0%	100%	\$ -	\$ 370,660.00
98	Holly/Warner	W 4th Ave to W Lindo Ave		Multi-Use Path	\$ 760,097.00	Plan	0.5	9			100%	0%	\$ -	\$ -
101	Humboldt rd	Morning Rose Way to Hwy 32		Multi-Use Path	\$ 6,100,137.00	Plan	4.1	9			0%	10%	\$ 5,490,123.30	\$ 610,013.70
124	Lindo Channel	Nord Ave to Hwy 99		Multi-Use Path	\$ 4,256,684.00	New	2.8	6			0%	10%	\$ 3,831,015.60	\$ 425,668.40
132	Lindo Channel	Hwy 99 to Longfellow Ave		Multi-Use Path	\$ 1,269,657.00	New	0.8	6			0%	50%	\$ 634,828.50	\$ 634,828.50
133	Lindo Channel	Longfellow Ave to Manzanita Ave		Multi-Use Path	\$ 2,154,880.00	New	1.4	6			0%	50%	\$ 1,077,440.00	\$ 1,077,440.00
135	Lombard	Existing Path to Lombard Ln		Multi-Use Path	\$ 167,845.00	New	0.1	6			0%	100%	\$ -	\$ 167,845.00
139	Path 8	W Eaton rd to Hwy 32 W		Multi-Use Path	\$ 1,992,529.00	New	1.3	6			0%	0%	\$ 1,992,529.00	\$ -
143	Emilio	Panama Ave to White Ave		Multi-Use Path	\$ 423,213.00	New	0.3	5			0%	50%	\$ 211,606.50	\$ 211,606.50
145	East Ave	White Ave to Mariposa Ave		Protected Bike Lane	\$ 362,197.00	Plan	1.0	4			0%	100%	\$ -	\$ 362,197.00
146	East Ave	El Paso Way to White Ave		Protected Bike Lane	\$ 45,394.00	Plan	1.5	4			0%	100%	\$ -	\$ 45,394.00
149	Esplanade	W 11th Ave to Bodero Ln		Protected Bike Lane	\$ 680,613.00	Plan	2.5	3			0%	100%	\$ -	\$ 680,613.00
151	Bikepath	W Eaton rd to Existing Path		Multi-Use Path	\$ 1,423,244.00	New	0.9	3			0%	100%	\$ -	\$ 1,423,244.00
153	Cohasset rd	Manzanita Ct to East Ave		Protected Bike Lane	\$ 163,451.00	New	0.6	3			0%	100%	\$ -	\$ 163,451.00
154	Cohasset rd	Manzanita Ct to E Eaton rd		Protected Bike Lane	\$ 278,517.00	New	1.0	3			0%	100%	\$ -	\$ 278,517.00
155	Path 1	Middletown Ave to Centennial Ave	Sycamore Creek - Phase 1	Multi-Use Path	\$ 2,244,165.00	New	1.5	3			0%	10%	\$ 2,019,748.50	\$ 224,416.50
166	Path 9	Floral Ave to Existing Path		Multi-Use Path	\$ 931,885.00	New	0.6	3			100%	0%	\$ -	\$ -
168	Hwy 99 Path 4	W Eaton rd Ramps		Multi-Use Path	\$ 959,162.00	New	0.6	3			0%	10%	\$ 863,245.80	\$ 95,916.20
172	Hwy 99 Path	Sycamore/Mud Creek Path to Existing Path		Multi-Use Path	\$ 1,918,900.00	New	1.3	0			0%	10%	\$ 1,727,010.00	\$ 191,890.00
175	Sycamore/Mud Creek Bike Path	Catherine Ct to Hwy 99		Multi-Use Path	\$ 2,331,724.00	New	1.6	0			0%	10%	\$ 2,098,551.60	\$ 233,172.40
176	Sycamore/Mud Creek Bike Path	Catherine Ct to Hwy 99		Multi-Use Path	\$ 4,105,194.00	New	2.7	0			0%	10%	\$ 3,694,674.60	\$ 410,519.40
177	HWY 32 UPRR	East Ave to Eaton Rd/Meridian Connection		Multi-Use Path	\$ 1,950,000.00	New	1.3	0			0%	10%	\$ 1,755,000.00	\$ 195,000.00
													\$ 38,713,402.90	\$ 11,966,306.10

**TABLE A-4A
CITY OF CHICO STREET FACILITY IMPROVEMENT FEE PROJECTS: STATE HIGHWAYS
PROJECTS**

ID New	State Highway Projects	Start	End	Description	Estimated Cost of "Nexus" Improvements	Portion of "Nexus" Improvements Included in Impact Fee
701	SR 99 Auxiliary Lanes	Skyway	East 20th St	Construct auxiliary lanes to the outside	\$11,500,000	\$1,900,000
702	SR 99 Auxiliary Lanes	East 20th St	SR 32	Construct auxiliary lanes to the outside. CP 18057	\$11,000,000	\$1,800,000
703	SR 99 Auxiliary Lanes	East 1st Ave	Cohasset Rd	Construct auxiliary lanes to the outside	\$20,000,000	\$3,300,000
704	SR 32 Widening 1	Fir St	Forest Ave	Widen SR 32 from 2 to 4 lanes. CP 15010 (includes traffic signal at SR 32/Yosemite Dr)	\$8,000,000	\$8,000,000
705	SR 32 Widening 2	Forest Ave	El Monte Ave			
706	SR 32 Widening 3	El Monte Ave	Bruce Rd			
707	SR 32 Widening 4	Bruce Rd	Yosemite Dr			
708	SR 32 (Nord Avenue) Improvements	W. Lindo Avenue	W 1st St	Corridor Improvements per specific plan	\$15,000,000	
709	SR 32 (W. 8th St) at UPRR			Overpass, highway over railroad with reinforced earth retaining walls	\$25,000,000	
710	SR 99 - Eaton Interchange			Widen overpass structure and ramps, construct dual lane roundabouts	\$22,000,000	\$16,000,000
711	SR 99 / Cohasset Road Interchange			Construct Southbound direct on-ramp	\$11,000,000	\$9,000,000
712	SR 99 - East Avenue Interchange			Restripe East Avenue underpass similar to East 1st Avenue with channelization medians	\$300,000	\$300,000
713	SR 99 / 20th Street Interchange and 20th Street Corridor	West of MLK	East of Forest	Reconfigure / reconstruct ramps to increase capacity. Includes roadway improvements / roundabouts on East 20th Street from west of MLK to east of Forest.	\$19,000,000	\$19,000,000
714	SR 32 (Walnut Street)/SR 32 (W 8th Street), SR 32 (Walnut Street)/SR 32 (W 9th Street)			Traffic Signal Installation including bike/pedestrian detection and channelization	\$545,000	
715	SR 32 (W 8th Avenue)/Ivy Street, SR 32 (W 9th Avenue)/Ivy Street			Traffic Signal Installation including bike/pedestrian detection and channelization	\$510,000	
716	SR 99 at Garner, Esplanade and Hicks complex			Intersection improvements and/or I/Cs, connector road from Hicks to SR 99, improvements on SR 99, Esplanade, Hicks, and Garner	\$2,000,000	\$2,000,000
717	SR 99 at Southgate complex (I/C and connector roads)			I/C and connector roads (Player, Fair Street, Midway Connection, Notre Dame, Speedway, West Southgate, East Southgate, Midway)	\$4,000,000	\$4,000,000
	TOTAL COSTS				\$149,855,000	\$65,300,000

Source: City of Chico Engineering Department

**TABLE A-4B
CITY OF CHICO STREET FACILITY IMPROVEMENT FEE PROJECTS: LOCAL ROADWAY PROJECTS**

ID New	Local Projects	Start	End	Description	Estimated Cost of "Nexus" Improvement (Back-of-Curb to Back-of-Curb Improvements Only)	Portion of "Nexus" Improvement Included in Impact Fee
601	Bruce Road Widening	Skyway	SR 32	Widen roadway and bridge to 4 lanes and median	\$21,290,000 *	\$21,290,000
602	Commerce Court Connection	Ivy St	Park Ave	Connect exist Commerce Ct to Park Ave via Westfield Ln	\$1,270,000 *	\$1,270,000
603	East 20th Street	Forest Ave	Bruce Road	4 lanes and median	\$3,120,000 *	\$3,120,000
604	Eaton Road	SR 32	Catherine Ct	2 lane expressway and bridge - RR Crossing	\$53,700,000 *	
605	Eaton Road	Catherine Ct	Esplanade		\$6,200,000 *	
606	Eaton Road	Hicks Ln	Cohasset	Widen and extend, 4-lanes and median, and bridge - Sycamore Creek tributary	\$22,040,000 *	\$22,040,000
607	Eaton Road	Cohasset	Manzanita	4-lanes and median	\$13,590,000 *	\$13,590,000
608	Esplanade widening	Shasta Ave	Nord Highway	4-lanes and median	\$6,460,000 *	\$6,460,000
609	Mariposa Ave	Glenshire Lane	Eaton Road	New Connection	\$1,740,000 *	\$1,740,000
610	Esplanade Capacity Improvements	Memorial	W 11th Ave	Capacity enhancements such as intersection turn lanes, traffic signal coordination, traffic signal phasing improvements, side street capacity at signalized intersections, pedestrian crossing improvements.	\$7,200,000	\$300,000
611	Fair Street / Park Avenue Connection	Fair St	Park Ave	Extend E 23rd St/Silver Dollar Pkwy thru "wedge" to connect to Commerce Ct Connection	\$970,000 *	
612	Holly Avenue / Warner Avenue Connection	Capshaw Ct	Fuchsia Way	2 lane collector	\$2,580,000 *	
613	Ivy Street	Hazel St	Meyers St	New Connection	\$7,130,000 *	
614	Yosemite Drive	SR 32	Humboldt Road	New Connection	\$5,820,000 *	
615	Notre Dame Boulevard Connection	Little Chico Creek	East 20th St	New street and bridge - Little Chico Creek	\$7,850,000 *	\$7,850,000
616	Silver Dollar Way Extension	MLK Pkwy	Fair St	Connect exist road stubs	\$2,760,000 *	
617	Midway widening	Hegan Ln	Park Ave	4 lanes and median	\$5,660,000 *	\$5,660,000
618	Skyway Capacity Improvements	SR 99	Bruce Road	Corridor capacity enhancements	\$4,000,000	\$4,000,000
619	Bruce Road/Humboldt Road			New Traffic Signal	\$350,000	\$350,000
620	Bruce Road/Sierra Sunrise Terrace			New Traffic Signal	\$280,000	\$280,000
621	East 1st Avenue/Mangrove Avenue			Turn lane capacity expansion, storage length expansion, channelization improvements, pedestrian safety due to increased traffic volumes.	\$250,000	\$250,000
622	East 20th Street/MLK			Intersection capacity and queuing storage enhancements consistent with adjacent interchange improvements.	\$1,000,000	\$1,000,000
623	East Avenue/Cactus			New Traffic Signal	\$350,000	\$350,000
624	East Avenue/Cohasset Road			Turn lane capacity expansion, storage length expansion, channelization improvements, pedestrian safety due to increased traffic volumes.	\$250,000	\$250,000
625	East Avenue/Esplanade			Turn lane capacity expansion, storage length expansion, channelization improvements, pedestrian safety due to increased traffic volumes.	\$250,000	\$250,000

Notes: Yellow highlights indicate projects with no Impact Fee funding proposed
Source: City of Chico Engineering Department, Omni-Means

**TABLE A-4C
CITY OF CHICO STREET FACILITY IMPROVEMENT FEE PROJECTS: LOCAL ROADWAY PROJECTS (CONT'D)**

ID New	Local Projects	Start	End	Description	Estimated Cost of "Nexus" Improvement (Back-of-Curb to Back-of-Curb Improvements Only)	Portion of "Nexus" Improvement Included in Impact Fee
626	Esplanade/DeGarmo Drive			New Traffic Signal	\$245,000	\$245,000
627	Esplanade/Henshaw			New Traffic Signal	\$245,000	\$245,000
628	Esplanade/Rio Lindo			New Traffic Signal	\$210,000	\$210,000
629	Humboldt/Notre Dame			New Traffic Signal	\$315,000	\$315,000
630	Manzanita/Madrone			Roundabout (within existing ROW)	\$404,250	\$404,250
631	Manzanita/Mariposa			Roundabout (within existing ROW)	\$1,910,000	\$1,910,000
632	Park Avenue/MLK			Turn lane capacity expansion, storage length expansion, channelization improvements, pedestrian safety due to increased traffic volumes.	\$700,000	\$700,000
633	Skyway/Carmichael Drive-Country Club			Turn lane capacity expansion, storage length expansion, channelization improvements, pedestrian safety due to increased traffic volumes.	\$250,000	\$250,000
634	Skyway/Potter Road			New Traffic Signal (Bike Trail)	\$250,000	\$250,000
635	West Park Extension	Midway	Otterson Drive	Extension from Midway to Otterson Dr (Bridge at creek)	\$9,390,000	
636	Eaton Rd/ Floral Ave			2-Lane Roundabout	\$1,620,000	\$1,620,000
637	Eaton Rd/ Ceanothus Ave			1-Lane Roundabout	\$1,160,000	\$1,160,000
638	Cohasset Rd Widening			Widen Roadway to include left turn lanes and flatten curves between and including Airpark Blvd, and Two Oaks Drive	\$3,700,000	\$3,700,000
639	No Project			No Project		
640	Otterson/Hegan			New Traffic Signal	\$320,000	\$320,000
641	East 20th St/ Notre Dame Blvd			New Traffic Signal	\$320,000	\$320,000
TOTAL COSTS					\$197,149,250	\$101,699,250

* THE ESTIMATED COST INCLUDES IMPROVEMENTS BASED ON THE ROADWAYS OUTERMOST BACK-OF-CURB TO BACK-OF-CURB LIMITS.

*Notes: Yellow highlights indicate projects with no Impact Fee funding proposed
Source: City of Chico Engineering Department, Omni-Means*

**TABLE A-5
SUMMARY OF UPDATED MAXIMUM FEES BY CATEGORY WITH ADMINISTRATION AND OVERHEAD ALLOCATIONS
(PER UNIT: SINGLE-FAMILY)**

Category	Existing Fee Rate (FY 16/17)	Technical Memorandum Reference	Updated Cost per Unit from Tech Memo	Administrative Charges [1]	Overhead Allocation [2]	Proposed Fee Rate
Administrative Building	\$202.00	#2	\$43.00	3%	3%	\$45.58
Fire Facilities	\$777.00	#3	\$336.00	3%	3%	\$356.16
Animal Shelter [3]	\$73.00	#4	\$71.00	3%	3%	\$75.26
Police Facilities [4]	\$812.00	#5	\$313.00	3%	3%	\$331.78
Sewer Trunk Line[7]	\$1,707.00	#6	\$1,547.00	3%	15%	\$1,825.46
Water Pollution Control Plant [7]	\$2,270.00	#6	\$1,442.00	3%	3%	\$1,528.52
Bikeways	\$504.05	#7	\$544.86	3%	15%	\$642.94
Greenways	\$256.79	#8	\$349.00	3%	3%	\$369.94
Park Impact [8]	\$3,024.00	#9	\$3,736.00	3%	3%	\$3,960.16
Street Maintenance [5]	\$115.35	#10	\$225.62	3%	3%	\$239.16
Street Facilities [6]	\$3,330.64	#12	\$7,881.12	3%	15%	\$9,299.72
Subtotal Updated Fees	\$13,071.83		\$16,488.60			\$18,674.68
Urbanization	N/A	#11	TBD	3%	15%	TBD
Drainage (Pending Future Update)	N/A	N/A	TBD	TBD	TBD	N/A
Water (Cal Water)	N/A	N/A	N/A	N/A	N/A	N/A
Total Fees	\$13,071.83		\$16,488.60			\$18,674.68

- Notes:
- [1] Includes 2% for Capital Outlay Support (for fee administration and future nexus study updates); 1% for Building Department fee collection.
 - [2] Differs from 3% for City's Finance and Administration Department. City incurs 15% overhead costs for certain Departments on all capital projects.
 - [3] There is no current Animal Shelter Fee. This figure reflects the share of the Police Facilities Fee that funds Animal Shelter Facilities (8.2%).
 - [4] Net of Animal Shelter portion.
 - [5] Proposed Street Maintenance Fee represents Alternative 2, selected by City Council on August 15, 2017.
 - [6] Excluding Road Reconstruction projects.
 - [7] Sewer Trunk Line and Sewer WPCP Fees are calculated on a per acre basis
 - [8] Existing Single-Family fee includes \$989 for Neighborhood Parks, \$1,824 for Community Parks, and \$211 for Bidwell Park. Proposed Single-Family fee includes \$1,564 for Neighborhood Parks, \$2,100 for Community Parks, and \$72 for Bidwell Park. Proposed Park Impact Fee includes Proposed Community Park Fee: Scenario 1 was selected by City Council on August 15, 2017.

**TABLE A-6
SUMMARY OF UPDATED MAXIMUM FEES BY CATEGORY WITH ADMINISTRATION AND OVERHEAD ALLOCATIONS
(PER UNIT: MULTI-FAMILY)**

Category	Existing Fee Rate (FY 16/17)	Technical Memorandum Reference	Updated Cost per Unit	Administrative Charges [1]	Overhead Allocation [2]	Proposed Fee Rate
Administrative Building	\$174.00	#2	\$43.00	3%	3%	\$45.58
Fire Facilities	\$617.00	#3	\$336.00	3%	3%	\$356.16
Animal Shelter [3]	\$82.00	#4	\$71.00	3%	3%	\$75.26
Police Facilities [4]	\$916.00	#5	\$313.00	3%	3%	\$331.78
Sewer Trunk Line [7]	\$1,707.00	#6	\$1,310.00	3%	15%	\$1,545.80
Water Pollution Control Plant [7]	\$2,270.00	#6	\$1,221.00	3%	3%	\$1,294.26
Bikeways	\$435.38	#7	\$464.90	3%	15%	\$548.58
Greenways	\$256.79	#8	\$349.00	3%	3%	\$369.94
Park Impact [8]	\$2,568.00	#9	\$3,736.00	3%	3%	\$3,960.16
Street Maintenance [5]	\$79.78	#10	\$192.51	3%	3%	\$204.06
Street Facilities [6]	\$2,303.64	#12	\$6,724.45	3%	15%	\$7,934.85
Subtotal Updated Fees	\$11,409.59		\$14,760.86			\$16,666.44
Urbanization	N/A	#11	TBD	TBD	TBD	N/A
Drainage (Pending Future Update)	N/A	N/A	TBD	TBD	TBD	N/A
Water (Cal Water)	N/A	N/A	N/A	N/A	N/A	N/A
Total Fees	\$11,409.59		\$14,760.86			\$16,666.44

Notes: [1] Includes 2% for Capital Outlay Support (for fee administration and future nexus study updates); 1% for Building Department fee collection.
[2] Differs from 3% for City's Finance and Administration Department. City incurs 15% overhead costs for certain Departments on all capital projects.
[3] There is no current Animal Shelter Fee. This figure reflects the share of the Police Facilities Fee that funds Animal Shelter Facilities (8.2%).
[4] Net of Animal Shelter portion.
[5] Proposed Street Maintenance Fee represents Alternative 2, selected by City Council on August 15, 2017.
[6] Excluding Road Reconstruction projects.
[7] Sewer Trunk Line and Sewer WPCP Fees are calculated on a per acre basis
[8] Existing Single-Family fee includes \$989 for Neighborhood Parks, \$1,824 for Community Parks, and \$211 for Bidwell Park. Proposed Single-Family fee includes \$1,564 for Neighborhood Parks, \$2,100 for Community Parks, and \$72 for Bidwell Park. Proposed Park Impact Fee includes Proposed Community Park Fee: Scenario 1 was selected by City Council on August 15, 2017.

**TABLE A-7
SUMMARY OF UPDATED MAXIMUM FEES BY CATEGORY WITH ADMINISTRATION AND OVERHEAD ALLOCATIONS
(PER SQUARE FOOT: RETAIL)**

Category	Existing Fee Rate (FY 16/17)	Technical Memorandum Reference	Updated Cost per Unit	Administrative Charges [1]	Overhead Allocation [2]	Proposed Fee Rate
Administrative Building	\$0.07	#2	-	3%	3%	-
Fire Facilities	\$0.37	#3	\$0.62	3%	3%	\$0.66
Animal Shelter [3]	\$0.11	#4	-	3%	3%	-
Police Facilities [4]	\$1.24	#5	\$1.89	3%	3%	\$2.00
Sewer Trunk Line [7]	\$0.31	#6	\$5,762.93	3%	15%	\$6,800.26
Water Pollution Control Plant [7]	\$0.42	#6	\$5,371.69	3%	3%	\$5,693.99
Bikeways	\$0.17	#7	\$1.05	3%	15%	\$1.24
Greenways	-	#8	-	3%	3%	-
Park Impact [8]	-	#9	-	3%	3%	-
Street Maintenance [5]	\$0.59	#10	\$0.43	3%	3%	\$0.46
Street Facilities [6]	\$14.50	#12	\$15.18	3%	15%	\$17.91
Urbanization	N/A	#11	TBD	TBD	TBD	N/A
Drainage (Pending Future Update)	N/A	N/A	TBD	TBD	TBD	N/A
Water (Cal Water)	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

- [1] Includes 2% for Capital Outlay Support (for fee administration and future nexus study updates); 1% for Building Department fee collection.
- [2] Differs from 3% for City's Finance and Administration Department. City incurs 15% overhead costs for certain Departments on all capital projects.
- [3] There is no current Animal Shelter Fee. This figure reflects the share of the Police Facilities Fee that funds Animal Shelter Facilities (8.2%).
- [4] Net of Animal Shelter portion.
- [5] Proposed Street Maintenance Fee represents Alternative 2, selected by City Council on August 15, 2017.
- [6] Excluding Road Reconstruction projects.
- [7] Sewer Trunk Line and Sewer WPCP Fees are calculated on a per acre basis
- [8] Existing Single-Family fee includes \$989 for Neighborhood Parks, \$1,824 for Community Parks, and \$211 for Bidwell Park. Proposed Single-Family fee includes \$1,564 for Neighborhood Parks, \$2,100 for Community Parks, and \$72 for Bidwell Park. Proposed Park Impact Fee includes Proposed Community Park Fee: Scenario 1 was selected by City Council on August 15, 2017.

**TABLE A-8
SUMMARY OF UPDATED MAXIMUM FEES BY CATEGORY WITH ADMINISTRATION AND OVERHEAD ALLOCATION
(PER SQUARE FOOT: OFFICE AND MEDICAL)**

Category	Existing Fee Rate (FY 16/17)	Technical Memorandum Reference	Updated Cost per Unit	Administrative Charges [1]	Overhead Allocation [2]	Proposed Fee Rate
Administrative Building	\$0.14	#2	-	3%	3%	-
Fire Facilities	\$0.22	#3	\$0.56	3%	3%	\$0.59
Animal Shelter [3]	\$0.14	#4	-	3%	3%	-
Police Facilities [4]	\$1.54	#5	\$0.21	3%	3%	\$0.22
Sewer Trunk Line [7]	\$0.31	#6	\$5,762.93	3%	15%	\$6,800.26
Water Pollution Control Plant [7]	\$0.42	#6	\$5,371.69	3%	3%	\$5,693.99
Bikeways	\$0.32	#7	\$0.24	3%	15%	\$0.28
Greenways	-	#8	-	3%	3%	-
Park Impact [8]	-	#9	-	3%	3%	-
Street Maintenance [5]	\$0.13	#10	\$0.10	3%	3%	\$0.11
Street Facilities [6]	\$3.74	#12	\$3.52	3%	15%	\$4.15
Urbanization	N/A	#11	TBD	TBD	TBD	N/A
Drainage (Pending Future Update)	N/A	N/A	TBD	TBD	TBD	N/A
Water (Cal Water)	N/A	N/A	N/A	N/A	N/A	N/A

Notes: [1] Includes 2% for Capital Outlay Support (for fee administration and future nexus study updates); 1% for Building Department fee collection.
[2] Differs from 3% for City's Finance and Administration Department. City incurs 15% overhead costs for certain Departments on all capital projects.
[3] There is no current Animal Shelter Fee. This figure reflects the share of the Police Facilities Fee that funds Animal Shelter Facilities (8.2%).
[4] Net of Animal Shelter portion.
[5] Proposed Street Maintenance Fee represents Alternative 2, selected by City Council on August 15, 2017.
[6] Excluding Road Reconstruction projects.
[7] Sewer Trunk Line and Sewer WPCP Fees are calculated on a per acre basis
[8] Existing Single-Family fee includes \$989 for Neighborhood Parks, \$1,824 for Community Parks, and \$211 for Bidwell Park. Proposed Single-Family fee includes \$1,564 for Neighborhood Parks, \$2,100 for Community Parks, and \$72 for Bidwell Park. Proposed Park Impact Fee includes Proposed Community Park Fee: Scenario 1 was selected by City Council on August 15, 2017.

**TABLE A-9
SUMMARY OF UPDATED MAXIMUM FEES BY CATEGORY WITH ADMINISTRATION AND OVERHEAD ALLOCATIONS
(PER SQUARE FOOT: INDUSTRIAL)**

Category	Existing Fee Rate (FY 16/17)	Technical Memorandum Reference	Updated Cost per Unit	Administrative Charges [1]	Overhead Allocation [2]	Proposed Fee Rate
Administrative Building	\$0.05	#2	-	3%	3%	-
Fire Facilities	\$0.05	#3	\$0.01	3%	3%	\$0.01
Animal Shelter [3]	\$0.01	#4	-	3%	3%	-
Police Facilities [4]	\$0.12	#5	\$0.02	3%	3%	\$0.02
Sewer Trunk Line [7]	\$0.21	#6	\$5,762.93	3%	15%	\$6,800.26
Water Pollution Control Plant [7]	\$0.28	#6	\$5,371.69	3%	3%	\$5,693.99
Bikeways	\$0.13	#7	\$0.12	3%	15%	\$0.14
Greenways	-	#8	-	3%	3%	-
Park Impact [8]	-	#9	-	3%	3%	-
Street Maintenance [5]	\$0.06	#10	\$0.05	3%	3%	\$0.05
Street Facilities [6]	\$1.71	#12	\$1.77	3%	15%	\$2.09
Urbanization	N/A	#11	TBD	TBD	TBD	N/A
Drainage (Pending Future Update)	N/A	N/A	TBD	TBD	TBD	N/A
Water (Cal Water)	N/A	N/A	N/A	N/A	N/A	N/A

Notes: [1] Includes 2% for Capital Outlay Support (for fee administration and future nexus study updates); 1% for Building Department fee collection.
[2] Differs from 3% for City's Finance and Administration Department. City incurs 15% overhead costs for certain Departments on all capital projects.
[3] There is no current Animal Shelter Fee. This figure reflects the share of the Police Facilities Fee that funds Animal Shelter Facilities (8.2%).
[4] Net of Animal Shelter portion.
[5] Proposed Street Maintenance Fee represents Alternative 2, selected by City Council on August 15, 2017.
[6] Excluding Road Reconstruction projects.
[7] Sewer Trunk Line and Sewer WPCP Fees are calculated on a per acre basis
[8] Existing Single-Family fee includes \$989 for Neighborhood Parks, \$1,824 for Community Parks, and \$211 for Bidwell Park. Proposed Single-Family fee includes \$1,564 for Neighborhood Parks, \$2,100 for Community Parks, and \$72 for Bidwell Park. Proposed Park Impact Fee includes Proposed Community Park Fee: Scenario 1 was selected by City Council on August 15, 2017.

APPENDIX B

**TABLE B-1
COMPARABLE TOTAL SINGLE-FAMILY DEVELOPMENT FEES**

Category	Existing Chico	Proposed Chico	Davis	El Dorado Hills	Oroville	Roseville	Redding	San Luis Obispo	Vacaville
Development Impact Fees per Unit [1]									
Street and Traffic Impact	\$3,331	\$9,300	\$8,093	\$28,140	\$1,976	\$13,864	\$10,385	\$3,622	\$11,286
Street Maintenance	\$115	\$239	-	-	-	-	-	-	-
Sewer	\$3,977	\$3,354	\$6,150	\$13,843	\$8,432	\$7,802	\$7,368	\$3,815	\$9,848
Solid Waste	-	-	-	-	-	\$410	-	-	-
Fire Facilities	\$777	\$356	-	\$2,088	\$578	\$1,500	\$1,016	-	\$340
Police Facilities	\$885	\$332	-	-	\$466	-	-	-	\$761
Animal Control	-	\$75	-	-	-	-	-	-	-
Electric Backbone Impact	-	-	-	-	-	\$682	\$100	-	-
General Public Facilities	-	-	\$992	-	-	\$5,094	-	-	\$8,058
Development Agreement	-	-	-	-	-	\$17,151	-	-	-
Other Administration (Gen. Govt.)	\$202	\$46	\$2,389	-	\$1,135	-	-	-	\$133
Bikeways	\$504	\$643	-	-	-	\$760	-	-	-
Greenways	\$257	\$370	-	-	-	-	-	-	-
Open Space	-	-	\$863	-	-	-	-	-	\$238
Parks & Recreation									
Neighborhood Parks	\$989	\$1,658	-	-	-	-	-	-	-
Community Parks	\$1,824	\$2,226 [2]	-	-	-	-	-	-	-
Bidwell Park	\$211	\$76	-	-	-	-	-	-	-
Subtotal Parks & Recreation	\$3,024	\$3,960	\$5,014	\$9,806	\$3,838	\$5,315	\$4,205	\$8,640	\$4,459
Total Development Impact Fees	\$13,072	\$18,675	\$23,501	\$53,877	\$16,425	\$52,578	\$23,074	\$16,077	\$35,123
Median New Home Price [3]									
Median New Home Price [3]	\$350,000	\$350,000	\$692,500	\$580,000	\$204,000	\$462,750	\$329,500	\$580,250	\$510,000
Fees as a % of Median New Home Price	3.7%	5.3%	3.4%	9.3%	8.1%	11.4%	7.0%	2.8%	6.9%

Notes: [1] Excludes any water, storm drainage, and schools fees, as well as building, plan check, and other miscellaneous processing fees. Includes City, County, and other Special Agency/District development impact fees.
[2] Proposed Community Park Fee represents Scenario 1 (\$2,226 including administration and overhead allocation costs), selected by City Council on August 15, 2017.
[3] Provided by DataQuick. Reflects 2016 New Median Home Price.

**TABLE B-2
CHICO EXISTING DEVELOPMENT FEES (FY 2016/17)**

Category	Single Family (Per Unit)		Commercial (Per Bldg. Sq. Ft.) [3]		Office (Per Bldg. Sq. Ft.)		Industrial (Per Bldg. Sq. Ft.)	
	Amount	Notes	Amount	Notes	Amount	Notes	Amount	Notes
Development Impact Fees [1]								
Other Administration (Gen. Gov.)	\$202.00		\$0.07		\$0.14		\$0.05	
Fire Facilities	\$777.00		\$0.37		\$0.22		\$0.05	
Animal Control	-	[2]	\$0.11		\$0.14		\$0.01	
Police Facilities	\$885.00		\$1.24		\$1.54		\$0.12	
Sewer	\$3,977.00	Sewer Trunk + Sewer WPCP	\$0.73	Sewer Trunk + Sewer WPCP	\$0.73	Sewer Trunk + Sewer WPCP	\$0.49	Sewer Trunk + Sewer WPCP
Bikeways	\$504.05		\$0.17		\$0.32		\$0.13	
Greenways	\$256.79		-		-		-	
Parks and Recreation			-		-		-	
Neighborhood Parks	\$989.00		-		-		-	
Community Parks	\$1,824.00		-		-		-	
Bidwell Park	\$211.00		-		-		-	
Total Parks	\$3,024.00		-		-		-	
Street Maintenance	\$115.35		\$0.59		\$0.13		\$0.06	
Street Urbanization	-		-		-		-	
Street and Traffic Impact	\$3,330.64	Street Facilities Fee reduced by the 21% applied to Street Urbanization	\$14.50	Street Facilities Fee reduced by the 21% applied to Street Urbanization	\$3.74	Street Facilities Fee reduced by the 21% applied to Street Urbanization	\$1.71	Street Facilities Fee reduced by the 21% applied to Street Urbanization
Solid Waste	-		-		-		-	
Electric Backbone Impact	-		-		-		-	
General Public Facilities	-		-		-		-	
Development Agreement	-		-		-		-	
Open Space	-		-		-		-	
Total Development Impact Fees	\$13,071.83		\$17.78		\$6.96		\$2.62	

Notes: [1] Excludes fees for water, storm drainage, schools, building, plan check, and other miscellaneous processing fees. Includes City, County, and other Special Agency/District development impact fees.

[2] Animal Control Fee included in Police Fee.

[3] Hotels are included as Commercial Uses.

**TABLE B-3
CHICO PROPOSED DEVELOPMENT FEES**

Category	Single Family (Per Unit)		Commercial (Per Bldg. Sq. Ft.) [2]		Office (Per Bldg. Sq. Ft.)		Industrial (Per Bldg. Sq. Ft.)	
	Amount	Notes	Amount	Notes	Amount	Notes	Amount	Notes
Development Impact Fees [1]								
Other Administration (Gen. Gov.)	\$45.58		-		-		-	
Fire Facilities	\$356.16		\$0.66		\$0.59		\$0.01	
Animal Control	\$75.26		-		-		-	
Police Facilities	\$331.78		\$2.00		\$0.22		\$0.02	
Sewer	\$3,353.98	Sewer Trunk + Sewer WPCP	\$0.57	Sewer Trunk + Sewer WPCP	\$0.57	Sewer Trunk + Sewer WPCP	\$0.38	Sewer Trunk + Sewer WPCP
Bikeways	\$642.93		\$1.24		\$0.28		\$0.14	
Greenways	\$369.94		-		-		-	
Parks and Recreation								
Neighborhood Parks	\$1,657.84		-		-		-	
Community Parks	\$2,226.00	Scenario 1 (Chosen by City Council on 8/15/17)	-		-		-	
Bidwell Park	\$76.32	(\$1,178,215 [Loan Balance])/16,409 [Res. Unit Growth 2016-2040]	-		-		-	
Total Parks	\$3,960.16		-		-		-	
Street Maintenance	\$239.16	Alternative 2 (Chosen by City Council on 8/15/17)	\$0.46		\$0.11		\$0.05	
Street Urbanization	-		-		-		-	
Street and Traffic Impact	\$9,299.72	Street Facilities	\$17.91		\$4.15		\$2.09	
Solid Waste	-		-		-		-	
Electric Backbone Impact	-		-		-		-	
General Public Facilities	-		-		-		-	
Development Agreement	-		-		-		-	
Open Space	-		-		-		-	
Total Development Impact Fees	\$18,674.67		\$22.84		\$5.93		\$2.70	

Notes: [1] Excludes fees for water, storm drainage, schools, building, plan check, and other miscellaneous processing fees. Includes City, County, and other Special Agency/District development impact fees.
[2] Hotels are included as Commercial Uses.

**TABLE B-4
COMPARABLE SINGLE-FAMILY DEVELOPMENT FEES – DAVIS, CA**

Category	Single Family (Per Unit)		Retail (Per Bldg. Sq. Ft.)		Office (Per Bldg. Sq. Ft.)		Industrial (Per Bldg. Sq. Ft.)	
	Amount	Notes	Amount	Notes	Amount	Notes	Amount	Notes
Development Impact Fees [1]								
Street and Traffic Impact	\$8,093	Roadways Fee	\$14.34	Average rate for Core/AC Retail and Other Retail (per square foot).	\$5.19	Office/ Business Park (per square foot).	\$0.48	Per square foot.
Street Maintenance	-		-		-		-	
Street Urbanization	-		-		-		-	
Drainage Fee	-		-		-		-	
Sewer [2]	\$6,150		-		-		-	
Solid Waste	-		-		-		-	
Fire Facilities	-		-		-		-	
Police Facilities	-		-		-		-	
Animal Control	-		-		-		-	
Electric Backbone Impact	-		-		-		-	
General Public Facilities	\$992	Public safety fee	\$1.08	Public safety fee.	\$1.08	Public safety fee.	\$0.28	Public safety fee.
Development Agreement	-		-		-		-	
Other Administration (Gen. Gov.)	\$2,389		\$0.93		\$0.93		\$0.24	
Bikeways	-		-		-		-	
Greenways	-		-		-		-	
Open Space	\$863		\$0.13		\$0.13		\$0.03	
Parks and Recreation	\$5,014		\$0.73		\$0.73		\$0.19	
Total Development Impact Fees	\$23,501		\$17.21		\$8.05		\$1.22	

Notes: [1] Excludes fees for water, storm drainage, schools, building, plan check, and other miscellaneous processing fees. Includes City, County, and other Special Agency/District development impact fees. Non-Residential FAR's are assumed as follows: Retail = 0.50, Office = 0.50, and Industrial = 0.75.

[2] Reflects 0.50 FAR applied to Existing All Other Non-Residential rate (\$6,831 per acre for Sewer Trunk Line and \$9,080 per acre for WPCP) and Proposed Non-Residential rate (\$6,098 per acre for Sewer Trunk Line and \$5,656 per acre for WPCP).
This conversion calculation has been prepared for comparative purposes only.

**TABLE B-5
COMPARABLE DEVELOPMENT FEES – EL DORADO HILL, CA**

Category	Single Family (Per Unit)		Retail (Per Bldg. Sq. Ft.)		Office (Per Bldg. Sq. Ft.)		Industrial (Per Bldg. Sq. Ft.)	
	Amount	Notes	Amount	Notes	Amount	Notes	Amount	Notes
Development Impact Fees [1] [2]								
Street and Traffic Impact	\$28,140	Fee Zone 8	\$13.45	Fee Zone 8. Average of High Trip Comm. and General Comm.	\$2.20	Fee Zone 8	\$1.06	Fee Zone 8. Average of Industrial and Warehouse
Street Maintenance	-		-		-		-	
Street Urbanization	-		-		-		-	
Drainage Fee	-		-		-		-	
Sewer [4]	\$13,843		\$4.45	Assumes 2 meters (2" Retail-Domestic, 1" Retail-Irrigation) at FAR of 0.50 [3]	\$3.18	Assumes 2 meters (1" Retail-Domestic, 1 1/2" Retail-Irrigation) at FAR of 0.50 [3]	\$2.12	Assumes 2 meters (1" Retail-Domestic, 1 1/2" Retail-Irrigation) at FAR of 0.75 [3]
Solid Waste	-		-		-		-	
Fire Facilities	\$2,088	Assuming 1,800 square foot home	\$1.16		\$1.16		\$1.16	
Police Facilities	-		-		-		-	
Animal Control	-		-		-		-	
Electric Backbone Impact	-		-		-		-	
General Public Facilities	-		-		-		-	
Development Agreement	-		-		-		-	
Other Administration (Gen. Gov.)	-		-		-		-	
Bikeways	-		-		-		-	
Greenways	-		-		-		-	
Open Space	-		-		-		-	
Parks and Recreation	\$9,806		-		-		-	
Total Development Impact Fees	\$53,877		\$19.05		\$6.54		\$4.33	
Notes:	<p>[1] All fees reflect El Dorado County and other Special Agency impact fees.</p> <p>[2] Excludes fees for water, storm drainage, schools, building, plan check, and other miscellaneous processing fees. Includes City, County, and other Special Agency/District development impact fees. Non-Residential FAR's are assumed as follows: Retail = 0.50, Office = 0.50, and Industrial = 0.75.</p> <p>[3] El Dorado sewer fees by meter size: 1" = \$27,686, 1-1/2" = 41,530, and 2" = \$69,216.</p> <p>[4] Reflects 0.50 FAR applied to Existing All Other Non-Residential rate (\$6,831 per acre for Sewer Trunk Line and \$9,080 per acre for WPCP) and Proposed Non-Residential rate (\$6,098 per acre for Sewer Trunk Line and \$5,656 per acre for WPCP). This conversion calculation has been prepared for comparative purposes only.</p>							

**TABLE B-6
COMPARABLE DEVELOPMENT FEES – OROVILLE, CA**

Category	Single Family (Per Unit)		Retail (Per Bldg. Sq. Ft.)		Office (Per Bldg. Sq. Ft.)		Industrial (Per Bldg. Sq. Ft.)	
	Amount	Notes	Amount	Notes	Amount	Notes	Amount	Notes
Development Impact Fees [1], [2]								
Street and Traffic Impact	\$1,976		\$18.95	Avg of all retail categories	\$4.12	Average of all office categories	\$0.98	Avg of all Industrial Categories
Street Maintenance	-		-		-		-	
Street Urbanization	-		-		-		-	
Drainage Fee	-		-		-		-	
Sewer [3]	\$8,432	Sewer Collection Facilities + Sewer Comission-Oroville Region	\$0.39	Sewer Collection Facilities + Sewer Comission-Oroville Region at FAR of 0.50.	\$0.39	Sewer Collection Facilities + Sewer Comission-Oroville Region at FAR of 0.50.	\$0.26	Sewer Collection Facilities + Sewer Comission-Oroville Region at FAR of 0.75.
Solid Waste	-		-		-		-	
Fire Facilities	\$578		\$0.34		\$0.45		\$0.17	
Police Facilities	\$466		\$0.12		\$0.16		\$0.06	
Animal Control	-		-		-		-	
Electric Backbone Impact	-		-		-		-	
General Public Facilities	-		-		-		-	
Development Agreement	-		-		-		-	
Other Administration (Gen. Gov.)	\$1,135		\$0.30		\$0.39		\$0.15	
Bikeways	-		-		-		-	
Greenways	-		-		-		-	
Open Space	-		-		-		-	
Parks and Recreation	\$3,838		-		-		-	
Total Development Impact Fees	\$16,425		\$20.09		\$5.51		\$1.61	

Notes:

[1] Excludes fees for water, storm drainage, schools, building, plan check, and other miscellaneous processing fees. Includes City, County, and other Special Agency/District development impact fees. Non-Residential FAR's are assumed as follows: Retail = 0.50, Office = 0.50, and Industrial = 0.75.

[2] Posted Fee rates on-line are dated FY 2015/16 and are assumed to remain in effect for FY 2017/18.

[3] Reflects 0.50 FAR applied to Existing All Other Non-Residential rate (\$6,831 per acre for Sewer Trunk Line and \$9,080 per acre for WPCP) and Proposed Non-Residential rate (\$6,098 per acre for Sewer Trunk Line and \$5,656 per acre for WPCP). This conversion calculation has been prepared for comparative purposes only.

**TABLE B-7
COMPARABLE DEVELOPMENT FEES – ROSEVILLE, CA**

Category	Single Family (Per Unit) FY 2016/17		Retail (Per Bldg. Sq. Ft.) FY 2017/18		Office (Per Bldg. Sq. Ft.) FY 2017/18		Industrial (Per Bldg. Sq. Ft.) FY 2017/18	
	Amount	Notes	Amount	Notes	Amount	Notes	Amount	Notes
Development Impact Fees [1] [2]								
Street and Traffic Impact	\$13,864		\$15.16	Avg of all Retail Categories except gas stations	\$12.50	Avg of all Office Categories	\$3.90	Average of all Industrial Categories
Street Maintenance	-		-		-		-	
Street Urbanization	-		-		-		-	
Drainage Fee	-		-		-		-	
Sewer [5]	\$7,802	Regional Sewer Fee + Local Sewer Fee	\$2.66	Based on Sewer Units Required. Assumes a FAR of 0.50.	\$2.66	Based on Sewer Units Required. Assumes a FAR of 0.50.	\$1.06	Based on Sewer Units Required. Assumes 1,500 building sqft per employee, and a FAR of 0.75. [3]
Solid Waste	\$410		\$0.34		\$0.34		\$0.34	
Fire Facilities	\$1,500	Assuming building valuation of \$300,000	\$0.77	Avg of nightclubs, restaurants, bars, and banquet halls (New construction+improvements)	\$0.66	Business (New construction+improvements)	\$0.37	Factory and industrial, Moderate hazard (New construction+improvements)
Police Facilities	-		-		-		-	
Animal Control	-	Repealed by City Council, 11/18/2015	-		-		-	
Electric Backbone Impact	\$682		-	[4]	-	[4]	-	[4]
General Public Facilities	\$5,094	Public Facilities Fee (Low-Density Unit) + Placer County Capital Facilities Fee	\$0.92	Retail + Placer County Retail	\$1.30	Business/Professional + Placer County Office	\$0.59	Avg of Industrial + Placer County Industrial
Development Agreement	\$17,151	Average of SVSP Mitigation Fees by Builder	\$0.01	EDU/Acre of 5.6 for Retail	\$0.01	EDU/Acre of 4.0 for Business Professional	\$0.01	EDU/Acre of 4.0 for Industrial
Other Administration (Gen. Gov.)	-		-		-		-	
Bikeways	\$760	Low-Density Unit	-		-		-	
Greenways	-		-		-		-	
Open Space	-		-		-		-	
Parks and Recreation	\$5,315	Low-Density Unit	-		-		-	
Total Development Impact Fees	\$52,578		\$19.86		\$17.47		\$6.27	

Notes: [1] Reflects fees for developments in Sierra Vista Specific Plan (SVSP).

[2] Excludes fees for water, storm drainage, schools, building, plan check, and other miscellaneous processing fees. Includes City, County, and other Special Agency/District development impact fees. Non-Residential FAR's are assumed as follows: Retail = 0.50, Office = 0.50, and Industrial = 0.75.

[3] Assumes 1,500 Square Feet per 1 Employee.

[4] Fees for Retail, Office, and Industrial not included.

[5] Reflects 0.50 FAR applied to Existing All Other Non-Residential rate (\$6,831 per acre for Sewer Trunk Line and \$9,060 per acre for WPCP) and Proposed Non-Residential rate (\$6,098 per acre for Sewer Trunk Line and \$5,656 per acre for WPCP).

This conversion calculation has been prepared for comparative purposes only.

**TABLE B-8
COMPARABLE DEVELOPMENT FEES – REDDING, CA**

Category	Single Family (Per Unit)		Retail (Per Bldg. Sq. Ft.)		Office (Per Bldg. Sq. Ft.)		Industrial (Per Bldg. Sq. Ft.)	
	Amount	Notes	Amount	Notes	Amount	Notes	Amount	Notes
Development Impact Fees [1], [3]								
Street and Traffic Impact	\$10,385	City-wide traffic impact + North Redding Traffic Benefit District fees	\$13.26	Average of all retail categories	\$10.19	Average of all office categories	\$4.34	Avg of all industrial categories
Street Maintenance	-		-		-		-	
Street Urbanization	-		-		-		-	
Drainage Fee	-		-		-		-	
Sewer [4]	\$7,368		\$3.53	Assumes 2 meters (2" Retail-Domestic, 1" Retail-Irrigation) at FAR of 0.50 [2]	\$2.54	Assumes 2 meters (1" Retail-Domestic, 1 1/2" Retail-Irrigation) at FAR of 0.50 [2]	\$1.69	Assumes 2 meters (1" Retail-Domestic, 1 1/2" Retail-Irrigation) at FAR of 0.75 [2]
Solid Waste	-		-		-		-	
Fire Facilities	\$1,016		\$0.67		\$0.99		\$0.54	
Police Facilities	-		-		-		-	
Animal Control	-		-		-		-	
Electric Backbone Impact	\$100		-		-		-	
General Public Facilities	-		-		-		-	
Development Agreement	-		-		-		-	
Other Administration (Gen. Gov.)	-		-		-		-	
Bikeways	-		-		-		-	
Greenways	-		-		-		-	
Open Space	-		-		-		-	
Parks and Recreation	\$4,205		-		-		-	
Total Development Impact Fees	\$23,074		\$17.46		\$13.72		\$6.57	

Notes: [1] Excludes fees for water, storm drainage, schools, building, plan check, and other miscellaneous processing fees. Includes City, County, and other Special Agency/District development impact fees. Non-Residential FAR's are assumed as follows: Retail = 0.50, Office = 0.50, and Industrial = 0.75.
[2] City of Redding sewer fees by meter size: 1" = \$18,420, 1-1/2" = \$6,840, and 2" = \$58,944.
[3] Posted Fee rates on-line are dated FY 2016/17 and are assumed to remain in effect for FY 2017/18.
[4] Reflects 0.50 FAR applied to Existing All Other Non-Residential rate (\$6,831 per acre for Sewer Trunk Line and \$9,080 per acre for WPCP) and Proposed Non-Residential rate (\$6,098 per acre for Sewer Trunk Line and \$5,656 per acre for WPCP). This conversion calculation has been prepared for comparative purposes only.

**TABLE B-9
COMPARABLE DEVELOPMENT FEES – SAN LUIS OBISPO, CA**

Category	Single Family (Per Unit)		Retail (Per Bldg. Sq. Ft.)		Office (Per Bldg. Sq. Ft.)		Industrial (Per Bldg. Sq. Ft.)	
	Amount	Notes	Amount	Notes	Amount	Notes	Amount	Notes
Development Impact Fees [1], [3]								
Street and Traffic Impact	\$3,622	Citywide base Traffic Impact Fee	\$5.78	Average of Retail and Service Commercial	\$7.26		\$2.10	
Street Maintenance	-		-		-		-	
Street Urbanization	-		-		-		-	
Drainage Fee	-		-		-		-	
Sewer [4]	\$3,815		\$1.24	Assumes 2 meters (2" Retail-Domestic, 1" Retail-Irrigation) at FAR of 0.50 [2]	\$0.89	Assumes 2 meters (1" Retail-Domestic, 1 1/2" Retail-Irrigation) at FAR of 0.50 [2]	\$0.60	Assumes 2 meters (1" Retail-Domestic, 1 1/2" Retail-Irrigation) at FAR of 0.75 [2]
Solid Waste	-		-		-		-	
Fire Facilities	-		-		-		-	
Police Facilities	-		-		-		-	
Animal Control	-		-		-		-	
Electric Backbone Impact	-		-		-		-	
General Public Facilities	-		-		-		-	
Development Agreement	-		-		-		-	
Other Administration (Gen. Gov.)	-		-		-		-	
Bikeways	-		-		-		-	
Greenways	-		-		-		-	
Open Space	-		-		-		-	
Parks and Recreation	\$8,640	Only in Margarita area of City	-		-		-	
Total Development Impact Fees	\$16,077		\$7.03		\$8.16		\$2.69	

Notes:

[1] Excludes fees for water, storm drainage, schools, building, plan check, and other miscellaneous processing fees. Includes City, County, and other Special Agency/District development impact fees. Non-Residential FAR's are assumed as follows: Retail = 0.50, Office = 0.50, and Industrial = 0.75.

[2] City of San Luis Obispo sewer fees by meter size: 1" = \$18,739, 1-1/2" = 37,478, and 2" = \$59,523.

[3] Posted Fee rates on-line are dated FY 2016/17 and are assumed to remain in effect for FY 2017/18.

[4] Reflects 0.50 FAR applied to Existing All Other Non-Residential rate (\$6,831 per acre for Sewer Trunk Line and \$9,080 per acre for WPCP) and Proposed Non-Residential rate (\$6,098 per acre for Sewer Trunk Line and \$5,656 per acre for WPCP). This conversion calculation has been prepared for comparative purposes only.

**TABLE B-10
COMPARABLE SINGLE-FAMILY DEVELOPMENT FEES – VACAVILLE, CA**

Category	Single Family (Per Unit) FY 2016/17		Retail (Per Bldg. Sq. Ft.) FY 2017/18		Office (Per Bldg. Sq. Ft.) FY 2017/18		Industrial (Per Bldg. Sq. Ft.) FY 2017/18	
	Amount	Notes	Amount	Notes	Amount	Notes	Amount	Notes
Development Impact Fees [1]								
Street and Traffic Impact	\$11,286	City Traffic Impact + RTIF Part A/B	\$6.05	City Traffic Impact + RTIF Part A/B (Avg of Retail and Service Commercial)	\$4.31	City Traffic Impact + RTIF Part A/B	\$3.20	City Traffic Impact (Avg of Industrial >50,000, Industrial <50,000 manufacturing, and Industrial <50,000 warehouse) + RTIF Part A/B (Avg of Industrial and Warehouse/Distribution)
Street Maintenance	-		-		-		-	
Street Urbanization	-		-		-		-	
Drainage Fee	-		-		-		-	
Sewer [3]	\$9,848		\$8.50	Avg of Retail Stores, Medium Density, High Density, Restaurants, Cafes, Bakeries, Delis rates.	\$6.16	Avg of banks/offices and medical/dental offices	\$0.82	"Low Density" rate which includes parking garages, warehouses, and storage facilities
Solid Waste	-		-		-		-	
Fire Facilities	\$340		\$0.03		\$0.03		\$0.03	
Police Facilities	\$761		\$1.42		\$0.75		\$0.30	Avg of Industrial over 50,000, Industrial under 50,000 (manufacturing), Industrial under 50,000 (warehouse) (per building sq ft)
Animal Control	-		-		-		-	
Electric Backbone Impact	-		-		-		-	
General Public Facilities	\$8,058	City General Facilities Fee + Solano County Facilities [2]	\$0.42		\$0.33		\$0.24	Avg of Industrial over 50,000, Industrial under 50,000 (manufacturing), Industrial under 50,000 (warehouse) (per sq ft)
Development Agreement	-		-		-		-	
Other Administration (Gen. Gov.)	\$133	County Program Administration	\$0.02	County Program Administration. Avg of Retail and Service Commercial	\$0.02	County Program Administration	\$0.01	County Program Administration. Avg of Industrial and Warehouse/Distribution
Bikeways	-		-		-		-	
Greenways	-		-		-		-	
Open Space	\$238		-		-		-	
Parks and Recreation	\$4,459		-		-		-	
Total Development Impact Fees	\$35,123		\$16.43		\$11.59		\$4.60	

Notes: [1] Excludes fees for water, storm drainage, schools, building, plan check, and other miscellaneous processing fees. Includes City, County, and other Special Agency/District development impact fees. Non-Residential FAR's are assumed as follows: Retail = 0.50, Office = 0.50, and Industrial = 0.75.
[2] Solano County facilities includes Public Protection Facilities (\$2,687), Health & Social Services (\$1,853), Library (\$1,590), and General Government Facilities (\$1,173).
[3] Reflects 0.50 FAR applied to Existing All Other Non-Residential rate (\$6,831 per acre for Sewer Trunk Line and \$9,080 per acre for WPCP) and Proposed Non-Residential rate (\$6,098 per acre for Sewer Trunk Line and \$5,656 per acre for WPCP).
This conversion calculation has been prepared for comparative purposes only.

2016 Development Impact Fee Update Executive Summary **Revision #4**

To: City of Chico	Date: May 15, 2018
Attn: Steve Borroum	Project: 2016 Chico Development Impact Fee Study
From: Omni-Means/GHD New Economics & Advisory, Inc.	Job No.: 25-2223-03
Re: Executive Summary and Administration	File No.: C2076MEM016.DOCX

Introduction

The City of Chico (City), with assistance from Omni-Means and New Economics & Advisory, embarked on a comprehensive update to the City's Development Impact Fees. This process included a re-evaluation of the improvement needs required to support continued City development through 2040, consistent with the City's 2030 General Plan, and with the Butte County Association of Governments (BCAG) 2040 growth projections. The overall effort included the update of, or development of, the following twelve (12) existing and new fee categories:

- #1: Population and Land Use Increment
- #2: Administrative Building Fee
- #3: Fire Facilities Fee
- #4: Animal Shelter Fee
- #5: Police Facilities Fee
- #6: Sewer Trunk Line and Water Pollution Control Plant Fees
- #7: Bikeway Improvement Fee
- #8: Greenways Impact Fee
- #9: Park Impact Fee
- #10: Street Maintenance Fee
- #11: Urbanization Street Fee
- #12: Street Facilities Fee

This Executive Summary provides a synopsis of findings, whereas the detailed calculation of these individual fee categories is included in twelve (12) respective Technical Memoranda numbered accordingly. Each existing fee category was updated. Two (2) new fee categories were created: an Animal Shelter fee, which to date has been part of the Police Facilities Fee, and a new Urbanization Fee, which was previously part of the Street Facilities Improvement Fee. This memorandum is to serve as a summary of eleven (11) of the twelve (12) fee calculations, a presentation of the proposed fee amounts in comparison to the existing fee structure and amounts, and to present the Program Administration Costs and Overhead Allocation for each fee category. At this time, fee category #11 (Urbanization Street Fee) is still under development and is not being presented as part of this update.

Purpose of Fee Update

This fee update is being undertaken in order to bring the City's Development Impact Fees up to date to reflect the City's 2030 General Plan, as well as the policies relating mitigation of impacts resulting from new development which identifies land use growth and improvement needs that

are different than those that formed the basis of the previous fee program (based on the prior General Plan). Additionally, the City's fee program is being updated pursuant to the Mitigation Fee Act (Assembly Bill 1600), as set forth in Sections 66000 et seq. of the California Government Code, which requires jurisdictions to update their fee programs every five (5) years and reestablish the program's "nexus". The Mitigation Fee Act, enacted by the California State legislature in 1987, requires that all public agencies in establishing "nexus", 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 that there is a reasonable relationship between the fee's use and the type of development on which the fee is imposed;
4. Determine how there is a reasonable relationship between the need for the public facility and the type of development on which the fee is imposed; and,
5. 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.

For the City of Chico, its Development Impact Fee Program was first adopted in 1997, with the current program in place having been last adopted in fiscal year 2008-09. Table 1 summarizes the nexus summary for each proposed fee.

Updated Fee Calculation Summary

Each fee was calculated based on the *nexus* (i.e. reasonable relationship) between the need for new facilities created by future development and the relative usage or benefit by land use category. Some improvement needs were based on Level of Service (LOS) standards, such as parks (i.e. 4 acres per 1,000 residents). Others were based on an established capital improvement program (CIP). Cost estimates for identified projects needed to mitigate the impacts of future development and maintain acceptable service standards were then apportioned between various land uses based on their relative impacts/usage. The details of these calculations are included in each respective fee category's Technical Memorandum. The following studies, reports, manuals, and other reference materials were employed in the preparation of the Technical Memoranda and by reference made a part of this Fee Impact Update as though fully set forth in the Technical Memoranda. A list of references are provided as an attachment to this Executive Summary. Reference materials are available at or through the City Engineer's office.

1. Chico 2030 General Plan
2. Chico 2030 General Plan Draft Environmental Impact Report
3. Chico 2030 General Plan Public Facilities Assessment and Fiscal Impact Analysis
4. Chico 2030 General Plan Existing Conditions Report, 2008
5. City of Chico Northwest Chico Specific Plan EIR
6. Chico Corridor Study Route 99, Quincy Engineering, 2001
7. Skyway/SR 99 Interchange Study, Mark Thomas, 2006
8. Traffic Report for State Route 99 / Southgate Interchange, Fehr & Peers, 1999
9. Draft Concept Approval Report Eaton / State Route 99 Interchange, URS, 2011
10. Cohasset On-Ramp Project Study Report, Caltrans, 2004

11. North Chico Retail and Annexation EIR, DGE, 2006
12. Chico Nord Ave (Hwy 32) Corridor Plan, Glatting Jackson Kercher Anglin and Walkable Communities, 2006
13. Final Report Development Impact Fee and Nexus Report, Konrad-Rae, 1992
14. Butte County General Plan Circulation Element
15. Butte County Association of Governments Regional Transportation Plan
16. State Route 99 Transportation Corridor Concept Report, Caltrans, 2010
17. East 20th Street Circulation Study, W-Trans, 2011
18. Nexus Impact Fee Traffic Analysis, W-Trans, 2014
19. City of Chico Municipal Code
20. City of Chico 2008-09 Update of Development Impact Fees Analysis and Recommendations (Nexus Study), City of Chico, 2009
21. 2010 Census Population by census tract/block group data for Chico.
22. Butte County Association of Governments (BCAG) Butte County Long-Term Regional Growth Forecasts 2014 – 2040
23. Butte Local Agency Formation Commission, Municipal Service Review Update and Sphere of Influence Plan for CARD, adopted April 2, 2009
24. California Quimby Act (California Government Code Title 7, Planning and Land Use, Division 2, Chapter 4, 66473-66498)
25. CARD Master Plan, 2008
26. CARD Park Impact Fee Nexus Study, 2010.
27. Chico and Chico Area Recreation and Park District (CARD) Memorandum of Understanding, July 15, 2009Chico Existing Fee Rate Schedule, FY 2016/17
28. Chico City Council Agenda Report, March 16, 2010
29. Chico City Council Agenda Report, June 16, 2015
30. Chico Fund Summary, FY 2016/17, April 2018.
31. Chico Existing Neighborhood and Community Parks and Park Zones map, December 5, 2016.
32. Chico Fire Department Incident Count, 1/01/2016-12/31/2016
33. Chico Parks Nexus Study, 2003
34. Chico Public Facilities Assessment and Fiscal Impact Analysis, July 30, 2010.
35. Chico Sewer Master Plan Update, 2013
36. Zillow (www.zillow.com), April 2016.
37. 2014-2015 City of Chico Development Impact Fee Report (fiscal status)
38. List of Bikeway Improvement Projects (supplied by the City of Chico)
39. Butte County Association of Governments (BCAG) Travel Demand Model

Program Administration Costs

The City acknowledges that costs are incurred while administering the fee program. Moving forward, the City has expressed a need to capture these administrative costs in the fee schedule. Administrative costs have therefore been included in this updated fee structure, as follows:

- 2% for Capital Outlay Support (for fee administration and future nexus study updates);
- 1% for Building Department fee collection;
- Total Administrative component of 3%

Overhead Allocation

Project delivery costs in recent years have typically ranged from about 40% to 60% for public agencies in California, with some higher and some lower depending on project complexity and the nature and requirements of funding sources. Projects utilizing Federal and/or State funding generally involve multiple agency reviews and approvals. Chico's project delivery costs are within the typical range.

A 15 percent Overhead Allocation is incurred for the following calculated fee rates to account for overhead allocation associated with the delivery of new capital projects in the capital improvement program:

- Sewer (Trunk Line)
- Bikeways
- Street Facilities

A three (3) percent Overhead Allocation is applied for the following fee programs:

- | | |
|---------------------------|----------------------|
| • Administrative Building | • Sewer (WPCP) |
| • Fire | • Greenways |
| • Animal Shelter | • Parks |
| • Police | • Street Maintenance |

None of this allocation is already included in soft costs contained in the cost estimates supporting updated costs per unit or per building square foot.

Appendix A shows the three (3) or fifteen (15) percent Overhead Allocation figure for affected fee programs.

Maximum Fee Rates Summary

The maximum fee rate is the total amount that can be legally levied on new development projects according to the "nexus" requirements set forth in the Mitigation Fee Act, as calculated in each fee category for each Technical Memorandum. Administrative costs and Overhead Allocations were not included in the Technical Memoranda.

Proposed Fee Summary

Table 2 presents a summary of the proposed fees (including the administrative and overhead components) for all land use categories, compared to existing rates.

Also, although the Water Fee, Storm Drainage Fee, and Urbanization Fee are intended to be updated, none of these fee categories are included in this update. The intention of the City is to update these fees in the near future. Therefore, the existing water and storm drainage fees will continue to be assessed to new development as a part of payment for their Development Impact Fees. The Urbanization Fee, which would be a new fee for the City, is excluded from the Fee Summary altogether.

Table 3 summarizes total existing and proposed fees and provides a percent change over existing rates.

Selected Alternatives

The Street Maintenance Impact Fee was initially presented as a range of three (3) alternative fee structures. On August 15, 2017, City Council selected Alternative 2, as shown in Tables 1-3.

The Community Parks Impact Fee, which makes up a portion of the overall Park Impact Fee, was initially presented as a range of two (2) fee scenarios. On August 15, 2017, City Council selected Scenario 1, as shown in Tables 1-3.

Comparison to Similar Communities

Residential Comparison

Table 4 shows Chico's existing and proposed residential fee rates, excluding water, storm drainage, and urbanization fees, for a single-family dwelling unit compared to other communities. The comparison communities for single-family residential development include Davis, Oroville, El Dorado Hills, Redding, San Luis Obispo, and Vacaville; these rates reflect FY 2016/17, when the fee research was conducted. Table 4 also compares the fees as a percentage of median new home price. Table B-1, of Appendix B, provides more detailed information supporting total single-family fee levels and also compares total fee rates for a single-family dwelling unit to existing rates in these other communities.

These tables show that Chico's existing single-family rates (\$13,072, excluding water, storm drainage, and the urbanization portion of street facilities) are the lowest among all of these communities. These tables also show that the proposed rates (\$19,120, excluding water, storm drainage, and urbanization) would keep Chico within the bottom of the range. Chico's existing rates, excluding water and storm drainage, constitute 3.7 percent of new home prices; total updated rates would increase this share to 5.5 percent of the total median new home price, whereas other fees in the other communities comprise anywhere from 2.8 – 11.4 percent of new home prices. Appendix B contains the supporting residential fee calculations for comparable communities.

Non-Residential Comparison

Tables 5-7 show Chico's existing and proposed non-residential fee rates (excluding water, storm drainage, and urbanization) for Retail, Office and Medical, and Industrial, respectively, compared to other communities. Comparable communities include Oroville, El Dorado Hills, Redding, San Luis Obispo, and Vacaville. These rates mostly reflect FY 2017/18, as documented in Appendix B.

Table 5 shows that Chico's existing and proposed retail (i.e. Commercial) rates are the highest among comparison communities.

Table 6 shows that Chico's existing and proposed office and medical rates are among the lowest of the comparable communities.

Table 7 also shows that Chico's existing and proposed industrial rates are also among the lowest of the comparable communities.

Appendix B contains the supporting non-residential fee calculations for comparable communities. For comparative purposes only, the sewer rates calculated on a per acre basis (as presented in Table 2) were converted to building square footage rates (see Tables B2 – B10). For this conversion, Floor Area Ratios (FAR) of 0.50 were applied to estimate a fee on a per-building-square-foot basis for retail and office and a FAR of 0.75 was applied to estimate a fee on a per-building-square-foot basis for industrial.

**TABLE 1
NEXUS SUMMARY**

Reasonable Relationship Between Type of Development Project AND					
Fee Category	Fee Purpose	How Fee is to be Used	Use of Fee	Need for Public Facility	Reasonable Relationship between Amount of Fee and Cost of Public Facility Attributable to Development
Administrative Building	To fund Administrative Building space required to serve new growth.	To repay the outstanding loan for a portion of cost for prior new City Hall building and City Council chambers expansion designed to serve future growth.	New residential development will produce the need for additional City services, which will be housed in Administrative Building space. Revenue generated by the collection of the fee will be used to fund this Administrative Building space.	New residential development will produce the need for additional City services, which will be housed in Administrative Building space.	Administrative Building costs were apportioned solely to residential development.
Fire Facilities	To fund expansion of fire stations and equipment needed to serve new growth.	To fund additional fire stations and equipment.	New development will produce the need for additional fire protection staffing and equipment, and new fire stations to house these items. Revenue generated by the collection of the fee will be used to fund these new fire stations.	New development will produce the need for additional fire protection staffing and equipment and new fire stations to house these items.	Fire station costs were apportioned using Fire Incidents by land use type during calendar year 2016.
Animal Shelter	To fund expansion of additional animal shelter space required to provide animal control services at current levels.	To fund additional animal shelter facilities.	New development will produce the need for additional animal shelter space. Fee revenue generated will be used to fund this space.	New residential development will produce the need for additional animal shelter space.	Animal shelter costs were apportioned solely to residential development.
Police Facilities	To fund expansion of additional police facilities and equipment required to maintain police protection services for new growth.	To fund additional police facilities and equipment.	New development will place increasing demand on police services. Fee revenue will be used to fund new stations and equipment to provide services for new development.	New development will produce the need for additional police staffing and corresponding space and equipment.	Facility and equipment costs were apportioned using Incident Calls for service by land use type for October, 2016 through October, 2017.
Sewer: Trunk Line	To fund the expansion of the wastewater trunk line and outfall systems needed to meet the needs of future growth.	To assist in the funding of trunk line and outfall systems needed to meet the needs of future growth.	New development will generate the need for increased sewer trunk line and outfall system capacity.	New development of all types will generate the need for increased sewer collection system expansion as identified in the 2013 Sanitary Sewer Master Plan.	Facility costs have been apportioned first between existing and new development. New development's share was then apportioned to each major land use category using runoff coefficients from the City's 2013 Sewer Master Plan Update.
Sewer: Water Pollution Control Plant	To fund Water Pollution Control Plant expansions needed to meet the needs of future growth.	To assist in the funding of Water Pollution Control Plant plant expansions needed to meet the needs of future growth.	New development will generate the need for increased sewer capacity which can be accommodated by the Water Pollution Control Plant expansion.	New development of all types will generate the need for increased sewer capacity.	Facility costs have been apportioned first between existing and new development. New development's share was then apportioned to each major land use category using runoff coefficients from the City's 2013 Sewer Master Plan Update.
Bikeways	To fund the construction of identified bikeway improvements in the City.	To assist in the funding of identified bikeway facilities.	New development will generate additional bicycle traffic and the City's bikeways will need to be improved, connected, and expanded to service added demand. The fee will be used to provide funding for these improvements and allow expanded use of bikeway facilities.	New residential, office/ medical, commercial, and industrial development will generate additional bicycle traffic, and the City's bikeways will need to be improved and expanded to service added demand.	Facility costs have been apportioned to major land use categories using BCAG trip generation rates and City of Chico trip rates.
Greenways	To fund acquisition and development of Greenways at the GP LOS (2.5 acres per 1,000 pop.)	To fund the acquisition and development of Greenways.	New residential development will generate the need for additional Greenways for the use of City residents. Fee revenue will be used to fund the acquisition and development of greenway facilities.	New residential development will generate the need for additional greenway facilities for the use of City residents.	Greenway acquisition and development costs were apportioned solely to residential development, as the General Plan LOS applies to residential population only.
Neighborhood Parks	To fund acquisition and development of Neighborhood Parks at the GP LOS (1.5 acres per 1,000 pop.)	To fund the acquisition and development of Neighborhood Parks facilities.	New residential development will generate the need for additional neighborhood parks facilities for the use of City residents. Fee revenue will be used to provide new Neighborhood Parks.	New residential development will generate the need for additional parks facilities for the use of City residents.	Neighborhood Parks acquisition and development costs were apportioned solely to residential development, as the General Plan LOS applies to residential population only.
Community Parks [1]	To fund acquisition and development of Community Parks/ Community Parks at the GP LOS (2.5 acres per 1,000 pop.).	To fund the development of Community Parks.	New residential development will generate the need for additional Community Parks for the use of City residents. Fee revenue will be used to provide new Community Parks.	New residential development will generate the need for additional parks facilities for the use of City residents.	Community Parks acquisition and development costs were apportioned solely to residential development, as the General Plan LOS applies to residential population only.
Bidwell Park	To repay a loan for prior acquisition of additional Bidwell Park land.	To repay a loan for acquisition of additional Bidwell Park land.	Fee revenue will be used to repay a loan for the prior acquisition and development of Bidwell Park.	Prior expansions of Bidwell Park incurred debt that needs to be repaid.	Bidwell Park prior acquisition and development loan balance was apportioned solely to residential development.
Street Maintenance [2]	To fund the facilities to purchase and maintenance equipment to serve expanding transportation infrastructure.	To assist in the funding of new street maintenance facilities and equipment required to support an expanded roadway system required by new development.	The fee will be used to fund additional maintenance facilities and equipment to maintain additional and/or expanded roadways required by growth.	New development will generate additional traffic and added miles to the City's maintained street system, and the City's streets will need to maintain additional and/or expanded roadways to service the added travel demand.	Facility & equipment costs were apportioned to new development based on expected future population growth (40%) and then allocated across new development using BCAG trip generation rates and City of Chico trip rates.
Street Facilities	To fund the construction of identified local street and state highway improvements to support new development.	To assist in the funding of local street and state highway improvements.	New development will generate additional traffic, and the City's streets will need to be improved and expanded to service added demand. The fee will be used to provide funding for the capacity improvements required by growth in order to maintain the General Plan's level of service goals.	New development will generate additional traffic, and the City's streets will need to be improved and expanded to service added demand.	Facility costs have been apportioned to major land use categories using Butte County Association of Governments (BCAG) Travel Demand Model trip generation rates.

[1] Two scenarios initially proposed. City Council selected Scenario 1 on August 15, 2017.
 [2] Three alternatives initially proposed. City Council selected Alternative 2 on August 15, 2017.
 Source: Technical Memoranda, 2018.

**TABLE 2
SUMMARY OF UPDATED MAXIMUM FEES BY CATEGORY**

FEE CATEGORY:	Unit	Admin. Building Fee		Fire Facilities Fee		Animal Shelter Fee		Police Facilities Fee		Sewer Trunk Line Fee	
		Proposed [1]	Existing [2]	Proposed [1]	Existing [2]	Proposed [1]	Existing [2],[3]	Proposed [1]	Existing [2],[3]	Proposed [1]	Existing [2],[4]
<i>Residential Uses</i>											
Single-Family Residential [9]	DU	\$45.58	\$202.00	\$356.16	\$777.00	\$75.26	\$73.00	\$331.78	\$812.00	\$1,825.46	\$1,707.00
Multifamily Residential [9],[10]	DU	\$45.58	\$174.00	\$356.16	\$617.00	\$75.26	\$82.00	\$331.78	\$916.00	\$1,545.80	\$1,707.00
<i>Non-Residential Uses</i>											
Commercial and Services [11]	Sq. Ft.	-	\$0.07	\$0.66	\$0.37	-	\$0.11	\$2.00	\$1.24		
Office and Medical	Sq. Ft.	-	\$0.14	\$0.59	\$0.22	-	\$0.14	\$0.22	\$1.54		
Industrial	Sq. Ft.	-	\$0.05	\$0.01	\$0.05	-	\$0.01	\$0.02	\$0.12		
All Non-Residential Uses	Acre ^[13]									\$6,800.26	\$6,831.00
FEE CATEGORY:	Unit	Water Pollution Control Plant Fee		Bikeways Fee		Greenways Fee		Park Impact Fee		Street Maintenance Fee	
		Proposed [1]	Existing [2],[4]	Proposed [1]	Existing [2]	Proposed [1]	Existing [2]	Proposed [1],[5]	Existing [2],[6]	Proposed [1],[7]	Existing [2]
<i>Residential Uses</i>											
Single-Family Residential [9]	DU	\$1,528.52	\$2,270.00	\$642.93	\$504.05	\$369.94	\$256.79	\$3,960.16	\$3,024.00	\$239.16	\$115.35
Multifamily Residential [9],[10]	DU	\$1,294.26	\$2,270.00	\$548.58	\$435.38	\$369.94	\$256.79	\$3,960.16	\$2,568.00	\$204.06	\$79.78
<i>Non-Residential Uses</i>											
Commercial and Services [11]	Sq. Ft.			\$1.24	\$0.17	-	-	-	-	\$0.46	\$0.59
Office and Medical	Sq. Ft.			\$0.28	\$0.32	-	-	-	-	\$0.11	\$0.13
Industrial	Sq. Ft.			\$0.14	\$0.13	-	-	-	-	\$0.05	\$0.06
All Non-Residential Uses	Acre ^[13]	\$5,693.99	\$9,080.00								
FEE CATEGORY:	Unit	Street Facilities Fee - Maximum Allowable		Street Facilities Fee - Proposed		Total Fees - Maximum Allowable [14]		Total Fees - Proposed [14]			
		Potential [12]	Existing [2],[8]	Proposed [1]	Existing [2],[8]	Potential [12]	Existing [2],[8]	Proposed	Existing		
<i>Residential Uses</i>											
Single-Family Residential [9]	DU	\$15,599.40	\$3,330.64	\$9,299.72	\$3,330.64	\$24,974.35	\$13,071.83	\$18,674.67	\$13,071.83		
Multifamily Residential [9],[10]	DU	\$13,309.96	\$2,303.64	\$7,934.85	\$2,303.64	\$22,041.55	\$11,409.59	\$16,666.44	\$11,409.59		
<i>Non-Residential Uses</i>											
Commercial and Services [11]	Sq. Ft.	\$30.04	\$14.50	\$17.91	\$14.50						
Office and Medical	Sq. Ft.	\$6.96	\$3.74	\$4.15	\$3.74						
Industrial	Sq. Ft.	\$3.51	\$1.71	\$2.09	\$1.71						

Notes:

[1] Proposed Maximum Fee per Unit includes 3% Admin Cost for all fee categories and 3% or 15% Overhead Allocation. Appendix A contains breakdown of cost and overhead allocations.

[2] Reflects FY 2016/17 rates.

[3] Consists of 8.2% of Police Fee, for illustrative purposes. Existing Police Facilities Fee rates exclude Animal Shelter costs.

[4] Existing fee expressed on per-acre rate. These non-Residential FAR's are applied: Commercial = 0.50, Office = 0.50, and Industrial = 0.75.

[5] Proposed Park Fee includes Proposed Community Park Fee Scenario 1, selected by City Council on August 15, 2017.

[6] Existing Park fee in Master Fee Schedule includes neighborhood, community, and linear parks. The estimated Existing Park Fee shown here excludes linear parks but includes Bidwell Park fee.

[7] Proposed Street Maintenance Fee reflects Alternative 2, selected by City Council on August 15, 2017.

[8] Existing Street Improvement Fee reduced by 21% to account for costs associated with potential Urbanization Fee.

[9] Consistent with existing fee structure, rural, very low, & low density residential units are classified as Single-Family; medium, medium high, & high density residential units are classified as Multifamily.

[10] Multifamily residential includes Mobile Home units.

[11] Hotels are included as Commercial Uses.

[12] Presents the potential fee, should new development support the maximum allowable fair share of proposed transportation projects. Potential Street Facilities Fee per Unit includes 3% Admin Costs and 15% Overhead Allocation.

[13] All proposed non-residential fees for Sewer Trunk Line and Sewer WPCP are to be implemented on a per acre basis.

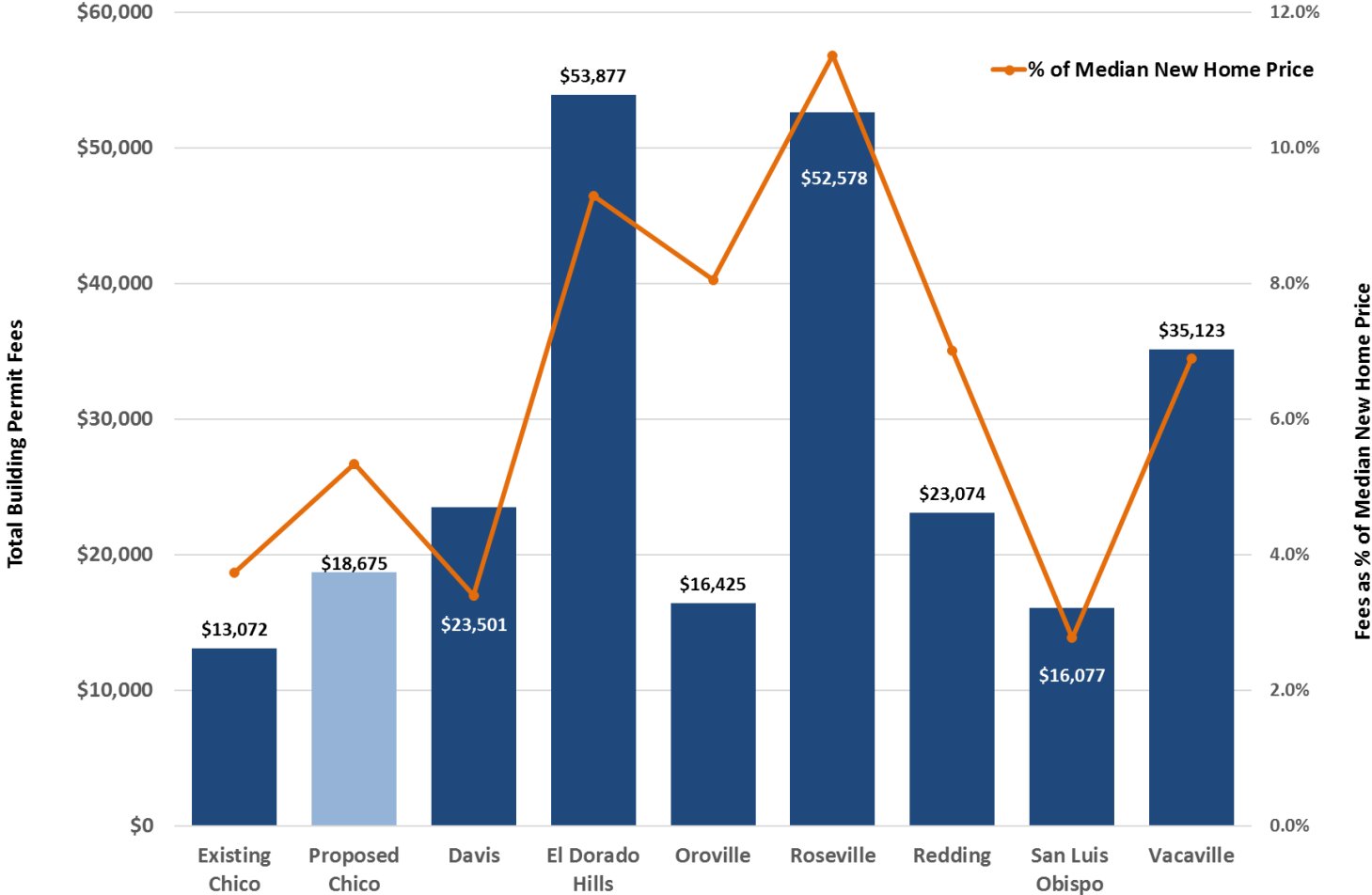
[14] Totals are not provided for All Non-Residential Uses (i.e. Retail, Office and Medical, Industrial) to avoid a non-commensurate mixing of square-foot based and acreage based fee rates.

**TABLE 3
SUMMARY OF TOTAL FEES (INCLUDING ADMIN AND OVERHEAD COSTS)**

FEE CATEGORY:	Unit	Total Fees [6]		% Change (Existing-Proposed)
		Proposed [3]	Existing [3] [4]	
<i>Residential Uses</i>				
Single-Family Residential [1]	DU	\$18,674.67	\$13,071.83	42.86%
Multifamily Residential [1],[2]	DU	\$16,666.44	\$11,409.59	46.07%
<i>Non-Residential Uses</i>				
		<i>Excludes Water Fee [5]</i>	<i>Excludes Water Fee [5]</i>	
Commercial and Services	Sq. Ft.			
Office and Medical	Sq. Ft.			
Industrial	Sq. Ft.			

Notes: [1] Consistent with the existing fee structure, rural, very low, and low density residential units are considered Single-Family residential; medium, medium high, and high density residential units are considered Multifamily residential.
[2] Multifamily residential includes Mobile Home units.
[3] Drainage and Water Fees are not proposed to change at this time. The existing rates are not included in the total amount for Existing and Proposed Fees. The Urbanization portion of the existing Street Fee is also excluded, as is the proposed Urbanization Fee (which is still under development).
[4] Reflects FY 2016/17 rates.
[5] This fee is administered by another agency (Cal Water). Existing Non-Residential rates were not provided and are not, therefore, included in the Existing or Proposed total Fee rates.
[6] Totals are not provided for All Non-Residential uses (i.e. Retail, Office and Medical, Industrial) to avoid a non-commensurate mixing of square foot based and acreage based fee rates.

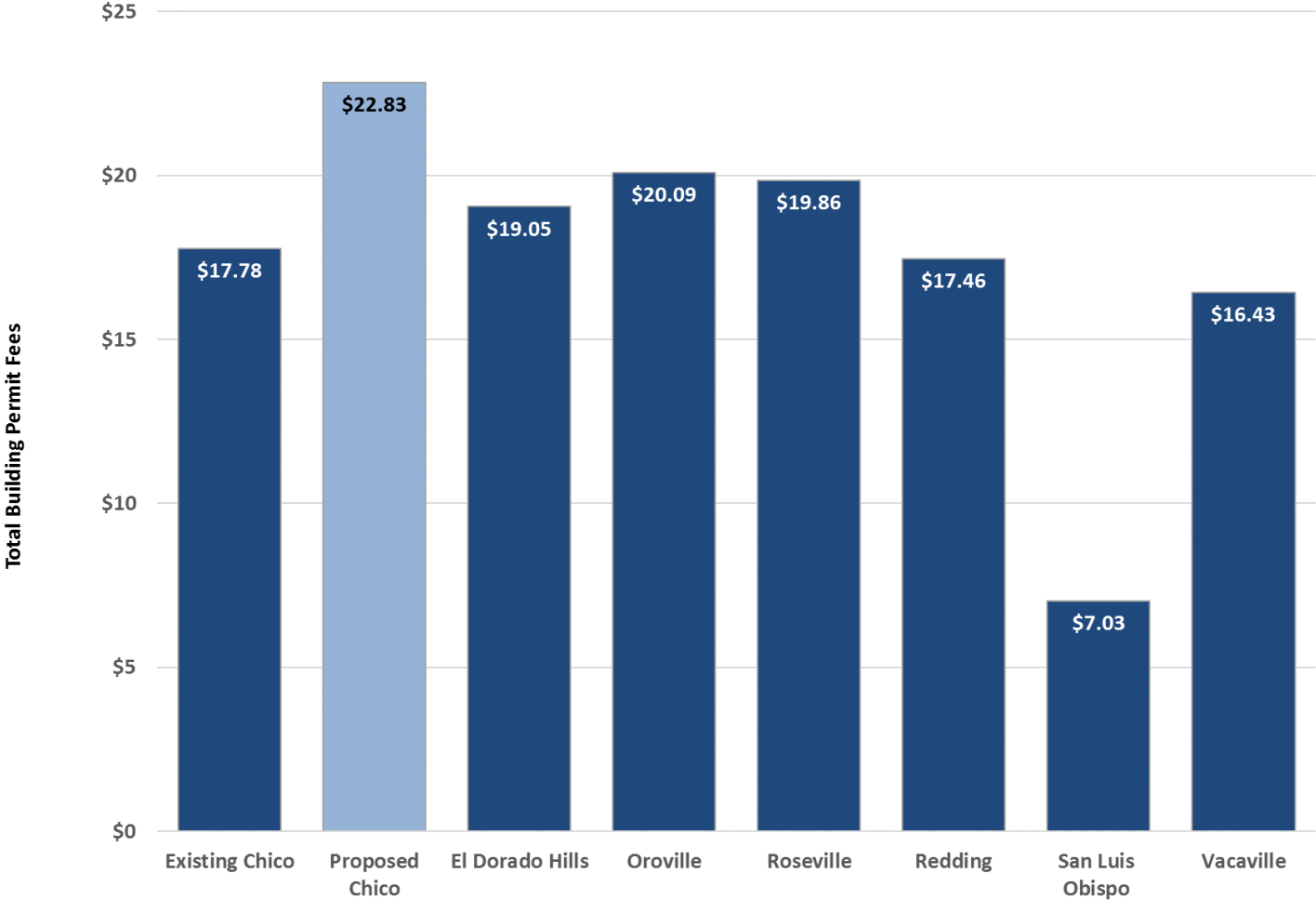
**TABLE 4
COMPARABLE SINGLE-FAMILY DEVELOPMENT FEES (FY 2016/17) [1]**



[1] Excluding any water or storm drainage impact fees.

Source: Municipal websites, planning staff.

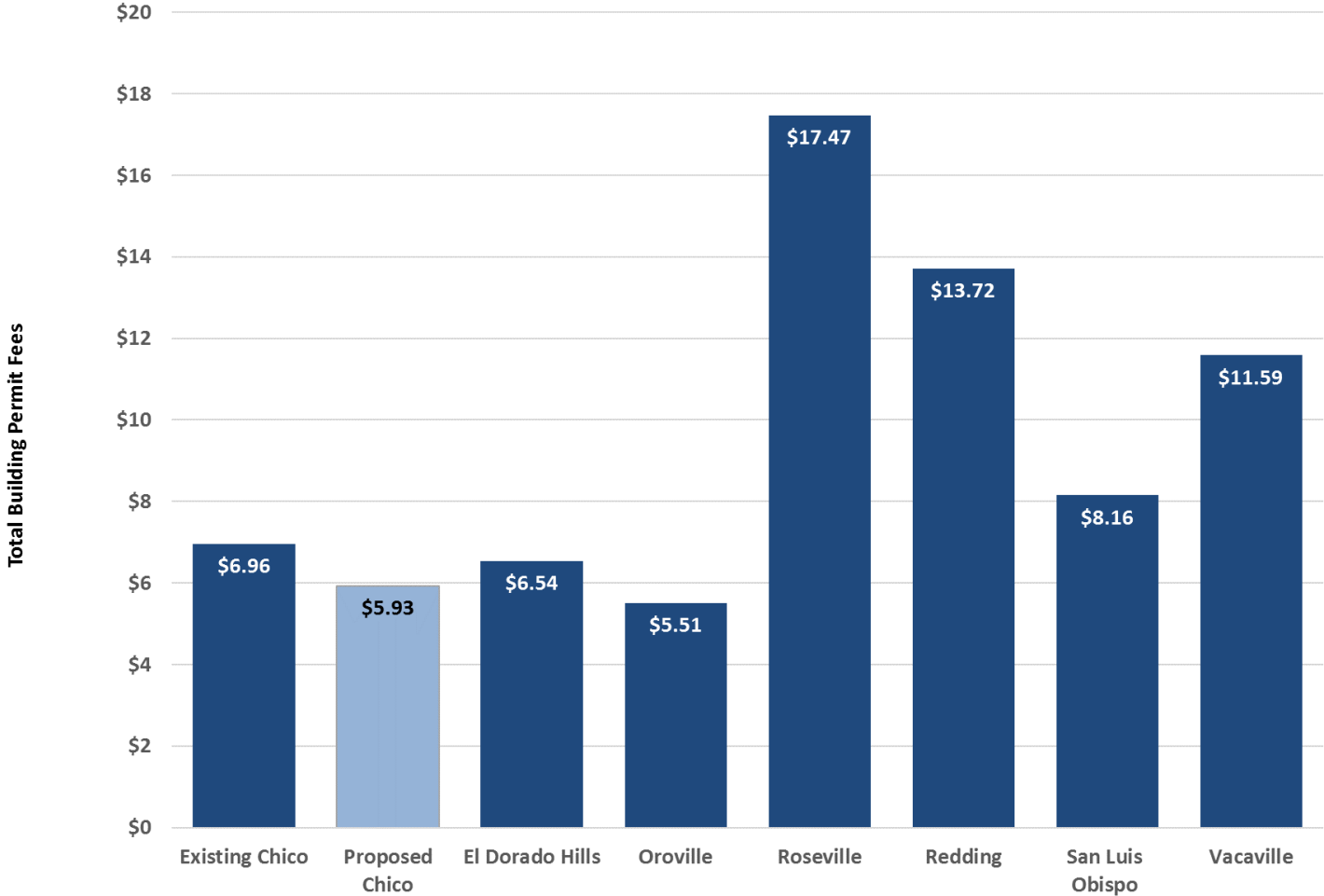
**TABLE 5
COMPARABLE RETAIL DEVELOPMENT FEES (FY 2017/18) [1]**



[1] Excluding any water or storm drainage impact fees.

Source: Municipal websites, planning staff.

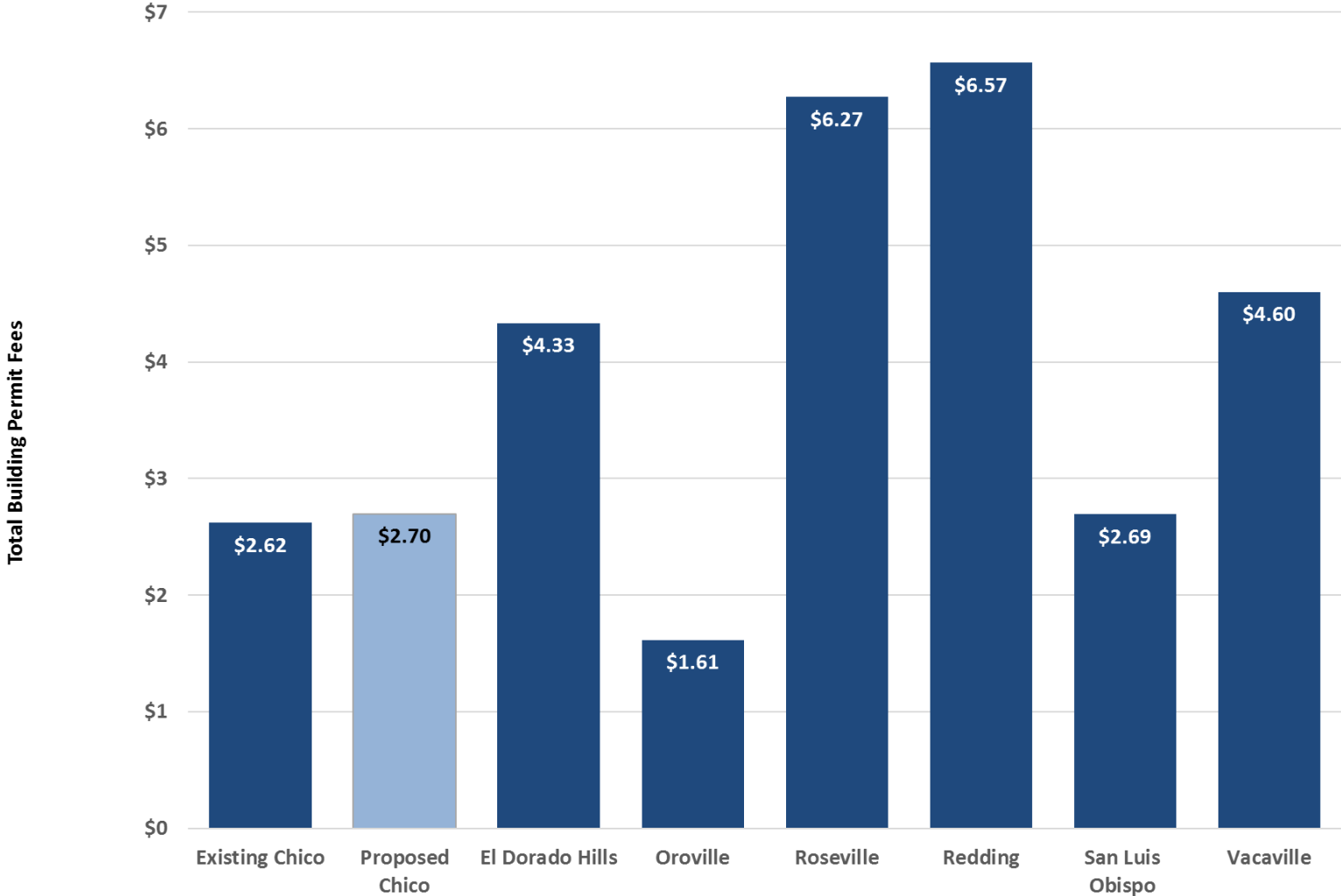
**TABLE 6
COMPARABLE OFFICE DEVELOPMENT FEES (FY 2017/18) [1]**



[1] Excluding any water or storm drainage impact fees.

Source: Municipal websites, planning staff.

**TABLE 7
COMPARABLE INDUSTRIAL DEVELOPMENT FEES (FY 2017/18) [1]**



[1] Excluding any water or storm drainage impact fees.

Source: Municipal websites, planning staff.

APPENDIX A

**TABLE A-1
SUMMARY OF UPDATED CHICO MAXIMUM FEES BY CATEGORY WITH ADMINISTRATION AND OVERHEAD ALLOCATIONS
(PER UNIT: SINGLE-FAMILY)**

Category	Existing Fee Rate (FY 16/17)	Technical Memorandum Reference	Updated Cost per Unit	Administrative Charges [1]	Overhead Allocation [2]	Proposed Fee Rate
Administrative Building	\$202.00	#2	\$43.00	3%	3%	\$45.58
Fire Facilities	\$777.00	#3	\$336.00	3%	3%	\$356.16
Animal Shelter [3]	\$73.00	#4	\$71.00	3%	3%	\$75.26
Police Facilities [4]	\$812.00	#5	\$313.00	3%	3%	\$331.78
Sewer Trunk Line	\$1,707.00	#6	\$1,547.00	3%	15%	\$1,825.46
Water Pollution Control Plant	\$2,270.00	#6	\$1,442.00	3%	3%	\$1,528.52
Bikeways	\$504.05	#7	\$544.86	3%	15%	\$642.93
Greenways	\$256.79	#8	\$349.00	3%	3%	\$369.94
Park Impact [5]	\$3,024.00	#9	\$3,736.00	3%	3%	\$3,960.16
Street Maintenance [6]	\$115.35	#10	\$225.62	3%	3%	\$239.16
Street Facilities [7]	\$3,330.64	#12	\$7,881.12	3%	15%	\$9,299.72
Subtotal Updated Fees	\$13,071.83		\$16,488.60			\$18,674.67
Urbanization (Pending Future Update)	N/A	#11	TBD	TBD	TBD	N/A
Drainage (Pending Future Update)	N/A	N/A	TBD	TBD	TBD	N/A
Water (Cal Water)	N/A	N/A	N/A	N/A	N/A	N/A
Total Fees	\$13,071.83		\$16,488.60			\$18,674.67

Notes: [1] Includes 2% for Capital Outlay Support (for fee administration and future nexus study updates); 1% for Building Department fee collection.
[2] Differs from 3% for City's Finance and Administration Department. City incurs 15% overhead costs for certain Departments on all capital projects.
[3] There is no current Animal Shelter Fee. This figure reflects the share of the Police Facilities Fee that funds Animal Shelter Facilities (8.2%).
[4] Net of Animal Shelter portion.
[5] Existing Single-Family fee includes \$989 for Neighborhood Parks, \$1,824 for Community Parks, and \$211 for Bidwell Park. Proposed Single-Family fee includes \$1,564 for Neighborhood Parks, \$2,100 for Community Parks, and \$72 for Bidwell Park. Proposed Park Impact Fee includes Proposed Community Park Fee: Scenario 1 was selected by City Council on August 15, 2017.
[6] Proposed Street Maintenance Fee represents Alternative 2, selected by City Council on August 15, 2017.
[7] Excluding Road Reconstruction projects.

**TABLE A-2
SUMMARY OF UPDATED CHICO MAXIMUM FEES BY CATEGORY WITH ADMINISTRATION AND OVERHEAD ALLOCATIONS
(PER UNIT: MULTI-FAMILY)**

Category	Existing Fee Rate (FY 16/17)	Technical Memorandum Reference	Updated Cost per Unit	Administrative Charges [1]	Overhead Allocation [2]	Proposed Fee Rate
Administrative Building	\$174.00	#2	\$43.00	3%	3%	\$45.58
Fire Facilities	\$617.00	#3	\$336.00	3%	3%	\$356.16
Animal Shelter [3]	\$82.00	#4	\$71.00	3%	3%	\$75.26
Police Facilities [4]	\$916.00	#5	\$313.00	3%	3%	\$331.78
Sewer Trunk Line	\$1,707.00	#6	\$1,310.00	3%	15%	\$1,545.80
Water Pollution Control Plant	\$2,270.00	#6	\$1,221.00	3%	3%	\$1,294.26
Bikeways	\$435.38	#7	\$464.90	3%	15%	\$548.58
Greenways	\$256.79	#8	\$349.00	3%	3%	\$369.94
Park Impact [5]	\$2,568.00	#9	\$3,736.00	3%	3%	\$3,960.16
Street Maintenance [6]	\$79.78	#10	\$192.51	3%	3%	\$204.06
Street Facilities [7]	\$2,303.64	#12	\$6,724.45	3%	15%	\$7,934.85
Subtotal Updated Fees	\$11,409.59		\$14,760.86			\$16,666.44
Urbanization (Pending Future Update)	N/A	#11	TBD	TBD	TBD	N/A
Drainage (Pending Future Update)	N/A	N/A	TBD	TBD	TBD	N/A
Water (Cal Water)	N/A	N/A	N/A	N/A	N/A	N/A
Total Fees	\$11,409.59		\$14,760.86			\$16,666.44

Notes: [1] Includes 2% for Capital Outlay Support (for fee administration and future nexus study updates); 1% for Building Department fee collection.

[2] Differs from 3% for City's Finance and Administration Department. City incurs 15% overhead costs for certain Departments on all capital projects.

[3] There is no current Animal Shelter Fee. This figure reflects the share of the Police Facilities Fee that funds Animal Shelter Facilities (8.2%).

[4] Net of Animal Shelter portion.

[5] Existing Multifamily fee includes \$837 for Neighborhood Parks, \$1,543 for Community Parks, and \$188 for Bidwell Park. Proposed Multifamily fee includes \$1,564 for Neighborhood Parks, \$2,100 for Community Parks, and \$72 for Bidwell Park. Proposed Park Impact Fee includes Proposed Community Park Fee: Scenario 1 was selected by City Council on August 15, 2017.

[6] Proposed Street Maintenance Fee represents Alternative 2, selected by City Council on August 15, 2017.

[7] Excluding Road Reconstruction projects.

TABLE A-3
SUMMARY OF UPDATED CHICO MAXIMUM FEES BY CATEGORY WITH ADMINISTRATION AND OVERHEAD ALLOCATIONS
(PER SQUARE FOOT: RETAIL)

Category	Existing Fee Rate (FY 16/17)	Technical Memorandum Reference	Updated Cost per Unit	Administrative Charges [1]	Overhead Allocation [2]	Proposed Fee Rate
Administrative Building	\$0.07	#2	-	3%	3%	-
Fire Facilities	\$0.37	#3	\$0.62	3%	3%	\$0.66
Animal Shelter [3]	\$0.11	#4	-	3%	3%	-
Police Facilities [4]	\$1.24	#5	\$1.89	3%	3%	\$2.00
Sewer Trunk Line [5]	\$0.31	#6	\$5,762.93	3%	15%	\$6,800.26
Water Pollution Control Plant [5]	\$0.42	#6	\$5,371.69	3%	3%	\$5,693.99
Bikeways	\$0.17	#7	\$1.05	3%	15%	\$1.24
Greenways	-	#8	-	3%	3%	-
Park Impact	-	#9	-	3%	3%	-
Street Maintenance [6]	\$0.59	#10	\$0.43	3%	3%	\$0.46
Street Facilities [7]	\$14.50	#12	\$15.18	3%	15%	\$17.91
Urbanization (Pending Future Update)	N/A	#11	TBD	TBD	TBD	N/A
Drainage (Pending Future Update)	N/A	N/A	TBD	TBD	TBD	N/A
Water (Cal Water)	N/A	N/A	N/A	N/A	N/A	N/A

Notes: [1] Includes 2% for Capital Outlay Support (for fee administration and future nexus study updates); 1% for Building Department fee collection.
[2] Differs from 3% for City's Finance and Administration Department. City incurs 15% overhead costs for certain Departments on all capital projects.
[3] There is no current Animal Shelter Fee. This figure reflects the share of the Police Facilities Fee that funds Animal Shelter Facilities (8.2%).
[4] Net of Animal Shelter portion.
[5] Sewer Trunk Line and Sewer WPCP Fees are calculated on a per acre basis.
[6] Proposed Street Maintenance Fee represents Alternative 2, selected by City Council on August 15, 2017.
[7] Excluding Road Reconstruction projects.

**TABLE A-4
SUMMARY OF UPDATED CHICO MAXIMUM FEES BY CATEGORY WITH ADMINISTRATION AND OVERHEAD ALLOCATIONS
(PER SQUARE FOOT: OFFICE AND MEDICAL)**

Category	Existing Fee Rate (FY 16/17)	Technical Memorandum Reference	Updated Cost per Unit	Administrative Charges [1]	Overhead Allocation [2]	Proposed Fee Rate
Administrative Building	\$0.14	#2	-	3%	3%	-
Fire Facilities	\$0.22	#3	\$0.56	3%	3%	\$0.59
Animal Shelter [3]	\$0.14	#4	-	3%	3%	-
Police Facilities [4]	\$1.54	#5	\$0.21	3%	3%	\$0.22
Sewer Trunk Line [5]	\$0.31	#6	\$5,762.93	3%	15%	\$6,800.26
Water Pollution Control Plant [5]	\$0.42	#6	\$5,371.69	3%	3%	\$5,693.99
Bikeways	\$0.32	#7	\$0.24	3%	15%	\$0.28
Greenways	-	#8	-	3%	3%	-
Park Impact	-	#9	-	3%	3%	-
Street Maintenance [6]	\$0.13	#10	\$0.10	3%	3%	\$0.11
Street Facilities [7]	\$3.74	#12	\$3.52	3%	15%	\$4.15
Urbanization (Pending Future Update)	N/A	#11	TBD	TBD	TBD	N/A
Drainage (Pending Future Update)	N/A	N/A	TBD	TBD	TBD	N/A
Water (Cal Water)	N/A	N/A	N/A	N/A	N/A	N/A

Notes: [1] Includes 2% for Capital Outlay Support (for fee administration and future nexus study updates); 1% for Building Department fee collection.
[2] Differs from 3% for City's Finance and Administration Department. City incurs 15% overhead costs for certain Departments on all capital projects.
[3] There is no current Animal Shelter Fee. This figure reflects the share of the Police Facilities Fee that funds Animal Shelter Facilities (8.2%).
[4] Net of Animal Shelter portion.
[5] Sewer Trunk Line and Sewer WPCP Fees are calculated on a per acre basis.
[6] Proposed Street Maintenance Fee represents Alternative 2, selected by City Council on August 15, 2017.
[7] Excluding Road Reconstruction projects.

**TABLE A-5
SUMMARY OF UPDATED MAXIMUM FEES BY CATEGORY WITH ADMINISTRATION AND OVERHEAD ALLOCATIONS
(PER SQUARE FOOT: INDUSTRIAL)**

Category	Existing Fee Rate (FY 16/17)	Technical Memorandum Reference	Updated Cost per Unit	Administrative Charges [1]	Overhead Allocation [2]	Proposed Fee Rate
Administrative Building	\$0.05	#2	-	3%	3%	-
Fire Facilities	\$0.05	#3	\$0.01	3%	3%	\$0.01
Animal Shelter [3]	\$0.01	#4	-	3%	3%	-
Police Facilities [4]	\$0.12	#5	\$0.02	3%	3%	\$0.02
Sewer Trunk Line [5]	\$0.21	#6	\$5,762.93	3%	15%	\$6,800.26
Water Pollution Control Plant [5]	\$0.28	#6	\$5,371.69	3%	3%	\$5,693.99
Bikeways	\$0.13	#7	\$0.12	3%	15%	\$0.14
Greenways	-	#8	-	3%	3%	-
Park Impact	-	#9	-	3%	3%	-
Street Maintenance [6]	\$0.06	#10	\$0.05	3%	3%	\$0.05
Street Facilities [7]	\$1.71	#12	\$1.77	3%	15%	\$2.09
Urbanization (Pending Future Update)	N/A	#11	TBD	TBD	TBD	N/A
Drainage (Pending Future Update)	N/A	N/A	TBD	TBD	TBD	N/A
Water (Cal Water)	N/A	N/A	N/A	N/A	N/A	N/A

Notes: [1] Includes 2% for Capital Outlay Support (for fee administration and future nexus study updates); 1% for Building Department fee collection.
[2] Differs from 3% for City's Finance and Administration Department. City incurs 15% overhead costs for certain Departments on all capital projects.
[3] There is no current Animal Shelter Fee. This figure reflects the share of the Police Facilities Fee that funds Animal Shelter Facilities (8.2%).
[4] Net of Animal Shelter portion.
[5] Sewer Trunk Line and Sewer WPCP Fees are calculated on a per acre basis.
[6] Proposed Street Maintenance Fee represents Alternative 2, selected by City Council on August 15, 2017.
[7] Excluding Road Reconstruction projects.

APPENDIX B

**TABLE B-1
COMPARABLE TOTAL SINGLE-FAMILY DEVELOPMENT FEES (FY 2016/17)**

Category	Existing Chico	Proposed Chico	Davis	El Dorado Hills	Oroville	Roseville	Redding	San Luis Obispo	Vacaville
Development Impact Fees per Unit [1]									
Street and Traffic Impact	\$3,331	\$9,300	\$8,093	\$28,140	\$1,976	\$13,864	\$10,385	\$3,622	\$11,286
Street Maintenance	\$115	\$239	-	-	-	-	-	-	-
Sewer	\$3,977	\$3,354	\$6,150	\$13,843	\$8,432	\$7,802	\$7,368	\$3,815	\$9,848
Solid Waste	-	-	-	-	-	\$410	-	-	-
Fire Facilities	\$777	\$356	-	\$2,088	\$578	\$1,500	\$1,016	-	\$340
Police Facilities	\$885	\$332	-	-	\$466	-	-	-	\$761
Animal Control	-	\$75	-	-	-	-	-	-	-
Electric Backbone Impact	-	-	-	-	-	\$682	\$100	-	-
General Public Facilities	-	-	\$992	-	-	\$5,094	-	-	\$8,058
Development Agreement	-	-	-	-	-	\$17,151	-	-	-
Other Administration (Gen. Govt.)	\$202	\$46	\$2,389	-	\$1,135	-	-	-	\$133
Bikeways	\$504	\$643	-	-	-	\$760	-	-	-
Greenways	\$257	\$370	-	-	-	-	-	-	-
Open Space	-	-	\$863	-	-	-	-	-	\$238
Parks & Recreation									
Neighborhood Parks	\$989	\$1,658	-	-	-	-	-	-	-
Community Parks	\$1,824	\$2,226 [2]	-	-	-	-	-	-	-
Bidwell Park	\$211	\$76	-	-	-	-	-	-	-
Subtotal Parks & Recreation	\$3,024	\$3,960	\$5,014	\$9,806	\$3,838	\$5,315	\$4,205	\$8,640	\$4,459
Total Development Impact Fees	\$13,072	\$18,675	\$23,501	\$53,877	\$16,425	\$52,578	\$23,074	\$16,077	\$35,123
Median New Home Price [3]	\$350,000	\$350,000	\$692,500	\$580,000	\$204,000	\$462,750	\$329,500	\$580,250	\$510,000
Fees as a % of Median New Home Price	3.7%	5.3%	3.4%	9.3%	8.1%	11.4%	7.0%	2.8%	6.9%

Notes: [1] Excludes any water, storm drainage, and schools fees, as well as building, plan check, and other miscellaneous processing fees. Includes City, County, and other Special Agency/District development impact fees.

[2] Proposed Community Park Fee represents Scenario 1 (\$2,226 including administration and overhead allocation costs), selected by City Council on August 15, 2017.

[3] Provided by DataQuick. Reflects 2016 New Median Home Price.

**TABLE B-2
CHICO EXISTING DEVELOPMENT FEES (FY 2016/17)**

Category	Single Family (Per Unit)		Commercial (Per Bldg. Sq. Ft.) [3]		Office (Per Bldg. Sq. Ft.)		Industrial (Per Bldg. Sq. Ft.)	
	Amount	Notes	Amount	Notes	Amount	Notes	Amount	Notes
Development Impact Fees [1]								
Other Administration (Gen. Gov.)	\$202.00		\$0.07		\$0.14		\$0.05	
Fire Facilities	\$777.00		\$0.37		\$0.22		\$0.05	
Animal Control	-	[2]	\$0.11		\$0.14		\$0.01	
Police Facilities	\$885.00		\$1.24		\$1.54		\$0.12	
Sewer	\$3,977.00	Sewer Trunk + Sewer WPCP	\$0.73	Sewer Trunk + Sewer WPCP	\$0.73	Sewer Trunk + Sewer WPCP	\$0.49	Sewer Trunk + Sewer WPCP
Bikeways	\$504.05		\$0.17		\$0.32		\$0.13	
Greenways	\$256.79		-		-		-	
Parks and Recreation			-		-		-	
Neighborhood Parks	\$989.00		-		-		-	
Community Parks	\$1,824.00		-		-		-	
Bidwell Park	\$211.00		-		-		-	
Total Parks	\$3,024.00		-		-		-	
Street Maintenance	\$115.35		\$0.59		\$0.13		\$0.06	
Street Urbanization	-		-		-		-	
Street and Traffic Impact	\$3,330.64	Street Facilities Fee reduced by the 21% applied to Street Urbanization	\$14.50	Street Facilities Fee reduced by the 21% applied to Street Urbanization	\$3.74	Street Facilities Fee reduced by the 21% applied to Street Urbanization	\$1.71	Street Facilities Fee reduced by the 21% applied to Street Urbanization
Solid Waste	-		-		-		-	
Electric Backbone Impact	-		-		-		-	
General Public Facilities	-		-		-		-	
Development Agreement	-		-		-		-	
Open Space	-		-		-		-	
Total Development Impact Fees	\$13,071.83		\$17.78		\$6.96		\$2.62	

Notes: [1] Excludes fees for water, storm drainage, schools, building, plan check, and other miscellaneous processing fees. Includes City, County, and other Special Agency/District development impact fees.
 [2] Animal Control Fee included in Police Fee.
 [3] Hotels are included as Commercial Uses.

**TABLE B-3
CHICO PROPOSED DEVELOPMENT FEES**

Category	Single Family (Per Unit)		Commercial (Per Bldg. Sq. Ft.) [2]		Office (Per Bldg. Sq. Ft.)		Industrial (Per Bldg. Sq. Ft.)	
	Amount	Notes	Amount	Notes	Amount	Notes	Amount	Notes
Development Impact Fees [1]								
Other Administration (Gen. Gov.)	\$45.58		-		-		-	
Fire Facilities	\$356.16		\$0.66		\$0.59		\$0.01	
Animal Control	\$75.26		-		-		-	
Police Facilities	\$331.78		\$2.00		\$0.22		\$0.02	
Sewer	\$3,353.98	Sewer Trunk + Sewer WPCP	\$0.57	Sewer Trunk + Sewer WPCP	\$0.57	Sewer Trunk + Sewer WPCP	\$0.38	Sewer Trunk + Sewer WPCP
Bikeways	\$642.93		\$1.24		\$0.28		\$0.14	
Greenways	\$369.94		-		-		-	
Parks and Recreation								
Neighborhood Parks	\$1,657.84		-		-		-	
Community Parks	\$2,226.00	Scenario 1 (Chosen by City Council on 8/15/17)	-		-		-	
Bidwell Park	\$76.32	(\$1,178,215 [Loan Balance])/16,409 [Res. Unit Growth 2016-2040]	-		-		-	
Total Parks	\$3,960.16		-		-		-	
Street Maintenance	\$239.16	Alternative 2 (Chosen by City Council on 8/15/17)	\$0.46		\$0.11		\$0.05	
Street Urbanization	-		-		-		-	
Street and Traffic Impact	\$9,299.72	Street Facilities	\$17.91		\$4.15		\$2.09	
Solid Waste	-		-		-		-	
Electric Backbone Impact	-		-		-		-	
General Public Facilities	-		-		-		-	
Development Agreement	-		-		-		-	
Open Space	-		-		-		-	
Total Development Impact Fees	\$18,674.67		\$22.83		\$5.93		\$2.70	

Notes: [1] Excludes fees for water, storm drainage, schools, building, plan check, and other miscellaneous processing fees. Includes City, County, and other Special Agency/District development impact fees.

[2] Hotels are included as Commercial Uses.

**TABLE B-4
COMPARABLE SINGLE-FAMILY DEVELOPMENT FEES – DAVIS, CA (FY 2016/17)**

Category	Single Family (Per Unit)	
	Amount	Notes
Development Impact Fees [1]		
Street and Traffic Impact	\$8,093	Roadways Fee
Street Maintenance	-	
Street Urbanization	-	
Drainage Fee	-	
Sewer	\$6,150	
Solid Waste	-	
Fire Facilities	-	
Police Facilities	-	
Animal Control	-	
Electric Backbone Impact	-	
General Public Facilities	\$992	Public safety fee
Development Agreement	-	
Other Administration (Gen. Gov.)	\$2,389	
Bikeways	-	
Greenways	-	
Open Space	\$863	
Parks and Recreation	\$5,014	
Total Development Impact Fees	\$23,501	

Notes: miscellaneous processing fees. Includes City, County, and other Special Agency/District development impact fees. Non-Residential FAR's are assumed as follows: Commercial = 0.50, Office = 0.50, and Industrial = 0.75.

**TABLE B-5
COMPARABLE DEVELOPMENT FEES – EL DORADO HILLS, CA (FY 2016/17)**

Category	Single Family (Per Unit)		Commercial (Per Bldg. Sq. Ft.)		Office (Per Bldg. Sq. Ft.)		Industrial (Per Bldg. Sq. Ft.)	
	Amount	Notes	Amount	Notes	Amount	Notes	Amount	Notes
Development Impact Fees [1] [2]								
Street and Traffic Impact	\$28,140	Fee Zone 8	\$13.45	Fee Zone 8. Average of High Trip Comm. and General Comm.	\$2.20	Fee Zone 8	\$1.06	Fee Zone 8. Average of Industrial and Warehouse
Street Maintenance	-		-		-		-	
Street Urbanization	-		-		-		-	
Drainage Fee	-		-		-		-	
Sewer	\$13,843		\$4.45	Assumes 2 meters (2" Commercial-Domestic, 1" Commercial-Irrigation) at FAR of 0.50 [3]	\$3.18	Assumes 2 meters (1" Commercial-Domestic, 1 1/2" Commercial-Irrigation) at FAR of 0.50 [3]	\$2.12	Assumes 2 meters (1" Commercial-Irrigation) at FAR of 0.75 [3]
Solid Waste	-		-		-		-	
Fire Facilities	\$2,088	Assuming 1,800 square foot home	\$1.16		\$1.16		\$1.16	
Police Facilities	-		-		-		-	
Animal Control	-		-		-		-	
Electric Backbone Impact	-		-		-		-	
General Public Facilities	-		-		-		-	
Development Agreement	-		-		-		-	
Other Administration (Gen. Gov.)	-		-		-		-	
Bikeways	-		-		-		-	
Greenways	-		-		-		-	
Open Space	-		-		-		-	
Parks and Recreation	\$9,806		-		-		-	
Total Development Impact Fees	\$53,877		\$19.05		\$6.54		\$4.33	

Notes: [1] All fees reflect El Dorado County and other Special Agency impact fees.
 [2] Excludes fees for water, storm drainage, schools, building, plan check, and other miscellaneous processing fees. Includes City, County, and other Special Agency/District development impact fees. Non-Residential FAR's are assumed as follows: Commercial = 0.50, Office = 0.50, and Industrial = 0.75.
 [3] El Dorado sewer fees by meter size: 1" = \$27,686, 1-1/2" = 41,530, and 2" = \$69,216.

**TABLE B-6
COMPARABLE DEVELOPMENT FEES – OROVILLE, CA (FY 2017/18)**

Category	Single Family (Per Unit)		Commercial (Per Bldg. Sq. Ft.)		Office (Per Bldg. Sq. Ft.)		Industrial (Per Bldg. Sq. Ft.)	
	Amount	Notes	Amount	Notes	Amount	Notes	Amount	Notes
Development Impact Fees [1], [2]								
Street and Traffic Impact	\$1,976		\$18.95	Avg of all retail categories	\$4.12	Average of all office categories	\$0.98	Avg of all Industrial Categories
Street Maintenance	-		-		-		-	
Street Urbanization	-		-		-		-	
Drainage Fee	-		-		-		-	
Sewer	\$8,432	Sewer Collection Facilities + Sewer Comission-Oroville Region	\$0.39	Sewer Collection Facilities + Sewer Comission-Oroville Region at FAR of 0.50.	\$0.39	Sewer Collection Facilities + Sewer Comission-Oroville Region at FAR of 0.50.	\$0.26	Sewer Collection Facilities + Sewer Comission-Oroville Region at FAR of 0.75.
Solid Waste	-		-		-		-	
Fire Facilities	\$578		\$0.34		\$0.45		\$0.17	
Police Facilities	\$466		\$0.12		\$0.16		\$0.06	
Animal Control	-		-		-		-	
Electric Backbone Impact	-		-		-		-	
General Public Facilities	-		-		-		-	
Development Agreement	-		-		-		-	
Other Administration (Gen. Gov.)	\$1,135		\$0.30		\$0.39		\$0.15	
Bikeways	-		-		-		-	
Greenways	-		-		-		-	
Open Space	-		-		-		-	
Parks and Recreation	\$3,838		-		-		-	
Total Development Impact Fees	\$16,425		\$20.09		\$5.51		\$1.61	

Notes: 0.50, and Industrial = 0.75.

[2] Posted Fee rates on-line are dated FY 2015/16 and are assumed to remain in effect for FY 2017/18.

**TABLE B-7
COMPARABLE DEVELOPMENT FEES – ROSEVILLE, CA**

Category	Single Family (Per Unit) FY 2016/17		Commercial (Per Bldg. Sq. Ft.) FY 2017/18		Office (Per Bldg. Sq. Ft.) FY 2017/18		Industrial (Per Bldg. Sq. Ft.) FY 2017/18	
	Amount	Notes	Amount	Notes	Amount	Notes	Amount	Notes
Development Impact Fees [1] [2]								
Street and Traffic Impact	\$13,864		\$15.16	Avg of all Retail Categories except gas stations	\$12.50	Avg of all Office Categories	\$3.90	Average of all Industrial Categories
Street Maintenance	-		-		-		-	
Street Urbanization	-		-		-		-	
Drainage Fee	-		-		-		-	
Sewer	\$7,802	Regional Sewer Fee + Local Sewer Fee	\$2.66	Based on Sewer Units Required. Assumes a FAR of 0.50.	\$2.66	Based on Sewer Units Required. Assumes a FAR of 0.50.	\$1.06	Based on Sewer Units Required. Assumes 1,500 building sqft per employee, and a FAR of 0.75. [3]
Solid Waste	\$410		\$0.34		\$0.34		\$0.34	
Fire Facilities	\$1,500	Assuming building valuation of \$300,000	\$0.77	Avg of nightclubs, restaurants, bars, and banquet halls (New construction+improvements)	\$0.66	Business (New construction+improvements)	\$0.37	Factory and industrial, Moderate hazard (New construction+improvements)
Police Facilities	-		-		-		-	
Animal Control	-	Repealed by City Council, 11/18/2015	-		-		-	
Electric Backbone Impact	\$682		-	[4]	-	[4]	-	[4]
General Public Facilities	\$5,094	Public Facilities Fee (Low-Density Unit) + Placer County Capital Facilities Fee	\$0.92	Commercial + Placer County Commercial	\$1.30	Business/Professional' + Placer County Office	\$0.59	Avg of Industrial + Placer County Industrial
Development Agreement	\$17,151	Average of SVSP Mitigation Fees by Builder	\$0.01	EDU/Acre of 5.6 for Commercial	\$0.01	EDU/Acre of 4.0 for Business Professional	\$0.01	EDU/Acre of 4.0 for Industrial
Other Administration (Gen. Gov.)	-		-		-		-	
Bikeways	\$760	Low-Density Unit	-		-		-	
Greenways	-		-		-		-	
Open Space	-		-		-		-	
Parks and Recreation	\$5,315	Low-Density Unit	-		-		-	
Total Development Impact Fees	\$52,578		\$19.86		\$17.47		\$6.27	

Notes: [1] Reflects fees for developments in Sierra Vista Specific Plan (SVSP).

[2] Excludes fees for water, storm drainage, schools, building, plan check, and other miscellaneous processing fees. Includes City, County, and other Special Agency/District development impact fees. Non-Residential FAR's are assumed as follows: Commercial = 0.50, Office = 0.50, and Industrial = 0.75.

[3] Assumes 1,500 Square Feet per 1 Employee.

[4] Fees for Commercial, Office, and Industrial not included.

**TABLE B-8
COMPARABLE DEVELOPMENT FEES – REDDING, CA (FY 2017/18)**

Category	Single Family (Per Unit)		Commercial (Per Bldg. Sq. Ft.)		Office (Per Bldg. Sq. Ft.)		Industrial (Per Bldg. Sq. Ft.)	
	Amount	Notes	Amount	Notes	Amount	Notes	Amount	Notes
Development Impact Fees [1], [3]								
Street and Traffic Impact	\$10,385	City-wide traffic impact + North Redding Traffic Benefit District fees	\$13.26	Average of all retail categories	\$10.19	Average of all office categories	\$4.34	Avg of all industrial categories
Street Maintenance	-		-		-		-	
Street Urbanization	-		-		-		-	
Drainage Fee	-		-		-		-	
Sewer	\$7,368		\$3.53	Assumes 2 meters (2" Commercial-Domestic, 1" Commercial-Irrigation) at FAR of 0.50 [2]	\$2.54	Assumes 2 meters (1" Commercial-Domestic, 1 1/2" Commercial-Irrigation) at FAR of 0.50 [2]	\$1.69	Assumes 2 meters (1" Commercial-Domestic, 1 1/2" Commercial-Irrigation) at FAR of 0.75 [2]
Solid Waste	-		-		-		-	
Fire Facilities	\$1,016		\$0.67		\$0.99		\$0.54	
Police Facilities	-		-		-		-	
Animal Control	-		-		-		-	
Electric Backbone Impact	\$100		-		-		-	
General Public Facilities	-		-		-		-	
Development Agreement	-		-		-		-	
Other Administration (Gen. Gov.)	-		-		-		-	
Bikeways	-		-		-		-	
Greenways	-		-		-		-	
Open Space	-		-		-		-	
Parks and Recreation	\$4,205		-		-		-	
Total Development Impact Fees	\$23,074		\$17.46		\$13.72		\$6.57	

Notes:
 0.50, and Industrial = 0.75.
 [2] City of Redding sewer fees by meter size: 1" = \$18,420, 1-1/2" = 36,840, and 2" = \$58,944.
 [3] Posted Fee rates on-line are dated FY 2016/17 and are assumed to remain in effect for FY 2017/18.

**TABLE B-9
COMPARABLE DEVELOPMENT FEES – SAN LUIS OBISPO, CA (FY 2016/17)**

Category	Single Family (Per Unit)		Commercial (Per Bldg. Sq. Ft.)		Office (Per Bldg. Sq. Ft.)		Industrial (Per Bldg. Sq. Ft.)	
	Amount	Notes	Amount	Notes	Amount	Notes	Amount	Notes
Development Impact Fees [1], [3]								
Street and Traffic Impact	\$3,622	Citywide base Traffic Impact Fee	\$5.78	Average of Retail and Service Commercial	\$7.26		\$2.10	
Street Maintenance	-		-		-		-	
Street Urbanization	-		-		-		-	
Drainage Fee	-		-		-		-	
Sewer	\$3,815		\$1.24	Assumes 2 meters (2" Commercial-Domestic, 1" Commercial-Irrigation) at FAR of 0.50 [2]	\$0.89	Assumes 2 meters (1" Commercial-Domestic, 1 1/2" Commercial-Irrigation) at FAR of 0.50 [2]	\$0.60	Assumes 2 meters (1" Commercial-Domestic, 1 1/2" Commercial-Irrigation) at FAR of 0.75 [2]
Solid Waste	-		-		-		-	
Fire Facilities	-		-		-		-	
Police Facilities	-		-		-		-	
Animal Control	-		-		-		-	
Electric Backbone Impact	-		-		-		-	
General Public Facilities	-		-		-		-	
Development Agreement	-		-		-		-	
Other Administration (Gen. Gov.)	-		-		-		-	
Bikeways	-		-		-		-	
Greenways	-		-		-		-	
Open Space	-		-		-		-	
Parks and Recreation	\$8,640	Only in Margarita area of City	-		-		-	
Total Development Impact Fees	\$16,077		\$7.03		\$8.16		\$2.69	

Notes: [1] Excludes fees for water, storm drainage, schools, building, plan check, and other miscellaneous processing fees. Includes City, County, and other Special Agency/District development impact fees. Non-Residential FAR's are assumed as follows: Commercial = 0.50, Office = 0.50, and Industrial = 0.75.
 [2] City of San Luis Obispo sewer fees by meter size: 1" = \$18,739, 1-1/2" = 37,478, and 2" = \$59,523.
 [3] Posted Fee rates on-line are dated FY 2016/17 and are assumed to remain in effect for FY 2017/18.

**TABLE B-10
COMPARABLE SINGLE-FAMILY DEVELOPMENT FEES – VACAVILLE, CA**

Category	Single Family (Per Unit) FY 2016/17		Commercial (Per Bldg. Sq. Ft.) FY 2017/18		Office (Per Bldg. Sq. Ft.) FY 2017/18		Industrial (Per Bldg. Sq. Ft.) FY 2017/18	
	Amount	Notes	Amount	Notes	Amount	Notes	Amount	Notes
Development Impact Fees [1]								
Street and Traffic Impact	\$11,286	City Traffic Impact + RTIF Part A/B	\$6.05	City Traffic Impact + RTIF Part A/B (Avg of Retail/Commercial and Service Commercial)	\$4.31	City Traffic Impact + RTIF Part A/B	\$3.20	City Traffic Impact (Avg of Industrial >50,000, Industrial <50,000 manufacturing, and Industrial <50,000 warehouse) + RTIF Part A/B (Avg of Industrial and Warehouse/Distribution)
Street Maintenance	-		-		-		-	
Street Urbanization	-		-		-		-	
Drainage Fee	-		-		-		-	
Sewer	\$9,848		\$8.50	Avg of Retail Stores, Medium Density, High Density, Restaurants, Cafes, Bakeries, Delis rates.	\$6.16	Avg of banks/offices and medical/dental offices	\$0.82	"Low Density" rate which includes parking garages, warehouses, and storage facilities
Solid Waste	-		-		-		-	
Fire Facilities	\$340		\$0.03		\$0.03		\$0.03	
Police Facilities	\$761		\$1.42		\$0.75		\$0.30	Avg of Industrial over 50,000, Industrial under 50,000 (manufacturing), Industrial under 50,000 (warehouse) (per building sq ft)
Animal Control	-		-		-		-	
Electric Backbone Impact	-		-		-		-	
General Public Facilities	\$8,058	City General Facilities Fee + Solano County Facilities [2]	\$0.42		\$0.33		\$0.24	Avg of Industrial over 50,000, Industrial under 50,000 (manufacturing), Industrial under 50,000 (warehouse) (per sq ft)
Development Agreement	-		-		-		-	
Other Administration (Gen. Gov.)	\$133	County Program Administration	\$0.02	County Program Administration. Avg of Retail/Commercial and Service Commercial	\$0.02	County Program Administration	\$0.01	County Program Administration. Avg of Industrial and Warehouse/Distribution
Bikeways	-		-		-		-	
Greenways	-		-		-		-	
Open Space	\$238		-		-		-	
Parks and Recreation	\$4,459		-		-		-	
Total Development Impact Fees	\$35,123		\$16.43		\$11.59		\$4.60	

Notes: [1] Excludes fees for water, storm drainage, schools, building, plan check, and other miscellaneous processing fees. Includes City, County, and other Special Agency/District development impact fees. Non-Residential FAR's are assumed as follows: Commercial = 0.50, Office = 0.50, and Industrial = 0.75.

[2] Solano County facilities includes Public Protection Facilities (\$2,687), Health & Social Services (\$1,853), Library (\$1,590), and General Government Facilities (\$1,173).

Technical Memorandum #1

Revision #1

To: City of Chico	Date: May 15, 2018
Attn: Steve Borroum	Project: 2017 Development Impact Fee Nexus Study
From: Omni-Means/GHD	
Re: Population and Housing Forecasts	Job No.: 25-2333-03 File No.: C2076MEM003
CC:	

Introduction

This memorandum is a part of an overall effort by the City of Chico to update and adopt a 2016 Nexus Study that updates their currently adopted Development Impact Fees based on the 2030 General Plan Update. This update to the Nexus Study was necessitated when the City of Chico updated their General Plan in 2010. Furthermore, Government Code Section 66000 requires jurisdictions to update their fee programs and establish a nexus finding every five (5) years. This update is consistent with that requirement.

Essential to the determination of development impact fees are two primary components, one, the identification of the cost of needed public infrastructure improvements to support new development and two, the quantity of new development for which the cost of the public infrastructure improvements needs to be spread.

This memorandum will focus on the establishment of acknowledged values for forecasted new development that are consistent with identified projections of growth in population and housing within the defined boundary of the City of Chico. Other separate memoranda will be prepared to address the array of needed public infrastructure improvements to support new development and their associated costs.

To identify forecasts of population, housing and employment, Omni-Means/GHD has extracted pertinent information from the following three sources:

1. City of Chico General Plan Update Land Use Element
2. Total Population Projections for California and Counties prepared by the Demographic Research Unit of the California Department of Finance.
3. Butte County Long-Term Regional growth Forecasts 2014-2040 prepared by the Butte County Association of Governments (BCAG).

City of Chico 2030 General Plan Update

The City of Chico 2030 General Plan identifies a full build-out condition if all of the identified vacant and underdeveloped lands within its Land Use Element are fully developed by 2030. The forecast population under this build-out condition would be 151,039, an increase of 51,588 new people. Guidance for the continued orderly growth of the Chico community will still come from the General Plan, but incremental growth forecasts will need to come from others, like the State of California Department of Finance (DOF) and the Butte County Association of Governments (BCAG).

State of California Department of Finance (DOF)

The Demographic Research Unit of the State of California Department of Finance researches and publishes forecast information on population trends through the year 2060 for each county in the State. In addition, they also publish data on household size, in terms of the number of persons per household. For Butte County, the DOF reports that the existing population of 220,000 published for 2010 is projected to grow to 263,634 by the year 2040. This projected increase from the years 2010 through 2040 (obtained from the DOF) was then used in the calculation of a *Compounded Annual Growth Rate (CAGR)* of 1.39% for Butte County.

For the City of Chico area, DOF reports an existing population for 2016 of 92,117 people. The geographic boundaries of this population estimate for the City of Chico, however, are not specifically known. Direct use of this population estimate, therefore, will only be an assumption of this study. In addition, as disclosure, a more recent population estimate from DOF was also recorded for the start of 2017 of 93,383 people. However, to remain consistent with the City's existing nexus fee program, the 2016 population of 92,117 people was determined to be the most appropriate population base to use. In addition, consistent with this 2016 population estimate, DOF provided a 2040 forecast of 129,016 population for a net growth increment of 36,899 new people. This forecast does not include population growth reflective of future annexations of existing development.

Lastly, for the City of Chico, DOF also reports a current 2.4 persons per household (Table 2:E-5 City/County Population and Housing Estimates, 1/1/2016). Based on the growth assumptions, the base household occupancy is projected to be 2.3 people per dwelling unit.

Butte County Association of Governments

Another resource for growth and development information within Butte County comes from the Butte County Association of Governments (BCAG). The *Draft Butte County Long-Term Regional Growth Forecasts 2014-2040*, included in the Appendix from BCAG provides current population, housing and employment forecasts for not only Butte County, but also for the City of Chico. The available BCAG document identifies Low, Medium and High Scenarios for growth forecasts for Housing, Population and Employment. These forecasts are utilized by BCAG in developing their Metropolitan Transportation Plan (MTP), Sustainable Communities Strategy (SCS), Air Quality Conformity Determination, and Regional Housing Needs Plan and in providing data support for BCAG's regional Travel Demand Model.

For the City of Chico, BCAG utilized the Compounded Annual Growth Rate (CAGR) identified by DOF of 1.4% as their "control total" in establishing their range of population growth scenarios. These population growth scenarios ranged from 1.2% (Low) to 1.6% (High), with 1.4%

being the Medium scenario. Additionally, similar CAGR rates were provided for Housing and Employment.

In establishing the CAGR rates for not only Chico, but for the entire County, BCAG carefully acknowledged and documented the DOF forecasts. BCAG also clearly shared the following to indicate that the forecast information provided was not only consistent with statewide generated forecast data, but was also thoroughly vetted and “owned” by the local jurisdiction planning staff and public officials. In the reports presented within the introduction to their Long-Term Regional Growth Forecasts document, BCAG states:

“As in the past, the forecasts have been developed by BCAG in consultation with its Planning Directors Group which consists of representatives from each of BCAG’s local jurisdiction members and the Butte Local Agency Formation Commission. Each of the local jurisdictions provided valuable input regarding the anticipated amount of growth within their respective planning areas.”

(Butte County Long-Term Regional Growth Forecasts 2014-2040, draft dated November 25, 2014)

Provided the understanding that the broad acknowledgement of the BCAG long-term forecasts as the best available growth forecasts for Butte County and the City of Chico, this study will focus on the usage of BCAG growth forecasts. Additionally, as BCAG also maintains a regional Travel Demand Model (TDM), this forecast information is readily available by geographic location and aggregated by traffic analysis zones (TAZs) for use within the TDM. Therefore, for the City of Chico General Plan area, the specific existing and 2040 land use data was able to be specifically aggregated and summarized for our specific planning area

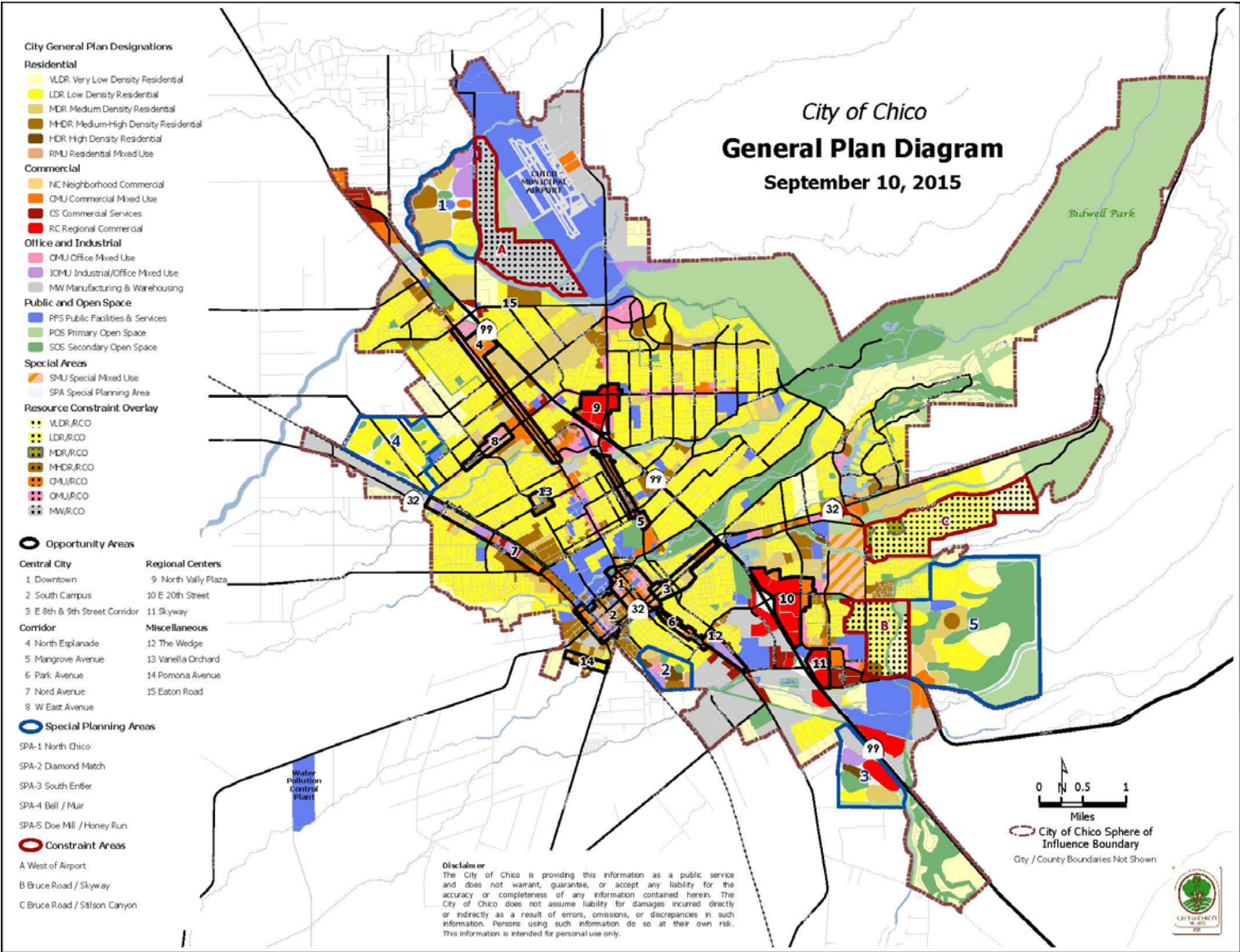
City of Chico 2040 Development Forecast Baseline

For the City of Chico study area, the City’s General Plan Update Diagram, as shown in Figure 1, was used as guidance in establishing the study area boundary for the Development Impact Fee Nexus Study Update. It was understood that for this nexus study that the boundary for the City needed to include the entire General Plan planning area.

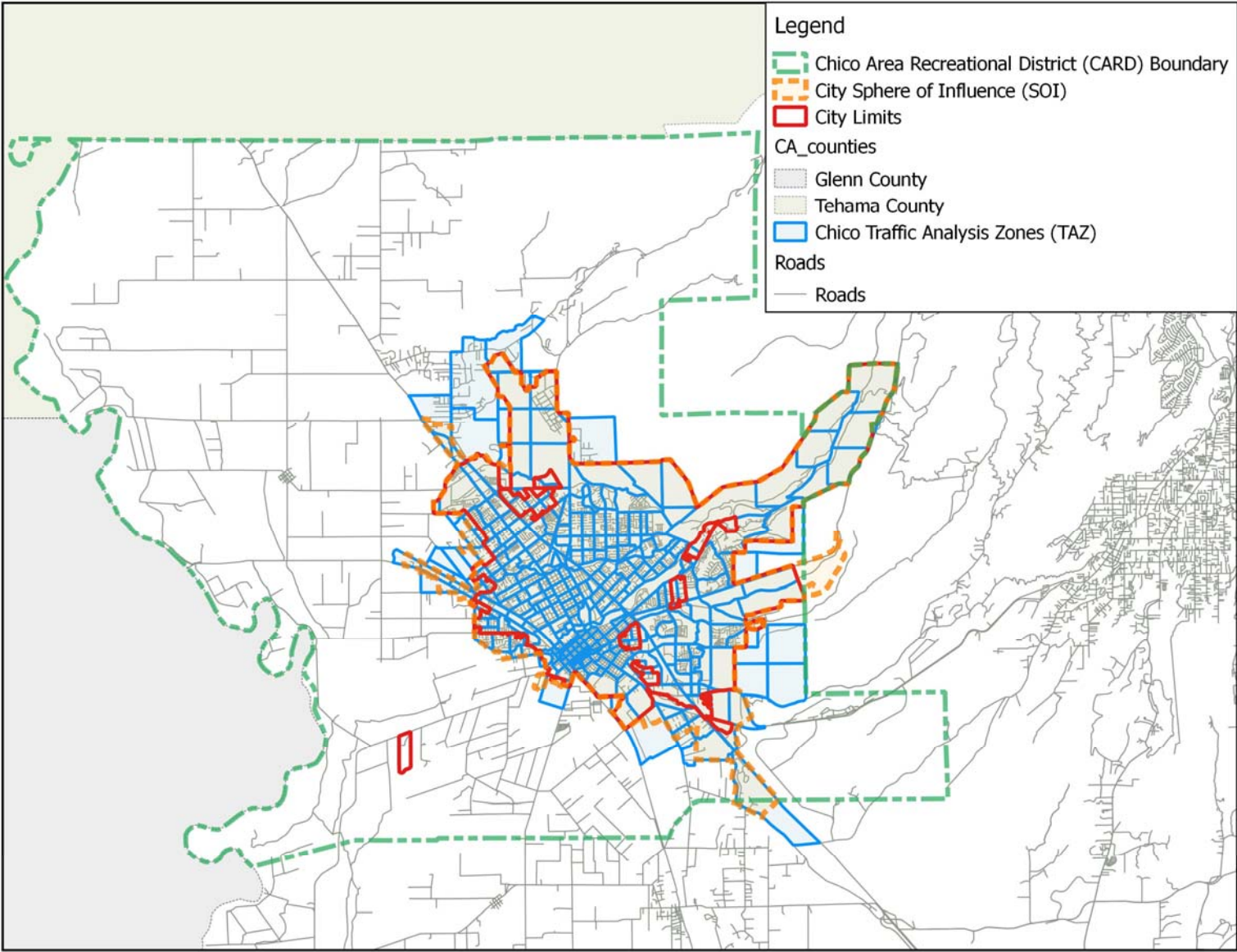
Shown in Figure 2 is a Traffic Analysis Zone map overlaid on the City General Plan planning area. In total, 327 traffic analysis zones (TAZs) encompass the City’s planning area. Table 1 summarizes the land use data obtained from the 327 TAZs for the 2014 Existing Conditions TDM and for the 2040 Future Conditions TDM. Also included in the Table are extrapolated forecasts between 2014 and 2016, based on DOF data, indicating a net change in population of 1,753 people for a net increase of 1.93% in growth within that two (2) year period. Using this 1.93% increase, the increase in land use development to 2016 was determined for the basis of this nexus study.

In summary, based on the discussion and analysis above, Table 1 will be used as the anticipated net new development within the defined City of Chico planning area that will include 16,409 new residences and a variety of other supporting new non-residential development, including commercial retail, office, medical, hotel, school and industrial uses. In addition to the newly constructed development (following the annexation of lands within the City’s Sphere of Influence and Special Planning Areas), the City will also grow with other development that already exists, which will not be charged with new development impact fees.

FIGURE 1:
CITY OF CHICO GENERAL PLAN DIAGRAM



**FIGURE 2:
CHICO CITY LIMITS, SPHERE OF INFLUENCE AND TRAFFIC ANALYSIS ZONES**



**TABLE 1:
CITY OF CHICO NET GROWTH BY LAND USE**

Land Use	Unit	2014 ¹	2016 ²	2040 ¹	Growth (2014-2040)	Growth (2016-2040)
Population	Persons	90,217	92,117	129,016	38,799	36,899
Single Family	Dwelling Units	20,963	21,388	30,451	9,488	9,063
Multi Family	Dwelling Units	16,749	17,088	24,391	7,642	7,303
Mobile Homes	Dwelling Units	1,838	1,838	1,881	43	43
Total DU	Dwelling Units	39,550	40,314	56,723	17,173	16,409
Retail/ Commercial	KSF	6,327	6,449	8,571	2,244	2,122
Industrial	KSF	6,059	6,176	7,993	1,934	1,817
Office	KSF	4,266	4,348	5,697	1,431	1,349
Medical Office	KSF	1,025	1,045	1,376	351	331
Hospital	KSF	786	801	1,119	333	318
Public/ Quasi-Public	KSF	617	629	984	367	355
Hotel	Rooms	1,323	1,349	1,883	560	534
University	Students	16,500	16,819	23,504	7,004	6,685
Community College	Students	3,100	3,160	4,490	1,390	1,330
School	Students	12,654	12,899	13,118	464	219
Park	Acres	266	271	393	127	122

Sources: Butte County Association of Governments Travel Demand Model, California Department of Finance

Notes:

- 1. Represents totals of 327 TAZs within Chico Sphere of Influence & Special Planning Areas*
- 2. Based on Department of Finance 2014 to 2016 Population Growth Rate for City of Chico (1.93%)*

APPENDIX

**Butte County Long-Term
Regional Growth Forecasts
2014-2015**

Draft

Butte County Long-Term
Regional Growth Forecasts
2014 – 2040

Prepared by:
Butte County Association of Governments
November 25th, 2014



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This document is available online at www.bcag.org. Please direct any questions or comments to Mr. Brian Lasagna, BCAG Senior Planner by phone or email at blasagna@bcag.org.

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APPENDICES

Appendix 1: Preliminary County Level Updates (08/22/14)

Appendix 2: Preliminary Jurisdiction Level Updates (10/14/14)

INTRODUCTION

Approximately every four years, the Butte County Association of Governments (BCAG) prepares long-term regional growth forecasts of housing, population, and employment for the Butte County area. Once prepared, the forecasts are utilized in developing BCAG's Metropolitan Transportation Plan (MTP), Sustainable Communities Strategy (SCS), Air Quality Conformity Determination, and Regional Housing Needs Plan and provides data support for BCAG's regional Travel Demand Model. Local land use planning agencies may also elect to utilize the forecasts for preparing district plans or city and county long range plans.

As in the past, the forecasts have been developed by BCAG in consultation with its Planning Directors Group which consists of representatives from each of BCAG's local jurisdiction members and the Butte Local Agency Formation Commission. Each of the local jurisdictions provided valuable input regarding the anticipated amount of growth within their respective planning areas.

A low, medium, and high scenario has been developed for each forecast of housing, population, and employment. The use of these scenarios provides for increased flexibility when utilizing the forecast for long-term planning and alleviates some of the uncertainty inherent in long range projections.

The regional growth forecasts will be updated again during the 2018/19 fiscal year in preparation for BCAG's 2020 MTP/SCS and to ensure that any unexpected trends will be integrated into the forecasts.

APPROACH

The growth forecasts presented in this document represent a revision of the 2010-2035 forecasts developed during the 2010/11 fiscal year and utilized in preparing the 2016 MTP/SCS. This revision approach has been taken given the extensive amount of effort put forth by BCAG and the local agencies in developing the 2010-2035 forecasts, the lack of available grant funding to assist with its development, and minimal changes in local land use plans. As revised, the forecasts meet both state and federal transportation planning requirements.

REGIONAL FORECASTS

In comparison to the regional forecasts prepared by BCAG in 2010, the 2014 forecasts present a similar growth trend with each of the first three projection periods (2020, 2025, and 2030) showing increased population growth over the previous. Between the years 2014 and 2030, the forecasts show a compound annual growth rate (CAGR) of 1.54% for the medium scenario. However, unlike the 2010 forecasts, the 2014 forecasts capture a greater return to the slower growth anticipated statewide for the 10 year period from 2030 to 2040. Between the years 2030 and 2040, the forecasts show a CAGR of 1.11% for the medium scenario.

As previously observed in BCAG's 2006 and 2010 growth forecasts, jurisdictions in the southern portions of the region are projected to absorb a greater percentage of the regional growth than achieved in past growth trends. The cities of Biggs and Gridley are forecasted to, at a minimum, double in population by the year 2040 and the City of Oroville is projected to see between 77% and 109% increases over the next 26 years. While the greatest amount of growth will continue to be occurring in the Chico area with a forecasted range of 13,507 – 19,099 new housing units by the year 2040.

Employment is on track with forecasts prepared in 2010. The 2014 jobs to housing unit ratio met the forecasts of 0.76, an increase from 0.74 year 2010 levels. The rebound is projected to continue with a return to historic long term levels 0.78 jobs per housing unit in 2020 and into the horizon year of 2040.

Table 1: Housing Forecasts 2014-2040

Low Scenario

Jurisdiction^	2014*	2020	2025	2030	2035	2040	Total Increase 2014-2040	Percent Increase 2014-2040	Compound Annual Growth Rate (CAGR) 2014-2040
Biggs	613	738	925	1,071	1,214	1,304	691	113%	2.95%
Chico	38,146	40,018	42,501	46,103	49,531	51,653	13,507	35%	1.17%
Gridley	2,482	3,026	3,689	4,211	4,734	5,019	2,537	102%	2.75%
Oroville	6,408	7,306	8,504	10,060	10,859	11,357	4,949	77%	2.23%
Paradise	13,023	13,472	13,930	14,450	14,915	15,197	2,174	17%	0.60%
Unincorporated^^	36,707	39,263	41,501	43,851	45,982	47,238	10,531	29%	0.97%
Total County	97,379	103,823	111,050	119,745	127,235	131,768	34,389	35%	1.17%

Medium Scenario

Jurisdiction^	2014*	2020	2025	2030	2035	2040	Total Increase 2014-2040	Percent Increase 2014-2040	Compound Annual Growth Rate (CAGR) 2014-2040
Biggs	613	763	988	1,163	1,335	1,444	831	136%	3.35%
Chico	38,146	40,396	43,381	47,711	51,831	54,382	16,236	43%	1.37%
Gridley	2,482	3,136	3,933	4,560	5,189	5,532	3,050	123%	3.13%
Oroville	6,408	7,488	8,928	10,798	11,758	12,357	5,949	93%	2.56%
Paradise	13,023	13,563	14,113	14,738	15,298	15,636	2,613	20%	0.71%
Unincorporated^^	36,707	39,779	42,469	45,294	47,856	49,365	12,658	34%	1.15%
Total County	97,379	105,125	113,812	124,264	133,266	138,716	41,337	42%	1.37%

High Scenario

Jurisdiction^	2014*	2020	2025	2030	2035	2040	Total Increase 2014-2040	Percent Increase 2014-2040	Compound Annual Growth Rate (CAGR) 2014-2040
Biggs	613	789	1,054	1,260	1,463	1,590	977	159%	3.73%
Chico	38,146	40,793	44,304	49,398	54,244	57,245	19,099	50%	1.57%
Gridley	2,482	3,251	4,189	4,926	5,666	6,070	3,588	145%	3.50%
Oroville	6,408	7,678	9,372	11,572	12,701	13,406	6,998	109%	2.88%
Paradise	13,023	13,658	14,305	15,040	15,699	16,097	3,074	24%	0.82%
Unincorporated^^	36,707	40,321	43,485	46,808	49,821	51,597	14,890	41%	1.32%
Total County	97,379	106,491	116,710	129,005	139,594	146,005	48,626	50%	1.57%

* Source: State of California, Department of Finance, E-5 Population and Housing Estimates for Cities, Counties and the State, 2010-2014, with 2010 Benchmark. Sacramento, California, May 2014.

Notes:

^ Jurisdictional figures reflect anticipated new growth within the anticipated boundaries of each jurisdiction and do not reflect future annexation of existing units or as-yet-unbuilt new units in unincorporated areas to the respective cities. Assumptions about future boundaries are not intended by BCAG to be interpreted as factors limiting such jurisdictions' future boundaries.

^^ Unincorporated Butte County figures exclude forecasted growth identified in the Butte County General Plan 2030 - Environmental Impact Report as Bell Muir/Chico Area, Doe Mill/Honey Run Specific Plan, Thermalito Afterbay, Biggs Area, and Gridley Area and includes shared growth (50%) of Thermalito, Southern Oroville and Eastern Oroville.

Table 2: Population Forecasts 2014-2040

Low Scenario

Jurisdiction [^]	2014*	2020	2025	2030	2035	2040	Total Increase 2014-2040	Percent Increase 2014-2040	Compound Annual Growth Rate (CAGR) 2014-2040
Biggs	1,684	2,027	2,541	2,941	3,335	3,583	1,899	113%	2.9%
Chico	88,389	92,726	98,480	106,827	114,769	119,686	31,297	35%	1.2%
Gridley	6,739	8,216	10,017	11,433	12,853	13,628	6,889	102%	2.7%
Oroville	15,980	18,221	21,208	25,088	27,079	28,322	12,342	77%	2.2%
Paradise	26,109	27,010	27,927	28,969	29,903	30,467	4,358	17%	0.6%
Unincorporated ^{^^}	83,415	89,224	94,310	99,651	104,494	107,348	23,933	29%	1.0%
Total County	222,316	237,424	254,483	274,909	292,433	303,034	80,718	36%	1.2%

Medium Scenario

Jurisdiction [^]	2014*	2020	2025	2030	2035	2040	Total Increase 2014-2040	Percent Increase 2014-2040	Compound Annual Growth Rate (CAGR) 2014-2040
Biggs	1,684	2,096	2,714	3,195	3,668	3,967	2,283	136%	3.4%
Chico	88,389	93,603	100,519	110,552	120,099	126,009	37,620	43%	1.4%
Gridley	6,739	8,515	10,679	12,381	14,088	15,020	8,281	123%	3.1%
Oroville	15,980	18,673	22,264	26,928	29,322	30,816	14,836	93%	2.6%
Paradise	26,109	27,192	28,294	29,547	30,669	31,347	5,238	20%	0.7%
Unincorporated ^{^^}	83,415	90,398	96,511	102,931	108,752	112,183	28,768	34%	1.1%
Total County	222,316	240,476	260,981	285,534	306,598	319,342	97,026	44%	1.4%

High Scenario

Jurisdiction [^]	2014*	2020	2025	2030	2035	2040	Total Increase 2014-2040	Percent Increase 2014-2040	Compound Annual Growth Rate (CAGR) 2014-2040
Biggs	1,684	2,169	2,896	3,461	4,018	4,369	2,685	159%	3.7%
Chico	88,389	94,522	102,658	114,460	125,691	132,643	44,254	50%	1.6%
Gridley	6,739	8,828	11,373	13,376	15,384	16,481	9,742	145%	3.5%
Oroville	15,980	19,148	23,372	28,858	31,674	33,432	17,452	109%	2.9%
Paradise	26,109	27,383	28,680	30,154	31,473	32,271	6,162	24%	0.8%
Unincorporated ^{^^}	83,415	91,629	98,820	106,371	113,219	117,255	33,840	41%	1.3%
Total County	222,316	243,678	267,799	296,681	321,459	336,450	114,134	51%	1.6%

* Source: State of California, Department of Finance, E-5 Population and Housing Estimates for Cities, Counties and the State, 2010-2014, with 2010 Benchmark. Sacramento, California, May 2014.

Notes:

[^]Jurisdictional figures reflect anticipated new growth within the anticipated boundaries of each jurisdiction and do not reflect future annexation of existing units or as-yet-unbuilt new units in unincorporated areas to the respective cities. Assumptions about future boundaries are not intended by BCAG to be interpreted as factors limiting such jurisdictions' future boundaries.

^{^^} Unincorporated Butte County figures exclude forecasted growth identified in the Butte County General Plan 2030 - Environmental Impact Report as Bell Muir/Chico Area, Doe Mill/Honey Run Specific Plan, Thermalito Afterbay, Biggs Area, and Gridley Area and includes shared growth (50%) of Thermalito, Southern Oroville and Eastern Oroville.

Table 3: Employment Forecasts 2014-2040

Low Scenario

Jurisdiction	2014*	2020	2025	2030	2035	2040	Total Increase 2014-2040	Percent Increase 2014-2040
Butte County	74,100	80,982	86,619	93,401	99,243	102,779	28,679	39%

Medium Scenario

Jurisdiction	2014*	2020	2025	2030	2035	2040	Total Increase 2014-2040	Percent Increase 2014-2040
Butte County	74,100	81,998	88,773	96,926	103,948	108,198	34,098	46%

High Scenario

Jurisdiction	2014*	2020	2025	2030	2035	2040	Total Increase 2014-2040	Percent Increase 2014-2040
Butte County	74,100	83,063	91,033	100,624	108,883	113,884	39,784	54%

Table 4: Jobs (Non-Farm) to Housing Unit Ratios 2014-2040

Factor	2014*	2020	2025	2030	2035	2040
Jobs/Housing Unit	0.76	0.78	0.78	0.78	0.78	0.78

* Source: State of California, Department of Finance, E-5 Population and Housing Estimates for Cities, Counties and the State, 2010-2014, with 2010 Benchmark. Sacramento, California, May 2014. California Employment Development Department, Industry Employment & Labor Force - by Annual Average, September 2013 Benchmark, for Butte County (Chico MSA).

FORECAST METHODOLOGY

BCAG has prepared the forecasts using professionally accepted methodologies for long-range forecasting. Utilizing a “top down” approach, long-term projections prepared by the State of California were consulted for Butte County and used to re-establish control totals for the region. Additionally, a variety of data sources, including input from local jurisdiction staff, were reviewed and carried over from the 2010 forecasts and inserted at the local jurisdiction level, therefore incorporating a “bottom up” approach. Forecasts were then allocated into five year increments until the year 2040. Lastly, low, medium, and high scenarios were prepared for each forecasted category.

HOUSING

The latest California Department of Finance (DOF) long range population and housing projections, as of June 2014, were analyzed for the period 2015-2040 for the Butte County region. These projections determine that the Butte County region will grow at a Compound Annual Growth Rate (CAGR) of 1.4%. This information was used to establish the control total for BCAG’s medium forecast scenario.

BCAG then prepared a revise of the 2010 BCAG growth forecasts utilizing 2014 base line data and the long range forecasts from DOF. A “carry-over” of the forecasted growth from the 2010-2035 forecasts to the new 2014-2040 range was applied. An adjustment to the 2035 and 2040 forecast periods was then made to mirror the trend of the DOF forecasts at the Butte County level. Appendix #1 provides details regarding the county level adjustments. The information was then reviewed by local agency planning staff.

A similar approach was then applied at the jurisdiction level, taking into consideration the latest DOF information for each. Once compiled for all jurisdictions, the housing forecasts showed a regional CAGR of 1.37%. This information was used to represent the medium forecast scenario. Appendix #2 provides details regarding the local level adjustments. The information was then reviewed by local agency planning staff.

Based on a 0.2 percent incremental change between the established high and medium scenarios, a low and high housing scenario were developed using a CAGR of 1.17% and 1.57%. This incremental change is identical to that included with the 2010 forecasts.

POPULATION

Population forecasts were prepared by applying average persons per housing unit to the housing unit forecasts. This method allows for the capture of variations in household for each jurisdiction. The average person per housing unit was prepared by dividing the 2014 DOF preliminary population estimates by the preliminary housing estimates for each jurisdiction. This method was applied to all scenarios.

EMPLOYMENT

Employment forecasts were prepared at the regional/county level only and are based on a ratio of jobs per housing unit.

Baseline 2014 employment data was obtained from the California Employment Development Department (EDD) for the year 2013 – an annual average for 2014 was not available at the time the BCAG regional forecasts were prepared. The 2013 EDD data provide a total of all non-farm jobs for the region. This information was then used in conjunction with 2014 DOF preliminary housing unit estimates to calculate a ratio of 0.76 jobs per housing unit.

In 2010, historic employment information was obtained from the EDD for the period 1990-2009 and averaged to calculate a long range jobs to housing unit ratio of 0.78. This information was updated to include 2013 data and the ratio of 0.78 was unchanged. The ratio was applied to the years 2020-2040 based on the anticipated continued recovery of employment rates and the long term historical average.

Lastly, the jobs to housing unit ratio developed for each 5 year period was applied to all scenarios.

APPENDIX 1

BCAG 2014-2040 REGIONAL GROWTH FORECASTS– PRELIMINARY COUNTY LEVEL UPDATES (08/ 22/ 14)

Purpose: Every four years BCAG prepares long range growth forecasts of housing, population, and jobs in order to inform the development of the region’s long range Metropolitan Transportation Plan (MTP) and Sustainable Communities Strategy (SCS), as required by federal regulations. Local land use planning agencies may also utilize the forecasts in preparing their long range plans.

Approach: Given the extensive amount of effort put forth by BCAG and local agencies in developing the forecasts for the 2012 MTP/ SCS, lack of available grant funding and minimal changes in local land use plans, the latest forecasts will undergo a minor revision for the purpose of realigning with the state forecasts and meeting federal requirements.

CA Department of Finance – Long Range Forecasts: The long range forecasts produced by the state provide the Butte County region with a control total for population at the county level. In January of 2013, the CA Dept. of Finance (DOF) released the latest available long range forecasts for the state and Butte County region. The forecasts estimate a 0.83% compound annual growth rate (CAGR) for the state over the 25 year period from 2015 to 2040.

Table 1.

DOF Estimate for California 2015-2040		
Year	Projected Population	CAGR
2015	38,801,063	-
2020	40,643,643	0.93%
2025	42,451,760	0.87%
2030	44,279,354	0.85%
2035	46,083,482	0.80%
2040	47,690,186	0.69%
2015-2040 CAGR		0.83%

The same forecasts estimate a 1.39% CAGR for Butte County over the same period with the greatest growth (1.79% CAGR) occurring between 2025-2030 years and tapering downward to the slowest growth (0.82% CAGR) between the 2035 and 2040 years.

Table 2.

DOF Estimate for Butte County 2015-2040		
Year	Projected Population	CAGR
2015	224,955	-
2020	241,521	1.43%
2025	259,926	1.48%
2030	284,082	1.79%
2035	305,039	1.43%
2040	317,718	0.82%
2015-2040 CAGR		1.39%

APPENDIX 1

Carry-over Previous BCAG Forecast to New Period (2014-2040): A carry-over of the forecasted growth from the BCAG 2010-2035 forecasts to the new 2014-2040 range. The results of this carry-over are included in Table 3. A similar trend is seen when comparing the DOF forecasts of Butte County with the Carry-over Estimates, the steady rise of the CAGR over the first three 5-year periods (2014/ 15-2030). However, there is a significant difference for the 2030-2040 periods.

Table 3.

Carry-over Estimate for Butte County 2014-2040		
Year	Projected Population	CAGR
2014	222,316	-
2020	240,476	1.32%
2025	260,981	1.65%
2030	285,534	1.81%
2035	309,997	1.66%
2040	336,377	1.65%
2014-2040 CAGR		1.61%

2035 and 2040 CAGR Adjustment: Given the significant difference in the trends for the 2030-2040 periods, the growth rates of the state forecasts were applied to the BCAG carry-over. The results, see Table 4, show similar growth rates of 1.4% (BCAG adjusted) and 1.39% (state) for the entire planning period (2014/ 15-2040). The countywide population totals are within the +/- 3% allowed by the state.

Table 4.

Adjusted Carry-over Estimate for Butte County 2014-2040		
Year	Projected Population	CAGR
2014	222,316	-
2020	240,476	1.32%
2025	260,981	1.65%
2030	285,534	1.81%
2035	306,598	1.43%
2040	319,342	0.82%
2015-2040 CAGR		1.40%

APPENDIX 2

BCAG 2014-2040 REGIONAL GROWTH FORECASTS– PRELIMINARY JURISDICTION LEVEL UPDATES (10/ 14/ 14)

Based on the approach and adjustments developed for the county level forecasts, BCAG prepared preliminary jurisdiction level forecasts for the 2014-2040 period. These forecasts reflect growth, by jurisdiction, for each 5 year period. Base years (2014) numbers for housing, population, and jobs are taken from the latest CA Department of Finance and CA Employment Development Department estimates.

Table 1. Housing Forecasts

Jurisdiction [^]	2014*	2020	2025	2030	2035	2040	Total Increase 2014-2040	Percent Increase 2014-2040	Compound Annual Growth Rate (CAGR) 2014-2040
Biggs	613	763	988	1,163	1,335	1,444	831	136%	3.35%
Chico	38,146	40,396	43,381	47,711	51,831	54,382	16,236	43%	1.37%
Gridley	2,482	3,136	3,933	4,560	5,189	5,532	3,050	123%	3.13%
Oroville	6,408	7,488	8,928	10,798	11,758	12,357	5,949	93%	2.56%
Paradise	13,023	13,563	14,113	14,738	15,298	15,636	2,613	20%	0.71%
Unincorporated ^{^^}	36,707	39,779	42,469	45,294	47,856	49,365	12,658	34%	1.15%
Total County	97,379	105,125	113,812	124,264	133,266	138,716	41,337	42%	1.37%

Table 2. Population Forecasts

Jurisdiction [^]	2014*	2020	2025	2030	2035	2040	Total Increase 2014-2040	Percent Increase 2014-2040	Compound Annual Growth Rate (CAGR) 2014-2040
Biggs	1,684	2,096	2,714	3,195	3,668	3,967	2,283	136%	3.35%
Chico	88,389	93,603	100,519	110,552	120,099	126,009	37,620	43%	1.37%
Gridley	6,739	8,515	10,679	12,381	14,088	15,020	8,281	123%	3.13%
Oroville	15,980	18,673	22,264	26,928	29,322	30,816	14,836	93%	2.56%
Paradise	26,109	27,192	28,294	29,547	30,669	31,347	5,238	20%	0.71%
Unincorporated ^{^^}	83,415	90,398	96,511	102,931	108,752	112,183	28,768	34%	1.15%
Total County	222,316	240,476	260,981	285,534	306,598	319,342	97,026	44%	1.40%

Table 3. Employment Forecasts

Jurisdiction	2014	2020	2025	2030	2035	2040	Total Increase 2014-2040	Percent Increase 2014-2040
Butte County	73,433	81,998	88,773	96,926	103,948	108,198	34,765	47%

Table 4. Jobs (Non-Farm) to Housing Unit Ratios

Factor	2014*	2020	2025	2030	2035	2040
Jobs/Housing Unit	0.76	0.78	0.78	0.78	0.78	0.78

APPENDIX 2

* Source: State of California, Department of Finance, E-5 Population and Housing Estimates for Cities, Counties and the State, 2010-2014, with 2010 Benchmark. Sacramento, California, May 2014. California Employment Development Department, Industry Employment & Labor Force - by Annual Average, September 2013 Benchmark, for Butte County (Chico MSA).

^ Jurisdictional figures reflect anticipated new growth within the anticipated boundaries of each jurisdiction and do not reflect future annexation of existing units or as-yet-unbuilt new units in unincorporated areas to the respective cities. Assumptions about future boundaries are not intended by BCAG to be interpreted as factors limiting such jurisdictions' future boundaries.

^^ Unincorporated Butte County figures exclude forecasted growth identified in the Butte County General Plan 2030 - Environmental Impact Report as Bell Muir/ Chico Area, Doe Mill/ Hone Run Specific Plan, Thermalito Afterbay, Biggs Area, and Gridley Area and includes shared growth (50%) of Thermalito, Southern Oroville and Eastern Oroville.

Technical Memorandum #2

Revision #1

To: City of Chico	Date: May 15, 2018
Attn: Steve Borroum	Project: 2017 Chico Development
From: Omni-Means/GHD New Economics & Advisory, Inc.	Impact Fee Study
Re: Chico Administrative Building Fee Update Analysis	Job No.: 25-2223-03
	File No.: C2076MEM014.docx
CC:	

Introduction

This memorandum is part of an overall effort by the City of Chico (City) to update and adopt a 2017 Nexus Study that updates the current adopted Development Impact Fees based on the 2030 General Plan Update. This fee update is spurred in part by the release of the 2030 City General Plan, which identifies land use growth and improvement needs that are different from those identified in the previous General Plan.

This memorandum focuses on an updated Administrative Building Impact Fee (ABIF).

Background

New residential development that is forecasted to occur will generate demand for Administrative Building space. In 1995, the City constructed a new 45,000 square foot Municipal Center and expanded the existing City Council Chambers, which occurred in 1995.

Current Fee and Fund Balance

Current Fee

The City's prior nexus study, adopted in 2009, described the construction of the Municipal Center and expansion of the existing City Council Chambers. It is our understanding that this capital project was designed to provide facilities for the entire City and the 2009 Nexus Study allocated 25 percent of the new Administrative Building Costs to new development and 100 percent of City Council Chamber expansion to new development, based on anticipated City buildout at that time. The total estimated cost documented in the City's 2009 Nexus Study was \$11.7 million, of which new development was anticipated to fund \$4.5 million (or 39 percent).

Table 1 summarizes existing ABIF rates.

**TABLE 1
CHICO ADMINISTRATIVE BUILDING RATES, 2016-2017**

Item	Administrative Building and Equipment Fee [1]
Residential:	<i>Per Dwelling Unit</i>
Single-Family	\$202
Multifamily	\$174
Non-Residential:	<i>Per Bldg. Sq. Ft.</i>
Retail	\$0.07
Office	\$0.14
Industrial	\$0.05

Source: City of Chico Fee Schedule, 2016.

Notes: [1] Approved July 7, 2016.

Fund Balance (Fund 336)

The existing fund balance as of June 30, 2017, shown in **Table 2**, is negative. This amount reflects the current outstanding balance from a loan for construction of the Municipal Center Building and expansion of the the existing City Council Chambers.

**TABLE 2
CHICO ADMINISTRATIVE BUILDING FUND BALANCE**

Item	Available Balance (06/30/2017)
Administrative Building Fund (Fund 336)	(\$701,189)

Population and Housing Forecast

The 2016 to 2040 estimated City growth was developed by Omni-Means based on existing population and dwelling units and projected 2040 housing units identified by the Butte County Association of Governments (BCAG). **Technical Memorandum #1**, submitted under separate cover, documents this growth increment and the basis upon which the ABIF is calculated.

For purposes of this fee update effort, the City expects to add 16,409 residential units by 2040. This growth would produce a total estimated Citywide population of 129,016 by 2040.

Projected Administrative Building Facility Needs

The City's Municipal Services Building and expanded City Council chambers were improved with the intent of providing upgraded space for the entire City, including anticipated growth envisioned at that time through City Buildout. The growth increment between 1992 (the base

year for the 2004 General Plan) and Buildout formed the basis upon which new development's cost share, and resulting fee, was calculated in the 2009 Nexus Study. The City's Buildout population forecast identified in the 2009 Nexus Study was 134,000.

The City's current planning-level forecast anticipates reaching a residential population of 129,016 by 2040. Because the population forecasts for the two horizon years-- City Buildout as identified in the 2009 Nexus Study and the current 2040 population projections-- are within less than 5 percent of each other, this analysis presumes that the current outstanding loan balance can be assigned to the 2016-2040 growth increment. Therefore, of the original \$4.5 million cost share assigned to new development in the 2009 Nexus Study, there is a remaining outstanding balance of \$701,000. Because it is expected that the 2016-2040 growth increment will reach a similar ultimate population threshold as envisioned in the 2009 Nexus Study, the current balance is assigned to the 2016-2040 growth increment.

Updated Administrative Building Fee Calculation

Table 3 shows the results of the updated ABIF calculation. The ABIF per-unit cost was calculated by dividing the net new facilities cost by the respective number of forecasted new units between 2016 and 2040.

The calculated ABIF per residential unit is lower than the existing ABIF rates for residential. The ABIF would not be applied to non-residential categories.

**TABLE 3
BUILDING DEVELOPMENT IMPACT FEES**

Category/ Name	Amount
Remaining Outstanding Loan	\$701,189
Net Residential Unit Growth: 2016-2040	16,409
Cost per Residential Unit	\$43

Source: City of Chico staff, April 2017.

Findings

- **Finding 1: The Chico Administrative Building Fund had a negative balance as of June 30, 2017.** There was an outstanding loan balance of \$701,189 owed to the Streets Fund. This loan balance is associated with the 1995 construction of the Municipal Services Center and expanded City Council chambers, a project designed to serve both existing and new development.
- **Finding 2: Between 2016 and 2040, the City expects to add residential units to grow by 16,409 residential units and reach a population threshold of approximately 129,016 by 2040.** This threshold is very similar to the Buildout threshold of 134,000 originally used to calculate new development's proportionate share of facility cost improvements in the 2009 Nexus Study.
- **Finding 3: Total costs of \$701,189 are associated with new development's remaining contribution to the Municipal Center and expansion of City Council Chambers.** This

analysis presumes that the loan balance reflects new development's proportionate share of costs for the funding of these facilities.

- **Finding 4: Total facilities costs allocated to new development based on residential growth results in an updated fee of \$43 per residential unit and no fee for non-residential uses.** The updated residential rate is lower than the existing fee (\$174-202). Non-residential rates would fall from \$0.05-\$0.14 to \$0.00.

Summary of Nexus Requirements

California Government Code Section 66000 et. seq. sets forth the procedural requirements for establishing and collecting development impact fees. There are specific conditions which must be met in order for the fee to be set in place, which demonstrate a reasonable relationship, or "nexus" between the fee and its purpose. The key requirements of Government Code Section 66000 are listed below, along with a corresponding discussion that relates to the Administrative Building and Equipment Fee.

Identify the purpose of the fee.

- The fee will fund Administrative Building space required to serve new growth.

Identify how the fee is to be used.

- The fee will be used to repay the outstanding loan for a portion of cost for prior new City Hall building and City Council chambers expansion designed to serve future growth.

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

- New residential development will produce the need for additional City services, which will be housed in Administrative Building space. Revenue generated by the collection of the fee will be used to fund this Administrative Building space.

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

- New residential development will produce the need for additional City services, which will be housed in Administrative Building space.

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

- Administrative Building costs were apportioned solely to residential development.

Technical Memorandum #3

Revision #1

To: City of Chico	Date: May 15, 2018
Attn: Steve Borroum Omni-Means/GHD	Project: 2017 Chico Development Impact Fee Study
From: New Economics and Advisory, Inc.	Job No.: 25-2223-03
Re: Chico Fire Protection Building and Equipment Impact Fee Update Analysis	File No.: C2076MEM015.DOCX

CC:

Introduction

This memorandum is part of an overall effort by the City of Chico (City) to update and adopt a 2016 Nexus Study that updates the current adopted Development Impact Fees based on the 2030 General Plan Update. This fee update is spurred in part by the release of the 2030 City General Plan, which identifies land use growth and improvement needs that are different from those identified in the previous General Plan.

This memorandum focuses on a potential updated Fire Protection Building and Equipment Impact Fee (Fire Fee) rate. In addition to explanation and figures included within this memorandum, Appendix A contains additional supporting calculations for an updated Fire Fee.

Background and Purpose

The new residential, commercial, and industrial development that is projected to occur between 2016 and 2040 will generate significant additional fire service demands. The purpose of the Fire Fee is to assist in funding the expansion of additional fire facilities required to maintain fire protection services to accommodate projected new growth and development in the community.

The 2030 General Plan includes the following goals, policies, and actions regarding fire services and facilities funding for fire facilities and equipment to support continued development:

- Goal S-4: Continue to provide effective and efficient fire protection and prevention services to Chico area residents.
 - Policy S-4.1 (Fire Safety Staffing) – Maintain adequate fire suppressions and prevention staffing levels.
 - Action S-4.1.1 (Fire Response Time) – Strive to obtain an initial response time of five and a half minutes or less for at least 90 percent of fire emergency response calls in urbanized areas.

These policies help to establish the need to provide adequate funding to pay for the additional expenses of serving a growing population.

Current Fee and Fund Balance

The City's existing Fire Fee rate is based on a nexus study last updated in 2009. Table 1 shows the 2016/17 Fire Fee rates. Existing rates are based on a 2009 City Nexus Study, which calculated a fee to help fund a fixed set of capital facilities whose total cost amounted to approximately \$25.3 million. Improvements generally included new fire stations, equipment, and interest expenses. The Fire Fee would fund new development's portion of this cost: roughly 59 percent or \$16.1 million. This percentage share was established based on the share of growth anticipated to occur within the existing city limits, or approximately 52,700 persons between 1992 and General Plan buildout. The 2009 City Nexus Study then allocates the \$16.1 million across a variety of land use types based on the number of alarms per year by land use type to calculate a recommended fee by land use type.

**TABLE 1
CHICO FIRE FEE RATES, 2016-2017**

Item	Fire Protection Building and Equipment Fee [1]
Residential:	<i>Per Dwelling Unit</i>
Single-Family	\$777
Multifamily	\$617
Non-Residential:	<i>Per Bldg. Sq. Ft.</i>
Retail	\$0.37
Office	\$0.22
Industrial	\$0.05

Source: City of Chico Fee Schedule, 2016.

Notes: [1] Approved June 21, 2016. Effective August 20, 2016.

Fund Balance

The City has a Fire Protection Building and Equipment Fund, titled Fund 337.

As of June 30, 2017, the City's Fire Protection Fund had a negative fund balance associated with the construction of the City's newest fire station (#6). Table 2 shows this negative balance.

**TABLE 2
CHICO FIRE FUND BALANCE**

Item	Available Balance (6/30/2017)
Fire Protection Building and Equipment	
Fund 337 Available Balance	(\$406,535)

Source: City of Chico Staff.

Population Housing, and Non-Residential Forecast

The estimated City growth through 2040 was developed by Omni-Means based on existing population and dwelling units and projected 2040 housing units identified by the Butte County Association of Governments (BCAG). *Technical Memorandum #1*, submitted under separate cover, documents this growth increment.

For purposes of the Fire Fee, a longer-term growth increment was selected to reflect facilities needed to maintain response times at City Buildout. Using the Buildout population estimate identified in the 2010 Public Facilities Assessment (2010 PFA), the City's population growth through Buildout is approximately 160% of the growth increment through 2040. This ratio was then applied to all 2040 projections to derive a forecasted growth increment for residential dwelling units and non-residential building square footage through Buildout. Table 3 summarizes both of these growth increments.

**TABLE 3
GROWTH INCREMENTS: 2016-2040 AND 2016-BUILDOUT**

Item	Base Year (2016)	2016 - 2040 Growth Increment	2016 - Buildout Growth Increment [1] [2]
Population	92,117	36,899	58,922
2016-Buildout as a % of 2016-2040 [3]			159.7%
Residential: <i>dwelling units</i>			
Subtotal Residential	21,388	16,409	26,203
Non-Residential: <i>square feet</i>			
Retail	6,449,000	2,122,000	3,388,506
Office & Medical [4]	6,194,000	1,998,000	3,190,497
Industrial	6,176,000	1,817,000	2,901,468
Subtotal Non-Residential		5,937,000	9,480,471

Source: Department of Finance; Omni-Means; 2010 Public Facilities Assessment, page I-3, Table I.1.

Notes: [1] Buildout population of 151,039 residents used. From 2010 Chico PFA.

[2] Residential and non-residential 2016-Buildout unit growth increment amounts are calculated by multiplying 2016-2040 Growth Increment amounts by the Population 2016-Buildout/2016-2040 Growth Ratio (1.597).

[3] Percentage calculated by dividing 2016-Buildout Growth Increment by 2016-2040 Growth Increment.

[4] Includes Office, Medical Office, and Hospital.

New Fire Facility Requirements

Fire Apparatus and Equipment

City staff provided an updated schedule of station expansions, new station construction, and equipment needed to serve the City's Buildout population and workforce. Table 4 shows the breakdown of costs for projected capital improvement costs.

**TABLE 4
FIRE APPARATUS & EQUIPMENT COSTS FOR BUILDOUT**

Item	New (or Additional Planned) Square Feet	Cost per Square Foot	Total
Station 2	2,500	\$550	\$1,375,000
Station 6	8,500	\$550	\$4,675,000
Station 7	9,600	\$550	\$5,280,000
Station 7 Equipment	N/A	N/A	\$1,000,000 [1]
Total Costs			\$12,330,000

Source: City of Chico Staff, March 2017.

Notes: [1] \$1.0 million for an engine, a ladder truck, and a utility vehicle.

Updated Fire Protection Impact Fee Calculation

Table 5 shows the results of the updated Fire Fee calculation. The Fire Fee was calculated by first adding in the debt owed from the Fire Fund. In following, total costs were allocated across developable land use categories based on the percentage of annual fire incident calls by land use type for January 1-December 31, 2016, using information provided by Chico City Staff (Appendix B).

Dividing total cost per land use type by the respective 2016-Buildout growth increment, a cost per residential unit and non-residential building square foot is calculated. This "Cost Per Unit" is effectively the base Fire Fee.

**TABLE 5
FIRE FEE UPDATED CALCULATION**

Land Use Type	Future Facilities Cost	% of Incidents [1]	Growth Increment (2016-Buildout)	Cost Per Dwelling Unit/ Sq. Ft.
Fire Protection Cost	\$12,330,000			
Fund Balance	(\$406,535)			
Total Costs	\$12,736,535			
			<i>dwelling units</i>	
Residential	\$8,813,682	69.2%	26,203	\$336
Non-Residential:			<i>square feet</i>	
Retail	\$2,101,528	16.5%	3,388,506	\$0.62
Office & Medical [2]	\$1,783,115	14.0%	3,190,497	\$0.56
Industrial	\$38,210	0.3%	2,901,468	\$0.01
Subtotal Non-Residential	\$3,922,853	30.8%		

Source: Omni-Means; City Staff.

Notes: [1] From City Staff, April 2017. See Appendix A for supporting documentation.

[2] Includes Office, Medical Office, and Hospital.

Findings

- **Finding 1: The Chico Fire Protection Fund had a negative balance as of June 30, 2017.** There was a gross negative balance of \$406,535.
- **Finding 2: Between 2016 and Buildout, the City expects to add 26,203 new dwelling units and 9.48 million square feet of non-residential development.** This forecast is tied to residential unit projections developed by the Butte County Association of Governments (BCAG) through 2040 and City Buildout population estimates identified in the City's 2010 PFA.
- **Finding 3: Total costs of approximately \$12.7 million are needed to support the projected growth through Buildout, including facilities, equipment, and loan repayment.**
- **Finding 4: Total costs allocated to new development based on fire incident call volumes result in an updated residential fee of \$336 per residential unit.**
- **Finding 5: Updated per building square foot fees are \$0.62 for retail, \$0.56 for office, and \$0.01 for industrial development.** These rates are substantially different from existing rates—the proposed retail rate is about twice as much as the existing rate, the proposed office rate is about two and half times greater than the existing rate (largely owing to medical-related incidents), and the proposed industrial rate is about 20 percent of the existing rate.

Summary of Nexus Requirements

California Government Code Section 66000 et. seq. sets forth the procedural requirements for establishing and collecting development impact fees. There are specific conditions which must be met in order for the fee to be set in place, which demonstrate a reasonable relationship, or “nexus” between the fee and its purpose. The key requirements of Government Code Section 66000 are listed below, along with a corresponding discussion that relates to the Fire Facilities Improvement Fee.

Identify the purpose of the fee.

- The fee will fund expansion of fire stations and equipment needed to serve new growth.

Identify how the fee is to be used.

- The fee will be used to fund additional fire stations and equipment.

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

- New development will produce the need for additional fire protection staffing and equipment, and new fire stations to house these items. Revenue generated by the collection of the fee will be used to fund these new fire stations.

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

- New development will produce the need for additional fire protection staffing and equipment and new fire stations to house these items.

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

- Fire station costs were apportioned using Fire Incidents by land use type during the 2016 calendar year.

APPENDIX A

**TABLE A-1
CURRENT FIRE PROTECTION FACILITIES**

Fire Stations and Other Facilities	Gross Sq. Ft.	Address
Station 1	11,300	842 Salem St.
Station 2	6,500	182 E. 5th Ave.
Station 3	5,500	145 Boeing Ave.
Station 4	4,000	2405 Notre Dame Blvd.
Station 5	9,800	1777 Manzanita Ave.
Station 6	4,000	Hwy 32 and East Ave.
Fire Training Center	6,500	901 Fir Street
Fire Training Tower	2,000	901 Fir Street
Total	49,600	
Total Stations	41,100	
Avg. Station Size	6,850	

Source: General Services Department, 2009.

APPENDIX B

City of Chico Fire Department

Chico, CA

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Residential (SF/MF)	69.2%
Commercial	15.5%
Industrial	0.3%
Office/Medical	14.0%



Incident Count per FPU for Incident Type Range for Date Range for Zone

Zone(s): All Zones | Incident Type(s): All Incident Types | Start Date: 01/01/2016 | End Date: 12/31/2016

FIXED PROPERTY USE	# INCIDENTS	EMS TOTAL	FIRE TOTAL
Zone:			
1 or 2 family dwelling	5	5	0
Dormitory-type residence, other	1	1	0
Fire station	1	0	1
General retail, other	1	1	0
Lake, river, stream	4	4	0
Multifamily dwelling	1	1	0
None	4	1	3
Open land or field	4	0	4
Outside or special property, other	2	1	1
Property Use, other	1	0	1
Residential street, road or residential driveway	3	1	2
Residential, other	1	0	1
Street, other	5	4	1
Vacant lot	1	0	1
Zone: CSUC C area Between Saramento & W 2nd. St.			
Residential street, road or residential driveway	1	1	0
Zone: Station 1's District			
1 or 2 family dwelling	546	405	141
Adult education center, college classroom	53	39	14
Alcohol or substance abuse recovery center	3	3	0
Amusement center: indoor/outdoor	2	2	0
Assembly, other	14	12	2
Athletic/health club	8	8	0
Auditorium, concert hall	2	2	0
Bank	6	5	1
Bar or nightclub	18	18	0
Barracks, dormitory	3	3	0
Boarding/rooming house, residential hotels	33	27	6
Bridge, trestle	17	3	14
Bus station	7	6	1
Business office	8	3	5
Church, mosque, synagogue, temple, chapel	32	31	1
Clinic, clinic-type infirmary	1	1	0
Clinics, doctors offices, hemodialysis cntr, other	3	3	0
Clubs, other	1	0	1
Construction site	1	1	0
Convenience store	18	17	1
Day care, in commercial property	1	0	1
Department or discount store	1	1	0
Doctor, dentist or oral surgeon office	4	0	4
Dormitory-type residence, other	13	8	5
Eating, drinking places, other	15	13	2
Educational, other	7	6	1
Elementary school, including kindergarten	15	10	5
Fixed-use recreation places, other	2	1	1
Food and beverage sales, grocery store	50	46	4
General retail, other	6	2	4
Graded and cared-for plots of land	30	22	8
Health care, detention, & correction, other	7	7	0
Highway or divided highway	11	9	2
Hotel/motel, commercial	41	37	4
Household goods, sales, repairs	3	2	1
Jail, prison (not juvenile)	2	2	0
Lake, river, stream	18	5	13
Laundry, dry cleaning	6	3	3
Library	1	1	0
Live performance theater	4	3	1
Manufacturing, processing	2	0	2
Mental retardation/development disability facility	10	9	1
Mercantile, business, other	24	15	9
Motor vehicle or boat sales, services, repair	5	4	1
Multifamily dwelling	414	325	89
None	5	3	2
Office: veterinary or research	1	0	1
Open land or field	19	11	8

Outbuilding or shed	1	0	1
Outbuilding, protective shelter	1	1	0
Outside or special property, other	43	30	13
Parking garage, general vehicle	3	0	3
Passenger terminal, other	1	1	0
Personal service, including barber & beauty shops	2	2	0
Places of worship, funeral parlors, other	3	3	0
Playground	8	7	1
Police station	4	4	0
Post office or mailing firms	2	1	1
Professional supplies, services	5	4	1
Property Use, other	2	2	0
Public or government, other	8	6	2
Railroad right-of-way	5	4	1
Railroad yard	1	0	1
Rapid transit station	1	1	0
Residential board and care	12	9	3
Residential street, road or residential driveway	408	304	104
Residential, other	20	18	2
Restaurant or cafeteria	25	17	8
Sanitation utility	1	0	1
Schools, non-adult, other	1	1	0
Service station, gas station	13	11	2
Sorority house, fraternity house	5	3	2
Specialty shop	12	8	4
Stadium, arena	1	1	0
Street or road in commercial area	315	276	39
Street, other	156	136	20
Swimming facility: indoor or outdoor	2	2	0
Textile, wearing apparel sales	3	0	3
Tunnel	2	2	0
Undetermined	1	0	1
Utility or Distribution system, other	1	0	1
Vacant lot	6	1	5
Variable-use amusement, recreation places, other	3	3	0
Vehicle parking area	151	107	44
Water area, other	4	2	2
Zone: Station 2's District			
1 or 2 family dwelling	820	597	223
24-hour care Nursing homes, 4 or more persons	174	152	22
Adult education center, college classroom	43	33	10
Alcohol or substance abuse recovery center	51	49	2
Assembly, other	6	6	0
Asylum, mental institution	17	16	1
Athletic/health club	5	5	0
Ballroom, gymnasium	3	3	0
Bank	9	6	3
Bar or nightclub	3	3	0
Barracks, dormitory	9	9	0
Boarding/rooming house, residential hotels	31	26	5
Bowling establishment	3	3	0
Bridge, trestle	5	3	2
Bus station	3	2	1
Business office	7	4	3
Church, mosque, synagogue, temple, chapel	13	12	1
Clinic, clinic-type infirmary	5	5	0
Clinics, doctors offices, hemodialysis cntr, other	83	78	5
Clubs, other	1	1	0
Convenience store	10	7	3
Department or discount store	4	4	0
Doctor, dentist or oral surgeon office	7	5	2
Dormitory-type residence, other	127	70	57
Eating, drinking places, other	1	1	0
Educational, other	7	5	2
Elementary school, including kindergarten	5	4	1
Fixed-use recreation places, other	1	0	1
Food and beverage sales, grocery store	56	43	13
Funeral parlor	1	0	1
General retail, other	11	9	2
Graded and cared-for plots of land	3	2	1
Health care, detention, & correction, other	22	19	3
Hemodialysis unit	2	2	0
High school/junior high school/middle school	39	25	14
Highway or divided highway	29	20	9
Hospices	1	1	0
Hospital - medical or psychiatric	34	19	15
Hotel/motel, commercial	82	77	5

Household goods, sales, repairs	2	0	2
Laboratory or science laboratory	2	1	1
Lake, river, stream	3	0	3
Laundry, dry cleaning	5	5	0
Library	4	4	0
Mental retardation/development disability facility	19	18	1
Mercantile, business, other	48	34	14
Motor vehicle or boat sales, services, repair	2	1	1
Movie theater	4	3	1
Multifamily dwelling	649	530	119
Museum	3	3	0
None	7	4	3
Office: veterinary or research	1	1	0
Open land or field	15	5	10
Outbuilding or shed	1	0	1
Outside material storage area	1	0	1
Outside or special property, other	29	21	8
Parking garage, general vehicle	2	1	1
Personal service, including barber & beauty shops	9	6	3
Playground	1	0	1
Post office or mailing firms	2	2	0
Preschool	1	0	1
Professional supplies, services	7	5	2
Property Use, other	2	2	0
Public or government, other	2	2	0
Railroad right-of-way	3	2	1
Recreational, hobby, home repair sales, pet store	1	1	0
Residential board and care	38	28	10
Residential street, road or residential driveway	234	172	62
Residential, other	17	15	2
Restaurant or cafeteria	21	15	6
Schools, non-adult, other	1	0	1
Service station, gas station	9	8	1
Specialty shop	1	0	1
Stadium, arena	4	4	0
Street or road in commercial area	218	175	43
Street, other	147	120	27
Studio/theater, other	1	1	0
Textile, wearing apparel sales	1	0	1
Tunnel	3	2	1
Undetermined	2	1	1
Vacant lot	2	2	0
Vehicle parking area	214	167	47
Vehicle storage, other	1	1	0
Water area, other	2	1	1
Zone: Station 3's District			
1 or 2 family dwelling	454	368	86
24-hour care Nursing homes, 4 or more persons	99	63	36
Aircraft loading area	3	0	3
Aircraft runway	5	0	5
Aircraft taxiway	1	0	1
Alcohol or substance abuse recovery center	3	3	0
Assembly, other	1	1	0
Boarding/rooming house, residential hotels	19	11	8
Business office	5	3	2
Church, mosque, synagogue, temple, chapel	2	2	0
Clinic, clinic-type infirmary	2	2	0
Clinics, doctors offices, hemodialysis cntr, other	10	10	0
Convenience store	1	1	0
Department or discount store	1	0	1
Dormitory-type residence, other	1	1	0
Fire station	2	2	0
Flight control tower	1	0	1
Food and beverage sales, grocery store	1	1	0
Health care, detention, & correction, other	8	5	3
Hemodialysis unit	2	2	0
Highway or divided highway	6	4	2
Hospices	4	1	3
Hospital - medical or psychiatric	1	1	0
Manufacturing, processing	3	0	3
Mental retardation/development disability facility	3	2	1
Mercantile, business, other	7	5	2
Motor vehicle or boat sales, services, repair	2	1	1
Multifamily dwelling	160	124	36
None	1	1	0
Open land or field	4	0	4
Outside or special property, other	4	1	3

Personal service, including barber & beauty shops	2	2	0
Professional supplies, services	1	1	0
Property Use, other	1	1	0
Public or government, other	4	3	1
Railroad right-of-way	2	2	0
Refrigerated storage	1	1	0
Residential board and care	24	13	11
Residential or self-storage units	1	0	1
Residential street, road or residential driveway	23	16	7
Residential, other	53	49	4
Service station, gas station	2	0	2
Storage, other	1	1	0
Street or road in commercial area	26	19	7
Street, other	16	13	3
Textile, wearing apparel sales	3	1	2
Undetermined	1	0	1
Vacant lot	2	0	2
Vehicle parking area	4	3	1
Warehouse	2	0	2
Zone: Station 4's District			
1 or 2 family dwelling	288	235	53
24-hour care Nursing homes, 4 or more persons	136	133	3
Adult education center, college classroom	1	1	0
Alcohol or substance abuse recovery center	4	3	1
Assembly, other	5	4	1
Athletic/health club	3	2	1
Ballroom, gymnasium	1	1	0
Bar or nightclub	2	2	0
Barracks, dormitory	8	7	1
Boarding/rooming house, residential hotels	11	11	0
Bridge, trestle	2	0	2
Bus station	2	2	0
Business office	10	6	4
Campsite with utilities	1	0	1
Church, mosque, synagogue, temple, chapel	5	2	3
Clinics, doctors offices, hemodialysis cntr, other	19	15	4
Clubhouse	1	1	0
Communications center	1	0	1
Construction site	1	0	1
Convenience store	12	10	2
Courthouse	2	2	0
Day care, in commercial property	4	4	0
Department or discount store	35	29	6
Doctor, dentist or oral surgeon office	6	5	1
Dormitory-type residence, other	12	11	1
Eating, drinking places, other	3	1	2
Elementary school, including kindergarten	1	1	0
Energy production plant, other	1	0	1
Fixed-use recreation places, other	2	0	2
Food and beverage sales, grocery store	46	33	13
General retail, other	17	11	6
Graded and cared-for plots of land	5	2	3
Health care, detention, & correction, other	8	6	2
Hemodialysis unit	2	2	0
High school/junior high school/middle school	2	1	1
Highway or divided highway	125	100	25
Hospital - medical or psychiatric	2	2	0
Hotel/motel, commercial	23	20	3
Household goods, sales, repairs	22	15	7
Ind., utility, defense, agriculture, mining, other	2	1	1
Industrial plant yard - area	1	1	0
Jail, prison (not juvenile)	11	10	1
Lake, river, stream	2	1	1
Manufacturing, processing	17	4	13
Mental retardation/development disability facility	4	4	0
Mercantile, business, other	36	22	14
Motor vehicle or boat sales, services, repair	4	0	4
Multifamily dwelling	349	268	81
None	76	57	19
Open land or field	21	6	15
Outside material storage area	1	0	1
Outside or special property, other	15	10	5
Parking garage, general vehicle	1	1	0
Personal service, including barber & beauty shops	1	1	0
Playground	3	2	1
Police station	6	4	2
Preschool	1	1	0

Professional supplies, services	2	2	0
Property Use, other	4	3	1
Public or government, other	6	5	1
Railroad right-of-way	1	0	1
Recreational, hobby, home repair sales, pet store	5	4	1
Residential board and care	18	17	1
Residential or self-storage units	1	0	1
Residential street, road or residential driveway	40	29	11
Residential, other	11	9	2
Restaurant or cafeteria	18	15	3
Roller rink: indoor or outdoor	3	3	0
Schools, non-adult, other	1	1	0
Service station, gas station	9	7	2
Specialty shop	12	8	4
Stadium, arena	2	2	0
Storage, other	2	0	2
Street or road in commercial area	115	90	25
Street, other	42	37	5
Textile, wearing apparel sales	10	7	3
Undetermined	2	1	1
Utility or Distribution system, other	1	0	1
Vacant lot	1	0	1
Variable-use amusement, recreation places, other	2	1	1
Vehicle parking area	164	120	44
Vehicle storage, other	1	0	1
Warehouse	3	2	1
Water area, other	1	1	0
Zone: Station 5's District			
1 or 2 family dwelling	815	630	185
24-hour care Nursing homes, 4 or more persons	233	216	17
Alcohol or substance abuse recovery center	1	1	0
Assembly, other	2	1	1
Athletic/health club	5	5	0
Ballroom, gymnasium	1	1	0
Bank	2	2	0
Bar or nightclub	1	0	1
Boarding/rooming house, residential hotels	29	23	6
Bridge, trestle	1	1	0
Business office	4	2	2
Church, mosque, synagogue, temple, chapel	6	4	2
Clinic, clinic-type infirmary	3	2	1
Clinics, doctors offices, hemodialysis cntr, other	12	10	2
Clubs, other	2	1	1
Construction site	1	1	0
Convenience store	1	1	0
Convention center, exhibition hall	3	3	0
Day care, in commercial property	1	1	0
Department or discount store	1	1	0
Doctor, dentist or oral surgeon office	4	4	0
Dormitory-type residence, other	1	1	0
Eating, drinking places, other	1	1	0
Elementary school, including kindergarten	5	1	4
Fire station	1	0	1
Food and beverage sales, grocery store	12	11	1
Graded and cared-for plots of land	7	5	2
Health care, detention, & correction, other	2	2	0
High school/junior high school/middle school	11	7	4
Highway or divided highway	10	8	2
Hospital - medical or psychiatric	3	2	1
Lake, river, stream	3	3	0
Mental retardation/development disability facility	30	30	0
Mercantile, business, other	9	7	2
Multifamily dwelling	135	108	27
None	4	2	2
Open land or field	33	18	15
Outside or special property, other	27	15	12
Parking garage, general vehicle	1	0	1
Personal service, including barber & beauty shops	5	4	1
Playground	3	3	0
Preschool	2	1	1
Property Use, other	3	1	2
Residential board and care	47	31	16
Residential street, road or residential driveway	61	43	18
Residential, other	9	7	2
Restaurant or cafeteria	1	1	0
Schools, non-adult, other	1	1	0
Service station, gas station	2	2	0

Specialty shop	4	1	3
Stadium, arena	1	1	0
Storage, other	1	0	1
Street or road in commercial area	34	27	7
Street, other	20	18	2
Tunnel	1	1	0
Vacant lot	3	1	2
Variable-use amusement, recreation places, other	1	1	0
Vehicle parking area	27	20	7
Water area, other	3	2	1
Zone: Station 6's District			
1 or 2 family dwelling	687	547	140
24-hour care Nursing homes, 4 or more persons	85	78	7
Alcohol or substance abuse recovery center	7	5	2
Assembly, other	1	1	0
Boarding/rooming house, residential hotels	10	8	2
Bridge, trestle	1	1	0
Bus station	1	0	1
Business office	2	2	0
Campsite with utilities	1	1	0
Clinic, clinic-type infirmary	1	1	0
Clinics, doctors offices, hemodialysis cntr, other	13	12	1
Clubs, other	1	1	0
Communications center	1	0	1
Convenience store	7	5	2
Day care, in commercial property	1	0	1
Day care, in residence, licensed	1	0	1
Department or discount store	2	1	1
Doctor, dentist or oral surgeon office	10	10	0
Dormitory-type residence, other	65	10	55
Elementary school, including kindergarten	9	5	4
Food and beverage sales, grocery store	20	17	3
General retail, other	3	2	1
Graded and cared-for plots of land	2	1	1
Health care, detention, & correction, other	5	3	2
High school/junior high school/middle school	1	1	0
Highway or divided highway	7	5	2
Hospices	3	3	0
Hospital - medical or psychiatric	4	4	0
Household goods, sales, repairs	2	2	0
Lake, river, stream	1	0	1
Laundry, dry cleaning	1	0	1
Mental retardation/development disability facility	1	1	0
Mercantile, business, other	8	6	2
Motor vehicle or boat sales, services, repair	1	1	0
Multifamily dwelling	347	265	82
None	2	1	1
Open land or field	9	2	7
Outside or special property, other	9	7	2
Personal service, including barber & beauty shops	2	0	2
Pipeline, power line or other utility right-of-way	2	0	2
Places of worship, funeral parlors, other	1	0	1
Playground	3	2	1
Property Use, other	1	1	0
Railroad right-of-way	5	1	4
Recreational, hobby, home repair sales, pet store	1	1	0
Residential board and care	12	12	0
Residential or self-storage units	1	0	1
Residential street, road or residential driveway	87	59	28
Residential, other	33	28	5
Schools, non-adult, other	1	0	1
Service station, gas station	8	5	3
Specialty shop	1	1	0
Street or road in commercial area	67	50	17
Street, other	35	22	13
Undetermined	1	0	1
Vacant lot	1	0	1
Variable-use amusement, recreation places, other	1	0	1
Vehicle parking area	72	51	21

Technical Memorandum #4

Revision #1

To:	City of Chico	Date:	May 15, 2018
Attn:	Steve Borroum	Project:	2017 Chico Development
From:	Omni-Means/GHD New Economics & Advisory, Inc.		Impact Fee Study
Re:	Chico Animal Shelter Fee Update Analysis	Job No.:	25-2223-03
		File No.:	C2076MEM013.DOCX

CC:

Introduction

This memorandum is part of an overall effort by the City of Chico (City) to update and adopt a 2017 Nexus Study that updates the current adopted Development Impact Fees based on the 2030 General Plan Update. This fee update is spurred in part by the release of the 2030 City General Plan, which identifies land use growth and improvement needs that are different from those identified in the previous General Plan.

This memorandum focuses on a new potential Animal Shelter Impact Fee (ASIF). In addition to explanation and figures included within this memorandum, **Appendix A** contains additional documentation of key assumptions and supporting calculations for an ASIF.

Background

New residential, commercial, and industrial development that is forecasted to occur will generate additional animal shelter service demands. The purpose of the ASIF is to assist in funding the expansion of additional animal shelter facilities required to provide animal shelter services at current levels and to accommodate the projected new growth and development in the community.

Animal shelter services are provided under the umbrella of police protection, and, to date, animal shelter facilities have been included in the Police Projection Impact Fee (PPIF). This analysis calculates the potential fee rates for a new ASIF that would be separate from the existing PPIF.

Current Fee and Fund Balance

Current Fee

There is no current Animal Shelter Impact Fee. Instead, animal shelter facilities are included within the PPIF. Animal Services facilities account for approximately 8.2 percent of the total CIP for the police fee, as documented in **Appendix Table A-1**. For purposes of this analysis, 8.2

percent of the PPIF rate is, therefore, associated with animal shelter facilities. **Table 1** shows the equivalent fee rate for these facilities.

As shown in **Appendix Table A-1**, the 2009 Nexus Study included a total of \$2.3 million associated with animal shelter related costs (*Note: This total cost does not include an allocation of annual nexus study update costs or any other administrative costs*).

TABLE 1
ESTIMATE OF EXISTING ANIMAL SHELTER FEE RATES (FY 2016/17)

Item	Per Unit	
	SF	MF
Police Protection Building & Equipment Fee	\$885	\$998
<i>Portion of Police CIP Associated with Animal Services [1]</i>	8.2%	8.2%
Equivalent Animal Services Fee	\$73	\$82

Source: City of Chico Fund Summary; City of Chico staff.

Notes: [1] Reflects estimated portion of current police facilities fee capital improvement program dedicated to animal services facilities (see Appendix Table A-1). Assumes that fee revenues have been expended proportionately to date.

Fund Balance

Were Animal Services to have its own fund, it might have a positive balance of \$275,856.

As of June 30, 2017, the City's Police Protection Building & Equipment Fund (Fund 338) had a positive fund balance of approximately \$3.3 million (**Table 2**). Assuming that fees have been expended proportionately between police and animal shelter projects, Animal Shelter's share of the existing funds would be about \$275,856, or 8.2 percent.

Should the City decide to create a new ASIF, a separate, new Animal Shelter Fund would need to be created to transfer existing funds, track new fee revenues, and administer funds.

TABLE 2
CHICO ESTIMATED ANIMAL SERVICES FUND BALANCE (END OF FY 2016/17)

Item	Available Balance (06/30/2017)
Total Police Protection Building & Equipment Fund 338	\$3,364,100
<i>Portion of Police CIP Associated with Animal Services [1]</i>	8.2%
Estimated Animal Services Balance	\$275,856

Source: City of Chico Fund Summary; City of Chico staff.

Notes: [1] Reflects estimated portion of current police facilities fee capital improvement program dedicated to animal services facilities expansion (see Appendix Table A-1). Assumes that fee revenues have been expended proportionately to date.

Population and Housing Forecast

The 2016 to 2040 estimated City growth was developed by Omni-Means based on existing population and dwelling units and projected 2040 housing units identified by the Butte County Association of Governments (BCAG). **Technical Memorandum #1**, submitted under separate cover, documents this growth increment and the basis upon which the ASIF is calculated.

For purposes of this fee update effort, the City expects to experience the following levels of residential growth by 2040 (as shown in **Table 3**):

- 9,063 single-family units
- 7,346 multifamily units
- 40.7% residential unit growth (2016-2040)

**TABLE 3
CITY OF CHICO 2016-2040 GROWTH BY LAND USE**

Land Use Type	2016	2040	Unit Growth (2016-2040)	% Growth (2016-2040)
Residential: (dwelling units)				
Single-Family	21,388	30,451	9,063	42.4%
Multifamily [1]	18,926	26,272	7,346	38.8%
Subtotal Residential	40,314	56,723	16,409	40.7%

Source: Omni-Means Technical Memorandum #1.

Notes: [1] Includes Mobile Home units and traditional multifamily units.

Projected Animal Service Facility Needs

Approximately 4,100 square feet of new animal shelter facilities are required by 2040 in order to meet demand of the forecasted service population growth increment.

The City currently occupies 10,070 square feet of Animal Shelter space, although, according to City Staff, space is running at a deficit of 5 percent.

Projected total animal shelter space in 2040 was calculated to be 14,877 square feet, accounting for the existing deficit plus 40.7% growth factor. This amount was calculated by applying the 40.7 percent residential unit growth from 2016 to 2040 to the current animal shelter space. **Table 4** contains these calculations.

A total new animal shelter facility cost of \$1.4 million was calculated by applying a per square foot cost of \$300. This figure, provided by City staff, was taken from Animal Arts, a design firm that specializes in veterinary hospitals, animal shelters, and pet resorts nationwide. Available Animal Shelter funds (identified in Table 2) were applied to cover the cost of the existing deficit of space, resulting in a net facilities cost of \$1.1 million.

**TABLE 4
FUTURE ANIMAL SHELTER FACILITIES**

Item	Amount
Current 2016 City Total Animal Shelter Space [1]	10,070 sq. ft.
Existing Deficit of Space (5%) [2]	504 sq. ft.
Total Space for Existing City Population	10,574 sq. ft.
2016-2040 Residential Unit Growth as %	40.7% [3]
Projected 2040 City Total Animal Shelter Space	14,877 sq. ft.
New Floor Area Required	4,807 sq. ft.
Animal Shelter Facility Cost (Per Sq. Ft.) [4]	\$300
Gross Animal Shelter Cost	\$1,442,169
Minus Available Funds (to fund existing deficit)	(\$275,856)
Net New Animal Shelter Facility Cost	\$1,166,313

Source: City Staff, November 2016.

Notes: [1] Provided by City staff, December 2016. Presumes that existing estimated space deficit of 5 percent would be cured through the use of existing available funds.

[2] The existing deficit will be cured through the use of existing animal shelter funds.

[3] See Table 3 for unit growth by land use information.

[4] Provided by City staff, December 2016. From www.ghcarch.com.

Updated Animal Shelter Fee Calculation

Table 5 shows the results of the updated ASIF calculation. The ASIF per-unit cost was calculated by dividing the net new facilities cost by the respective number of forecasted new units between 2016 and 2040.

The calculated ASIF is within a range that is approximately equal to the share of the 2016/17 PPIF that reflects animal shelter facilities.

**TABLE 5
ANIMAL SHELTER DEVELOPMENT IMPACT FEES**

Land Use Type	Residential Unit Growth Increment (2016-2040)	% of Units	Cost	Cost Per Unit	Estimated Current Fee	% of Estimated Current Fee Rates [1]
Residential	16,409	100%	\$1,166,313	\$71	\$72-82	86.9%-97.9%

Source: Omni-Means; City Staff.

Notes: [1] Percent share of Police Protection Building and Equipment Fee that pertains to Animal Shelter facilities. Estimated Current Animal Services Fee Rates are found in Table 1.

Findings

- **Finding 1: Were Animal Services to have its own fund, it might have a positive balance of \$275,856.** This estimate presumes that Animal Services would receive 8.2 percent of Police Facilities funds, which is the portion of the Police Facilities Fee capital improvement program currently supporting animal services.
- **Finding 2: Between 2016 and 2040, the City expects residential units to grow by 16,409, or 40.7%.**
- **Finding 3: New Animal Shelter facilities floor area of 4,807 square feet is needed to support the projected population between 2016 and 2040.**
- **Finding 5: Total costs of approximately \$1.1 million are needed to fund the additional animal shelter facility space to serve new development.**
- **Finding 6: Total facilities costs allocated to new development based on residential growth results in an updated fee of \$71 per single-family and multifamily unit.** The updated rate is within a range that is approximately equal to the current estimated share of the Police Protection Fee that pertains to animal shelter facilities.

Summary of Nexus Requirements

California Government Code Section 66000 et. seq. sets forth the procedural requirements for establishing and collecting development impact fees. There are specific conditions which must be met in order for the fee to be set in place, which demonstrate a reasonable relationship, or “nexus” between the fee and its purpose. The key requirements of Government Code Section 66000 are listed below, along with a corresponding discussion that relates to the Animal Shelter Improvement Fee.

Identify the purpose of the fee.

- The fee will fund expansion of additional animal shelter space required to provide animal control services at current levels.

Identify how the fee is to be used.

- The fee will be used fund additional animal shelter facilities.

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

- New development will produce the need for additional animal shelter space. Fee revenue generated will be used to fund this space.

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

- New residential development will produce the need for additional animal shelter space.

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

- Animal shelter costs were apportioned solely to residential development.

APPENDIX A

**TABLE A-1
POLICE PROTECTION BUILDING AND EQUIPMENT PROJECT LISTING**

Item	Estimated Cost	Development Impact Fee Allocation		
		Allocation Factor	Allocation of Cost	% of Total
2009 Nexus Study Capital Improvement Program (CIP)				
<u>Police Protection:</u>				
Police Protection Equipment Costs	\$2,702,948	0.59	\$1,594,739	5.8%
New Police Building Costs	\$1,477,115	0.59	\$871,498	3.1%
New Police Facility	\$37,957,740	0.59	\$22,395,067	80.9%
Additional Costs	\$540,346	1.00	\$540,346	2.0%
Subtotal Police Protection	\$42,678,149		\$25,401,650	91.8%
<u>Animal Shelter:</u>				
Animal Shelter - Expansion	\$1,946,146	0.59	\$1,148,226	4.1%
Animal Shelter - New	\$1,895,362	0.59	\$1,118,264	4.0%
Subtotal Animal Shelter	\$3,841,508		\$2,266,490	8.2%
Total Capital Improvement Program	\$46,519,657		\$27,668,139	100.0%

Source: 2009 Chico Nexus Study, Appendix B.

Technical Memorandum #5

Revision #1

To: City of Chico	Date: May 15, 2018
Attn: Steve Borroum	Project: 2017 Chico Development
From: Omni-Means/GHD New Economics & Advisory, Inc.	Impact Fee Study
Re: Chico Police Protection Building and Equipment Impact Fee Update Analysis	Job No.: 25-2223-03
	File No.: C2076MEM012.DOCX
CC:	

Introduction

This memorandum is part of an overall effort by the City of Chico (City) to update and adopt a 2016 Nexus Study that updates the current adopted Development Impact Fees based on the 2030 General Plan Update. This fee update is spurred in part by the release of the 2030 City General Plan, which identifies land use growth and improvement needs that are different from those identified in the previous General Plan.

This memorandum focuses on a potential updated Police Protection Building and Equipment Impact Fee (Police Fee) rate. In addition to explanation and figures included within this memorandum, **Appendix A** and **Technical Memorandum #1** contain additional documentation of key assumptions, historical fee information, and supporting calculations for an updated Police Protection Impact Fee.

Background and Purpose

The new residential, commercial, and industrial development that is projected to occur between 2016 and 2040 will generate significant additional police service demands. The purpose of the Police Fee is to assist in funding the expansion of additional police facilities required to maintain police protection services to accommodate projected new growth and development in the community.

The 2030 General Plan includes the following goals, policies, and actions regarding police services and facilities funding for police facilities and equipment to support continued development:

- Goal S-5: Provide a safe, secure environment with responsive police services for the community.
 - Policy S-5.1 (Police Services) – Continue to provide fundamental police services based upon rapid response to emergencies and response, control and intervention in conduct that threatens life and property.

- Action S-5.1.2 (Police Staffing) – Maintain adequate staffing to meet the needs of the community’s service population.
- Action S-5.1.4 (Specialized Resources) - Train, equip, and maintain specialized response teams for extraordinary emergency incidents.

These policies help to establish the need to provide adequate funding to pay for the additional expenses of serving a growing population.

Current Fee and Fund Balance

The City’s existing Police Fee rate is based on a nexus study last updated in 2009. The 2016/17 Police Fee rates are shown in **Table 1** on the following page and the historical and current fees are shown in **Appendix Table A-1**.

The facility and equipment projects required to provide police protection services at the time of the 2009 Nexus Study were based on a “buildout” population of 134,000 and included \$27.7 million in cost attributed to new development (**Appendix Table A-2**). Among these costs \$2.3 million, or 8.2%, was dedicated for Animal Shelter facilities. Because Animal Shelter costs are analyzed in a separate Animal Shelter Impact Fee Analysis, **Table 1** also shows Police Fee rates adjusted to net out the Animal Shelter portion of the existing CIP.

**TABLE 1
CHICO POLICE FEE RATES, 2016-2017**

Item	Police Protection Building and Equipment Fee [1]	Police Fee Net of Animal Shelter [2]
Residential:	<i>Per Dwelling Unit</i>	<i>Per Dwelling Unit</i>
Single-Family	\$885	\$812
Multifamily	\$998	\$916
Non-Residential:	<i>Per Bldg. Sq. Ft.</i>	<i>Per Bldg. Sq. Ft.</i>
Retail	\$1.35	\$1.24
Office	\$1.68	\$1.54
Industrial	\$0.13	\$0.12

Source: City of Chico Fee Schedule, 2016.

Notes: [1] Approved July 7, 2016.

[2] Animal shelter costs represent 8.2% of total police facilities costs. The rates identified as "Police Fee Net of Animal Shelter" exclude these costs.

Fund Balance

The City has a Police Protection Building and Equipment Fund, titled Fund 338.

As of June 30, 2017, the City’s Police Protection Fund had a positive fund balance. **Table 2** shows the net fund balance after accounting for anticipated expenditures, including a proportionate allocation to Animal Shelter, a pending building/land purchase, and building space

and vehicle costs associated with 5 additional staff members needed to serve growth that has already occurred.

Assuming that fees have been expended proportionately between police and animal shelter projects, Police's share of the remaining existing funds would be about \$1.8 million.

**TABLE 2
CHICO POLICE FUND BALANCE**

Item	Available Balance (6/30/2017)
Police Protection Building and Equipment	
Fund 338 Available Balance	\$3,364,100
Minus Animal Shelter Component [1]	(\$275,856)
Minus Pending Building/Land Purchase	(\$566,400)
Minus Building Space for 5 Additional Staff [2]	(\$613,350)
Minus Vehicle Costs for 5 Additional Staff [3]	(\$108,230)
Net Available Balance	\$1,800,264

Source: City of Chico Staff.

Notes: [1] Reduction represents 8.2% to account for the portion of funds that may be transferred to a new Animal Shelter Fund. This approach presumes that existing available funds would be allocated between Police and Animal Shelter based on the Capital Improvement Program supporting the existing fee.

[2] Assumes 290 square feet of building space at a cost of \$423 per building square foot for each new staff person.

[3] Assumes \$21,646 in vehicle costs for each new staff person.

Updated Fee LOS Assumptions

While the 2030 General Plan does not identify specific LOS standards for facilities and equipment, the City's Police Department specified the following goals¹:

- 1.30 sworn personnel per 1,000 persons.
- 0.85 non-sworn personal per 1,000 persons.
- 290 building sq. ft. per staff personnel.
- Vehicles for additional personnel.

These goals form the LOS metrics that are applied to develop an updated Police Fee rate.

Population Housing, and Non-Residential Forecast

The 2016 to 2040 estimated City growth was developed by Omni-Means based on existing population and dwelling units and projected 2040 housing units identified by the Butte County Association of Governments (BCAG). **Technical Memorandum #1**, submitted under separate cover, documents this growth increment and the basis upon which the Police Staffing

¹ Provided by City staff, September 20, 2016.

Projections and fee are made. A summary table of these growth increments can also be found in **Appendix Table A-3**.

For purposes of this fee update effort, the City can expect growth of 36,899 persons to reach a population of 129,016 by 2040. This growth forecast is based on net residential growth of 16,409 units, multiplied by 2.3 persons per household.

Omni-Means also developed estimates for non-residential City growth which can be found in **Appendix Table A-3**. By 2040, retail is expected to grow by 2.1 million building square feet, office is expected to grow by 2.0 million building square feet, and industrial by 1.8 million building square feet.

New Police Facility Requirements

Police Staffing

In order for the Police Department to meet the demands of the forecasted service population growth increment, a total of 85 additional police officers will be required. Ratios of 1.30 sworn police officers per 1,000 service population and 0.85 un-sworn officers per 1,000 service population were used to determine the total new police officers required to meet the additional demand. As illustrated in **Table 3**, the level of police staffing needed to support the projected service population growth would include an additional 48 sworn officers and 31 un-sworn officers.

**TABLE 3
POPULATION GROWTH AND PROJECTED STAFFING**

Item	Amount
Population Growth: 2016-2040 [1]	
Net Residential Unit Growth	16,409
Assumed Persons Per Household	2.3 [2]
Total Net Population Growth	36,920
Average Staffing Level Goals:	
Sworn Police Officers (Per 1,000 Population)	1.30
New Sworn Police Officers	48.00
Un-Sworn Police Officers (Per 1,000 Population)	0.85
New Un-Sworn Police Officers	31.38
Total New Police Officers	79.38
Total Officers Applied in this Analysis	79.00

Source: *Chico Public Facilities Assessment, 2010; City Staff.*

Notes: [1] *Within limits of the General Plan boundary area.*

[2] *Persons Per Household is rounded to nearest tenth.*

Police Facilities and Vehicles

With police personnel growing by 79 officers between 2016 and 2040, additional facilities and vehicles will also be needed to support the new officers. **Table 4** shows the breakdown of costs for projected capital improvement costs.

The new facility space required to accommodate the additional 79 new officers is 22,910 square feet. This amount is based on the ratio of 290 square feet per employee, an assumption stated in the 2010 Chico Public Facilities Assessment and as directed by City Staff.

The new facility space will cost approximately \$9.7 million. This amount was calculated based on a per-building-square-foot cost of \$423. **Appendix Table A-4** shows how this construction cost assumption was developed.

New vehicle costs amount to approximately \$1.7 million. This amount was calculated by applying a per employee cost of \$21,646 to the 79 new staff members. This per-employee cost, documented in **Appendix Table A-5**, is based on a calculation in the 2010 Chico Public Facilities Assessment (PFA).

The per-employee costs for vehicles, based on the 2010 PFA, was then inflated to 2016 dollars and applied to the 2016-2040 growth increment of 36,899.

The sum of facilities and vehicles costs attributed to new development is \$11.4 million; net of available funds, the total cost is \$9.6 million.

**TABLE 4
FUTURE POLICE FACILITY, VEHICLE, AND EQUIPMENT COSTS**

Item	Amount
Police Facility Cost:	
Total New Police Officers	79
Facility Floor Area Per Employee [1]	290 sq. ft.
New Floor Area Required	22,910 sq. ft.
Police Facility Cost (Per Sq. Ft.) [2]	\$423
Total New Police Facility Cost	\$9,690,930
Police Vehicle Costs:	
Vehicle Cost Per Employee [3]	\$21,646
New Police Officers	79
Total New Vehicle Costs	\$1,710,031
Total Costs (Facility & Vehicles)	\$11,400,961
Available Funds	(\$1,800,264)
Net Total Costs (Facility & Vehicles)	\$9,600,697

Source: *Chico Public Facilities Assessment, 2010; Chico Police Facility Needs Assessment, 2006; Chico Police Department; City Staff.*

Notes: [1] Defined in the Chico Public Facilities Assessment from the 2006 Chico Police Facility Needs Assessment.

[2] See Appendix Table A-3 for a breakdown of Police Facility Cost Per Square Foot.

[3] See Appendix Table A-5 for breakdown of costs found in the 2010 Chico Public Facilities Assessment. Inflated to \$2016 using ENR data.

Updated Police Protection Impact Fee Calculation

Table 5 shows the results of the updated Police Fee calculation. The Police Fee was calculated by first allocating the total cost by type of developable land use. This allocation was calculated based on the percentage of annual police incident calls by land use type for October 13, 2015 to October 13, 2016, using information provided by Chico City Staff (**Appendix Table A-6**).

Dividing total cost per land use type by the respective 2016-2040 growth increment, a cost per residential unit and non-residential building square foot is calculated. This "Cost Per Unit" is effectively the base Police Fee. In addition, there will be an administrative component added to account for the costs of the fee implementation.

**TABLE 5
POLICE FEE UPDATED CALCULATION**

Land Use Type	Future Facilities Cost	Total Calls	% of Calls Per Year [1] [2]	Growth Increment (2016-2040)	Cost Per Dwelling Unit/ Sq. Ft.
Residential:				<i>dwelling units</i>	
Subtotal Residential	\$5,132,692	3,444	53.5%	16,409	\$313
Non-Residential:				<i>square feet</i>	
Retail	\$4,011,965	2,692	41.8%	2,122,000	\$1.89
Office & Medical [3]	\$421,763	283	4.4%	1,998,000	\$0.21
Industrial	\$34,278	23	0.4%	1,817,000	\$0.02
Subtotal Non-Residential	\$4,468,005	2,998	46.5%	5,937,000	
Total	\$9,600,697	6,442	100%		

Source: Omni-Means; City Staff.

Notes: [1] Percent of calls per year made in developable land use types. See Table Appendix Table A-6 for supporting calculations.

[2] This allocation of calls can be applied to new development because new development is expected to occur in the same proportions as existing development, as shown in Table A-3.

[3] Includes Office, Medical Office, and Hospital.

PIF Comparison

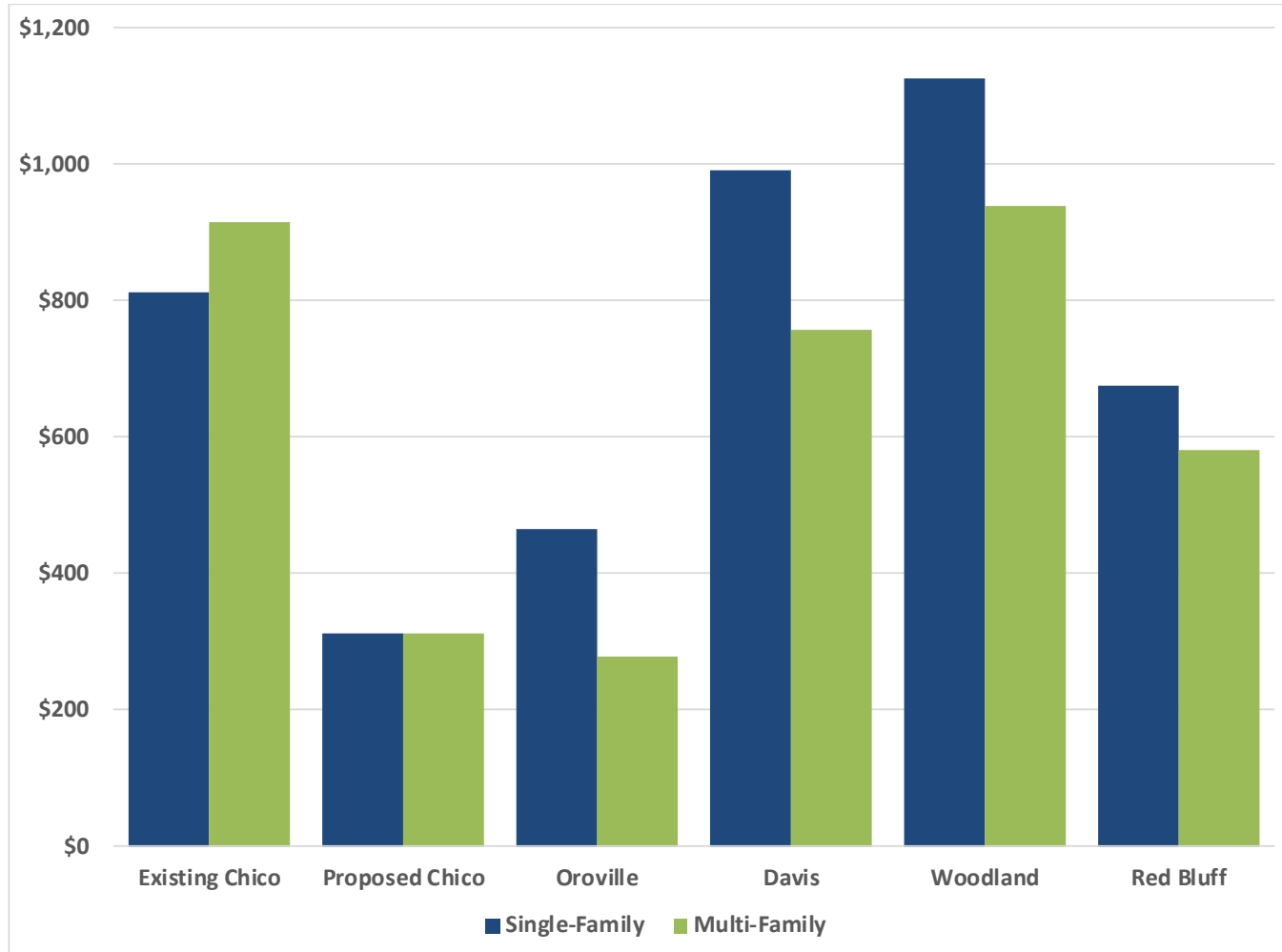
Table 6 and **Chart 1** illustrate a residential comparison of the existing and proposed Chico Police Fee rates to police impact fee rates in 4 other jurisdictions, including Oroville, Davis, Woodland, and Red Bluff. The calculated residential fees are lower than most comparable jurisdictions. Only the City of Oroville has a lower Multifamily fee. As for non-residential, the calculated retail rate is larger than all comparable jurisdictions, the calculated office rate appears to be in line with most comparable jurisdictions, and the calculated industrial rate appears to be lower than comparable jurisdictions. **Appendix Table A-7** contains a comparison of all Police Fee rates (including non-residential) in other jurisdictions. This information is provided simply as an informational point of reference for the proposed Police Fee.

TABLE 6
COMPARISON CHART, 2016 RATES

	Single-Family	Multi-Family
Existing Chico	\$812	\$916
Proposed Chico	\$313	\$313
Oroville	\$466	\$277
Davis	\$992	\$757
Woodland	\$1,126	\$939
Red Bluff	\$675	\$582

Source: *Municipal websites, planning staff.*

**CHART 1
RESIDENTIAL POLICE FEE RATE COMPARISON CHART (2016 RATES)**



Source: *Municipal websites, planning staff.*

Findings

- **Finding 1: The Chico Police Protection Fund had a positive balance as of June 30, 2017.** There was a gross positive balance of \$3.3 million and net remaining available balance of \$1.8 million after accounting for anticipated expenditures.
- **Finding 2: Between 2016 and 2040, the City expects to add 36,899 new persons and 5.9 million square feet of non-residential development.** This forecast is tied to residential unit projections developed by the Butte County Association of Governments (BCAG) and reflects residential growth within the City's General Plan boundary.
- **Finding 3: The City's Police Department LOS goals are 1.30 sworn officers and 0.85 un-sworn officers per 1,000 residents.** This analysis applies these standards to determine the new facilities and equipment needed for additional staff.
- **Finding 4 An increase of 48 sworn officers and 31 un-sworn officers, for a total of 79 new officers, is needed to support the projected population growth within Chico.** These staffing increases were calculated by applying the staffing LOS goals.
- **Finding 5: Total costs of nearly \$9.6 million are needed to support the projected population growth, including facilities and vehicles.** Using number of new officers, this facility cost was extrapolated from facility floor area per employee, facility cost per square foot of facility floor area, and vehicle and equipment cost per employee. Existing available funds were also applied against gross costs to produce the net facility cost.
- **Finding 6: Total costs allocated to new development based on police incident call volumes result in an updated residential fee of \$313 per residential unit.**
- **Finding 7: Updated per building square foot fees are \$1.89 for retail, \$0.21 for office, and \$0.02 for industrial development.**
- **Finding 8: The calculated residential and non-residential Police Fee rates were compared to other cities in the area.** The calculated residential fee is lower than all single-family fee rates in comparable jurisdictions and is lower than most multifamily fee rates in comparable jurisdictions. The calculated retail rate is higher than the comparable jurisdictions, the calculated office rate appears to be in line with most other comparable jurisdictions, and the calculated industrial rate is lower than the comparable jurisdictions.

Summary of Nexus Requirements

California Government Code Section 66000 et. seq. sets forth the procedural requirements for establishing and collecting development impact fees. There are specific conditions which must be met in order for the fee to be set in place, which demonstrate a reasonable relationship, or “nexus” between the fee and its purpose. The key requirements of Government Code Section 66000 are listed below, along with a corresponding discussion that relates to the Police Facility Improvement Fee.

Identify the purpose of the fee.

- The fee will fund expansion of additional police facilities and equipment required to maintain police protection services for new growth.

Identify how the fee is to be used.

- The fee will be used to fund additional police facilities and equipment.

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

- New development will place increasing demand on police services. Fee revenue will be used to fund new stations and equipment to provide services for new development.

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

- New development will produce the need for additional police staffing and corresponding space and equipment.

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

- Facility and equipment costs were apportioned using Incident Calls for service by land use type for October, 2016 through October, 2017.

Appendix

**TABLE A-1
HISTORICAL POLICE FEE RATE**

Effective Date	Residential Type	
	Single-Family	Multi-Family
07/01/09	\$834	\$940
07/01/10	\$834	\$940
09/05/15	\$855	\$964
08/20/16	\$885	\$998

Source: City of Chico

**TABLE A-2
POLICE PROTECTION BUILDING AND EQUIPMENT PROJECT LISTING (\$2009)**

Item	Estimated Cost	Development Impact Fee		Other Funding Allocation	
		Factor	Cost	Factor	Cost
Police Protection:					
Police Protection Equipment Costs	\$2,702,948	0.59	\$1,594,739	0.41	\$1,108,209
New Police Building Costs	\$1,477,115	0.59	\$871,498	0.41	\$605,617
New Police Facility Costs	\$37,957,740	0.59	\$22,395,067	0.41	\$15,562,673
Additional Costs	\$540,346	1.00	\$540,346	0.00	\$0
Subtotal Police Protection	\$42,678,149		\$25,401,650		\$17,276,499
Animal Shelter:					
Animal Shelter - Expansion	\$1,946,146	0.59	\$1,148,226	0.41	\$797,920
Animal Shelter - New	\$1,895,362	0.59	\$1,118,264	0.41	\$777,098
Subtotal Animal Shelter	\$3,841,508		\$2,266,490		\$1,575,018
Grand Total	\$46,519,657		\$27,668,139		\$18,851,518
Adjusted Police CIP (net of animal shelter costs)	\$42,678,149		\$25,401,650		\$17,276,499
As a %			91.8%		
Animal Shelter CIP	\$3,841,508		\$2,266,490		\$1,575,018
As a %			8.2%		

Source: 2009 Chico Nexus Study

**TABLE A-3
CITY OF CHICO NET GROWTH BY LAND USE**

Land Use Type	2016	% of Total Units 2016	2040	% of Total Units 2040	Growth (2016- 2040)
Residential: (dwelling units)					
Single-Family	21,388	53.1%	30,451	53.7%	9,063
Multifamily [1]	18,926	46.9%	26,272	46.3%	7,346
Subtotal Residential	40,314	100%	56,723	100%	16,409
Non-Residential: (square feet)					
Retail	6,449,000	34.3%	8,571,000	34.6%	2,122,000
Office & Medical [2]	6,194,000	32.9%	8,192,000	33.1%	1,998,000
Industrial	6,176,000	32.8%	7,993,000	32.3%	1,817,000
Subtotal Non-Residential	18,819,000	100%	24,756,000	100%	5,937,000

Source: Technical Memorandum #1

Notes: [1] Includes Mobile Home units and traditional multifamily units.

[2] Includes Office, Medical Office, and Hospital.

**TABLE A-4
POLICE STATION CONSTRUCTION COST COMPARABLES**

Developable Location Type	Incidents
Redding, CA	
New Station Size (Sq. Ft.)	16,500
Total Construction Budget	\$7,495,000
Less Remodel of City Hall Space	-\$391,000
Less C.O.	-\$50,000
Less Structured Parking	-\$95,000
Net New Building Cost	\$6,959,000
New Building Cost per Sq. Ft.	\$422
Santa Maria, CA	
New Station Size (Sq. Ft.)	72,000
Total Construction Budget [1]	\$29,000,000
New Building Cost per Sq. Ft.	\$403
Yucaipa, CA	
New Station Size (Sq. Ft.)	22,076
Total Construction Budget	\$10,131,744
New Building Cost per Sq. Ft.	\$459
RS Means: Central Valley, CA	
New Station Cost per Sq. Ft. (Union Labor)	\$428
New Station Cost per Sq. Ft. (Open Shop)	\$402
Average Construction Cost per Sq. Ft.	\$423

Source: City of Redding Finance Manager; KSBY News website; Santa Maria City website; Yucaipa News-Mirror website; RS Means.

Notes: [1] Major renovation including seismic retrofit and new roof.

**TABLE A-5
POLICE VEHICLE AND EQUIPMENT COSTS (\$2016)**

Item	Quantity	Unit Cost	Item Total
Police Vehicle Costs (\$2010):			
Fully Equipped Detective Type Vehicle	18	\$28,000	\$504,000
Fully Equipped Marked Patrol Type Vehicle	40	\$45,000	\$1,800,000
Fully Equipped Marked Patrol Type Sedan	4	\$28,000	\$112,000
Fully Equipped Administrative Car	3	\$24,000	\$72,000
Fully Equipped Marked Mini Van	3	\$29,000	\$87,000
Market CSO Truck	2	\$2,900	\$5,800
Subtotal Vehicle Costs			\$2,580,800
Vehicle Cost Per New Employee (assuming 137 new employees) [1]			\$18,838
Vehicle Cost Per New Employee (\$2016) [2]			\$21,646

Source: *Chico Public Facilities Assessment, 2010.*

Notes: [1] 137 new employees from 2010 Chico PFA to serve a growth increment of 61,405 new service population. 2010 cost estimations were made to accommodate these projected 137 new employees.

[2] Inflated to \$2016 using Engineering News Record inflation data in Appendix Table A-8.

**TABLE A-6
POLICE INCIDENT LOCATION TYPE (10/2015 - 10/2016)**

Developable Location Type	Annual Incidents	% of Developable Total
Residential - Single-Family:		
Residential/Garage-Carport-Driveway	627	9.7%
Residential/House	1,348	20.9%
Residential/Storage Shed	20	0.3%
Subtotal Single-Family Residential Incidents	1,995	31.0%
Residential - Multifamily:		
Residential/Apartment-Condominium	1,088	16.9%
Residential/Other	361	5.6%
Subtotal Multifamily Residential Incidents	1,449	22.5%
Commercial:		
Bank/Savings/Financial Institution	59	0.9%
Bar/Night Club	61	0.9%
Convenience Store/Fast Food Chain	93	1.4%
Department/Discount Store	290	4.5%
Gas/Service Station	90	1.4%
Grocery/Supermarket	161	2.5%
Hotel/Motel	106	1.6%
Liquor Store	19	0.3%
Parking Lot/Public-Commercial	1,473	22.9%
Rental/Storage Facility	16	0.2%
Restaurant	150	2.3%
Specialty Store	174	2.7%
Subtotal Commercial Incidents	2,692	41.8%
Office/Medical:		
Commercial/Office Building	153	2.4%
Drug Store/Doctor Office/Hospital	130	2.0%
Subtotal Office/Medical Incidents	283	4.4%
Industrial:		
Construction Site	5	0.1%
Manufacturing/Industrial	18	0.3%
Subtotal Industrial Incidents	23	0.4%
Developable Total	6,442	100.0%

Source: City of Chico Staff, September 2016.

Notes: [1] Calculated by City Staff.

**TABLE A-7
POLICE FEE COMPARISONS**

Title	Residential		Non-Residential		
	Per Single-Family Unit [1]	Per Multifamily Unit	Per Retail Sq. Ft.	Per Office Sq. Ft.	Per Industrial Sq. Ft.
Proposed Chico	\$313	\$313	\$1.89	\$0.21	\$0.02
Oroville	\$466	\$277	\$0.12	\$0.16	\$0.06
Davis [2]	\$992	\$757	\$1.08	\$1.08	\$1.08
Woodland	\$1,126	\$939	\$0.93	\$1.07	\$0.24
Red Bluff	\$675	\$582	\$0.10	\$0.10	\$0.10

Source: Municipal websites, planning staff.

Notes: [1] Single Family Detached shown.

[2] Fees shown are base fees, before citywide Mello Roos credits.

**TABLE A-8
ENR'S CONSTRUCTION COST INDEX HISTORY (2010-2016)**

Year	Index Value (August)	% Change
2010	8,837	
2016	10,385	15%

Note: *HOW ENR BUILDS THE INDEX: 200 hours of common labor at the 20-city average of common labor rates, plus 25 cwt of standard structural steel shapes at the mill price prior to 1996 and the fabricated 20-city price from 1996, plus 1.128 tons of portland cement at the 20-city price, plus 1,088 board ft of 2 x 4 lumber at the 20-city price.*

Technical Memorandum #6

Revision #3

To:	City of Chico	Date:	May 15, 2018
Attn:	Steve Borroum	Project:	2017 Development Impact Fee Nexus Study
From:	Omni-Means/GHD New Economics & Advisory, Inc.		
Re:	Sewer Impact Fees	Job No.:	25-2223-03
CC:		File No.:	C2076MEM009.DOCX

This memorandum is a part of an overall effort by the City of Chico to update and adopt a 2016 Nexus Study that updates the currently adopted Development Impact Fees based on the 2030 General Plan. This memorandum focuses on the impact methodology and analysis to update current Sewer Impact Fee rates, including a Sewer-Trunk Line Capacity Fee and a Sewer-Water Pollution Control Plant (WPCP) Capacity Fee.

This memorandum contains a variety of sections documenting current fund balances and improvement needs for sewer facilities, quantifying the scale of new sewer lines/plant capacity needed to accommodate growth, and calculating potential updated sewer fee rates. In addition to figures included within this memorandum, Appendix A contains additional documentation of key assumptions and supporting calculations for the updated sewer fee rates.

Background and Purpose

The general purpose of sewer impact fees is to collect and distribute funding for the expansion of the wastewater trunk line and outfall systems and Water Pollution Control Plan (WPCP) plant expansions needed to meet the continued growing community need within the City through 2040.

The City's 2030 General Plan includes the following policies that address needed funding to meet sewer needs and establish impact fees for sewer facility construction to support continued development through 2040 consistent with the General Plan:

- Goal PPFS-4: Maintain a sanitary sewer system that meets the City's existing and future needs, complies with all applicable regulations, and protects the underlying aquifer.
 - Policy PPFS-4.1 (Sanitary Sewer System)—Improve and expand the sanitary sewer system as necessary to accommodate the needs of existing and future development.
 - Action PPFS-4.1.1 (Require Connection to Sewer System)—Require all commercial and industrial development, as well as all residential development with lots one acre or smaller, to connect to the City's sewer system.

- Action PPFS-4.1.2 (Sanitary Sewer Master Plan)—Update and maintain the City’s Sanitary Sewer Master Plan, as well as the Sewer System Model, to assure that improvements to the system are identified, planned, and prioritized.
- Action PPFS-4.1.3 (Wastewater System Costs)—Secure financing for the expansion and maintenance of the Water Pollution Control Plant and sewer system through the use of connection fees, special taxes, assessment districts, developer dedications, or other appropriate mechanisms. Financing should be sufficient to complete all related project-specific sewer trunk and main lines at their full planned capacities in a single phase.

The focus of this update to sewer impact fees is to calculate the fee rates needed to fund the WPCP Expansion and Wastewater Trunk Line Collection and Outfall System to provide adequate wastewater facilities to accommodate anticipated growth.

The City currently has in place a third sewer-related fee, Sewer Lift Stations. This fee serves to provide reimbursement to developers/builders who have advance funded improvements to existing individual lift stations or have built new lift stations required to accommodate growth in sub-areas of the City. In these cases, the City serves as the intermediary to reimburse the builder/developer who advance funded the improvements. As a result, this fee is not a citywide development impact fee in the traditional sense and this analysis does not include any update to the Sewer Lift Station Fees.

Current Fees & Fund Balance

Current Trunk Line Capacity Fee

The City’s existing sewer Trunk Line capacity fee rates are based on a nexus study last updated in 2009. The 2009 Nexus Study applied a series of assumptions based on a 2003 Sanitary Sewer Master Plan Study that covered the City, excluding the Northeast and Southeast Chico Sewer Assessment Districts (whose improvements were funded through assessment improvement bonds).

Table 1 shows the 2016/17 sewer fee rates for Trunk Line Capacity. Existing rates reflect the result of periodic increases since 2009, when the City Council adopted sewer impact fees based on the 2009 City Nexus Study.

Current Sewer WPCP Capacity Fee

The City’s existing Sewer WPCP Fee rates are also based on the 2009 Nexus Study. The 2009 Nexus Study applied information from a 2005 WPCP Facilities Plan, which identified the scope and cost associated with multiple WPCP upgrades that would increase the plant’s capacity to 15 million gallons per day (mgd). These upgrades, (which included plant capacity expansion and an outfall), were expected to cost approximately \$114.6 million, of which \$91.1 million was allocated to Future Development.

Table 1 shows the 2016/17 sewer fee rates for WPCP Capacity. Existing rates reflect the result of periodic increases since 2009, when the City Council last adopted sewer impact fees based on the 2009 City Nexus Study.

**TABLE 1
SEWER IMPACT FEES (FY 16/17)**

Land Use	Units	Fee Category	
		Trunk Line Capacity	WPCP Capacity
Residential			
Single Family Residential	Per Dwelling Unit	\$ 1,707	\$ 2,270
Multiple Family Residential	Per Dwelling Unit	\$ 1,707	\$ 2,270
Nonresidential			
Motel/Hotel with Restaurant Facilities	Per Room	\$ 1,707	\$ 2,270
Motel/Hotel without Restaurant Facilities	Per Room	\$ 854	\$ 1,135
Convalescent Hospitals	Per Bed	\$ 854	\$ 1,135
Hospitals	Per Bed	\$ 1,281	\$ 1,702
Dormitory or Rooming House with Food Services	Per Occupant	\$ 569	\$ 756
Dormitory or Rooming House without Food Services	Per Occupant	\$ 284	\$ 378
Schools	Per FTE Student	\$ 186	\$ 247
Park or Recreational Facility	Per Fixture	\$ 86	\$ 114
All Other (Nonresidential)	Per Acre	\$ 6,831	\$ 9,080

Source: Chico Fee Schedule, 6/21/2016.

Sewer Trunk Line Fund (#320) Balance

As shown in Table 2, at the end of Fiscal Year 2016/17, the City had a positive Sewer Trunk Line Capacity Fund (#320) balance of \$4.8 million.

WPCP Fund (#321) Balance

As shown in Table 2, at the end of Fiscal Year 2016/17, the City had a Sewer WPCP Fund (#321) balance of negative \$4.7 million. This negative balance reflects the negative cashflow associated with the advance funding of facilities by existing system users; these funds will be replenished as new development pays fees over the next 20-40 years.

**TABLE 2
SEWER FUND BALANCES (END OF FY 2016/17)**

	Fund	
	320 Trunk Line Capacity	321 Water Pollution Control Plant Capacity (WPCP)
Available Balance (06/30/2017)	\$ 4,826,171	\$ (4,724,640)

Source: City of Chico Staff, 04/25/18.

Population and Land Use Growth Forecast

The updated Sewer Trunk Line Impact Fee and Sewer WPCP Impact Fee calculations rely upon a 2016-2040 land-use growth increment. *Technical Memorandum #1*, submitted under separate cover, documents this growth increment. For purposes of this fee update effort, the City expects to grow by 16,409 units and 5.9 million square feet of retail, office, and industrial space.

Sewer Trunk Line Updated Fee Calculation

Sewer Trunk Line Improvement Needs: 2016-2040

The updated Sewer Trunk Line fee includes two components:

- A proportionate allocation of future improvements needed to serve the 2016-2040 growth increment; and,
- Remaining debt service for improvements already made to the trunk line system.

The 2013 Sewer Master Plan Update contains a Trunk Line Sewer Capital Improvement Plan. Table 3 summarizes the total cost of Trunk Line projects apportioned to Future Development. An additional 25 percent, provided by City staff, was also included to reflect more realistic assessment of project delivery costs. These costs were then inflated to 2016 dollars. Appendix Table A-1 contains a more detailed summary of the individual projects included in this figure and the allocation of costs between Existing Development and Future Development.

The Sewer Master Plan Update costs reflect a trunk line system designed for City Buildout. City staff estimates that the 2016-2040 growth increment identified for this fee update reflects approximately 57 percent of the total growth needed to reach Buildout. As such, 57 percent of the cost attributed to Future Development is assigned to the fee program.

There is a gross positive balance in the Sewer Trunk Line Fund (#320) of \$4.8 million, which is applied against costs. However, a portion of this balance, (\$1.29 million) must be subtracted to account for an existing debt service obligation for WPCP improvements associated with Trunk Lines. The net proportionate share of Sewer Trunk Line System costs allocated to 2016-2040 growth is \$36 million, as shown in Table 3.

**TABLE 3
SEWER TRUNK LINE CAPITAL IMPROVEMENT PLAN (CIP)**

Project Subtotals	Future Improvements (\$)	
Capital Improvement Plan Total	\$	50,480,000
25% Increase (Additional Contingency)	\$	12,620,000
Adjusted CIP Total (2012\$)	\$	63,100,000
Inflation at 10.00% (2012-2016) [1]	\$	6,310,000
Adjusted CIP Total (2016\$)	\$	69,410,000
Portion Associated with 2016-2040 Growth (57%) [2]	\$	39,563,700
Minus Fund 320 Existing Fund Balance [3]	\$	(4,826,171)
Plus Fund 320 Debt Obligation [4]	\$	1,289,175
Total CIP Plus Debt Service	\$	36,026,704

Sources: Sewer Master Plan Update, 2013; City Staff, November 2016 and April 2018.

[1] From Engineering News Review Construction Cost Index (August-August).

[2] Provided by City Staff, April 2018.

[3] Reflects current positive balance within Fund 320, as shown in Table 2.

[4] Outstanding debt obligation within Fund 320, associated with Trunk Lines for WPCP improvements. Figure provided by City staff, April 2018.

Allocation of Residential Costs: Sewer Trunk Line CIP

The 2013 Sewer Master Plan contains projected growth in wastewater flows (expressed as million gallons per day of Average Dry Weather Flow or ADWF) by land use type based on run-off coefficients. Using this information, including a reallocation of flows projected for the Special Planning Area (SPA), Table 4 shows the portion of total CIP costs allocated to new residential development expected to occur between 2016 and 2040.

**TABLE 4
RESIDENTIAL ALLOCATION OF SEWER TRUNK COSTS FOR FUTURE USES**

Land Use Category	Percent ADWF [1]	Total CIP + Debt Service Cost	
Total	100.0%	\$	36,026,704
Single-Family Portion	38.9%	\$	14,016,000
Multifamily Portion	26.7%	\$	9,625,000
Subtotal Residential Allocation		\$	23,641,000

Sources: Sewer Master Plan Update, 2013; City Staff, November 2016 and April 2018.

[1] Average Dry Weather Flow percentages derived from Sewer Master Plan Table 5.4 (Buildout - Existing), adjusted to include Special Planning Area (SPA) within existing residential and non-residential land use categories.

These costs are then translated into a cost per single-family unit and multifamily unit, as shown in Table 5.

**TABLE 5
TRUNK LINE: COST PER RESIDENTIAL UNIT**

Item	Cost	Future Units [1]	Cost per Unit
Residential			
Single-Family	\$ 14,016,000	9,063	\$ 1,547
Multifamily	\$ 9,625,000	7,346	\$ 1,310
Residential Total	\$ 23,641,000	16,409	
Weighted Avg. Cost per EDU			\$ 1,441

Notes: [1] From Technical Memorandum #1.

Allocation of Non-Residential Costs: Sewer Trunk Line CIP

Recognizing the “weighted average” cost of \$1,441 as the cost per EDU, City staff has observed that actual flow rates from non-residential development are occurring at a rate of approximately 4 EDUs per acre, which is consistent with the City’s existing non-residential sewer fee rates. This rate equivalent may be further adjusted in the future, particularly should the Sewer Master Plan be updated. This rate is shown in Table 6, described in the next section.

Updated Fee Calculation: Sewer Trunk Line Fee

Table 6 shows the fees per single-family and multifamily residential unit. The calculated fees are 77-91 percent of existing Sewer Trunk Line fee rates.

Table 6 also calculates the updated non-residential fees on a per-acre basis, including general fee per-acre rates for Commercial, Office/Medical, and Industrial uses. The table identifies the equivalent dwelling unit (EDU) factors for special categories identified by City staff.

**TABLE 6
TRUNK FEE CALCULATION**

Land Use Category	Fee per Unit	% of Existing Fee	
Residential			
Single-Family	\$1,547	91%	
Multifamily	\$1,310	77%	
Non-Residential			
	<u>Cost per EDU</u>	<u>EDU Factor</u>	<u>Fee per Acre</u>
Commercial, Office & Medical, Industrial	\$1,441	4.0 EDUs per acre	\$5,763
Other Non-Residential Categories [1]			
	<u>Metric</u>		<u>EDU's [2]</u>
Motel/Hotel with Restaurant	Per Room	=	1.00
Motel/Hotel without Restaurant	Per Room	=	0.50
Convalescent Hospitals	Per Bed	=	0.50
Hospitals	Per Bed	=	0.75
Dormitory/Group Dwelling with Food	Per 3 Occupants	=	1.00
Dormitory/Group Dwelling without Food	Per 6 Occupants	=	1.00
Schools (FTE)	9.2 FTE	=	1.00
Park or Recreational Facility (restrooms)	20 FU	=	1.00

Sources: Sewer Master Plan Update, 2013; City Staff, November 2016 and April 2018.

Notes: [1] Certain specific uses identified by City staff will be based on equivalent dwelling unit factors instead of the calculated non-residential fee rates per building square foot.

[2] 1 Equivalent dwelling unit = rate per single-family unit.

The calculated fee rates do not include any administrative component, which would be added separately to account for the costs of fee implementation and administration.

Sewer WPCP Updated Fee Calculation

Sewer WPCP Improvement Needs: 2016-2040

The updated Sewer WPCP fee is based on a proportionate allocation of future improvements needed to expand the WPCP Plant to accommodate the 2016-2040 growth increment. The City has spent \$94.5 million to expand the WPCP's capacity by 8.4 mgd. Of this capacity expansion, existing development is using 2.9 mgd, or 34.5 percent, while future development will use 5.50 mgd, or 65.5%. Table 7 summarizes the costs and identifies the associated increment of capacity serving Existing Development and Future Development.

**TABLE 7
SEWER WPCP EXPANSION**

Item	Cost Incurred	Total Capacity		Existing Development Capacity		Future Development Capacity	
		Amount (mgd)	Percent	Amount (mgd)	Percent	Amount (mgd)	Percent
Total Phases Completed to Date (Phase 1 + Phase 2)	\$ 94,517,467	8.40	100.0%	2.90	34.5%	5.50	65.5%

Sources: Sewer Master Plan Update, 2013; City Staff, November 2016.

A third future plant expansion will increase capacity an additional 3 mgd to accommodate the additional growth increment beyond 2040 to City Buildout. That third plant expansion cost would be part of a future fee update, once more exact costs are known.

Residential Allocation of Costs: WPCP

Because the City already funded these two plant expansions, the updated Sewer WPCP is based on Future Development's share of the *remaining debt service* for these plant expansions. As of June 30, 2017, the remaining debt service for these expansions was \$43.4 million. Of this amount, approximately \$1.3 million is associated with trunk line improvements—this share was moved from the WPCP Fee calculation to the Sewer Trunk Line fee (shown in Table 3).

Of the remaining \$42.2 million in completed improvements, 65.5 percent, or \$27.6 million is allocated to Future Development. Prior to the two recent WPCP expansions (for which the existing debit service was incurred), the existing plant was running at about 6.5 mgd. The two plant expansions brought on line approximately an additional 8.4 mgd of capacity. Operation of the existing plant was discontinued after these expansions were brought on line. The existing plant's capacity has been re-rated downward to 3.6 mgd. The combined capacity of the two new expansions and the existing plant is estimated to be 12 mgd, sufficient for the forecast development expected by 2040. Within the prior nexus study, the fees were designed such that new development would pay for approximately 80% of the capacity of the debit service for the two plant expansions. However, upon closer examination, new development is only expected to use approximately 65% of the capacity of the debt service of the two plant expansions. Therefore the existing debit service is now proposed to be split approximately 65% to new development and 35% to existing users, instead of the present 80% and 20%, respectively. Table 8 shows this updated cost allocation.

Prior to the two recent expansions of the City WPCP for which the existing debit service was incurred, the existing plant was running at about 6.5 mgd. The two plant expansions brought on line approximately an additional 8.4 mgd of capacity. Operation of the existing plant was discontinued after these expansions were brought on line. The existing plant's capacity has been re-rated downward to 3.6 mgd. The combined capacity of the two new expansions and the existing plant is estimated to be 12 mgd, sufficient for the forecast development expected by 2040. Within the prior nexus study, the fees were designed such that new development would pay for approximately 80% of the debit service for the two plant expansions. However, upon closer examination, new development is only expecting to use approximately 65% of the capacity of these two new expansions. Therefore the existing debit service is now proposed to be split

approximately 65% to new development, and 35% to existing users, instead of the present 80% and 20% respectively.

In addition to this amount, the current negative WPCP fund balance of \$4.7 million is allocated entirely to Future Development. Finally, the remaining debt obligation for the Outfall assigned to Fund 321 is also allocated entirely to Future Development. Total costs allocated to new development, including plant expansion debt service, the Outfall debt obligation, and outstanding fund balance amount to \$33.6 million, are shown in Table 8.

**TABLE 8
ALLOCATION OF WPCP DEBT SERVICE**

Item	Amount [1]	Portion to Existing Development		Portion to Future Development	
		Amount (\$)	Percent	Amount (mgd)	Percent
Plant Improvements (Remaining Debt Service)	\$ 43,454,590				
Trunk Line Improvements (shifted to Trunk Line Fee) [2]	\$ (1,289,175)				
Net Plant Improvements	\$ 42,165,415	\$ 14,547,068	34.5%	\$ 27,618,347	65.5%
Plus Current Fund 321 Balance Owed [3]	\$ 4,724,640	\$ -	0.0%	\$ 4,724,640	100.0%
Plus Fund 321 Debt Obligation [4]	\$ 1,237,387	\$ -	0.0%	\$ 1,237,387	100.0%
Total Costs	\$ 48,127,442	\$ 14,547,068		\$ 33,580,374	

Sources: Sewer Master Plan Update, 2013; City Staff, November 2016.

[1] Amounts provided by City staff.

[2] Fund 320 Balance as of June 30, 2017. This amount pertains to trunk lines and is accounted for in Table 3.

[3] Negative balance identified in Figure 2. Allocated entirely to Future Development.

[4] Reflects Fund 321 (WPCP) debt obligation for Outfall as of June 30, 2017. Figure provided by City staff, April 2018.

The share of residential cost is shown below in Table 9, consistent with Table 4. Once again, the residential share allocations are based on the growth in ADWF identified in the 2013 Sewer Master Plan, including a redistribution of the SPA growth increment. Table 10 calculates the residential cost per single-family unit and per multifamily unit.

**TABLE 9
RESIDENTIAL ALLOCATION OF SEWER WPCP COSTS FOR FUTURE USERS**

Land Use Category	Percent ADWF [1]	Total CIP + Debt Service Cost
Total	100.0%	\$ 33,580,374
Single-Family Portion	38.9%	\$ 13,065,000
Multifamily Portion	26.7%	\$ 8,971,000
Subtotal Residential		\$ 22,036,000

Sources: Sewer Master Plan Update, 2013; City Staff, November 2016 and April 2018.

[1] Average Dry Weather Flow percentages derived from Sewer Master Plan Table 5.4 (Buildout - Existing), adjusted to include Special Planning Area (SPA) within existing residential and non-residential land use categories.

**TABLE 10
WPCP: COST PER RESIDENTIAL UNIT**

Item	Cost	Future Units [1]	Cost per Unit
Residential			
Single-Family	\$ 13,065,000	9,063	\$ 1,442
Multifamily	\$ 8,971,000	7,346	\$ 1,221
Residential Total	\$ 22,036,000	16,409	
Weighted Avg. Cost per EDU			\$ 1,343

Notes: [1] From Technical Memorandum #1.

Non-Residential Allocation of Costs: WPCP

Recognizing the “weighted average” cost of \$1,343 as the cost per EDU, City staff has observed that actual flow rates from non-residential development are occurring at a rate of approximately 4 EDUs per acre, which is consistent with the City’s existing non-residential sewer fee rates. This rate equivalent may be further adjusted in the future, particularly should the Sewer Master Plan be updated. This rate is shown in Table 11, and described more in the next section.

Updated Fee Calculation: WPCP

Table 11 calculates fees per single-family and multifamily residential unit. The calculated fees are 54-64 percent of existing Sewer WPCP fee rates.

Table 11 also calculates the updated non-residential fees, including general fee rates per acre for Commercial, Office/Medical, and Industrial uses. The table also identifies the equivalent dwelling unit (EDU) factors for special categories identified by City staff. These fee rates do not include any administrative component, which would be added separately to account for the costs of the fee implementation and administration.

**TABLE 11
WPCP FEE CALCULATION**

Land Use Category	Fee per Unit	% of Existing Fee		
Residential				
Single-Family	\$1,442	64%		
Multifamily	\$1,221	54%		
Non-Residential				
	<u>Cost per EDU</u>	<u>EDU Factor</u>	<u>Fee per Acre</u>	
Commercial, Office & Medical, Industrial	\$1,343	4.0 EDUs per acre	\$5,372	59%
Other Non-Residential Categories [1]			<i>Metric</i>	<i>EDU's [2]</i>
Motel/Hotel with Restaurant	Per Room	=	1.00	
Motel/Hotel without Restaurant	Per Room	=	0.50	
Convalescent Hospitals	Per Bed	=	0.50	
Hospitals	Per Bed	=	0.75	
Dormitory/Group Dwelling with Food	Per 3 Occupants	=	1.00	
Dormitory/Group Dwelling without Food	Per 6 Occupants	=	1.00	
Schools (FTE)	9.2 FTE	=	1.00	
Park or Recreational Facility (restrooms)	20 FU	=	1.00	

Sources: Sewer Master Plan Update, 2013; City Staff, November 2016 and April 2018.

Notes: [1] Certain specific uses identified by City staff will be based on equivalent dwelling unit factors instead of the calculated non-residential fee rates per building square foot.

[2] 1 Equivalent dwelling unit = rate per single-family unit.

Findings

- **Finding 1: The Sewer Trunk Line Fund had a positive balance as of June 30, 2017.** There was a balance of \$4.8 million.
- **Finding 2: The Sewer WPCP Fund had a negative balance as of June 30, 2017.** There was a balance of negative \$4.7 million.
- **Finding 3: Between 2016 and 2040, the City expects to add 16,409 new housing units and 5.9 million square feet of non-residential development.** This forecast is tied to residential unit projections developed by the Butte County Association of Governments (BCAG) and reflects growth within the City's General Plan boundary.
- **Finding 4: Total costs of \$36 million are needed to fund Sewer Trunk Line facilities for new development between 2016 and 2040.** This facility reflects a proportionate share of Trunk Line improvements identified in the 2013 Sewer Master Plan update, additional contingency, existing debt service, and available fund balance that can be applied against costs.
- **Finding 5: Updated Sewer Trunk Line fee rates are \$1,547 per single-family unit, \$1,310 per multifamily unit, and \$5,763 per non-residential acre.** The "weighted average" cost for residential units has been determined to be the Cost per

EDU of \$1,441. In addition to these general rates, equivalent dwelling unit factors are identified for particular non-residential categories.

- **Finding 6: The updated residential Sewer Trunk Line fee rates are about 77-91 percent of existing residential rates, and about 84 percent of existing non-residential rates.**
- **Finding 7: Sewer WPCP plant expansions will provide 8.40 mgd of additional capacity, of which Future Development between 2016 and 2040 is initially estimated to utilize 5.50 mgd, or 65.5 percent.**
- **Finding 8: Total WPCP costs allocated to new development amount to \$33.6 million, which includes \$27.6 million in remaining debt service for these Sewer WPCP expansions, \$4.7 million in negative fund balance and \$1.4 million in debt obligation for a sewer outfall.** A third future plant expansion will not be needed until after 2040, the nexus horizon year, nor has this plant expansion been scoped for cost. Therefore, the third plant expansion is not part of the updated Sewer WPCP fee update.
- **Finding 9: Updated Sewer WPCP fee rates are \$1,442 per single-family unit, \$1,221 per multifamily unit, and \$5,372 per non-residential acre.** The “weighted average” cost for residential units has been determined to be the Cost per EDU of \$1,343. In addition to these general rates, equivalent dwelling unit factors are identified for particular non-residential categories.
- **Finding 10: The updated residential Sewer WPCP fee rates are about 54-64 percent of existing residential rates, and about 59 percent of existing non-residential rates.**

Summary of Nexus Requirements

California Government Code Section 66000 et. seq. sets forth the procedural requirements for establishing and collecting development impact fees. There are specific conditions which must be met in order for the fee to be set in place, which demonstrate a reasonable relationship, or “nexus” between the fee and its purpose. The key requirements of Government Code Section 66000 are listed below, along with a corresponding discussion that relates to the Sewer Impact Fees.

Identify the purpose of the fee.

- Sewer Trunk Line Fee: The fee will collect and distribute funding for the expansion of the wastewater trunk line and outfall systems needed to meet the needs of future growth.
- Sewer WPCP Fee: The fee will collect and distribute the funding for the Water Pollution Control Plan plant expansion needed to meet the needs of future growth.

Identify how the fee is to be used.

- Sewer Trunk Line Fee: The fee will be used to assist in the funding of trunk line and outfall systems needed to meet the needs of future growth.

- Sewer WPCP Fee: fee will be used to assist in the funding of Water Pollution Control Plan plant expansion needed to meet the needs of future growth.

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

- Sewer Trunk Line Fee: New development will generate the need for increased sewer trunk line and outfall system capacity.
- Sewer WPCP Fee: New development will generate the need for increased sewer capacity which can be accommodated by the Water Pollution Control Plan expansion.

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

- Sewer Trunk Line Fee: New development of all types will generate the need for increased sewer collection system expansion as identified in the 2013 Sanitary Sewer Master Plan.
- Sewer WPCP Fee: New development of all types will generate the need for increased sewer collection system expansion.

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

- Sewer Trunk Line Fee: Facility costs have been apportioned first between existing and new development. New development's share was then apportioned to each major land used category using runoff coefficients from the City's 2013 Sewer Master Plan Update.
- Sewer WPCP Fee: Facility costs have been apportioned first between existing and new development. New development's share was then apportioned to each major land used category using runoff coefficients from the City's 2013 Sewer Master Plan Update.

APPENDIX A

**APPENDIX A-1
SEWER TRUNK LINE CAPITAL IMPROVEMENT PLAN (CIP)**

Project Subtotals	Total Capital Improvement Cost	Future Users Benefit (%)	Existing vs. Future Users Cost Share	
			Existing Improvements (\$)	Future Improvements (\$)
Project 1 - Chico River Road Trunk Sewer	\$ 8,277,000	0%	\$ 8,277,000	\$ -
Project 2 - Oak/7th Street Sewer	\$ 431,000	5%	\$ 409,000	\$ 22,000
Project 3 - 7th Street Sewer	\$ 371,000	5%	\$ 353,000	\$ 18,000
Project 4 - Eaton Road Tunk Sewer	\$ 4,766,000	72%	\$ 1,334,000	\$ 3,432,000
Project 5 - Cohasset Road Sewer	\$ 869,000	43%	\$ 497,000	\$ 372,000
Project 6 - 21st/Franklin Street Sewer	\$ 566,000	100%		\$ 566,000
Project 7 - 11th/Oakdale/12th Street Sewer	\$ 770,000	100%		\$ 770,000
Project 8 - 11th Avenue Sewer	\$ 443,000	26%	\$ 328,000	\$ 115,000
Project 9 - Silverbell Road Sewer	\$ 1,804,000	50%	\$ 906,000	\$ 898,000
Project 10 - Humboldt Avenue Sewer	\$ 3,979,000	100%		\$ 3,979,000
Project 11 - California Park Lake Sewer	\$ 838,000	100%		\$ 838,000
Project 12 - 23rd Street Sewer	\$ 124,000	100%		\$ 124,000
Project 13 - Northwest Trunk Serer	\$ 19,778,000	100%		\$ 19,778,000
Project 14 - Bell Muir Trunk Sewer	\$ 1,995,000	100%		\$ 1,995,000
Project 15 - Esplanade Sewer	\$ 748,000	100%		\$ 748,000
Project 16 - North Chico Trunk Sewer	\$ 3,164,000	100%		\$ 3,164,000
Project 17 - Southeast Trunk Sewer	\$ 7,164,000	100%		\$ 7,164,000
Project 18 - Honey Run Trunk Sewer	\$ 5,408,000	100%		\$ 5,408,000
Project 19 - Doe Mill Trunk Sewer	\$ 1,089,000	100%		\$ 1,089,000
Capital Improvement Plan Total	\$ 62,584,000		\$ 12,104,000	\$ 50,480,000

Sources: Sewer Master Plan Update, 2013; City Staff, November 2016.

Technical Memorandum #7

Revision #1

To: City of Chico	Date: May 15, 2018
Attn: Steve Borroum	Project: City of Chico
From: Omni-Means/GHD	Development Impact Fee Nexus Study
Re: Bikeway Improvement Fee Analysis and Calculation	Job No.: 25-2223-03
	File No.: C2076MEM006

CC:

Introduction

This memorandum is a part of an overall effort by the City of Chico (City) to update and adopt a 2016 Nexus Study that updates their currently adopted Development Impact Fees based on the 2030 General Plan Update. This fee update is spurred in part by the release of the 2030 City General Plan, which identifies land use growth and circulation improvement needs that go beyond those identified in the previous General Plan.

This Technical Memorandum focuses on the Bikeway Improvement Fee calculation methodology. As part of the fee calculation process, land use growth estimates, consistent with the City's General Plan, have been documented in Technical Memorandum #1 (Population, Housing, and Employment Forecasts). The improvements identified by the City to be included in this impact fee study are intended to support development of City General Plan land uses through Year 2040. The funds collected through the proposed fee program would cover construction of new facilities. If maintenance of these facilities is prioritized and allocated for in The Transportation Development Act (TDA) fund, the TDA fund is anticipated to have sufficient balance to cover anticipated costs.

Background and Purpose

The general purpose of the Bikeway Improvement Fee is to collect and distribute funding for the construction of bikeway improvements within the City. In conjunction with the improvements included in other transportation-related fees, these improvements are essential to sustaining a safe and efficient transportation circulation system through continued growth of the City's General Plan Land Use Element through Year 2040. The growth estimate methodology is described in detail in Technical Memorandum #1.

The 2030 General Plan includes the following policies that apply to the establishment of impact fees and construction of transportation improvements to support continued development and the eventual buildout of General Plan land uses:

- Policy CIRC-3.3 (New Development and Bikeway Connections) - Ensure that new residential and non-residential development projects provide connection to the nearest bikeways.

Action CIRC-3.31 (Bikeway Requirements) - Require pedestrian and bicycle connections to the City-wide bikeway system every 500 feet, where feasible, as part of project approval and as identified in the Chico Urban Area Bicycle Plan.

- Policy CIRC-3.5 (Funding Bicycle Improvements) - Consider bikeway improvements when establishing funding priorities for the City and adopting the Capital Improvement Program.
 - Action CIRC-3.51 (Other Funding Sources) - Continue to pursue funding sources, including state and federal grants, for new bicycle facilities.

Analysis, Approach and Methodology

Omni-Means/GHD took the following general approach to updating the Bikeway Improvement Fees:

- Review of current City Bikeway Improvement fees and current fund balance;
- Identify the City's anticipated General Plan land use growth and development rates between years 2016 and 2040;
- Identify transportation improvement projects required to support General Plan land use growth through year 2040;
- Prepare and/or review and revise improvement project cost estimates as appropriate;
- Identify portion of transportation improvement projects that will be funded through the Bikeway Improvement Fees, and account for existing fund balance; and,
- Calculate cost per trip attributable to new residential and non-residential trips, and develop proposed fee schedule by land use category.

Omni-Means/GHD has obtained relevant information to complete this approach from the following sources:

1. City of Chico General Plan;
2. 2008-2009 City of Chico Development Impact Fee Nexus Study;
3. 2014-2015 City of Chico Development Impact Fee Report (fiscal status);
4. List of Bikeway Improvement Projects (supplied by the City of Chico);
5. Butte County Association of Governments (BCAG) Travel Demand Model;
6. BCAG Long-Term Regional Growth Forecasts (2014 - 2040); and,
7. City of Chico Municipal Code (Chapter 3.85, Article III);

Current Fee Schedule and Fund Balance

Current Fee

The Current Fee Rates for the Street Facility Improvement Development Impact Fee (Fund 305) was recently updated with an effective date of August 20, 2016 and are shown in Table 1.

**TABLE 1:
2016 FY BIKEWAY IMPROVEMENT IMPACT FEE SUMMARY**

Item	Land Use Type	Unit ¹	2016 Bikeway Improvement Fee (Effective 8/20/16)
A	B	C	D
1	Rural	DU	\$504.05
2	Very Low	DU	\$504.05
3	Low	DU	\$504.05
4	Medium	DU	\$435.38
5	Medium High	DU	\$435.38
6	High	SQFT	\$435.38
7	Retail	SQFT	\$0.17
8	Office and Medical	SQFT	\$0.32
9	Industrial	SQFT	\$0.13

Sources: City of Chico Engineering Department, Communications with City of Chico staff
Notes:
1. DU = Dwelling Unit; SQFT = Square Foot

As shown in Table 1, the currently adopted fee, shown in Column D, for a single-family residential unit is \$504.05. Several land use categories were included in this fee structure, including six residential categories and three non-residential categories.

In addition, as established in City of Chico Municipal Code (Chapter 3.85), credits and exemptions to fees and deferrals of fees may be permitted pursuant to specific provisions as outlined in the municipal code.

Fund Balance

The most recent fiscal snapshot (depicting the beginning and ending balances) for the City's Bikeway Improvement Fund (Fund 305) was also obtained from the 2014-2015 Development Impact Fee Report. As of June 30, 2017, the *Gross Available Balance* at the close of the Fiscal Year for Fund 305 was \$678,177.

Identification of Land Use Growth Increment

The 2014 to 2040 City growth was obtained from BCAG's *Butte County Long-Term Regional Growth Forecasts 2014 - 2040* report, and is consistent with the BCAG Regional Travel Demand Model. Based on direction from City staff, a 2016 - 2040 land use growth increment was developed and fully described in *Technical Memorandum #1*.

For the purposes of this fee update effort, the 24-year 2016 to 2040 growth increment was utilized to calculate following alternative fees.

Identification of Bikeway Improvements

The list of Bikeway projects included in the Bikeway Improvement Fee includes different levels of funding for a variety of improvement types, including construction costs of Class I and II facilities, new trails, and bike boulevards (sometimes referred to as Class IV). The full list of Bikeway improvement projects, with cost estimates and cost allocated to the fee program is presented in Appendix Table 1. Column E of B Table 1 shows the cost portion that the City has indicated should be included in the Bikeway Improvement Fee calculation, totaling \$11,966,306.10.

Bikeway Improvement Fee Calculation

The following section walks through the main components of the Bikeway Improvement fee calculation: Improvement Costs; Trip Generation and Cost Allocation by Use; Cost per trip by Use; and Fee Schedule.

Bikeway Improvement Cost Summary

As mentioned within the previous sections of this memorandum, a revised list of approximately \$39 million in bikeway improvements were identified to be needed by year 2040. Table 2 presents a summary of the total estimated costs of these identified improvement projects.

**TABLE 2:
BIKEWAY IMPROVEMENT PROJECTS COST SUMMARY**

Improvement Category	Total Cost	Unfunded Cost	Fee Cost
Bikeway Improvements	\$ 38,713,402.90	\$ 26,747,096.80	\$ 11,966,306.10
Current Fund Balance			\$ (678,177.00)
Amount to be Funded by Fee			\$ 11,288,129.10

Notes

[1] Non-fee trips account for 20% of all residential and non-residential trips estimated between 2016 and 2040.

Source: City of Chico Engineering Department

Residential and Non-Residential Cost Attribution

In determining the residential and non-residential cost attribution for bikeway improvements, in that they are transportation improvements, the same methodology for street facility improvements was decided, with City direction, to be applied.

For the purposes of determining new residential trips, model "Home-Based" trips and "School" trips (K-12) were aggregated. "Non-Home-Based" and "Casino" trips were considered Non-Residential trips. This analysis excludes one-half of trips whose origin or destination are from areas outside of the city ("I-X" and "X-I" trips) and completely excludes the trips which do not have an origin or destination within the city ("X-X"). Additionally, based on the direction of the City, it also excludes "University" trips from the fee calculation.

As shown in Table 3, between 2016 and 2040, a total of 197,872 residential and non-residential trips are estimated. While "University" trips (of 8%) and "IX" and "XI" trips (of 4%) contribute to 12% of the total non-fee trips, the addition of the "XX" trips (of 8%) increases the total non-fee trips to approximately 20%. Therefore, of the total cost of \$38,713,402.90, 20%, or \$7,742,680.58, is attributable to non-fee trips, and is non-refundable within the development fee program.

**TABLE 3:
BCAG MODEL TRIP END GROWTH ESTIMATES**

Trip Type	2014 Model Trip Ends	2016 Trip Estimate	2040 Model Trip Ends	2014-2040 Trip End Growth	2016-2040 Trip End Growth
<i>Home-Based Work (P)</i>	50,410	51,356	71,675	21,265	20,319
<i>Home-Based Work (A)</i>	62,661	63,451	80,397	17,735	16,946
<i>Home-Based Other (P)</i>	118,947	121,174	168,974	50,027	47,800
<i>Home-Based Other (A)</i>	151,626	153,747	199,292	47,666	45,545
<i>School (P)</i>	15,322	15,659	22,900	7,578	7,241
<i>School (A)</i>	16,771	17,144	25,151	8,380	8,007
<i>Total Trips Assigned to Residential Uses</i>	415,737 69%	422,531 69%	568,389 70%	152,652 74%	145,858 74%
<i>Non-Home-Based (P)</i>	91,164	92,338	117,554	26,390	25,216
<i>Non-Home-Based (A)</i>	91,164	92,338	117,554	26,390	25,216
<i>Casino (P)</i>	3,346	3,420	5,003	1,657	1,583
<i>Casino (A)</i>	-	-	-	-	-
<i>Total Trips Assigned to Non-Residential Uses</i>	185,673 31%	188,095 31%	240,110 30%	54,437 26%	52,015 26%
TOTAL FEE TRIPS	601,411	610,626	808,499	207,089	197,873
<i>University (P)</i>	13,874	14,103	19,032	5,158	4,929
<i>University (A)</i>	28,675	29,220	40,928	12,254	11,708
<i>X-X</i>	71,217	72,298	92,681	21,464	20,383
<i>IX (P)</i>	13,157	13,391	18,430	5,274	5,039
<i>XI (A)</i>	16,567	16,784	21,448	4,881	4,664
TOTAL NON-FEE TRIPS	143,489	145,796	192,519	49,031	46,723

"P" represents Productions

"A" represents Attractions

"I" represents Internal

"X" represents External for City of Chico and SOI

"I-X" and "X-I" reflect 1/2 the total.

However, as the unfunded costs are significantly more than 20%¹ of the total costs of the needed improvements which are not fundable within the development fee program, no reduction for non-fee trips is required in determining the amount of the priority bikeway improvements to be funded by the fee.

Based on the 74% residential and 26% non-residential trip growth attribution from the BCAG model, Table 4 presents the cost attributed to each category, of the entire amount needed to be funded by the fee (Table 2), which is 29.2% of the bikeway improvements cost summary of \$38,713,402.90.

**TABLE 4
RESIDENTIAL AND NON-RESIDENTIAL COST ATTRIBUTION**

Description	Amount	%
Developments Share of Funding ¹	\$ 11,288,129.10	100%
Attributable to Residential	\$ 8,353,216.00	74%
Attributable to Non-Residential	\$ 2,934,913.10	26%

Source: City of Chico Engineering Department

¹ Given the uncertainties associated with accurately accounting for all the "X-X" trips and that some "College" trips are likely "X-I" or "I-X" trips, the actual non-fee percentage of 19.1% was conservatively rounded up to 20%.

This allocation of fees based on BCAG model trip purpose splits, at 74 / 26 between residential and non-residential growth, is an accurate representation of net trip growth "causality" in the City Chico area. This methodology does differ from the existing fee splits, which are based solely on national average trip generation rates and trip causality factors. The resulting improvement cost amounts shown in Table 4 were carried forward into Table 5 in Rows 3 and 7, respectively, of Column G, respectively.

Cost Distribution Between Land Use Categories

Following determination of residential and non-residential fee and improvement cost allocation, this allocation was further distributed between land use types within the larger residential and non-residential categories. This distribution was determined using the trip generation rates shown in Column D of Table 5 for each land use type. These rates were obtained from the *2014-2015 City of Chico Development Impact Fee Report* (City of Chico, November 2015), consistent with national trip rate averages, and result in the improvement cost distributions shown in Column F between residential use types (single family and multi-family) and between non-residential use types (office and medical, retail and services, and industrial).

Proposed Fee Schedule

The proposed fee schedule by land use type was calculated by dividing the costs in Column G by the land use quantities shown in Column C. The proposed fees are shown in Column H alongside the corresponding existing fee in Column I.

Comparison to Existing

As shown in Table 5B, the recommended Bikeway Facility Improvement fees (Column H) for residential uses would be more than the existing residential fees (Column I). For non-residential uses, fee increases are anticipated for retail services. Slight fee reductions are anticipated for industrial uses and office and medical uses.

**TABLE 5
RECOMMENDED BIKEWAY FACILITY IMPROVEMENT FEE SCHEDULE**

Item	Land Use Type	Unit	Number of New Housing Units or Square Foot Commercial	Daily Trip Generation Rates Per Housing Unit or Per Square Foot Commercial [#]	Proportional Distribution by Trip Generation	Share of Total Cost Allocated to Each Land Use Type	Recommended Bikeway Improvement Fee [5]	Current Bikeway Improvement Fee
A	B		C	D	F	G	H	I
1	Single Family Residential ¹	DU	9,063	10.7000	59.12%	\$ 4,938,089	\$ 544.86	\$ 504.05
2	Multi-Family Residential ^{1,2}	DU	7,346	7.4000	40.88%	\$ 3,415,127	\$ 464.90	\$ 435.38
3	<i>RESIDENTIAL TOTAL</i>				100.00%	\$ 8,353,216		
4	Retail ³	SQFT	2,122,000	0.0550	75.86%	\$ 2,226,486	\$ 1.05	\$ 0.17
5	Office and Medical	SQFT	1,998,000	0.0120	16.55%	\$ 485,779	\$ 0.24	\$ 0.32
6	Industrial	SQFT	1,817,000	0.0055	7.59%	\$ 222,649	\$ 0.12	\$ 0.13
7	<i>NON-RESIDENTIAL TOTAL</i>				100.00%	\$ 2,934,914		
8						\$ 11,288,129		

Source: Fee calculation methodology developed by City of Chico Engineering Department, Cost estimates by Omni-Means

Notes:

1) Consistent with the existing fee structure, rural, very low, and low density residential units are considered Single-Family residential; medium, medium high, and high density residential units are considered Multi-Family residential

2) Multi-Family residential includes Mobile Home units.

3) Hotels are included as Retail Uses.

4) Daily trip generation rates are as approved in previous updates by City Council.

5) These rates are the calculated Nexus fee rates and do not include the program admin costs or the Overhead Allocation costs which are included in the adopted fees.

Summary of Nexus Requirements

California Government Code Section 66000 et. seq. sets forth the procedural requirements for establishing and collecting development impact fees. There are specific conditions which must be met in order for the fee to be set in place, which demonstrate a reasonable relationship, or “nexus” between the fee and its purpose. The key requirements of Government Code Section 66000 are listed below, along with a corresponding discussion that relates to the Bikeway Improvement Fee.

Identify the purpose of the fee.

- The fee will collect and distribute funding for the construction of identified bikeway improvements in the City.

Identify how the fee is to be used.

- The fee will be used to assist in the funding of identified bikeway facilities.

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

- New development will generate additional bicycle traffic and City's bikeways will need to be improved, connected, and expanded to service added demand. The fee will be used to provide funding for these improvements and allow expanded use of bikeway facilities.

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

- New residential, office/medical, retail, and industrial development will generate additional bicycle traffic, and the City's bikeways will need to be improved and expanded to service added demand.

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

- Facility costs have been apportioned to major land use categories using Butte County Association of Governments (BCAG) Travel Demand Model trip generation rates.

APPENDIX:

Bikeway Improvements Project List

**APPENDIX TABLE 1:
CITY OF CHICO BIKEWAY IMPROVEMENTS PROJECT LIST**

ID	On Street	From/to	Related Capital Project	Facility Type	Cost Estimate	Past Project Status	Length	Automated Priority from Bike Plan Analysis	Grant Funded (Programmed)	\$ TDA Funded	% Direct Development	% Nexus	Unfunded Amount (calc)	Impact Fee Responsibility
2	Comanche Creek Phase II	Park		Multi-Use Path	\$ 1,661,833.00	New	1.1	15			0%	50%	\$ 830,916.50	\$ 830,916.50
4	Comanche Creek Phase I	Midway to Otterson Dr		Multi-Use Path	\$ 1,000,000.00	New	0.4	13	\$ 1,000,000.00		0%	0%	\$ -	\$ -
6	Ivy St Path	Ivy St to W 22nd St		Multi-Use Path	\$ 51,311.00	New	0.0	12		\$ 51,311.00	0%	0%	\$ -	\$ -
10	Hwy 99 Path 2	Skyway to Existing Path	Bikeway 99 Phase 4	Multi-Use Path	\$ 1,111,956.00	New	0.7	12	\$ 500,000.00		0%	50%	\$ 55,978.00	\$ 555,978.00
11	Fair St	E 20th St St to E Park Ave	Fair St Road Diet	Protected Bike Lane	\$ 185,401.00	New	0.7	12		\$ 185,401.00	0%	100%	\$ -	\$ 185,401.00
13	Park Ave	E 20th St to W 20th St		Protected Bike Lane	\$ 4,578.00	Plan	0.0	12			0%	100%	\$ -	\$ 4,578.00
14	Path 6	Hwy 99 to Forest Ave	Bikeway 99 Phase 5	Multi-Use Path	\$ 275,442.00	New	0.2	12			100%	0%	\$ -	\$ -
18	Walnut St	W 1st St to W 5th St	buffered bike lane	Protected Bike Lane	286000	New	0.257881	12	\$ 286,000.00		0%	0	\$ -	0
25	Park Ave	Main St to E 20th St		Protected Bike Lane	\$ 181,610.00	New	0.7	12			0%	100%	\$ -	\$ 181,610.00
26	Main St	E 1st St to Park Ave		Protected Bike Lane	\$ 199,664.00	New	0.7	12			0%	100%	\$ -	\$ 199,664.00
31	Nord Ave	W 1st St to Bidwell Ave		Protected Bike Lane	\$ 23,740.00	New	0.1	11			0%	100%	\$ -	\$ 23,740.00
38	Connector Path	Olive St to Humboldt Ave		Multi-Use Path	\$ -	New	0.0	11			0%	0%	\$ -	\$ -
39	Broadway	W 2nd St to Main St		Protected Bike Lane	\$ 144,263.00	New	0.5	11			0%	100%	\$ -	\$ 144,263.00
42	Hwy 99 Path 3	Hwy 99 to East 20th St	Bikeway 99 Phase 5	Multi-Use Path	\$ 1,000,000.00	New	0.2	11			0%	50%	\$ 500,000.00	\$ 500,000.00
50	Path 5	Hwy 99 Path to Springfield Dr		Multi-Use Path	\$ 257,803.00	New	0.2	11			100%	0%	\$ -	\$ -
52	E 4th St	Salem St to Cypress St		Protected Bike Lane	\$ 141,258.00	New	0.5	10			0%	100%	\$ -	\$ 141,258.00
56	E 3rd St	Broadway to Pine St		Protected Bike Lane	\$ 106,348.00	New	0.4	10			0%	100%	\$ -	\$ 106,348.00
69	Path 2	Bike Path	Bikeway 99 Phase 6	Multi-Use Path	\$ 500,000.00	New	0.1	10			0%	10%	\$ 450,000.00	\$ 50,000.00
74	Path 3	Way		Multi-Use Path	\$ 521,012.00	New	0.3	9			0%	100%	\$ -	\$ 521,012.00
82	Esplanade	E 11th Ave to Memorial Way		Protected Bike Lane	\$ 319,145.00	New	1.2	9			0%	100%	\$ -	\$ 319,145.00
95	Path 4	Ave	Bikeway 99 phase ?	Multi-Use Path	\$ 400,000.00	New	0.1	9			0%	100%	\$ -	\$ 400,000.00
97	Mangrove Ave	Ave		Protected Bike Lane	\$ 370,660.00	New	1.4	9			0%	100%	\$ -	\$ 370,660.00
98	Holly/Warner	W 4th Ave to W Lindo Ave		Multi-Use Path	760097	Plan	0.506731	9			100%	0	\$ -	0
101	Humboldt rd	Morning Rose Way to Hwy 32		Multi-Use Path	6100137	Plan	4.066758	9			0%	10%	\$ 5,490,123.30	\$ 610,013.70
124	Lindo Channel	Nord Ave to Hwy 99		Multi-Use Path	4256684	New	2.837789	6			0%	10%	\$ 3,831,015.60	\$ 425,668.40
132	Lindo Channel	Hwy 99 to Longfellow Ave		Multi-Use Path	\$ 1,269,657.00	New	0.8	6			0%	50%	\$ 634,828.50	\$ 634,828.50
133	Lindo Channel	Ave		Multi-Use Path	\$ 2,154,880.00	New	1.4	6			0%	50%	\$ 1,077,440.00	\$ 1,077,440.00
135	Lombard	Existing Path to Lombard Ln		Multi-Use Path	\$ 167,845.00	New	0.1	6			0%	100%	\$ -	\$ 167,845.00
139	Path 8	W Eaton rd to Hwy 32 W		Multi-Use Path	\$ 1,992,529.00	New	1.3	6			0%	0%	\$ 1,992,529.00	\$ -
143	Emilio	Panama Ave to White Ave		Multi-Use Path	\$ 423,213.00	New	0.3	5			0%	50%	\$ 211,606.50	\$ 211,606.50
145	East Ave	White Ave to Mariposa Ave		Protected Bike Lane	\$ 362,197.00	Plan	1.0	4			0%	100%	\$ -	\$ 362,197.00
146	East Ave	El Paso Way to White Ave		Protected Bike Lane	\$ 45,394.00	Plan	1.5	4			0%	100%	\$ -	\$ 45,394.00
149	Esplanade	W 11th Ave to Bodero Ln		Protected Bike Lane	\$ 680,613.00	Plan	2.5	3			0%	100%	\$ -	\$ 680,613.00
151	Bikepath	W Eaton rd to Existing Path		Multi-Use Path	\$ 1,423,244.00	New	0.9	3			0%	100%	\$ -	\$ 1,423,244.00
153	Cohasset rd	Manzanita Ct to East Ave		Protected Bike Lane	\$ 163,451.00	New	0.6	3			0%	100%	\$ -	\$ 163,451.00
154	Cohasset rd	Manzanita Ct to E Eaton rd		Protected Bike Lane	\$ 278,517.00	New	1.0	3			0%	100%	\$ -	\$ 278,517.00
155	Path 1	Centennial Ave	Sycamore Creek - Phase 1	Multi-Use Path	\$ 2,244,165.00	New	1.5	3			0%	10%	\$ 2,019,748.50	\$ 224,416.50
166	Path 9	Floral Ave to Existing Path		Multi-Use Path	\$ 931,885.00	New	0.6	3			100%	0%	\$ -	\$ -
168	Hwy 99 Path 4	W Eaton rd Ramps		Multi-Use Path	\$ 959,162.00	New	0.6	3			0%	10%	\$ 863,245.80	\$ 95,916.20
172	Hwy 99 Path	Existing Path		Multi-Use Path	\$ 1,918,900.00	New	1.3	0			0%	10%	\$ 1,727,010.00	\$ 191,890.00
175	Path	Catherine Ct to Hwy 99		Multi-Use Path	\$ 2,331,724.00	New	1.554483	0			0%	10%	\$ 2,098,551.60	\$ 233,172.40
176	Path	Catherine Ct to Hwy 99		Multi-Use Path	\$ 4,105,194.00	New	2.736796	0			0%	10%	\$ 3,694,674.60	\$ 410,519.40
177	HWY 32 UPRR	Rd/Meridian Connection		Multi-Use Path	\$ 1,950,000.00	New	1.3	0			0%	10%	\$ 1,755,000.00	\$ 195,000.00
													\$ 38,713,402.90	\$ 11,966,306.10

Technical Memorandum #8

Revision #1

To: City of Chico	Date: May 15, 2018
Attn: Steve Borroum	Project: 2016 Chico Development Impact Fee Study
From: Omni-Means/GHD New Economics & Advisory, Inc.	Job No.: 25-2223-03
Re: Chico Greenways Impact Fee Update Analysis	File No.: C2076MEM009.DOCX

CC:

Introduction

This memorandum is part of an overall effort by the City of Chico (City) to update and adopt a 2016 Nexus Study that updates the current adopted Development Impact Fees based on the 2030 General Plan Update. This fee update is spurred in part by the release of the 2030 City General Plan, which identifies land use growth and improvement needs that are different from those identified in the previous General Plan.

This memorandum focuses on potential Greenway Impact Fee (GIF) rates.

Background

Greenways fall under the larger parks category of Open Space, Trails and Greenways. The 2030 General Plan calls for a means of providing the community with a connected network of protected Open Space and Greenways (Goal OS-2); and, seeks to expand creekside Greenway areas for open space and additional pedestrian/bicycle routes (Policy OS-2.2):

- Action PPFS-2.1.1 (Greenway Acquisition)—Continue the City's greenway purchase program to acquire properties located adjacent to creeks as they become available in order to expand habitat protection, trail creation, and public recreation opportunities.

The General Plan LOS standard for Greenways is 2.50 acres per 1,000 persons. Based on existing population levels, the City has sufficient inventory of greenways to serve the current population and has a 35 acre surplus, according to the 2030 General Plan LOS standards. However, as additional greenways are required as the City's population increases over time, the supply of greenways will become insufficient and new greenways will need to be added.

Developed Greenways

The description of Greenways in both the General Plan and CARD's Master Plan is quite general. CARD's 2008 Master Plan contains the following description:

Natural areas, linear parks, and greenways are other types of open space with limited public access and management emphasis placed on habitat and natural resource protection. These properties may be in a narrow corridor configuration or exist as larger pieces of land. There are no set site characteristics of natural areas and corridors; however, limited areas of the site can be dedicated to leisure and outdoor oriented recreation uses and contain recreation amenities such as trails, benches, picnic sites, and environmental interpretation and education areas (Page 2-25).

The existing inventory of Greenways (as of 2016) within the City of Chico is 265.30 acres. An inventory of Greenways is provided within Appendix Table A-1.

Current Fee and Fund Balance

The current 2016/17 blended single-family/multifamily GIF rate is \$257 per residential unit based on a 2009 City Nexus Study and includes components for land and improvements.¹ While existing City fee rates include distinct rates for single-family and multifamily units, this analysis has converted fee rates to one blended rate per residential unit.

Table 1 shows the fund balance for Linear Parks and Greenways as of June 30, 2017. This figure indicates that the City had a positive fund balance of about \$750,000. These funds could be utilized to enhance portions of existing Greenways within the City and/ or used to acquire and/ or develop new Greenways that are required by future development.

**TABLE 1
CHICO LINEAR PARKS AND GREENWAYS FUND BALANCE**

Item	Available Balance (06/30/2017)
Linear Parks/Greenways	
Fund 333	\$749,375

Population and Housing Forecast

The 2016 to 2040 City growth was obtained from Butte County Association of Governments' (BCAG) Butte County Long-Term Regional Growth Forecasts 2014 – 2040 report, and is consistent with the BCAG Regional Travel Demand Model. Based on direction from City staff, a 2016 to 2040 population and land use growth increment was developed and fully described in *Technical Memorandum #1*, prepared by Omni-Means under separate cover.

¹ The rates set in 2009 vary slightly from the recommended rates contained in the 2009 Nexus Study.

For purposes of this fee update effort, the 25-year 2016 – 2040 growth increment was utilized to analyze an updated GIF of 36,899 people.

Updated Greenway Impact Fee Calculation

Based on the anticipated population growth increment, new residential development would be responsible for 92.25 acres of new Greenways land (36,899 persons divided by 1,000 times 2.50 acres). By applying the existing surplus of Greenways to the City’s forecasted 2040 population, approximately 57.2 acres of new Greenways land are required to meet the General Plan LOS.

Table 2 shows the effective LOS as of 2016 and 2040 assuming population growth projections described previously. This table indicates that as of 2016, the City has a surplus of 35.03 acres of Greenways land. However, as the population in the City grows, this surplus will be eroded and there will be a need for new Greenways. The new City population of 36,899 by 2040 will require approximately 92.25 acres of Greenways, and by applying the existing surplus, the net deficit in the City will be approximately 57.22 acres.

**TABLE 2
SUMMARY OF GREENWAYS LOS, SURPLUS/DEFICIT (2016, 2040)**

Category/ Name	Greenways Land		
	2016	2016-2040	2040
City Population	92,117	36,899	129,016
Greenways			
2030 General Plan LOS per 1,000 residents	2.50	2.50	2.50
Required Acres	230.29	92.25	322.54
Provided Greenway Acres [1]	265.32	35.03	265.32
Surplus/(Deficit)	35.03	(57.22)	(57.22)

Notes: [1] See Appendix Table A-1 for current inventory of greenways included within this classification. Existing surplus is applied to future growth (2016-2040) to arrive at a reduced net deficit in 2040.

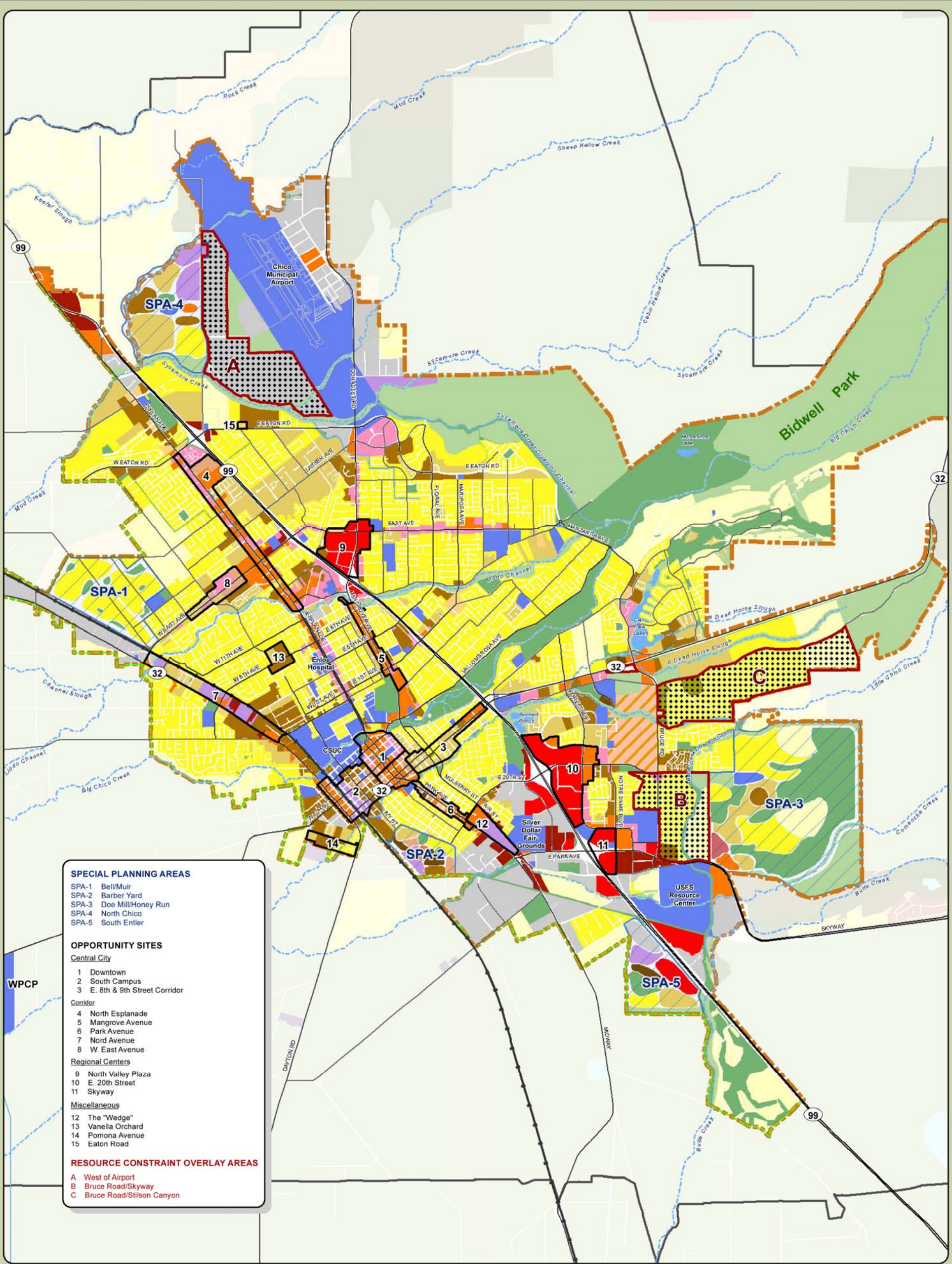
Table 3 calculates the Greenways GIF rate. The resulting GIF rate is approximately \$349 per unit, which is 136 percent of the City’s existing GIF rate.

This rate assumes land acquisition and improvement costs of \$100,000 per acre, as provided by City staff. This cost assumption reflects an expectation that a large portion of new greenways will be dedicated to the City. Figure 1 and Figure 2, included in the 2030 General Plan as Figure LU-1 and Figure OS-2, respectively, show new land areas designated as open space as future development occurs. Although these maps show only Open Space in general, and do not identify specific Greenways locations or sizes, Greenways within these areas could be acquired and/or developed with funding from the GIF program. City staff anticipates that as new development occurs, open space, including Greenways, will be largely (although not necessarily entirely) dedicated to the City.

**TABLE 3
GREENWAYS IMPACT FEE**

Item	Net Acres Required	Cost Per Acre	Total Cost	Growth Increment (2016-2040)	Cost Per Unit
Greenways					
Acquisition and Development	57.22	\$100,000	\$5,722,000	16,409	\$349
Net Greenways			\$5,722,000	16,409	\$349
% of 2016/17 Fee Rate					136%

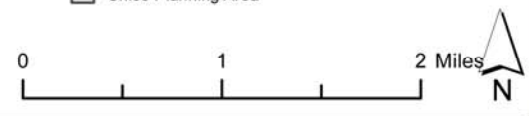
Notes: [1] Cost provided by City of Chico, April 2017.



- SPECIAL PLANNING AREAS**
- SPA-1 Bell/Muir
 - SPA-2 Barber Yard
 - SPA-3 Doe Mill/Honey Run
 - SPA-4 North Chico
 - SPA-5 South Entler
- OPPORTUNITY SITES**
- Central City**
- 1 Downtown
 - 2 South Campus
 - 3 E. 8th & 9th Street Corridor
- Corridor**
- 4 North Esplanade
 - 5 Mangrove Avenue
 - 6 Park Avenue
 - 7 Nord Avenue
 - 8 W. East Avenue
- Regional Centers**
- 9 North Valley Plaza
 - 10 E. 20th Street
 - 11 Skyway
- Miscellaneous**
- 12 The "Wedge"
 - 13 Vanella Orchard
 - 14 Pomona Avenue
 - 15 Eaton Road
- RESOURCE CONSTRAINT OVERLAY AREAS**
- A West of Airport
 - B Bruce Road/Skyway
 - C Bruce Road/Stilson Canyon

GENERAL PLAN DESIGNATIONS

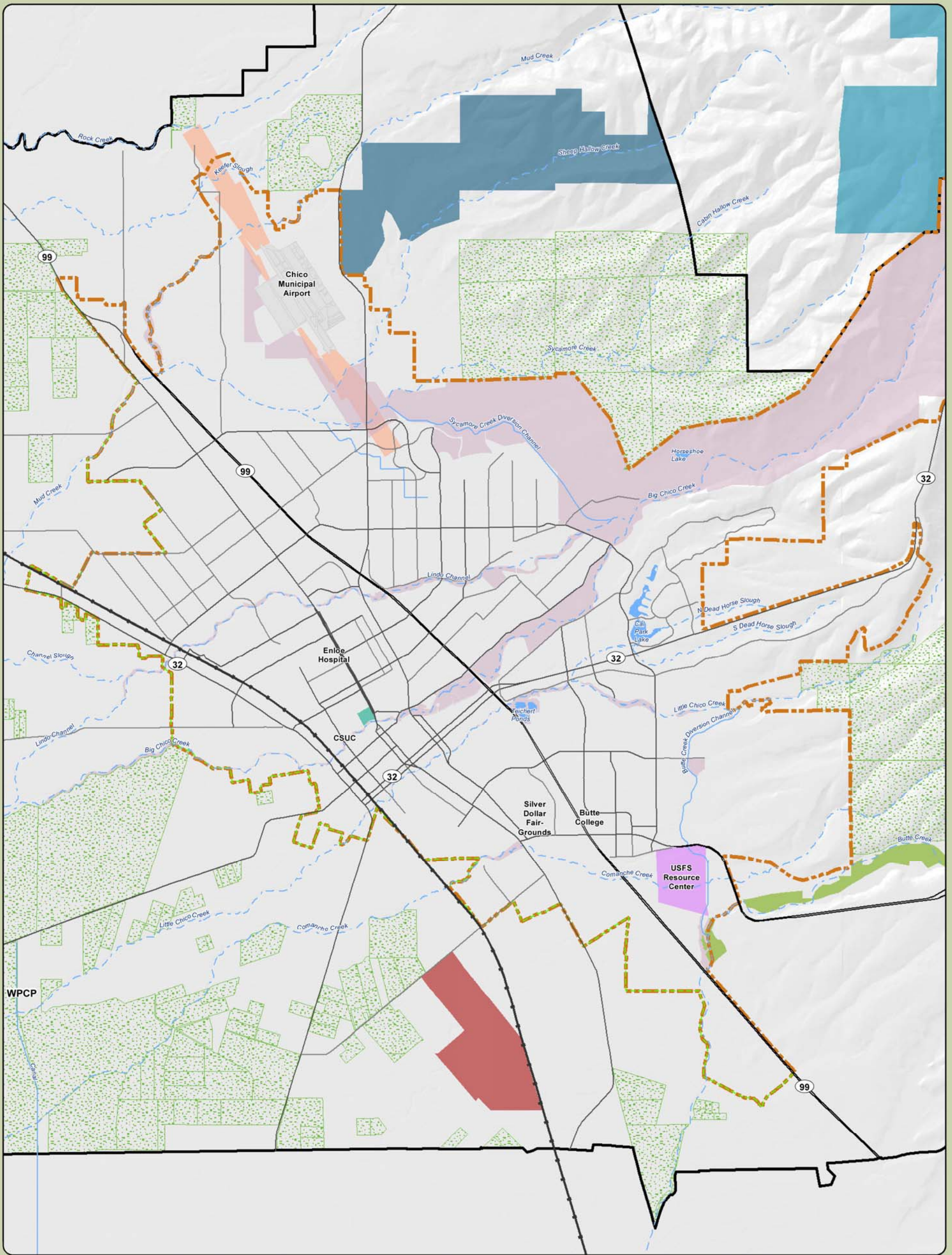
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|---|---|--|--|--|
| <p>Residential</p> <ul style="list-style-type: none"> VLDR Very Low Density Residential LDR Low Density Residential MDR Medium Density Residential MHDR Medium-High Density Residential HDR High Density Residential RMU Residential Mixed Use | <p>Commercial</p> <ul style="list-style-type: none"> NC Neighborhood Commercial CMU Commercial Mixed Use CS Commercial Services RC Regional Commercial | <p>Office and Industrial</p> <ul style="list-style-type: none"> OMU Office Mixed Use IOMU Industrial/Office Mixed Use MW Manufacturing & Warehousing | <p>Public and Open Space</p> <ul style="list-style-type: none"> PFS Public Facilities & Services POS Primary Open Space SOS Secondary Open Space | <p>Special Areas</p> <ul style="list-style-type: none"> SMU Special Mixed Use Opportunity Site Boundary SPA Special Planning Area RCO Resource Constraint Overlay |
|---|---|--|--|--|
- Butte County General Plan Designations (within Chico Planning Area, outside City's Sphere of Influence)**
- | | | | |
|-----------------------|------------------------------|----------------------------|-----------------------|
| Resource Conservation | Foothill residential | Low Density Residential | Recreation Commercial |
| Agriculture | Rural Residential | Medium Density Residential | Public |
| Agriculture Services | Very Low Density Residential | Retail and Office | |



Data Source: City of Chico

Figure LU-1 Land Use Diagram

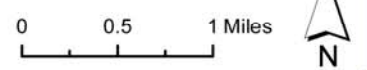




OPEN SPACE AREAS

- City of Chico
 - State of California Wildlife Conservation Board
 - California Department of Fish and Game
- California Department of Parks and Recreation
 - State of California (CSUC)
 - CSUC Research Foundation
- United States Forest Service
 - CMA Approach Zones
 - Williamson Act Properties

- Greenline
- City of Chico Sphere of Influence Boundary
- Chico Planning Area



Data Source: City of Chico



Figure OS-2 Open Space Resources

Table 4 summarizes the existing and updated greenways fee LOS standards, per-acre land acquisition cost assumptions, per-acre facility cost assumptions, and resulting potential GIF rate per residential unit.

**TABLE 4
SUMMARY OF GIF RATE**

Item	Description	LOS Standard (Acres per 1,000 population)	GIF Per Unit
Existing Greenways Fee	\$2016/17 rate, 2004 GP LOS	3.16 acres of Linear Parks/ Greenways	\$257 [1]
Updated Greenways Fee	2030 GP LOS, Inflated Land and Improvement Costs since 2009 Nexus Study	2.50 acres of Greenways [2]	\$349

Source: City of Chico, CARD, Omni-Means, and New Economics & Advisory.

Notes: [1] Includes land and improvements. This figure reflects a blended average of the single-family rate and multifamily rate.

[2] Consistent with the 2030 General Plan.

Findings

- **Finding 1: The Existing GIF reflects periodic increases since the rates were last reset in 2009.** The existing rate reflects the 2004 General Plan LOS standard.
- **Finding 2: The Linear Park and Greenways fund had a positive balance of approximately \$750,000 as of June 30, 2017.** These funds could be utilized to enhance portions of existing Greenways within the City and/ or used to acquire and/ or develop new Greenways that are required by future development. The 2030 General Plan identifies new land areas designated as open space (which can include Greenways) as future development occurs.
- **Finding 3: Between 2016 and 2040, the City expects to add 36,899 new persons.** This forecast is tied to residential unit projections developed by the Butte County Association of Governments (BCAG) and reflects residential growth within the City's General Plan boundary.
- **Finding 4: Based on predicted population growth between 2016 and 2040, the 2030 General Plan LOS standards through 2040, and assumed land acquisition and improvement costs, the updated GIF is \$349 per unit.**

Summary of Nexus Requirements

California Government Code Section 66000 et. seq. sets forth the procedural requirements for establishing and collecting development impact fees. There are specific conditions which must be met in order for the fee to be set in place, which demonstrate a reasonable relationship, or “nexus” between the fee and its purpose. The key requirements of Government Code Section 66000 are listed below, along with a corresponding discussion that relates to the Greenways Impact Fee.

Identify the purpose of the fee.

- The fee will fund the acquisition and development of Greenways at the GP LOS (2.5 acres per 1,000 population).

Identify how the fee is to be used.

- The fee will be used to fund the acquisition and development of Greenways.

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

- New development will generate the need for additional Greenways for the use of City residents. Fee revenue will be used to fund the acquisition and development of greenway facilities.

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

- New residential development will generate the need for additional greenway facilities for the use of City residents.

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

- Greenway acquisition and development costs were apportioned solely to residential development, as the General Plan LOS applies to residential population only.

APPENDIX

**TABLE A-1
GREENWAYS INVENTORY (CITY, CARD FACILITIES), 2016**

Category/ Name	Acres
	Total
Greenways [1]	
North Chico Bike Path	10.00
Lindo Channel	150.00
Little Chico Creek	22.50
Mud/Sycamore Creek	6.00
Comanche Creek Greenway [2]	22.06
Verbena Fields	16.00
Teichert Ponds	38.76
Subtotal Natural Areas/Corridors	265.32

Source: Chico 2030 General Plan Update Public Facilities Assessment and Fiscal Impact Analysis, July 30, 2010; City of Chico and Chico Area Recreation and Park District MOU, July 15, 2009; City of Chico, City Council Agenda Report, March 16, 2010; Butte Local Agency Formation Commission, Municipal Service Review Update and Sphere of Influence Plan for CARD, adopted April 2, 2009; City of Chico, City Council Agenda Report, June 16, 2015; 2003 Chico Parks Nexus Study, and City Parks Department.

Notes: [1] Unless otherwise noted, inventory is consistent with 2010 Public Facilities Assessment, pages A-10 and A-11.

[2] The Comanche Creek Greenway includes 19.88 acres of the original property and 2.18 acres purchased in 2016.

Technical Memorandum #9

Revision #3

To: City of Chico	Date: May 15, 2018
Attn: Steve Borroum	Project: 2017 Chico Development Impact Fee Study
From: Omni-Means/GHD New Economics & Advisory, Inc.	Job No.: 25-2223-03 File No.: C2076MEM008.DOCX
Re: Chico Park Impact Fees Update Analysis	
CC:	

This memorandum is a part of an overall effort by the City of Chico to update and adopt a 2016 Nexus Study that updates the currently adopted Development Impact Fees based on the 2030 General Plan. This memorandum focuses on the impact methodology and analysis to update the current neighborhood park impact fee (NPIF), community park impact fee (CPIF), and Bidwell Park impact fee (BPIF) rates.

This memorandum contains a variety of sections documenting current fund balances and Level of Service (LOS) standards for parks, quantifying the scale of new parks needed to accommodate residential growth, and calculating potential updated park impact fee rates. In addition to figures included within this memorandum, Appendix A contains a map of existing park fund districts, while Appendix B contains additional documentation of key assumptions and supporting calculations for the park impact fees update, and Appendix C provides documentation of the City's existing Quimby Act level of service standard for neighborhood and community parks.

Background and Purpose

The general purpose of the park impact fees is to collect and distribute funding for the acquisition of parkland and construction of park facilities improvements to meet the continued growing community need within the City through 2040. *Technical Memorandum #1: Population and Housing Forecasts*, prepared and submitted under separate cover, documents the City's growth estimate and its methodology.

The 2030 General Plan includes the following policies that address needed funding to create parks and establish impact fees for park land acquisition and facility construction to support continued development through 2040 consistent with the General Plan:

- **Goal PPFS-1: Continue cooperative efforts with the Chico Area Recreation and Park District [CARD] and the Chico Unified School District to provide a broad range of high quality parks and recreation facilities and services for all residents.**

- **Policy PPFS-1.1 (Park and Recreation Facilities)** – Partner with CARD and local providers to provide parks and recreation facilities that offer recreation opportunities for the community.
 - **Action PPFS-1.1.2 (Park Development Fees)** – Adopt park development fees that support the goals of the CARD Parks and Recreation Master Plan to fund the acquisition and development of neighborhood and community parks, and community use facilities, such as an aquatic park, needed as a result of new development.
 - **Action PPFS-1.1.4 (Park Maintenance Funding)** – Aid in the formation of maintenance districts or other funding mechanisms to pay for the cost of ongoing maintenance and operation of parks.
 - **Action PPFS-1.1.8 (Funding to Develop Recreation Facilities)** – Pursue local, state, federal, and other funds for the development of parks and recreation facilities.
 - **Action PPFS-1.1.9 (Bidwell Park Master Management Plan)** – Utilize the Bidwell Park Master Management Plan and consider the intent of Annie Bidwell’s Deed to direct management and guide decision-making for Bidwell Park.

The focus of this update to park impact fees is to calculate the fee rate needed to fund potential acquisition of remaining needed parklands and construct new park facilities to achieve the City’s base LOS standard.

Current Fees and Fund Balance

The existing NPIF and CPIF reflect the 2004 Chico General Plan LOS standard:

- 0.68 acres of neighborhood parks; and,
- 1.16 acres of community parks per 1,000 persons; which,
- equates to an initial total of 1.84 acres per 1,000 residents¹.

The City’s existing NPIF and CPIF rates are based on a nexus study last updated in 2009. Table 1 shows the current 2016/17 NPIF and CPIF rates. These rates reflect the result of periodic inflationary increases since 2009, when the City Council adopted park impact fees based on a 2009 City Nexus Study.² Appendix B contains historical NPIF and CPIF rates.

Table 1 also the existing BPIF rate per residential unit. This rate also reflects the result of period inflationary increases since 2009, when the City Council adopted park impact fees based on a 2009 City Nexus Study. The existing BPIF reflects the cost of the prior acquisition of 1,554.86 acres of additional parklands added to Bidwell Park. This acreage was acquired to fulfill the requirements of the 2004 General Plan standard of 29.5 acres per 1,000 population. The fee was set based on the need to repay a loan to acquire this acreage.

¹ The City also has an existing Greenways Fee based on a LOS of 3.16 acres per 1,000 residents. The Greenways Fee is addressed in a separate memo.

² The rates set in 2009 vary slightly from the recommended rates contained in the 2009 Nexus Study.

**TABLE 1
EXISTING PARK IMPACT FEE RATES (FY2016/17)**

Item	Single-Family	Multifamily
Existing Neighborhood Park Fee	\$989	\$837
Existing Community Park Fee	\$1,824	\$1,543
Existing Bidwell Park Fee	\$211	\$188

Fund Balances

The City has multiple neighborhood park funds, one community park fund, and one Bidwell Park fund.

Since at least 2009, neighborhood park fee revenues have been collected into ten neighborhood park zone funds. Appendix A contains a map showing the geographic boundaries of neighborhood park zones. Developed Parks are green, while undeveloped parks are red. As of June 30, 2017, most of the City's neighborhood park funds and community park fund had a positive fund balance. Table 2 shows the individual and total park fund balances for neighborhood park funds.

Table 2 also shows the available balance for the Community Park Fund.

Finally, Table 2 also shows the available balance for the Bidwell Park Fund. The negative balance reflects the outstanding loan. City staff is proposing that the BPIF be updated to ensure that the Community Park fund is repaid by 2040, as discussed in a subsequent section of this memo.

**TABLE 2
CHICO PARK FUNDS BALANCE (FY 2016/17)**

Item	Zone	Gross Available Balance (06/30/2017)
Neighborhood Park Funds		
Fund 341	Zone A	\$230,614
Fund 342	Zone B	\$481,387
Fund 343	Zone C	\$166,326
Fund 344	Zone D/E	\$368,147
Fund 345	Zone F/G	\$740,851
Fund 347	Zone I	\$875,854
Fund 348	Zone J	(\$138,257)
Subtotal Neighborhood Park Funds [1]		\$2,724,922
Community Park Funds		
Fund 330	N/A	\$5,143,701
Subtotal Community Park Funds		\$5,143,701
Bidwell Park Fund		
Fund 332	N/A	(\$1,178,215)
Subtotal Bidwell Park Funds		(\$1,178,215)

Notes: [1] No development triggering park fees has occurred in Zone H since Neighborhood Park zones were established, so the City does not show any balance or tracking for Zone H.

Parks LOS Standards: 2030 General Plan

This analysis evaluates ways in which the City can update the NPIF and CPIF to reflect the higher LOS standards for neighborhood and community parks included in the City's current General Plan (2030 General Plan adopted in 2010) based on the City's anticipated 2040 population and inventory of local parks.

The 2030 General Plan includes these LOS Standards for neighborhood and community parks:

- 1.50 acres of Neighborhood Parks per 1,000 residents
- 2.50 acres of Community Parks per 1,000 residents³

This analysis combines these standards to form a total neighborhood and community parks LOS standard of 4.0 acres per 1,000 persons⁴. City and CARD staff reviewed the current inventory of neighborhood and community parks to verify whether the City as a whole currently

³ 2030 General Plan, page 9-12.

⁴ The 2030 General Plan also includes an LOS standard of 2.5 acres per 1,000 persons for Greenways. An updated Greenways Impact Fee analysis has been prepared and submitted by New Economics under separate cover.

meets the 2030 General Plan LOS standard. The 2030 General Plan does not contain any LOS standard for future land acquisition or development for Bidwell Park.

Quimby Act LOS Requirements

The NPIF and CPIF fee update is consistent with California's Quimby Act (California Government Code Title 7, Planning and Land Use, Division 2, Chapter 4, 66473-66498), which allows local jurisdictions to require dedication of at least 3.0 acres and up to 5.0 acres of neighborhood and community parkland per 1,000 residents for new development. Appendix C contains the City's entire inventory of neighborhood and community parks for purposes of calculating the existing LOS standard. This analysis shows that the City's 2010 population met the City's 2030 General Plan combined LOS standard for neighborhood and community parks, per the requirements of the Quimby Act. The Quimby Act sets the maximum range for which local jurisdictions can require dedication of neighborhood and community parkland.

Population and Land Use Growth Forecast

The updated PIF calculation relies upon a 2016-2040 population and land-use growth increment. *Technical Memorandum #1*, submitted under separate cover, documents this growth increment and the basis upon which the park LOS calculations are made. For purposes of this fee update effort, as demonstrated in *Technical Memorandum #1*, the City expects to grow by 36,899 persons to reach a 2040 population of 129,016. This population growth is expected to be housed in 16,409 new residential units, including new single-family and multifamily units.

New Neighborhood Park Acreage Requirements

Appendix Table D-1 identifies existing neighborhood parks within the City for purposes of calculating an updated NPIF. It also identifies the entity that owns and/or maintains each park.

Appendix Table D-2 summarizes the total amount of existing neighborhood parks by neighborhood park zone, compared to the 2030 General Plan standard of 1.5 acres per 1,000 persons. This table shows that the City had a deficit of neighborhood parks in 2016. Available park funds, also shown in Appendix Table D-1, could be used to acquire and develop neighborhood parks throughout the City.

Neighborhood Park Impact Fee

Table 3 calculates the gross number of neighborhood park acres required by the City's current LOS standards for the forecasted 2016-2040 population growth increment.

**TABLE 3
SUMMARY OF NEIGHBORHOOD PARKS REQUIRED ACREAGE**

Category/Name	NEIGHB. PARKS
	2016-2040
City Population	36,899
Neighborhood Parks	
2030 General Plan LOS per 1,000 residents	1.50
Required Acres	55.35
Provided Park Acres [1]	0.00
Surplus/Deficit	(55.35)
New Neighborhood Park Acres Funded by Neighborhood Park Impact Fee	55.35

Notes: [1] See Appendix Table D-1 for Parks Inventory included within this classification.
 [2] Includes developed (including designated natural areas) and undeveloped areas within parks located within the City of Chico.
 [3] Includes developed and designated natural areas within existing parks. Excludes undeveloped areas.

Table 4 calculates the resulting NPIF rate for the acquisition and development of new neighborhood parks. As shown in Table 4, this calculation assumes land acquisition costs of \$90,000 per acre, a figure which relies upon market-based land values, based upon a review of current vacant land listings in Chico (documented in Appendix B) and consideration for the typical size of neighborhood and community parks described in the 2007 CARD Master Plan. It also presumes that development will occur at a cost of \$350,000 per acre, a development cost rate that includes basic site preparation as well as multiple park amenities (e.g. sports fields, picnic areas, and/or playgrounds) and was determined to reflect an average cost to develop neighborhood and community parks found in other communities in the Sacramento Region.

**TABLE 4
NEIGHBORHOOD PARK IMPACT FEE**

Item	Net Acres Required	Cost per Acre	Total Cost	Growth Increment (2016-2040)	PIF Cost Per Unit
Neighborhood Parks					
Land Acquisition	55.35	\$90,000	\$4,981,311	16,409	\$304
Park Development	59.07	\$350,000 [1]	\$20,674,500	16,409	\$1,260
Net Neighborhood Parks			\$25,655,811	16,409	\$1,564
% of 2016/17 NPIF Rate					158%

Notes: [1] Provided by Omni-Means. Includes site preparation (grading, drainage, storm water permit, sidewalks, sewer, landscaping and irrigation) and multiple basic park amenities (e.g. sports field, playground, and picnic area).

The existing positive balances in Neighborhood Park funds, identified in a prior section of this memo, were not applied to buy down the NPIF. Instead, it is expected that these funds will be utilized to fund improvements to existing undeveloped parks and/or acquire and develop other neighborhood parks to help bring the City’s existing inventory of neighborhood parks into alignment with the 2030 GP LOS, which is greater than the 2004 GP LOS. Appendix D identifies the existing LOS for neighborhood parks overall and by neighborhood park zone.

New Community Park Acreage Requirements

New development will also trigger a need for additional community parks. Appendix Table D-3 provides the current inventory of Community Parks in the City for purposes of calculating an updated CPIF. This table shows that the City had an existing surplus of community parkland and developed community parks as of 2016.

Table 5 calculates the amount of new community parks that new development would necessitate based on the 2030 General Plan standard of 2.50 acres per 1,000 population.

**TABLE 5
SUMMARY OF COMMUNITY PARK REQUIRED ACREAGE**

Category/Name	COMM. PARKS
	2016-2040
City Population	36,899
Community Parks	
2030 General Plan LOS per 1,000 residents	2.50
Required Acres	92.25
Provided Park Acres [1]	0.00
Surplus/Deficit	(92.25)
New Community Park Acres Funded by Community Park Impact Fee	92.25

Notes: [1] See Appendix Table D-3 for Parks Inventory included within this classification.

Community Park Impact Fee Scenarios

This Analysis considers two PIF scenarios that apply market-based cost assumptions pertaining to park facility development and conform to the 2030 General Plan neighborhood and community parkland standards. This exercise evaluates the following PIF scenarios:

- **Scenario 1: Community Park Facilities.** The first scenario applies a per-acre cost estimate for an average level of facility improvements. This facilities cost would cover the cost of site preparation and some park amenities (e.g. sports fields, playgrounds, picnic area, etc.). This scenario presumes that most community parkland would be existing, dedicated to the City at no cost, although some parkland would be acquired by the City at a cost of \$90,000 per acre (documented in Appendix Table B-2).
- **Scenario 2: Facilities and Special Facilities.** The second scenario includes land, park facilities, and two Special Facilities-- community centers and swimming pools/aquatic centers-- which are specifically identified in the 2007 CARD Master Plan and included in CARD's 2010 Park Impact Fee (PIF) Nexus Study (not adopted by the City). This scenario also presumes that community parkland would be existing, dedicated to the City at no cost, or acquired by the City at a land acquisition cost of \$90,000 per acre (documented in Appendix Table B-2).

Scenario 1: Community Park Facilities

The Scenario 1 CPIF is based on the 2030 Chico General Plan LOS standards: 2.50 acres of community parks per 1,000 persons. This scenario applies \$349,000 per acre for park facilities; this facilities cost would cover the cost of site preparation as well as multiple park amenities (e.g. sports fields, picnic areas, and/or playgrounds).

Table 6 calculates the CPIF rate for Scenario 1. The resulting CPIF rate is approximately \$2,100 per unit, which is 115 percent of the City's existing CPIF rate.

**TABLE 6
ESTIMATED CPIF: SCENARIO 1**

Item	Net Acres Required	Cost per Acre		Total Cost	Growth Increment (2016-2040)	PIF Cost Per Unit
Community Parks						
Land Dedication	67.05	\$0	[1]	\$0	16,409	\$0
Land Acquisition	25.20	\$90,000	[2]	\$2,268,000	16,409	\$138
Park Development	92.25	\$349,000	[3]	\$32,194,029	16,409	\$1,962
Net Community Parks				\$34,462,029	16,409	\$2,100
% of 2016/17 Single-Family CPIF Rate						115%

Notes:

[1] This scenario presumes that this community parkland would be dedicated to the City at no cost.

[2] City agreed to buy 25.20 acres at a land acquisition cost of \$90,000 per acre, a figure which relies upon market-based land values, based upon a review of current land listings in Chico (documented in Appendix B) and consideration for the typical size of neighborhood and community parks described in the 2007 CARD Master Plan.

[3] Provided by City Staff, March 2018.

The existing positive balance in the Community Park fund, identified in a prior section of this memo, was not applied to buy down the CPIF. Instead, it is expected that these funds will be utilized to fund improvements to existing undeveloped parks and/or acquire and develop other community parks to help bring the City's existing inventory of community parks into alignment with the 2030 GP LOS, which is greater than the 2004 GP LOS. Appendix D identifies the existing LOS for community parks.

Scenario 2: Community Park Facilities and Special Facilities

The Scenario 2 CPIF is based on 2.50 acres of community parks per 1,000 persons.

This scenario also includes improvement costs for two Special Facilities: swimming pools/aquatic centers and community centers. These Special Facilities were included in the 2008 CARD Master Plan and 2010 CARD PIF Nexus Study (not adopted by the City), and to a certain extent in the City's 2030 General Plan. For this scenario, the LOS standards were calculated based on the scale of total community centers and/or swimming pools expected to exist by the time the CARD reaches Buildout (or 2030, as identified at that time).

Table 7 contains updated cost assumptions for community centers and swimming pools/ aquatic centers. Table 8 identifies the CARD LOS standards for these Special Facilities and calculates the proportionate amount of facilities and cost to be borne by population growth in the City. The resulting fee, \$3,791 per residential unit, is 208 percent of the existing 2016/17 CPIF for neighborhood and community parks, also shown in Table 9.

**TABLE 7
SPECIAL RECREATION OF FACILITY COST ESTIMATE ASSUMPTIONS (2016\$)**

Item	Cost per Center	Sq. Ft. per Center	Cost per Sq. Ft.
Special Recreation Facilities [1]:			
Community Facilities/Rec. Ctrs.	\$19,000,000 [2]	56,000	\$339
Swimming Pool/ Aquatics Center	\$17,000,000 [3]	N/A	N/A

Notes: [1] Cost estimates and facility sizing from 2010 Park Impact Fee Nexus Study, prepared for CARD by SCI Consulting Group. Figure 6 (page 11).
 [2] Inflated from 2010\$ based on CCI construction cost index (annual average) 20-city average.
 [3] Cost validated by CARD, April 2017. Cost is similar to estimate to build new CARD swimming pool.

**TABLE 8
LOS STANDARDS FOR SPECIAL FACILITIES**

Item	Amount
Special Facilities [1]	CARD LOS Standard [4]
Community Centers [2]	943 sq. ft. per 1,000 persons
Swimming Pools/Aquatic Centers [3]	1 center per 39,369 persons
Gross Special Facility Requirements	
Projected Growth Increment: 2015-2040	36,899 persons
Required Community Centers	34,796 sq. ft.
Required Swimming Pools/Aquatic Centers	0.9373 swimming pools/aquatic centers

Notes: [1] The 2008 CARD Master Plan and 2010 CARD Nexus Study contain LOS standards for a variety of special facilities, including multi-use fields, softball/baseball fields, courts, swimming pools, and recreation centers. This analysis focuses on swimming pools and community centers only. The costs per acre for Neighborhood and Community Parks presume inclusion of some sports fields and courts.
 [2] LOS Standard included in the 2010 CARD Nexus Study, page 11. The Nexus Study applies the LOS standards identified in the CARD 2008 Master Plan.
 [3] The 2010 CARD Nexus Study, page 12, envisions 4 total aquatics centers at Buildout, which equates to a LOS standard of 39,369 persons per facility. The 2008 CARD Master Plan calls for 3 new Aquatic Centers, but the Nexus Study includes only 1 new Aquatic Center. This analysis presumes that the 2010 Nexus Study was prepared at the direction of CARD and follows the Nexus Study.
 [4] The CARD LOS Standard reflects the standard needed to achieve CARD's buildout facilities in 2030.

**TABLE 9
ESTIMATED CPIF: SCENARIO 2**

Item	Net Acres/ Facilities Required	Cost Metric	Total Cost Attributable to Fee Program	Growth Increment (2016-2040)	PIF Per Unit
Community Parks	<u>Net Acres</u>	<u>Cost per Acre</u>			
Land Dedication	67.05	\$0	[1] \$0	16,409	\$0
Land Acquisition	25.20	\$90,000	[2] \$2,268,000	16,409	\$138
Park Development	92.25	\$349,000	[3] \$32,194,029	16,409	\$1,962
Net Community Parks			\$34,462,029	16,409	\$2,100
Special Facilities	<u>Net Sq. Ft.</u>	<u>Cost per Sq. Ft.</u>			
Community Centers	34,796	\$339	\$11,805,703		
	<u>Net Facilities</u>	<u>Cost per Facility</u>			
Swimming Pools/Aquatic Centers	0.9373	\$17,000,000	\$15,933,425		
Net Special Facilities Costs			\$27,739,128	16,409	\$1,690
Total Cost			\$62,201,157		\$3,791
% of 2016/17 Single-Family CPIF Rate					208%

Notes:

[1] This scenario presumes that community parkland would be dedicated to the City at no cost.

[2] City agreed to buy 25.20 acres at a land acquisition cost of \$90,000 per acre, a figure which relies upon market-based land values, based upon a review of current land listings in Chico (documented in Appendix B) and consideration for the typical size of neighborhood and community parks described in the 2007 CARD Master Plan.

[3] Provided by City Staff, March 2018.

The existing positive balance in the Community Park fund, identified in a prior section of this memo, was not applied to buy down the CPIF. Instead, it is expected that these funds will be utilized to fund improvements to existing undeveloped parks and/or acquire and develop other community parks to help bring the City's existing inventory of community parks into alignment with the 2030 GP LOS, which is greater than the 2004 GP LOS. Appendix D identifies the existing LOS for community parks, aquatics centers, and community centers.

Bidwell Park Impact Fee

The City previously borrowed monies to pay for the acquisition of 1,455 acres of additional Bidwell Park land. As of the end of FY 2016/17, the remaining outstanding loan balance for this acquisition was \$1,178,215. While the 2030 General Plan (Policy OS-2.1) calls for continued "acquisition, management, and maintenance of open space," the General Plan does not specify where or how much additional open space is needed. It also states that funding for Open Space should be provided by outside sources and is silent regarding the Bidwell Park impact fee. Table 10, below, calculates an updated BPIF that would repay the outstanding loan balance over the balance of the 2016-2040 growth increment.

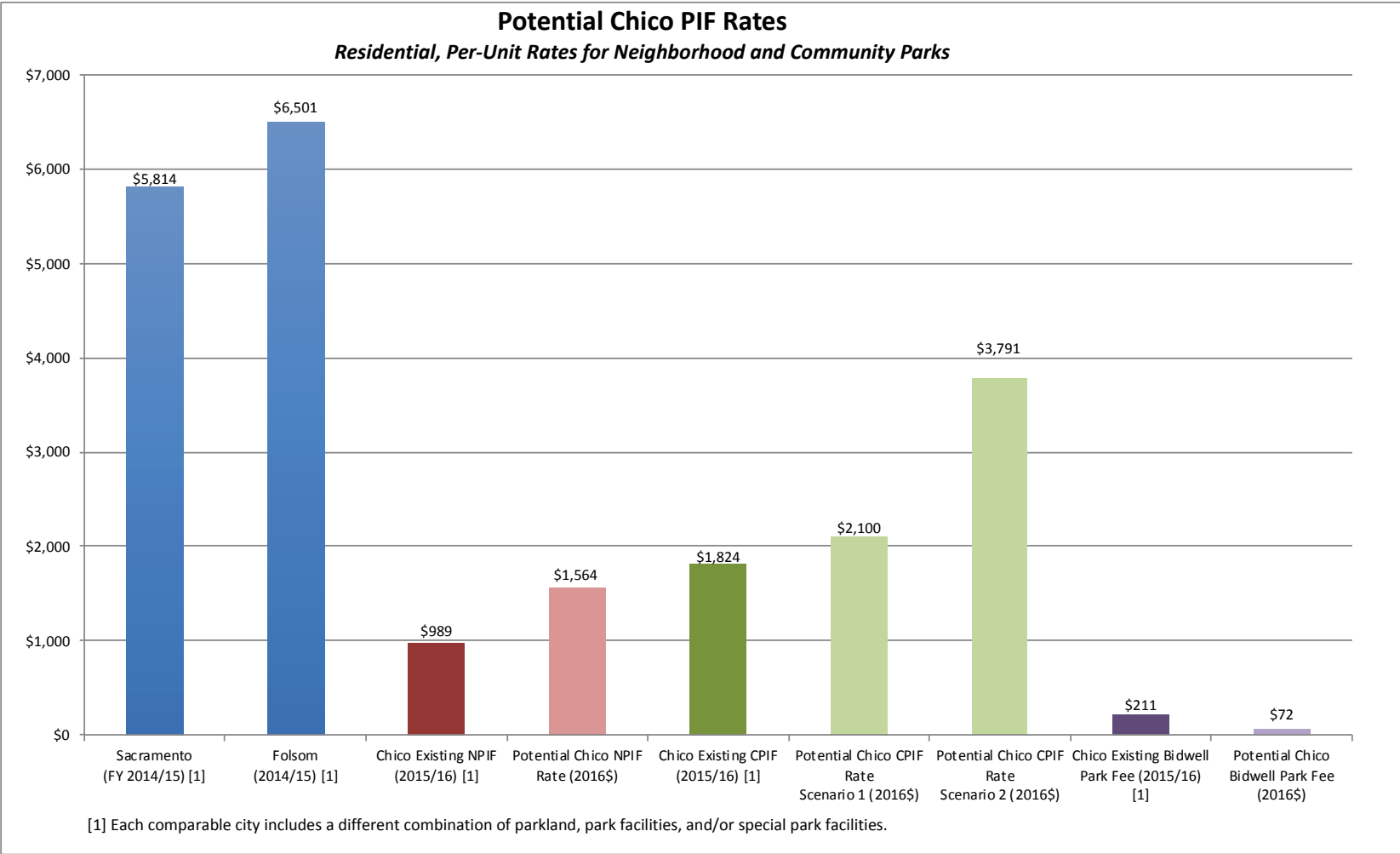
**TABLE 10
ESTIMATED BIDWELL PARK IMPACT FEE (BPIF)**

Item	Total Cost	Growth Increment (2016-2040)	PIF Cost Per Unit
Bidwell Park			
Fund 332: Outstanding Loan Balance (June 30, 2017)	\$1,178,215	16,409	\$72
Net Bidwell Park	\$1,178,215	16,409	\$72
<i>% of 2016/17 Single-Family Fee Rate</i>			34%

NPIF and CPIF Comparison

Table 11 contains a comparison of NPIF and CPIF rates. This information is provided simply as an informational point of reference. Unless otherwise noted, the rates reflect FY 2014/15; also, comparison jurisdiction figures reflect single-family rates, while the Chico rate reflects a blended residential rate. Table 11 also compares the existing City NPIF and CPIF rates to the scenarios studied in this analysis.

**TABLE 11
COMPARISON OF NPIF+CPIF RATES**



Findings

Table 12 summarizes the LOS standards, per-acre land acquisition cost assumptions, per-acre facility cost assumptions, and resulting potential NPIF, CPIF, and BPIF rates per residential unit.

- **Finding 1: Most of the neighborhood park zone funds and the Community Park had positive balances as of June 30, 2017, but the Bidwell Park fund had a negative balance.** The Bidwell Park Fund owes approximately \$1,178,215 for a prior Bidwell Park land acquisition.
- **Finding 2: Between 2016 and 2040, the City expects to add 36,899 new persons.** This forecast is tied to residential unit projections developed by the Butte County Association of Governments (BCAG) and reflects residential growth within the City's General Plan boundary.
- **Finding 3: The Existing NPIF, CPIF, and BPIF rates reflect periodic increases since rates were last reset in 2009 but are not compliant with existing 2030 GP LOS standards.** The 2016/17 rates reflect the parks LOS standards included in the 2004 General Plan (0.68 acres of neighborhood parks, 1.16 acres of community parks, and 29.5 acres of Bidwell Park per 1,000 persons).
- **Finding 4: The City's 2030 Current General Plan LOS Standards are 1.50 acres of neighborhood parks per 1,000 residents and 2.50 acres of community parks per 1,000 residents. The 2030 General Plan does not have a LOS Standard for Bidwell Park.**
- **Finding 5: The updated NPIF is \$1,564 per residential unit.** The updated rate is 158% of the existing NPIF rate.
- **Finding 6: The updated CPIF considers two scenarios, both of which presume that most future community parkland will be dedicated or transferred to the City or CARD at no cost and some parkland will be acquired by the City at a cost of \$90,000 per acre. Scenario 1 produces a fee of \$2,100 per unit, which is 115 percent of the existing CPIF rate.** This rate would allow the City to construct an average level of community park facilities consistently found in other communities.
- **Finding 7: Scenario 2, an updated CPIF that includes park facilities, as well as community centers and swimming pools/aquatic centers, produces a fee of \$3,791 per unit, which is 208 percent of the existing CPIF rate.** This calculation is based on a LOS "target" included in the 2010 CARD Nexus Study, which was not adopted by the City, and an proportionate cost share assignment to new development in Chico.
- **Finding 8: The updated BPIF rate is \$72 per residential unit, which is 34% of the existing rate.** This rate was recalculated to repay the outstanding loan to the Community Park fund by the time the City reaches the 2040 growth projections.
- **Finding 9: Current NPIF and CPIF rates within other Sacramento Region jurisdictions are generally higher than the existing and potential NPIF and CPIF rates evaluated in this analysis.**

Summary of Nexus Requirements

California Government Code Section 66000 et. seq. sets forth the procedural requirements for establishing and collecting development impact fees. There are specific conditions which must be met in order for the fee to be set in place, which demonstrate a reasonable relationship, or “nexus” between the fee and its purpose. The key requirements of Government Code Section 66000 are listed below, along with a corresponding discussion that relates to park fees.

Identify the purpose of the fee.

- Neighborhood Parks Fee: The fee will fund the acquisition and development of Neighborhood Parks at the General Plan LOS (1.5 acres per 1,000 population).
- Community Parks Fee: The fee will fund acquisition and development of Community Parks/ Community Parks and Special Facilities at the General Plan LOS (2.5 acres per 1,000 population).
- Bidwell Park Fee: The fee will be used to repay a loan for a prior acquisition of additional Bidwell Park land.

Identify how the fee is to be used.

- Neighborhood Parks Fee: The fee will be used to fund the acquisition and development of Neighborhood Parks facilities.
- Community Parks Fee: The fee will be used to fund the development of Community Parks/Community Parks and Special Facilities.
- Bidwell Park Fee: The fee will be used to repay a loan for a previous acquisition of additional Bidwell Park land.

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

- Neighborhood Parks Fee: New residential development will generate the need for additional neighborhood parks facilities for the use of City residents. The fee rates are derived based on the LOS standard per 1,000 persons contained in the 2030 General Plan. Fee revenue will be used to provide new Neighborhood Parks.
- Community Parks Fee: New residential development will generate the need for additional Community Parks/ Community Parks and Special Facilities for the use of City residents. Fee revenue will be used to provide new Community Parks/Community Parks and Special Facilities.
- Bidwell Park Fee: Fee revenue will be used to fund the acquisition and development of Bidwell Park.

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

- Neighborhood Parks Fee: It is generally recognized that residential uses are by far the greatest users of park facilities. Therefore the 2030 General Plan uses residential development as the measure of need for desired park facilities. New residential development will generate the need for additional parks and open space facilities for the use of City residents.

- Community Parks Fee: New residential development will generate the need for additional parks and open space facilities for the use of City residents.
- Bidwell Park: New residential development will generate the need for the expansion of Bidwell Park.

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

- Neighborhood Parks Fee: Neighborhood Parks acquisition and development costs were apportioned solely to residential development, as the General Plan LOS applies to residential population only. Costs of land were based on market value for similar transactions, while construction of recreational facilities were calculated using professionally recognized cost estimating procedures. These costs were then allocated based on new development population increases and new residential units.
- Community Parks Fee: Community Parks acquisition and development costs were apportioned solely to residential development, as the General Plan LOS applies to residential population only.
- Bidwell Park Fee: Bidwell Park acquisition and development costs were apportioned solely to residential development.

**TABLE 12
SUMMARY OF NPIF, CPIF, AND BPIF RATES**

Item	Description	Parkland			Park Facilities		Total PIF Per Unit	% of 2016/17 Rate
		LOS Standard (Acres per 1,000 population)	Cost Assumption	Cost Per Unit	Cost Assumption	Cost Per Unit		
Existing Neighborhood Park Impact Fee	2016/17 rates, 2004 GP LOS	0.68 acres of neighborhood [1]	Not estimated.	N/A	Not estimated.	N/A	\$989	100%
Proposed Neighborhood Park Impact Fee	2030 GP LOS Minimum Standard	1.5 acres of neighborhood [2]	\$90,000 per neighborhood acre.	\$304	\$350,000 per community park acre [3]	\$1,260	\$1,564	158%
Existing Community Park Impact Fee	2016/17 rates, 2004 GP LOS	2.5 acres of community [2]	Not estimated.	N/A	Not estimated.	N/A	\$1,824	100%
Proposed Community Park Impact Fee: Scenario 1	2030 GP LOS Minimum Standard	2.5 acres of community [2]	67.05 acres assumed dedicated, 25.2 acres to be acquired at \$90,000 per acre.	\$138	\$349,000 per community park acre [4]	\$1,962	\$2,100	115%
Proposed Community Park Impact Fee: Scenario 2	2030 GP LOS Facilities and Special Facilities	2.5 acres of community [2]	67.05 acres assumed dedicated, 92.25 acres to be acquired at \$90,000 per acre.	\$138	\$349,000 per community park acre [4] plus \$29,605,443 special facilities cost.	\$3,652	\$3,791	208%
Existing Bidwell Park Fee	2004 General Plan LOS	29.5 acres of additional parklands	Not estimated.	N/A	Not estimated.	N/A	\$211	100%
Proposed Bidwell Park Fee	Repay Outstanding Loan Balance	N/A	\$100,000	N/A	\$100,000	N/A	\$72	34%

Sources: City of Chico, CARD, Omni-Means, and New Economics & Advisory.

Notes: [1] The existing PIF is based on the 2004 General Plan. For purposes of this analysis, linear parks and greenways is accounted for separately.

[2] Consistent with the 2030 General Plan and CARD Master Plan (2008).

[3] Includes site prep (i.e. grading, utilities, irrigation, planting and pathways) and multiple park amenities (e.g. picnic benches, sports fields, playgrounds, etc.).

[4] Provided by City Staff, March 2018.

APPENDIX A:

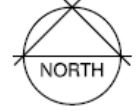
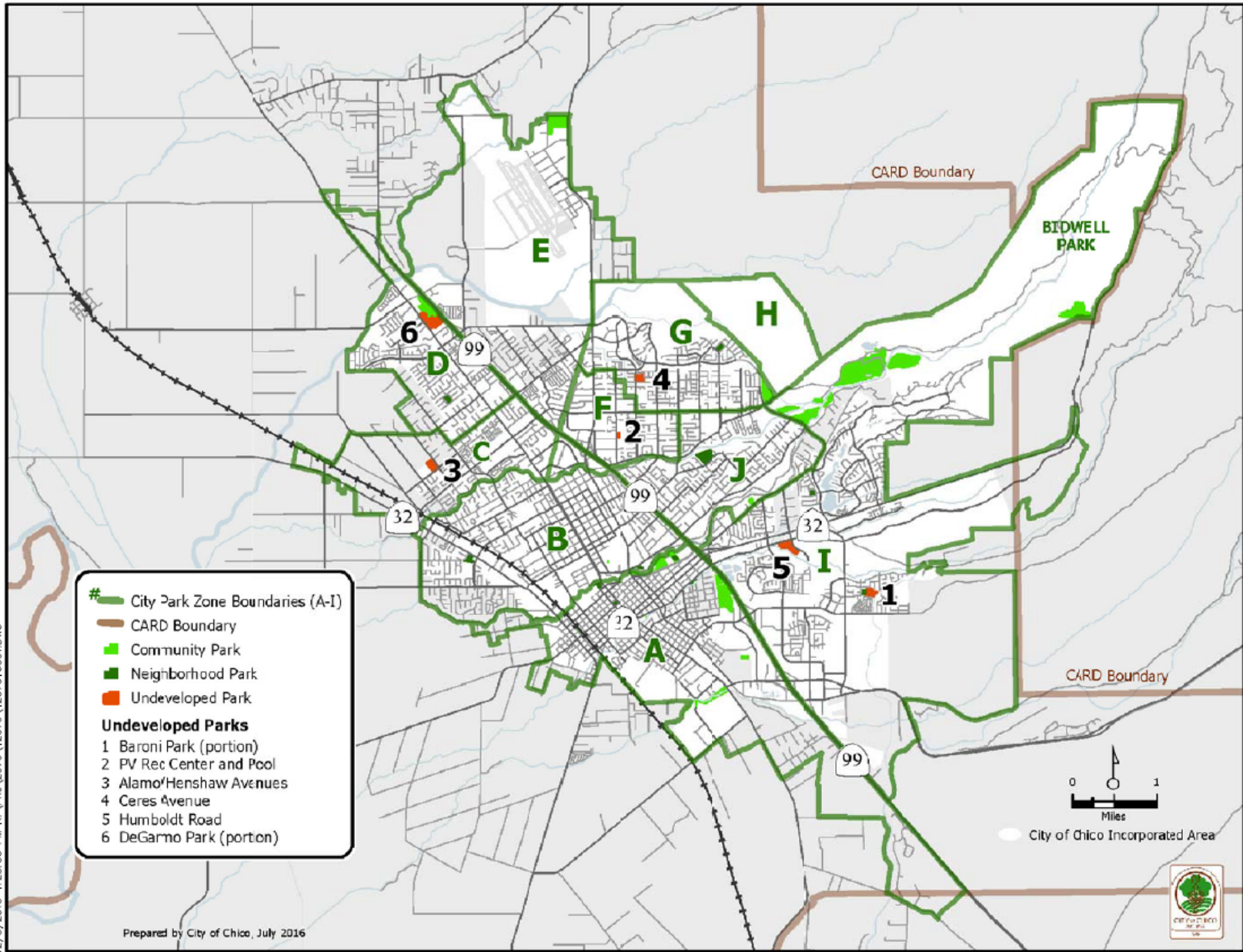


Figure 1

Existing Neighborhood and Community Parks and Park Zones

City of Chico Development Impact Fee Update



December 5, 2016

APPENDIX B:

**TABLE B-1
CHICO NEIGHBORHOOD AND COMMUNITY PARK IMPACT FEES (HISTORICAL RATES)**

Year	Single-Family Unit		Multifamily Unit			Blended Rate [1]
	Neighborhood Fee	Community Fee	Neighborhood Fee	Community Fee	N & C Total	
2009/10 Adopted Rate	\$932	\$1,719	\$789	\$1,454	\$2,243	\$2,447
2010/11	\$932	\$1,719	\$789	\$1,454	\$2,243	\$2,447
2011/12	\$932	\$1,719	\$789	\$1,454	\$2,243	\$2,447
2012/13	\$932	\$1,719	\$789	\$1,454	\$2,243	\$2,447
2013/14	\$932	\$1,719	\$789	\$1,454	\$2,243	\$2,447
2014/15	\$932	\$1,719	\$789	\$1,454	\$2,243	\$2,447
2015/16	\$956	\$1,762	\$809	\$1,492	\$2,300	\$2,509
2016/17	\$989	\$1,824	\$837	\$1,543	\$2,381	\$2,596
% Change since 2003 Adopted Rate	106%	106%	106%	106%	106%	106%

Notes: [1] In consultation with City staff, for purposes of this analysis New Economics has provided a blended residential rate. The single-family rate was divided by the City's single-family persons per household estimate in the 2009 Nexus Study (2.60 pph) and then multiplied by the 2015 citywide persons per household estimate (2.40 pph) to derive the blended rate per residential unit.

**TABLE B-2
INDICATION OF LAND ACQUISITION VALUES**

Item	Location	Lot Size (Acres)	List Price	Price per Acre	Parcels 1-50 acres in size [1]
75 Lava Rock Drive	Chico, CA	1.16	\$84,900	\$73,190	\$73,190
3458 Shallow Springs Ter	Chico, CA	0.48	\$134,000	\$279,167	
160 Eagle Nest Dr	Chico, CA	0.98	\$212,000	\$216,327	
Owens Rd	Chico, CA	23.69	\$260,590	\$11,000	\$11,000
Rodeo Av	Chico, CA	3.00	\$340,000	\$113,333	\$113,333
1260 E 9th St	Chico, CA	0.28	\$164,900	\$588,929	
57 Rocky Bluff Dr	Chico, CA	1.21	\$79,900	\$66,033	\$66,033
51 Lava Rock Dr	Chico, CA	0.82	\$94,500	\$115,244	
13991 Persimmon Ln	Chico, CA	2.00	\$165,000	\$82,500	\$82,500
13963 Pomegranate Ct	Chico, CA	1.01	\$165,000	\$163,366	\$163,366
Indian Cliffs Dr	Chico, CA	40.45	\$325,000	\$8,035	\$8,035
0 Highway 32	Chico, CA	2.38	\$34,900	\$14,664	\$14,664
200 Three Oaks Ct	Chico, CA	11.52	\$240,000	\$20,833	\$20,833
4 Summersky Cmns	Chico, CA	3.72	\$460,000	\$123,656	\$123,656
4289 Kiwi Ln	Chico, CA	1.14	\$165,000	\$144,737	\$144,737
3292 Shadybrook Ln	Chico, CA	1.00	\$350,000	\$350,000	\$350,000
0 Cohasset Rd	Chico, CA	43.06	\$500,000	\$11,612	\$11,612
3155 Summit Ridge Ter	Chico, CA	0.07	\$198,000	\$2,828,571	
2600 Cohasset Rd	Chico, CA	1.44	\$285,000	\$197,917	\$197,917
4 Summer Sky Cmns	Chico, CA	3.72	\$460,000	\$123,656	\$123,656
1260-1262 East 9th St	Chico, CA	0.28	\$159,000	\$567,857	
Eves Ln	Chico, CA	33.77	\$350,000	\$10,364	\$10,364
3359 Grape Way	Chico, CA	5.01	\$350,000	\$69,860	\$69,860
3571 Shallow Springs Ter	Chico, CA	0.48	\$155,000	\$322,917	
3567 Shallow Springs Ter	Chico, CA	0.50	\$155,000	\$310,000	
0 Morseman Ave	Chico, CA	3.00	\$450,000	\$150,000	\$150,000
3560 Shallow Springs Ter	Chico, CA	0.46	\$175,000	\$380,435	
1 Twin Creeks Subdivision	Chico, CA	68.08	\$1,500,000	\$22,033	
Rich Bar Rd	Chico, CA	25.00	\$299,000	\$11,960	\$11,960
3391 Summit Ridge Ter	Chico, CA	0.31	\$149,950	\$483,710	
13953 Pomegranate Ct	Chico, CA	1.01	\$165,000	\$163,366	\$163,366
0 Sky Ct	Chico, CA	6.00	\$53,000	\$8,833	\$8,833
500 W East Ave	Chico, CA	0.30	\$96,000	\$320,000	
1250 East Ave	Chico, CA	0.64	\$236,000	\$368,750	
3265 Siena Ridge Loop	Chico, CA	0.48	\$174,000	\$362,500	
3166 Canyon Oaks Ter	Chico, CA	0.50	\$175,000	\$350,000	
3261 Sienna Ridge Loop	Chico, CA	0.47	\$174,000	\$370,213	
Average (Rounded) [2]				\$265,015	\$90,000

Source: www.zillow.com, accessed April 12, 2016.

Notes: [1] A filter of 1-50 acres was selected to account for the fact that the 2008 CARD Master Plan (page 5) includes size ranges of 5-10 acres for neighborhood parks and 25-50 acres for community parks; however, the Quimby Act allows for expenditures to be made to enhance the capacity of existing park facilities, which could include smaller expansions in the range of 1-5 acres.

[2] provides an indication of current parkland acquisition values for purposes of this PIF Scenarios Analysis. These values reflect list price for actively marketing properties. A nexus study should ultimately be based on sales prices, which, are often are lower than list price.

**TABLE B-3
SUMMARY OF SPECIAL FACILITIES LOS (2016, 2040)**

Category/ Name	2016	2040	2016-2040
City Population	92,117	129,016	36,899
Special Facility: Community Center			
Community Centers LOS Standard [1]	943 sq. ft. per 1,000 persons		
Required Sq. Ft.	86,866	121,662	34,796
Provided Sq. Ft.			
CARD Community Center	12,337	12,337	
Community Park Field House Gym	9,600	9,600	
Dorothy Johnson Center	8,661	8,661	
Pleasant Valley Recreation Center	5,970	5,970	
Subtotal Special Facilities	36,568	36,568	
Surplus/Deficit Community Center	(50,298)	(85,094)	(34,796) [3]
Swimming Pools/ Aquatic Centers			
Swimming Pool/Aquatic Center LOS Standard [1]	39,369 persons per facility		
Required Facilities	2.34	3.28	0.9373
Provided Facilities [2]			
Pleasant Valley Recreation Center and Pool	1.00	1.00	
Subtotal Provided Facilities	1.00 [3]	1.00 [3]	
Surplus/Deficit	(1.34)	(2.28)	(0.94) [3]

Notes: [1] LOS Standard identified in the 2010 CARD Nexus Study, which has not been adopted by the City. This LOS standard is based on an assumed total amount of facilities that would exist by the time the CARD reaches buildout (as envisioned at that time). Subject to refinement if the City chooses to include any Special Facilities in the PIF.

[2] The 2010 PFA includes 3 existing facilities and 1 future planned facility, and cites the 2008 CARD Master Plan as the source of data. The 2008 CARD Master Plan inventory includes the pools listed in this figure, but according to CARD the Shapiro and CSU pools are now non-operational. The outdoor swimming facilities located within 1-Mile Recreation Area and Lower Bidwell are owned by the City but were not part of CARD's LOS Standard calculation.

[3] This nexus study analyzes the portion of new facilities that is needed to accommodate new development based on the established LOS standard. New development is not responsible for curing any existing deficits; therefore, the nexus study is based only on the portion (and cost) of facilities demanded by anticipated growth. Other funding sources would be needed to cure any existing deficits.

APPENDIX C:

Quimby LOS Analysis

The updated inventory of neighborhood and community parkland, contained below in **Table C-1**, surpasses the LOS standard of 4.0 acres per 1,000 residents based on the City's 2010 population.

**TABLE C-1
QUIMBY INVENTORY**

Category/ Name	Acres
	Dev/Natural
Neighborhood and Community Parks [1]	
Dorothy F. Johnson Center/Chapman Park	3.00
Oakway Park	7.90
Peterson Park	4.10
Baroni Park	5.20
Hancock Park	3.80
Emerson Park	1.44
Pleasant Valley Recreation Center & Pool [2]	0.00
Rotary Park (Mini Park)	0.30
Alamo/Henshaw Site [2]	0.00
Nob Hill/Hussa Ranch Park	2.90
City Plaza Park [2]	1.50
Depot Park [2]	1.00
Children's Park [2]	3.70
Ceres Avenue [2]	0.00
Humboldt Road Site [3]	0.00
Caper Acres (Bidwell Park) [2]	3.50
Community Park	40.00
DeGarmo Community Park	11.00
Wildwood Park	30.30
Westside Little League Park	9.88
Shapiro Pool	0.44
Humboldt Skatepark/Lower Humboldt	3.80
Wildwood BMX Track/Freestyle Park	3.00
Hooker Oak Park (Bidwell Park) [4]	35.00
1-Mile Recreation Area (Bidwell Park) [4]	23.00
Community Center (Lower Bidwell Park)	3.00
Chico Creek Nature Center (Bidwell Park) [5]	3.60
5-Mile Dam Recreation Area (Bidwell Park) [5]	6.00
Peregrine Disc Golf Course (Bidwell Park) [5]	20.09
Horse Arena (Bidwell Park) [5]	15.00
Golf Course (Bidwell Park) [5]	122.00
TOTAL DEVELOPED NEIGHBORHOOD & COMMUNITY PARKS	364.45
QUIMBY CALCULATION	
2030 General Plan LOS N+C	4.00
2010 City Population	86,187
Provided Park Acres	364.45
2010 LOS	4.23

Source: Sources: Chico 2030 General Plan Update Public Facilities Assessment and Fiscal Impact Analysis, July 30, 2010; City of Chico and Chico Area Recreation and Park District MOU, July 15, 2009; City of Chico, City Council Agenda Report, March 16, 2010; Butte Local Agency Formation Commission, Municipal Service Review Update and Sphere of Influence Plan for CARD, adopted April 2, 2009; City of Chico, City Council Agenda Report, June 16, 2015; 2003 Chico Parks Nexus Study; California Department of Finance; Maintenance information provided by City Staff and CARD Staff.

Notes: [1] Unless otherwise noted, inventory is consistent with 2010 Public Facilities Assessment, pages A-10 and A-11.
 [2] Added since 2010 PFA. City staff is proposing that the City reclassify this area as Neighborhood/Community park area.
 [3] On July 15, 2003, City Council voted to maintain this 11.0 acre undeveloped site as passive Open Space, rather than Parks. Page A-1 of the 2003 Chico Parks Nexus Study contains this citation.
 [4] Previously re-classified as Neighborhood/Community Park in 2003 City/CARD Nexus Study. This analysis presumes that the reclassification will continue. 1-Mile Recreation Area was called Sycamore Recreation Area and had a size of 26.5 acres.
 [5] Previously classified as part of Bidwell Park. City staff is proposing to reclassify this portion of Bidwell Park as Neighborhood/Community Park.

APPENDIX D:

**TABLE D-1
NIEGHBORHOOD PARK AND RECREATION FACILITY INVENTORY**

Category/ Name	Owner	Acres			Maintenance	
		Total	Dev/Natural	Undev	Entity	Existing Funding Mechanism
Neighborhood Parks [1]						
Oakway Park	CARD	7.90	7.90		CARD	LLD
Peterson Park	CARD	4.10	4.10		CARD	Assessment District
Baroni Park	CARD	7.30	5.20	2.10	CARD	LLD 001-05
Hancock Park	CARD	3.80	3.80		CARD	LMD
Emerson Park	City	1.44	1.44		City	LMD
Rotary Park (Mini Park)	CARD	0.30	0.30		CARD	General Fund (CARD)
Alamo/Henshaw Site [2]	CARD	5.50	0.00	5.50	CARD	General Fund (CARD)
Nob Hill/Hussa Ranch Park	City	2.90	2.90		City	LLD 001-08 plus CMD
Depot Park [2]	City	1.00	1.00		City	General Fund (City)
Children's Park [2]	City	3.70	3.70		City	General Fund (City)
Ceres Avenue [2]	CARD	5.00	0.00	5.00	CARD	General Fund (CARD)
Humboldt Road Site [3]	City	0.00	0.00	0.00	City	General Fund (City)
Subtotal Neighborhood Parks		42.94	30.34	12.60		
Neighborhood Parks Within Bidwell Park						
Caper Acres (Bidwell Park) [2]	City	3.50	3.50		City	General Fund (City)
Subtotal Neighborhood Parks Within Bidwell Park		3.50	3.50	0.00		
Total Neighborhood Parks		46.44	33.84	12.60		
Portion Owned/Maintained by City		12.54	12.54	0.00	12.54	
Portion Owned/Maintained by CARD		33.90	21.30	12.60	33.90	

Source: Chico 2030 General Plan Update Public Facilities Assessment and Fiscal Impact Analysis, July 30, 2010; City of Chico and Chico Area Recreation and Park District MOU, July 15, 2009; City of Chico, City Council Agenda Report, March 16, 2010; Butte Local Agency Formation Commission, Municipal Service Review Update and Sphere of Influence Plan for CARD, adopted April 2, 2009; City of Chico, City Council Agenda Report, June 16, 2015; 2003 Chico Parks Nexus Study; Maintenance information provided by City Staff and CARD Staff.

Notes: [1] Unless otherwise noted, inventory is consistent with 2010 Public Facilities Assessment, pages A-10 and A-11.

[2] Added since 2010 PFA. City staff is proposing that the City reclassify this area as Neighborhood/Community park area.

[3] On July 15, 2003, City Council voted to maintain this 11.0 acre undeveloped site as passive Open Space, rather than Parks. Page A-1 of the 2003 Chico Parks Nexus Study contains this citation.

**TABLE D-2
NIEGHBORHOOD PARKS AND LOS BY PARK ZONE**

Neighborhood Park Zones	2010 LOS [1] including Bidwell Park		
	Population	Acres (NP)	LOS
A	14,491	1.30	0.09
B	23,365	15.10	0.65
C	5,693	5.50	0.97
D/E			
D	3,661	4.10	1.12
E	6,466	0.00	0.00
Subtotal (D/E) [2]	10,127	4.10	1.12
F/G			
F	4,874	0.00	0.00
G	8,290	8.80	1.06
Subtotal (F/G) [2]	13,164	8.80	0.67
H	0	0.00	0.00
I	11,899	11.64	0.98
J	7,447	0.00	0.00
Total	86,187	46.44	0.54

Source: 2010 Census.

Notes: [1] Based on 2010 Census population and 2016 Park Inventory. New Economics made downward adjustments to population counts in zones where Census Tract/Block Group/Block boundaries extended beyond the City limits.
[2] Park Zones D & E and Zones F & G both share a neighborhood park fund. Fund 344 for D & E, Fund 345 for F & G.

**TABLE D-3
COMMUNITY PARK AND RECREATION FACILITY INVENTORY**

Category/ Name	Owner	Acres			Maintenance	
		Total	Dev/ Natural	Undev	Entity	Existing Funding Mechanism
Community Parks [1]						
Community Park	CARD	40.00	40.00		CARD	General Fund (CARD)
DeGarmo Community Park	CARD	36.00	11.00	25.00	CARD	General Fund (CARD)
Wildwood Park	City	30.30	30.30		CARD	City and CARD [2]
Westside Little League Park	City	9.88	9.88		Westside LL	Westside LL
Shapiro Pool	CUSD	0.44	0.44		CARD	General Fund (CARD)
Humboldt Skatepark/Lower Humboldt	CARD	3.80	3.80		CARD	General Fund (CARD)
Dorothy F. Johnson Center/Chapman Park	CARD	3.00	3.00		CARD	General Fund (CARD)
Pleasant Valley Recreation Center & Pool [3]	CARD	1.10	0.00	1.10	CARD	General Fund (CARD)
Wildwood BMX Track/Freestyle Park	City	3.00	3.00		BMX	BMX
Subtotal Community Parks		127.52	101.42	26.10		
Community Parks Within Bidwell Park						
Hooker Oak Park (Bidwell Park) [4]	City	35.00	35.00		CARD	General Fund (CARD)
1-Mile Recreation Area (Bidwell Park) [4]	City	23.00	23.00		City	General Fund (City)
Community Center (Lower Bidwell Park) [2]	City	3.00	3.00		CARD	General Fund (CARD)
Chico Creek Nature Center (Bidwell Park) [5]	City	3.60	3.60		CARD	Programming Revenue [6]
Peregrine Disc Golf Course (Bidwell Park) [5]	City	20.09	20.09		City	General Fund (City)
Subtotal Community Parks Within Bidwell Park		84.69	84.69	0.00		
Total Community Parks		212.21	186.11	26.10		
Portion Owned/Maintained by City		127.87	127.87	0.00	43.09	
Portion Owned/Maintained by CARD		83.90	57.80	26.10	156.24	
Portion Owned/Maintained by Other		0.44	0.44	0.00	12.88	

Source: Sources: Chico 2030 General Plan Update Public Facilities Assessment and Fiscal Impact Analysis, July 30, 2010; City of Chico and Chico Area Recreation and Park District MOU, July 15, 2009; City of Chico, City Council Agenda Report, March 16, 2010; Butte Local Agency Formation Commission, Municipal Service Review Update and Sphere of Influence Plan for CARD, adopted April 2, 2009; City of Chico, City Council Agenda Report, June 16, 2015; 2003 Chico Parks Nexus Study; Maintenance information provided by City Staff and CARD Staff.

Notes: [1] Unless otherwise noted, inventory is consistent with 2010 Public Facilities Assessment, pages A-10 and A-11.

[2] Currently partial funding from City, although gradually decreasing.

[3] Added since 2010 PFA. City staff is proposing that the City reclassify this area as Neighborhood/Community park area.

[4] Previously re-classified as Neighborhood/Community Park in 2003 City/CARD Nexus Study. This analysis presumes that the reclassification will continue. 1-Mile Recreation Area was called Sycamore Recreation Area and had a size of 26.5 acres.

[5] Previously classified as part of Bidwell Park. City staff is proposing to reclassify this portion of Bidwell Park as Neighborhood/Community Park.

[6] City now pays maintenance and materials for parking lots per agreements between City and Leasees.

Technical Memorandum #10

Revision #1

To: City of Chico	Date: May 15, 2018
Attn: Steve Borroum	Project: City of Chico
From: Omni-Means/GHD	Development Impact Fee Nexus Study
Re: Street Maintenance Fee Alternatives Analysis	Job No.: 25-2223-03
	File No.: C2076MEM005

CC:

Introduction

This memorandum is a part of an overall effort by the City of Chico to update and adopt a 2016 Nexus Study that updates their currently adopted Development Impact Fees based on the 2030 General Plan Update. This update to the Nexus Study was necessitated when the City of Chico updated their General Plan in 2010.

Currently, to address the capital equipment needs to support street maintenance of an expanding street network, the City has created the Street Maintenance Equipment Fee (Fund 335), for the purchase of additional road maintenance equipment and facilities. This additional road maintenance equipment will allow the City to maintain additional street widenings, extensions and new roadways that are required to support new development.

Background

Since inception of the City's development impact fee program in the early 1990's, funding of the road maintenance has lagged. The road maintenance budget in 1990 was \$1.1 million for 135 miles of City streets or \$8,100 per mile. Now, with over 296 miles of City streets, the road maintenance budget has only increased to \$2.2 million or \$7,400 per mile. When accounting for inflation, to maintain the City streets at the same level as existed in 1990, the 2016 budget would have needed to be over \$6.6 million.

The originally conceived development impact fee program for road maintenance was clearly insufficient to maintain pace with growth. Therefore, new alternative approaches are explored within this memorandum.

In pursuing the update of these funds or to pursue potential alternatives to these funds, careful application of Government Code 66000 will be required to meet future street maintenance needs of an expanding City circulation system. The following analysis begins with discussing sub-section 66001.(g), which addresses "existing deficiencies" within Government Code 66000.

Understanding Existing Deficiencies

Within this memorandum, alternatives to maintaining existing streets as usage increases will be explored. Government Code 66000 sets the overall requirements. The sub-section that addresses this issue is as follows:

“66001.(g) A fee shall not include the costs attributable to existing deficiencies in public facilities, but may include the costs attributable to the increased demand for public facilities reasonably related to the development project in order to (1) refurbish existing facilities to maintain the existing level of service or (2) achieve an adopted level of service that is consistent with the general plan.”

Street Maintenance Fee Alternatives

In applying the understanding about existing deficiencies under section 66001.(g), , the City of Chico has developed and uses a Street Maintenance Equipment Fee (Fund 335) to fund capital equipment needs to maintain their expanding street system created by new development. Recently, the City completed a Pavement Management Program Update that provided valuable information on the current pavement conditions on the entire major street system within the City. With this newly available information, the thought of an alternative to the existing street maintenance equipment fees might be available and should be explored. Therefore, the following, three (3) alternatives will be studied as follows:

- Alternative 1 – Maintain Existing Street Maintenance Equipment Fees
- Alternative 2 – New Street Maintenance Facilities & Equipment Fee
- Alternative 3 – Street Refurbishment Fee

Alternative 1 – Continuation of Existing Street Maintenance Equipment Fees Fund 335 (Existing)

This Street Maintenance Equipment Fee avoids any issue with correction of existing deficiencies as it only collects impact fees for expansion or construction of new facilities to house added maintenance equipment and purchase of new maintenance equipment to support the foreseeable maintenance needs of an expanding transportation infrastructure.

The list shown in Table 1 was prepared by the City and identifies the proposed facility and equipment needs, which total \$4,610,000 in cost. With a current balance of \$1,688,481 in the Maintenance Equipment fund (Fund 335), a net of \$2,921,519 would need to be funded in this current update.

**TABLE 1:
MAINTENANCE FACILITIES AND EQUIPMENT IMPROVEMENT NEEDS**

Street Maintenance "Equipment"	Cost
3-Ton Dump Trucks (2)	\$250,000
Jet Rodder #3	\$300,000
Loader #5	\$160,000
MSC-Covered Material Storage	\$350,000
MSC Bldg Expansion/Remodel #1	\$700,000
MSC Bldg Expansion/Remodel #2	\$350,000
Site Acquisition - Expansion of MSC	\$2,500,000
Total Costs:	\$4,610,000
Current Fund Balance	\$1,688,481
Remaining To Be Funded:	\$2,921,519

Source: City of Chico Engineering Department

Alternative 2 - New Street Maintenance Facilities & Equipment Fee

Alternative 2 is similar to Alternative 1 in that the goal is to fund the cost for new street maintenance facilities and equipment that would be required to maintain service standards as the City continues to develop and grow. The method for calculating the cost of this equipment, the facilities required to house them, and the buildings required to manage the street maintenance program, diverges from the methods used in Alternative 1. The calculation used in this alternative is based on the following major components:

- The development and growth anticipated through 2040 of the City's General Plan;
- The footprint and value of current street maintenance facilities and buildings; and,
- The composition and value of the current street maintenance fleet.

In 1990, the City of Chico's population was approximately 40,000 and the City maintained approximately 135 miles of streets. In 2015, the population was approximately 92,000 and the City maintained approximately 296 miles of streets. During this time the population increased by approximately 130% and the number of miles of maintained City streets increased by approximately 120%. As presented within Table 2 population and miles of maintained city streets track very closely.

**TABLE 2
SUMMARY OF POPULATION GROWTH AND ROADWAY MAINTENANCE**

Year	Total City Population Estimate ¹	Maintained Roadway Mileage ²
1990	39,970	135.00
2015	91,795	296.00
Cumulative Percentage Growth between 1990-2015	130%	119%

Sources:

1. *Population Statistics from Butte County Association of Governments*
2. *City of Chico Public Records*

A municipality's street maintenance costs are directly proportional to the number of miles of maintained streets. Over the years, this relationship has been embodied in the California Streets and Highways Code within the formulas for distributing gas tax revenues to local municipalities for street maintenance efforts.

This alternative proposes to rely on using the population increase from the base year to 2040 as the measure of the needs for expanding the City's investment into the road maintenance capital needs; workshop buildings, maintenance yard facilities and total fleet value as shown on Table 3.

As shown in *Technical Memorandum #1*, the City's population is anticipated to grow by 40% through 2040 of the City's General Plan Land Use Element. This 40% growth figure will be utilized as a metric to determine the proportionality of cost needed to support future growth relative to the cost needed to support the City's existing population.

The City has provided an inventory of footprints and approximate values of existing street maintenance facilities and buildings. This inventory has been summarized in Table 3. The City has also estimated the value of the current street maintenance fleet based on the cost to replace the existing fleet. This value is also shown in Table 3 below.

**TABLE 3:
EXISTING MAINTENANCE FACILITIES AND EQUIPMENT VALUE INVENTORY**

Description	Estimated Value	Future Cost Needed (Based on 40% Growth)
Workshop Buildings (25,000 square feet @ \$300/sq. ft.)	\$7,500,000	\$3,000,000
Office Buildings (8,000 square feet @ \$350/sq. ft.)	\$2,800,000	\$1,120,000
Maintenance Yard Facilities (9.3 acres @ \$300,000/ac.)	\$2,790,000	\$1,116,000
Current Fleet Value (Based on Replacement Cost)	\$5,738,334	\$2,295,334
Total Needed to Support 40% Growth in City Population [1]:		\$7,531,334
Current Fund Balance:		\$1,688,481
Remaining To Be Funded:		\$5,842,853

Source: City of Chico Engineering Department

Note: [1] Development Share of Funding based on 40% growth in city population

Alternative 3 - Street Refurbishment Fee

This Alternative 3 takes advantage of a recently completed Pavement Management Program Update prepared by Harris and Associates in March 2016. For this alternative, identified in the pavement condition assessment, 15.8 miles of 30 existing major streets (70 street segments), as shown in Appendix A, were determined to have poor to very poor conditions and are in need of “refurbishment” within the next 5 years. An estimated total cost of \$11,585,000 would be required to maintain these very poor and poor streets in a serviceable condition. The nexus consideration of this alternative draws from the fact that if these major streets with very poor and poor conditions are not refurbished and serviceable, these major streets will no longer be able to serve their intended function, and the City’s road system will experience failure.

The current Fund 335 balance of \$1,688,481 would be applied to the improvement costs identified in this alternative, and reduced from the amount needed to be collected from new development accordingly. Therefore, the resulting fee cost for Alternative 3 would be \$9,896,519.

Under this concept, beyond the next 5 years, a new list of streets in need of refurbishment would need to be identified and the impact fee program updated.

Identification of Land Use Growth Increment

The 2014 to 2040 City growth was obtained from BCAG's *Butte County Long-Term Regional Growth Forecasts 2014 - 2040* report, and is consistent with the BCAG Regional Travel Demand Model. Based on direction from City staff, a 2016 - 2040 land use growth increment was developed and fully described in Technical Memorandum #1.

For the purposes of this fee update effort, the 24-year 2016 to 2040 growth increment was utilized to calculate the following alternative fees.

Alternative Street Maintenance Impact Fee Calculations

In studying the alternatives to determine the most appropriate impact fee to address Street Maintenance, understanding their nexus to new development and the actual projected fee is helpful. In the following are the calculated impact fees for the three alternatives explored. Table 4 presents a summary of the street maintenance impact fee costs for each alternative

**TABLE 4:
SUMMARY OF STREET MAINTENANCE FEE COST BY ALTERNATIVE**

Alternative	Fee Cost for Each Alternative
Alternative 1	\$2,921,519
Alternative 2	\$5,842,853
Alternative 3	\$9,896,519

Residential and Non-Residential Cost Attribution

For the purposes of determining new residential trips, model "Home-Based" trips and "School" trips (K-12) were aggregated. "Non-Home-Based" and "Casino" trips were considered Non-Residential trips. This analysis excludes one-half of trips whose origin or destination are from areas outside of the city ("I-X" or "X-I" trips) and complete excludes trips which do not have an origin or destination within the city ("X-X"). Based on the direction of the City, it also excludes "University" trips from the fee calculation.

**TABLE 5:
BCAG MODEL TRIP END GROWTH ESTIMATES**

Trip Type	2014 Model Trip Ends	2016 Trip Estimate	2040 Model Trip Ends	2014-2040 Trip End Growth	2016-2040 Trip End Growth
Home-Based Work (P)	50,410	51,356	71,675	21,265	20,319
Home-Based Work (A)	62,661	63,451	80,397	17,735	16,946
Home-Based Other (P)	118,947	121,174	168,974	50,027	47,800
Home-Based Other (A)	151,626	153,747	199,292	47,666	45,545
School (P)	15,322	15,659	22,900	7,578	7,241
School (A)	16,771	17,144	25,151	8,380	8,007
Total Trips Assigned to Residential Uses	415,737 69%	422,531 69%	568,389 70%	152,652 74%	145,858 74%
Non-Home-Based (P)	91,164	92,338	117,554	26,390	25,216
Non-Home-Based (A)	91,164	92,338	117,554	26,390	25,216
Casino (P)	3,346	3,420	5,003	1,657	1,583
Casino (A)	-	-	-	-	-
Total Trips Assigned to Non-Residential Uses	185,673 31%	188,095 31%	240,110 30%	54,437 26%	52,015 26%
TOTAL FEE TRIPS	601,411	610,626	808,499	207,089	197,873
University (P)	13,874	14,103	19,032	5,158	4,929
University (A)	28,675	29,220	40,928	12,254	11,708
X-X	71,217	72,298	92,681	21,464	20,383
IX (P)	13,157	13,391	18,430	5,274	5,039
XI (A)	16,567	16,784	21,448	4,881	4,664
TOTAL NON-FEE TRIPS	143,489	145,796	192,519	49,031	46,723

"P" represents Productions

"A" represents Attractions

"I" represents Internal

"X" represents External for City of Chico and SOI

"I-X" and "X-I" reflect 1/2 the total.

As shown in Table 5, between 2016 and 2040, a total of 197,873 residential and non-residential trips are estimated. While "University" trips (of 8%) and "I-X" and "X-I" trips (of 4%) contribute to 12% of the total non-fee trips, the addition of the "X-X" trips (of 8%) increases the total non-fee trips to approximately 20%¹. Of these trips, 74% (145,858) were attributed to residential growth and 26% (52,015) were attributed to non-residential growth.

¹ Given the uncertainties associated with accurately accounting for all the "X-X" trips and that some "College" trips are likely "X-I" or "X-I" trips, the actual non-fee percentage of 19.1% was conservatively rounded up to 20%.

Based on the 74% residential and 26% non-residential trip growth attribution from the BCAG model, Table 6 presents the cost attributed to each category, respectively, of the entire amount needed to be funded by the fee for each alternative (Table 4).

**TABLE 6:
RESIDENTIAL AND NON-RESIDENTIAL COST ATTRIBUTION**

Description	Amount			
	Alternative 1	Alternative 2	Alternative 3	
Amount Remaining to be Funded	\$ 2,921,519.00	\$ 5,842,853.00	\$ 9,896,519.00	
Reduction for Non-Fee Trips ¹	\$ 584,303.80	\$ 1,168,570.60	\$ 1,979,303.80	%
Developments Share of Funding ²	\$ 2,337,215.20	\$ 4,674,282.40	\$ 7,917,215.20	100%
Attributable to Residential	\$ 1,729,539.00	\$ 3,458,969.00	\$ 5,858,739.00	74%
Attributable to Non-Residential	\$ 607,676.20	\$ 1,215,313.40	\$ 2,058,476.20	26%

Note:

[1] Non-fee trips accounts for 20% of all residential and non-residential trips estimated between 2016 and 2040.

[2] Refer to Tables 1, 2 and section titled "Alternative 3" for details regarding Developments Share of Funding proposed by studied Alternatives.

This allocation of fees based on BCAG model trip purpose splits, at 74 / 26 between residential and non-residential growth, is an accurate representation of net trip growth "causality" in the City Chico area. This methodology does differ from the existing fee splits, which are based solely on national average trip generation rates and trip causality factors. The resulting improvement cost amounts shown in Table 6 were carried forward into Tables 7,8 and 9 in Rows 3 and 7, respectively, of Column G.

Cost Distribution Between Land Use Categories

Following determination of residential and non-residential fee and improvement cost allocation, this allocation was further distributed between land use types within the larger residential and non-residential categories. This distribution was determined using the trip generation rates shown in Column D of Table 5 for each land use type. These rates were obtained from the 2014-2015 City of Chico Development Impact Fee Report (City of Chico, November 2015), consistent with national trip rate averages, and result in the improvement cost distributions shown in Column F between residential use types (single family and multi-family) and between non-residential use types (office and medical, commercial and services, and industrial).

Alternative 1 – Continuation of Existing Street Maintenance Equipment Fees - Fund 335(Existing)

The proposed Street Maintenance Equipment Capital Improvements List has increased to \$4,610,000, as discussed previously, which will be assigned to new development less the current account balance in Fund 335 of \$1,688,481, leaving a remaining cost of \$2,921,519 to be allocated in an impact fee. The current fee per equivalent dwelling unit (EDU) is \$115. As shown in Table 7, spreading this cost amongst the proposed net new development results in an impact fee of approximately \$113 per EDU, which is \$2 lower when compared to the \$115 charge currently in place.

**TABLE 7:
ALTERNATIVE 1 - CONTINUATION OF EXISTING STREET MAINTENANCE RELATED FEES**

Item	Land Use Type	Unit	Number of New Housing Units or Square Foot Commercial	Daily Trip Generation Rates Per Housing Unit or Per Square Foot Commercial	Proportional Distribution by Trip Generation	Share of Total Cost Allocated to Each Land Use Type	Recommended Street Maintenance Equipment Fee ⁵
A	B		C	D	F	G	H
1	Single Family Residential ¹	DU	9,063	10.7000	59.12%	\$ 1,022,435	\$ 112.81
2	Multi-Family Residential ^{1,2}	DU	7,346	7.4000	40.88%	\$ 707,104	\$ 96.26
3	<i>RESIDENTIAL TOTAL</i>				100.00%	\$ 1,729,539	
4	Retail ³	SQFT	2,122,000	0.0550	75.86%	\$ 460,996	\$ 0.22
5	Office and Medical	SQFT	1,998,000	0.0120	16.55%	\$ 100,581	\$ 0.05
6	Industrial	SQFT	1,817,000	0.0055	7.59%	\$ 46,100	\$ 0.03
7	<i>NON-RESIDENTIAL TOTAL</i>				100.00%	\$ 607,676	
8						\$ 2,337,215	

Source: Fee calculation methodology developed by City of Chico Engineering Department

Notes:

- 1) Consistent with the existing fee structure, rural, very low, and low density residential units are considered Single-Family residential; medium, medium high, and high density residential units are considered Multi-Family residential
- 2) Multi-Family residential includes Mobile Home units
- 3) Hotels are included as Retail Uses.
- 4) Daily trip generation rates are as approved in previous updates by City Council.
- 5) These rates are the calculated Nexus Fee rates and do not include the program Admin Costs or the Overhead Allocation costs which are included in the adopted fees.

Alternative 2 – New Street Maintenance Facilities & Equipment Fee

As discussed in the previous section, and shown in Table 3, the cost estimated by the City of Chico Engineering Department to increase street maintenance facilities and equipment to serve future population growth was \$7,531,334. After accounting for the existing balance of Fund 335, which this fee program would replace, the remaining cost that would be required to be funded by future development would be \$5,842,853. As shown in Table 8, the resulting fees per EDU would increase to \$226 from the approximately \$148 per EDU required to continue the existing street maintenance fee program (Table 6). When compared to the existing \$115 per EDU fee cost, this alternative would increase the fees by \$111.

**TABLE 8:
ALTERNATIVE 2 - NEW STREET MAINTENANCE FACILITIES & EQUIPMENT FEE**

Item	Land Use Type	Unit	Number of New Housing Units or Square Foot Commercial	Daily Trip Generation Rates Per Housing Unit or Per Square Foot Commercial	Proportional Distribution by Trip Generation	Share of Total Cost Allocated to Each Land Use Type	Recommended Street Maintenance Facilities & Equipment Fee ⁵
A	B		C	D	F	G	H
1	Single Family Residential ¹	DU	9,063	10.7000	59.12%	\$ 2,044,805	\$ 225.62
2	Multi-Family Residential ^{1,2}	DU	7,346	7.4000	40.88%	\$ 1,414,164	\$ 192.51
3	<i>RESIDENTIAL TOTAL</i>				100.00%	\$ 3,458,969	
4	Retail ³	SQFT	2,122,000	0.0550	75.86%	\$ 921,962	\$ 0.43
5	Office and Medical	SQFT	1,998,000	0.0120	16.55%	\$ 201,155	\$ 0.10
6	Industrial	SQFT	1,817,000	0.0055	7.59%	\$ 92,196	\$ 0.05
7	<i>NON-RESIDENTIAL TOTAL</i>				100.00%	\$ 1,215,313	
8						\$ 4,674,282	

Source: Fee calculation methodology developed by City of Chico Engineering Department

Notes:

- 1) Consistent with the existing fee structure, rural, very low, and low density residential units are considered Single-Family residential; medium, medium high, and high density residential units are considered Multi-Family residential
- 2) Multi-Family residential includes Mobile Home units
- 3) Hotels are included as Retail Uses.
- 4) Daily trip generation rates are as approved in previous updates by City Council.
- 5) These rates are the calculated Nexus Fee rates and do not include the program Admin Costs or the Overhead Allocation costs which are included in the adopted fees.

Alternative 3 - Street Refurbishment Fee

The concept of a street refurbishment fee is not new, for the City of Chico has used the concept to justify their Road Reconstruction projects. However, with the recently completed pavement management program information, availability of documented, reliable physical condition information allows the use of this relatively new and seldom used concept. This concept apportions full responsibility of the cost for refurbishment of existing poor and very poor conditioned roadways to new development, based on the identified current refurbishment costs of \$11,585,000 over the next 5 years. The current balance of Fund 335 would be deducted from these costs, as this fee and its related fund would replace Fund 335. After reducing the \$1,688,481 from the total improvement cost, the remaining amount to be funded by the fee program is \$9,896,519.

Beyond 5 years, this concept under this alternative would need to be updated before further impact fees could be charged. Alternative 3 would yield an impact fee of approximately \$1,835 per EDU, as shown in Table 9.

**TABLE 9:
ALTERNATIVE 3 – 5-YEAR STREET REFURBISHMENT IMPACT FEE**

Item	Land Use Type	Unit	Number of New Housing Units or Square Foot Commercial	Daily Trip Generation Rates Per Housing Unit or Per Square Foot Commercial	Proportional Distribution by Trip Generation	Share of Total Cost Allocated to Each Land Use Type	Recommended Street Refurbishment Fee ⁵
A	B		C	D	F	G	H
1	Single Family Residential ¹	DU	1,888	10.7000	59.12%	\$ 3,463,453	\$ 1,834.33
2	Multi-Family Residential ^{1,2}	DU	1,530	7.4000	40.88%	\$ 2,395,286	\$ 1,565.12
3	<i>RESIDENTIAL TOTAL</i>				100.00%	\$ 5,858,739	
4	Retail ³	SQFT	442,083	0.0550	75.86%	\$ 1,561,603	\$ 3.53
5	Office and Medical	SQFT	416,250	0.0120	16.55%	\$ 340,713	\$ 0.82
6	Industrial	SQFT	378,542	0.0055	7.59%	\$ 156,160	\$ 0.41
7	<i>NON-RESIDENTIAL TOTAL</i>				100.00%	\$ 2,058,476	
8						\$ 7,917,215	

Source: Fee calculation methodology developed by City of Chico Engineering Department

Notes:

1) Consistent with the existing fee structure, rural, very low, and low density residential units are considered Single-Family residential; medium, medium high, and high density residential units are considered Multi-Family residential

2) Multi-Family residential includes Mobile Home units

3) Hotels are included as Retail Uses.

4) Daily trip generation rates are as approved in previous updates by City Council.

5) These rates are the calculated Nexus Fee rates and do not include the program Admin Costs or the Overhead Allocation costs which are included in the adopted fees.

Summary of Findings

- Government Code 66001. (g) on “Existing Deficiencies” is not clear and definitive and subject to much interpretation.
- For Fund 335 to continue, only one of the three (3) alternatives presented in this memorandum needs to be selected and adopted.
- Based on foreseeable facility and equipment and costs, the Street Maintenance Equipment Fee under Alternative 1 would be \$112.81 per EDU.
- A second alternative has been proposed (Alternative 2) that would use a different methodology than Alternative 1 to fund the cost to acquire street maintenance equipment and facilities needs that are created by future development. This methodology is based on identifying the costs incurred in the provision of existing street maintenance to the current population, and extrapolating to a cost capable of maintaining the current service levels under the 40% population growth anticipated through 2040. This Alternative 2 would have a proposed fee of \$225.62 per EDU.
- A third alternative impact fee (Alternative 3), which has been recently identified with the completion of the City’s Pavement Management Program, provides clear documentation and justification of the need to refurbish very poor and poor major streets in order to maintain their ability to continue to serve as major City streets. This Alternative 3 would have a proposed fee of \$1,834.33 per EDU, and would require updates every 5 years based on a new list of streets identified with very poor or poor conditions.

Summary of Nexus Requirements

California Government Code Section 66000 et. seq. sets forth the procedural requirements for establishing and collecting development impact fees. There are specific conditions which must be met in order for the fee to be set in place, which demonstrate a reasonable relationship, or “nexus” between the fee and its purpose. The key requirements of Government Code Section 66000 are listed below, along with a corresponding discussion that relates to the Street Facility Maintenance Fee.

Identify the purpose of the fee.

- Alternative 1: The fee will collect and distribute funding necessary to maintain the facilities and maintenance equipment to serve expanding transportation infrastructure.
- Alternative 2: The fee will fund and distribute funding necessary to maintain the facilities and maintenance equipment necessary to serve expanding transportation infrastructure.
- Alternative 3: The fee will collect and distribute funding for the refurbishment of identified major City streets to a service level to support continued use of existing facilities which are presently in poor or very poor condition.

Identify how the fee is to be used.

- Alternative 1: The fee will be used to assist the funding of new street maintenance facilities and equipment required to support an expanded roadway system required by new development.

- Alternative 2: The fee will be used to assist the funding of new street maintenance facilities and equipment required to support an expanded roadway system required by new development.
- Alternative 3: The fee will be used to assist the funding of new street maintenance facilities and equipment required to support an expanded roadway system required by new development.

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

- Alternative 1: The fee will be used to fund additional maintenance facilities and equipment to maintain additional and/or expanded roadways required by growth.
- Alternative 2: The fee will be used to fund additional maintenance facilities and equipment to maintain additional and/or expanded roadways required by growth.
- Alternative 3: The fee will be used to fund the correction of poor and very poor street conditions, which are necessary to allow the City's road system to continue to function.

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

- Alternatives 1, 2 and 3: New development will generate additional traffic, and added miles to the City's maintained street system. The City's streets will need to maintain additional and/or expanded roadways to service the added travel demand.

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

- Alternative 1: Additional facilities and equipment costs required by new development have been apportioned to major land use categories using BCAG trip generation rates and City of Chico trip rates.
- Alternative 2: Facility and equipment costs were apportioned to new development based on expected future population growth (40%) and then allocated across new development using BCAG trip generation rates and City of Chico trip rates.
- Alternative 3: Facility costs to refurbish "poor" and "very poor" roads have been apportioned to major land use categories using BCAG trip generation rates and City of Chico trip rates.

APPENDIX:

Pavement Management Program PCI Summary

**APPENDIX TABLE 1:
CITY OF CHICO PAVEMENT MANAGEMENT PROGRAM
2016-2020 VERY POOR/POOR PCI STREETS**

Section ID	Street Name	From	To	Length (LF)	Width (LF)	Area (SQFT)	PCI	Total Area (sq. ft)	
								Green	Red
100	Esplanade	Leora	Three Sevens	2430	32	77760	35		
40	Esplanade	Cohasset	Mission Ranch	1584	60	95040	18		
10	W Shasta	Esplanade	Cussick	1313	25	32825	33		
20	W Shasta	Esplanade	Cussick	2000	36	72000	41		
10	W Lassen	Esplanade	Cussick	1820	30	54600	17		
20	W Lassen	Esplanade	Cussick	1480	30	44400	27		
10	Cussick	Cromwell	Holly	305	36	10980	42		
40	Cussick	Henshaw	W Lassen	664	26	17264	21		
50	Cussick	W. Lassen	W Shasta	1292	26	33592	41		
30	Henshaw	Cussick	594' w/o Cussick	594	25	14850	7		
50	East Ave	Connors	Hwy 99 NB on Ramp	733	60	43980	48		
60	East Ave	El Paso	Cohasset	2524	60	151440	37		
100A	Cohasset Rd	Pvmt Change (188' N/O Boeing)	1550' from PVMT Change	1550	32	49600	23		
110B	Cohasset Rd	2300' from Thorntree Dr	Two Oaks Dr	975	32	31200	44		
20	Cohasset Rd	E. Eaton	Thorntree	2660	36	95760	35		
30	Cohasset Rd	East Ave	Lupin	2658	60	159480	28		
70	Cohasset Rd	Lupin Ave	E Lassen	2088	60	125280	30	878697	231354
30	W 11th	Esplanade	105' East of Savannah	986	25	24650	38		
10	W 11th	105' East of Esplanade	112' West of Sun Circle	757	32	24224	24		
10	Rio Lindo	Cohasset	Paramac	1421	36	51156	26		
20B	Rio Lindo	700' from Paramac Rd	Porter Wy	1075	36	38700	25		
30	Rio Lindo	Porter Wy	Esplanade	810	36	29160	24		
10	El Paso	135' North of El Varano	E Lassen	934	36	33624	19		
40	Notre Dame	Jasper	Forest	1971	60	118260	44		
30	Bruce	E 8th St	Lakewest	1496	62	92752	47		
40	Bruce	Lakewest	Deer Creek Hwy	1780	40	71200	31		
10	Humboldt	2785' East of Stilson	City Limits	3200	19	60800	0		
100	Humboldt	Pvmt Change 223' East of Stilson	2785' East of Silson	2562	19	48678	8		
40	Humboldt	Fir	Fire Training Center	780	30	23400	15		
80	Humboldt	Hunter	Forest	361	33	11913	25		
90	Humboldt	Pvmt change 1290' East of El Monte	Pvmt Change 425' West of Bruce	1637	25	40925	23		
----	MLK Blvd	Silver Dollar Wy	Park	2300	42	96600	41	505231	260811
10	Morrow Ln	Notre Dame	End	368	45	16560	23		
30	Morrow Ln	Zanelle Wy	End	1464	28	40992	12		
20	North Ave	East Ave	Via Verona	785	40	31400	32		
60	North Ave	Verde	Lupin	858	37	31746	39		
70	North Ave	Via Verona	Verde	989	37	36593	39		
80	North Ave	Cottage	East	560	38	21280	20		
120	Ceres Ave	San Ramon	Hemming	980	36	35280	30		
20	Ceres Ave	Corino	East	625	36	22500	45		
30	Ceres Ave	E Lassen	Ridgewood	695	36	25020	39		
40	Ceres Ave	Haven	Manzanita	560	36	20160	28		
50	Ceres Ave	Hemming	McKinley	920	36	33120	27		
60	Ceres Ave	McKinley	Rushmore	1093	36	39348	27		
70	Ceres Ave	Primrose	Haven	720	36	25920	40		
90	Ceres Ave	Rushmore	E Lassen	820	36	29520	18		
30	Floral Ave	East Ave	Patricia	775	36	27900	15		
60	Floral Ave	Manzanita	Orchard	844	36	30384	45		
70	Floral Ave	Orchard	Patriciar	1002	36	36072	27		
30	Ceanothus	East Ave	Pavement Change North of	239	40	9560	42		
40	Ceanothus	Kimberlee	East	974	32	31168	17		
50	Ceanothus	Manzanita	Kimberlee	941	26	24466	25		
20	Marigold	East Ave	Arch	882	36	31752	43		
30	Marigold	Manzanita	East	761	36	27396	41		
10	Manzanita Ave	Ceanothus	Madrone	1351	36	48636	40		
60	Manzanita Ave	Jenooka	Tolumne	1950	30	58500	30		
70	Manzanita Ave	Marigold	Jenooka	684	32	21888	30	589741	167420
100	Vallombrosa	Sheridan	550' East of Arbutus	1680	24	40320	45		
10	Broadway St	W 11th	W 16th	1818	40	72720	48		
20	Broadway St	W 16th	W 20th	1444	40	57760	26		
50	Broadway St	W 8th	W 11th	1127	52	58604	35		
10	Oroville Ave	W 8th	Park	780	36	28080	45		
30	Fair St	E 21st	E 23rd	1278	55	70290	37		
40	Fair St	E 23rd	E Park	1628	60	97680	40		
30	Cypress St	Pine	Humboldt	588	38	22344	14		
40	Pine St	Humboldt	Mulberry	648	38	24624	10		
20	Lupin Ave	Cohasset	San Verbena	903	35	31605	22		
40	Lupin Ave	San Verbena	North	404	36	14544	22		
40	E 1st Ave	Longfellow	Verbena	1780	36	64080	32		
60	E 1st Ave	106' west of Spanish	Madrone	566	36	20376	23	489534	113493
Total sq. ft								2463203	773078
Total sq. yd								273689	85897
Unit Price (\$/sq. yd)								23.5	60
Total Cost								\$ 6,431,696.08	\$ 5,153,848.18

Technical Memorandum #12

Revision #3

To: City of Chico	Date: May 15, 2018
Attn: Steve Borroum	Project: City of Chico
From: Omni-Means/GHD	Development Impact Fee Nexus Study
Re: Street Facility Improvement Fee Analysis and Calculation	Job No.: 25-2223-03
	File No.: C2076MEM004.DOCX

CC:

Introduction

This memorandum is a part of an overall effort by the City of Chico (City) to update and adopt a 2016 Nexus Study that updates their currently adopted Development Impact Fees based on the 2030 General Plan Update. This fee update is spurred in part by the release of the 2030 City General Plan, which identifies land use growth and circulation improvement needs that go beyond those identified in the previous General Plan.

This Technical Memorandum #12 focuses on the Street Facility Improvement Fee calculation methodology. As part of the fee calculation process, land use growth estimates, consistent with the City's General Plan, have been documented in Technical Memorandum #1 (Population, Housing, and Employment Forecasts). The improvements identified by the City to be included in this impact fee study are intended to support development of City General Plan land uses through Year 2040

In addition, as a part of this update, a subset of projects included in the current Street Facility Improvements Fee will be moved to a new fee category. The existing Street Facility Improvements Fee includes funding for three distinct categories of street improvements: State Highway Projects, Local Projects, and Road Reconstruction Projects. The State Highway Projects and Local Projects are capacity enhancing projects designed to meet increased travel demands created by future new development. These projects will remain as part of the Street Facility Improvement Fee and will be the topic of analysis within this technical memorandum.

Unlike State Highway Projects and Local Projects, projects that are currently categorized as Road Reconstruction Projects under the existing Street Facility Improvements Fee do not include capacity expansion measures such as widening roadways to construct additional travel lanes. Instead, these projects bring existing roadways that, for example, are currently built to rural County standards to appropriate urban standards, including typical cross-sections and design features. These projects will be removed from the proposed update to the Street Facility Improvements Fee and will be pulled into a new "Urbanization Street Improvement Fee". At this time, the Urbanization Fee category is not being considered as a part of this program update. Further data collection and evaluation to refine its merit will proceed at a future time.

Background and Purpose

The general purpose of the Street Facility Improvement Fee is to collect and distribute funding for the construction of local street and state highway improvements within the City made necessary by the impacts of new development. In conjunction with the improvements included in other transportation-related fees, these improvements are essential to sustaining a safe and efficient transportation circulation system through continued growth of the City's General Plan Land Use Element through Year 2040. The growth estimate methodology is described in detail in Technical Memorandum #1 and also discussed in this memorandum as it particularly pertains to where growth is planned to occur through 2040 as assumed and estimated in the BCAG Transportation Model.

The 2030 General Plan includes the following policies that apply to the establishment of impact fees and construction of transportation improvements to support continued development and eventual build-out of General Plan land uses:

- Policy CIRC -1.1 (Transportation Improvements) - Safely and efficiently accommodate traffic generated by development and redevelopment associated with build-out of the General Plan Land Use Diagram
 - Action CIRC-1.11 (Road Network) - Enhance existing roadways and intersections and develop the roadway system show in Figure CIRC-1 over the life of the General Plan as needed to accommodate development.
- Policy CIRC-1.2 (Project-level Circulation Improvements) - Require new development to finance and construct internal and adjacent roadway circulation improvements as necessary to mitigate project impacts, including roadway, transit, pedestrian, and bicycle facilities.
- Policy CIRC - 1.3 (Citywide Circulation Improvements) - Collect the fair share cost of circulation improvements necessary to address cumulative transportation impacts, including those to state highways, local roadways, and transit, pedestrian and bicycle facilities, through the City's development impact fee program.
- Policy CIRC - 1.4 (Level of Service Standards) - Until a Multimodal Level of Service (MMLOS) methodology is adopted by the City, maintain LOS D or better for roadways and intersections at the peak PM period, except as specified below:
 - LOS E is acceptable for City streets and intersections under the following circumstances:
 - Downtown streets within boundaries identified in **Figure DT-1** of the Downtown Element.
 - Arterials served by scheduled transit.
 - Arterials not served by scheduled transit if bicycle and pedestrian facilities are provided within or adjacent to the roadway.
 - Utilize Caltrans LOS standards for Caltrans' facilities.
 - There are no LOS standards for private roads.

Analysis, Approach and Methodology

The following section presents a discussion of the analysis, approach and methodology taken by the City of Chico in developing the Street Facilities Improvement Fee for the Nexus Update.

Growth Estimates and Transportation Modeling

Technical Memorandum #1 – Population and Housing describes the population and housing forecasts used within the Street Facilities Fee calculations. The California Department of Finance, Butte County Association of Governments and the City of Chico’s General Plan were all sources in assisting in the determination of population and housing growth within the City.

Provided the understanding that the broad acknowledgement of the BCAG long-term forecasts as the best available growth forecasts for Butte County and the City of Chico, this study focused on the usage of BCAG growth forecasts. Additionally, as BCAG also maintains a regional Travel Demand Model (TDM), this forecast information was readily available by geographic location and aggregated by traffic analysis zones (TAZs) for use within the TDM. Therefore, for the City of Chico General Plan area, the specific existing and 2040 land use data was able to be specifically located, aggregated and summarized for use in this study.

Identified for the City of Chico were 326 TAZs to represent the Chico Planning Area, including its Sphere of Influence, which is described further, with the aid of figures and tables in Technical Memorandum #1. As presented, these growth projections were presented by the number of dwelling units for residential uses, and square footage for non-residential uses. The 2014 “base” was adjusted upward to the nexus study “base”, 2016, using the then estimates of growth from the DOF. The resultant 16,409 growth in dwelling units, and associated non-residential growth, were used as the general growth estimates for this Street Facilities Fee Update.

Identification of Transportation Improvements

Following adoption of the 2010 General Plan, the City undertook to update the City’s nexus study, including preparation of a traffic study to identify the transportation projects for an updated nexus study. This resulted in the 2014 W-Trans “Nexus Impact Fee Traffic Analysis” report.

Within the context of that study, new traffic modeling analysis was conducted, refining a list of projects that is now contained within this study. This study’s model analysis used the then current BCAG 2035 model as the analysis base, which was assumed the most current model at the time. This BCAG model was based on a projected population of 133,944 for the City of Chico in the year 2035.

Using initially this 2014 Nexus Impact Fee Study, along with added input from the attached list of reports and studies, and input/suggestions from community and other transportation stakeholders, a revised list of projects within this Technical Memorandum #12 was developed recognizing that less growth is now anticipated through 2040.

This process identified approximately \$347 million in transportation improvements needed to mitigate the impacts of new development by the year 2040. The methodology used in identifying the project cost estimates are based on engineering judgment and experience of similar projects. All of the noted project costs are estimated to represent costs that would be incurred in implementing the projects in 2018. The State Highway project cost estimates are prepared by a variety of engineering firms, as noted, consistent with the established practices used by

Caltrans. The Local Roadway cost estimates are prepared in accordance with the procedures outlined in the "Cost Estimate Assumptions for Local Agency Projects" included in the Appendix, along with the individual project cost breakdowns.

It is important to note that the W-Trans analysis did not examine the "existing conditions". However, the 2010 General Plan transportation model and analysis did. This analysis found there to be only one roadway segment which did not meet the City's level of service (LOS) standards at the time; a small segment of Nord Avenue (State Highway 32) near W. Sacramento Ave. This analysis satisfies the question of "existing deficiencies". No improvements on Hwy 32 (Nord Avenue) are proposed to be funded by this program update. At the time of the W-Trans study, there were no significant "existing deficiencies" within the 2010 to 2013 timeframe. Furthermore, only very limited growth was apparent within this time period.

Based on input received from stakeholders (Caltrans, Butte County, and BCAG), and developers actively working with the City to build the transportation infrastructure, the total list of approximately \$347 million in improvements needed to mitigate new development impacts was reduced and refined to a list of approximately \$167 million of transportation projects seen as needed by the year 2040. The reduced figure of \$167 million is used to calculate the proposed development fee. This reduced list of high priority projects is seen to strike a balance between transportation needs and fee acceptability.

Some of the more significant decisions relative to process of deciding which projects to include within the proposed fees include the following:

- For several years, the City and others have been considering a proposed new freeway interchange (I/C) at Hwy 99 and Southgate involving a complex of projects. In 2006, a traffic study by Fehr and Peers identified that the levels of service on Skyway east of Hwy 99 would fall below the General Plan level of service expectations by the year 2030. In addition, two significant Special Planning Areas (SPA's) have been earmarked in the 2030 General Plan that would add further traffic demands to this facility. To address this level of service shortcoming a new interchange with a direct connection from Skyway was proposed at Southgate and Hwy 99. This interchange complex is expected to cost approximately \$165 million, of which only \$4 million is included within the proposed fee program. This allocated amount would complete the planning studies for this large complex of projects and hopefully develop an agreement for funding the entire complex with Butte County, BCAG and Caltrans. The responsibility for funding this complex of projects is not seen as only the responsibility of the City of Chico. Additionally, a \$4 million project to improve the capacity of Skyway east of Hwy 99 has been included within the proposed list of local projects. Additionally, about half of the project costs would be expected to be on local streets, not as part of the State Highway System, including the Notre Dame south extension / connection to Southgate Lane, Southgate connection to Skyway to the East, and connection to Midway to the West.
- At the north end of the City, is what might be called the "north end complex". This involves mainline improvements on Hwy 99, potentially involving a new freeway interchange at Garner Lane / Esplanade and several related surface streets, including a connection between Hicks Road and Hwy 99 as proposed in the General Plan. All of these improvements are seen as necessary to support the high level of development already approved by the County and City in this area. The exact improvements and what level of development that is likely to occur needs to yet be planned and scoped. Within the proposed fee program is \$2 million to accomplish this planning effort. Note that prior efforts

by the City of Chico, Butte County and Caltrans were undertaken to determine future conceptual options for this area.

- The Hwy 99 and 20th Street interchange has been the subject of several studies, the latest being the “East 20th Street Circulation Study” by W-Trans (2011). The improvement proposed within the study is a series of roundabouts along with two, new, loop off-ramps as proposed within a report prepared by Quincy Engineering for BCAG in 2001. These originally proposed two loop off ramps were changed to one loop on ramp, and this reduced project was combined with the series of roundabouts on 20th Street prior to incorporating into the project noted within the proposed fee program. However, the necessary studies for these improvements will need to also scope probable improvements needed on 20th Street to the west of Hwy 99 as well. Such improvements are not presently included within the proposed fee program at this time, pending further studies. More recently, the City approved the Walmart Expansion project that specifically identified this interchange at becoming operational below acceptable standards as a result of the development project and that they will pay their impact fees as their mitigation.
- The W-Trans report recommended that the auxiliary lanes be stopped at 20th Street, however in the absence of the proposal to add the planned-for interchange at Southgate, this will increase the volume of on/off vehicles at the Skyway interchange. Therefore, consideration was given to extending the auxiliary lanes to Skyway. However, due to cost, these lanes were not included in the refined program, but may need consideration at a later date.

The auxiliary lane costs are very significant. Originally, the full costs of these improvements were included within the proposed fee program. However, after further consideration, only the costs of the advance project planning and design are included within the program, and the construction costs are set aside for the present time. The intent is that Caltrans and BCAG will provide the additional funding to complete this project. However, if this funding is not forthcoming in a timely manner, this potential unmitigated impact could become the responsibility of proposed development.

- Considerable discussion was generated by the proposal to extend Eaton Road west to Hwy 32 as has been included for many years in both the City’s General Plan and BCAG’s Regional Transportation Plan. As this improvement is seen as a potential “bypass” to Hwy 32 thru downtown Chico, this proposed project is to be constructed to a high standard, including an overpass over the RR. After further consideration, this project was removed from the program refined for the proposed fees. As City build-out nears, future evaluation of this project should be considered.
- Also considered and removed from the program were proposed grade separations with the RR on Hwy 32 thru downtown Chico.

In the end, all of the projects included within the proposed fee program have been identified as being needed, and studied, within numerous modeling efforts and specific studies, most of which have been identified as impacts needing to be mitigated as part of the current 2030 General Plan, which included a significant environmental review process. The involved studies are listed and they are referenced for each project on the project lists, for “State Highway Projects” and “Local Roadway Projects”.

The following reports were used in developing the proposed list of projects, which are needed to mitigate the impacts of new development. These reports are included herein by reference as though full in this Technical Memorandum No. 12.

1. Chico 2030 General Plan
2. Chico 2030 General Plan Draft Environmental Impact Report
3. Chico 2030 General Plan Public Facilities Assessment and Fiscal Impact Analysis
4. Chico 2030 General Plan Existing Conditions Report, 2008
5. City of Chico Northwest Chico Specific Plan EIR
6. Chico Corridor Study Route 99, Quincy Engineering, 2001
7. Skyway/SR 99 Interchange Study, Mark Thomas, 2006
8. Traffic Report for State Route 99 / Southgate Interchange, Fehr & Peers, 1999
9. Draft Concept Approval Report Eaton / State Route 99 Interchange, URS, 2011
10. Cohasset On-Ramp Project Study Report, Caltrans, 2004
11. North Chico Retail and Annexation EIR, DGE, 2006
12. Chico Nord Ave (Hwy 32) Corridor Plan, Glatting Jackson Kercher Anglin and Walkable Communities, 2006
13. Final Report Development Impact Fee and Nexus Report, Konrad-Rae, 1992
14. Butte County General Plan Circulation Element
15. Butte County Association of Governments Regional Transportation Plan
16. State Route 99 Transportation Corridor Concept Report, Caltrans, 2010
17. East 20th Street Circulation Study, W-Trans, 2011
18. Nexus Impact Fee Traffic Analysis, W-Trans, 2014
19. City of Chico Municipal Code
20. City of Chico 2008-09 Update of Development Impact Fees Analysis and Recommendations (Nexus Study), City of Chico, 2009

The projects identified as being needed by 2040, the planning horizon year, are all listed in Appendix Table 1 and Table 2. On these tables there is a column titled "Project Identification Source" and a second column titled "Project Need". The "Project Identification Source" column indicates which of the preceding 20 studies contains the analysis identifying the need for each specific project, and the "Project Need" column references the footnotes attached to Appendix Table 1 and Table 2. These footnotes indicate the nature of the need for each project, with nearly all of the projects being footnote #1 which is that growth within the planning period would result in the level of service dropping below the policies stipulated in the General Plan without the indicated project. The preceding reports and analyses demonstrate that traffic impacts caused by new development will cause traffic levels of service to fall below those required by the General Plan or will otherwise generate unsafe traffic conditions which will be mitigated by the proposed projects.

Current Fee Schedule and Fund Balance

The Current Fee Rates for the Street Facility Improvement Development Impact Fee (Fund 308) was recently updated with an effective date of August 20, 2016 and are shown in Table 1. Included in this table is the overall fee that is currently charged by the City as well as the portion of the fee that covers the capacity enhancing street improvements on the State highway system and local streets.

**TABLE 1:
2016 FY STREET FACILITY IMPROVEMENT IMPACT FEE SUMMARY**

Item	Land Use Type	Unit ¹	2016 Street Facility Improvement Fee (Effective 8/20/16)	State Highway and Local Projects (Excluding Road Reconstruction Projects)
A	B	C	D	E
1	Rural	DU	\$4,216.00	\$3,330.64
2	Very Low	DU	\$4,216.00	\$3,330.64
3	Low	DU	\$4,216.00	\$3,330.64
4	Medium	DU	\$2,916.00	\$2,303.64
5	Medium High	DU	\$2,916.00	\$2,303.64
6	High	SQFT	\$2,916.00	\$2,303.64
7	Retail	SQFT	\$18.36	\$14.50
8	Office and Medical	SQFT	\$4.73	\$3.74
9	Industrial	SQFT	\$2.16	\$1.71

Sources: City of Chico Engineering Department, Communications with City of Chico staff

Notes:

1. DU = Dwelling Unit; SQFT = Square Foot

As shown in Table 1, the currently adopted fee, shown in Column D, for a single-family residential unit is \$4,216.00 for the overall fee and \$3,330.64 for the capacity enhancing Street Facility Improvement Fee portion. Several land use categories were included in this fee structure, including six residential categories and three non-residential categories.

In addition, as established in City of Chico Municipal Code (Chapter 3.85), credits and exemptions to fees and deferrals of fees may be permitted pursuant to specific provisions as outlined in the municipal code. In review of these special provisions, one outdated credit provision as follows should be removed:

C. For properties located in an assessment district which was formed prior to January 1, 1985, and for a purpose which included street facility improvements of general benefit to the entire City or any portion thereof outside of the assessment district boundaries.

Any such credits are set forth below:

- | | |
|-------------------------------------|------------|
| 1. Village Park Assessment District | 38% credit |
| 2. Eastwood Assessment District | 12% credit |

This credit provision should be removed as appropriate credits to these districts have been applied.

Street Facility Improvement Fund Balance

The most recent fiscal snapshot (depicting the beginning and ending balances) for the City's Street Facility Improvement Fund (Fund 308) was also obtained from the 2016-2017 Development Impact Fee Report. As of June 30, 2017, the *Gross Available Balance* at the close of the Fiscal Year for Fund 308 was \$4,243,755 and a *Net Available Balance* was \$3,723,042, which is less *Outstanding Encumbrances and Outstanding Reimbursement Agreements*, of \$520,713.

Identification of Land Use Growth Increment

The 2014 to 2040 City growth was obtained from BCAG's *Butte County Long-Term Regional Growth Forecasts 2014 - 2040* report, and is consistent with the BCAG Regional Travel

Demand Model. Based on direction from City staff, a 2016 - 2040 land use growth increment was developed and fully described in Technical Memorandum #1.

For the purposes of this fee update effort, the 24-year 2016 to 2040 growth increment was utilized to calculate following alternative fees.

Identification of Transportation Improvements

Two types of improvement projects have been identified that will be included in the Street Facility Improvement Fee program: State Highway Projects and Local Projects. The State highway projects are ones that are either on or associated with State Route 99 or Hwy 32. All of these identified projects are needed to address the transportation needs of the City caused by new development as it grows per the expectations of the City's General Plan.

State Highway Projects

The list of State Highway projects included in the Street Facility Improvement Fee includes different levels of funding for a variety of improvement types, including construction costs of signalization and roundabout projects and soft costs for larger projects such as installation of auxiliary lanes on the State Route 99 (SR 99) mainline. The full list of State Highway projects, with cost estimates is presented on Appendix Map A-1.

Included in both the "*Estimated Cost*" and "*Cost Included in Impact Fee*" were two projects, **716 SR 99 at Garner, Esplanade and Hicks complex** and **717 SR 99 at Southgate complex (I/C and connector roads)**. For these two projects, only the soft costs for processing plans and environmental clearance through Caltrans are included in the cost estimates and impact fees. Estimated costs for the Garner area interchange and road improvements are over \$100 million and the Southgate area, over \$165 million. It is anticipated the need for these improvements are beyond 2040 and therefore, not included as a part of the State Highway Projects list.

Local Projects

As with the State Highway projects list, the list of Local projects included in the Street Facility Improvement Fee includes a variety of improvement types, including new roadway construction, construction costs of signalization and roundabout projects and installation of turn lanes, and turn lane extensions. The full list of Local projects, with cost estimates and cost allocated to the fee program is presented on Appendix Map A-1.

Street Facility Improvement Fee Calculation

The following section walks through the main components of the Street Facility Improvement fee calculation: Improvement Costs; Trip Generation and Cost Allocation by Use; Cost per trip by Use; and Fee Schedule.

Street Facility Improvement Cost Summary

As mentioned within the previous sections of this memorandum, a list of approximately \$347 million in transportation improvements were identified to be needed to mitigate impacts caused by new development by year 2040. Table 2A presents a summary of the total estimated costs of these identified improvement projects.

**TABLE 2A
TOTAL CAPITAL IMPROVEMENT PROJECT COSTS BY CATEGORY**

All Capital Improvement Project Descriptions	Total Estimated Cost
State Highway Projects	\$ 149,855,000
Local Street Projects	\$ 197,149,250
<i>Total</i>	<i>\$ 347,004,250</i>

Non-Fee Trip Residential and Non-Residential Cost Attribution

For the purposes of determining new residential trips, model "Home-Based" trips and "School" trips (K-12) were aggregated. "Non-Home-Based" and "Casino" trips were considered Non-Residential trips. This analysis excludes one-half of trips whose origin or destination are from areas outside of the city ("I-X" or "X-I" trips) and completely excludes the trips which do not have an origin or destination within the city ("X-X"). Based on the direction of the City, it also excludes "University" trips from the fee calculations.

As shown in Table 3, between 2016 and 2040, a total of 197,873 residential and non-residential trips are estimated. While University trips (of 8%) and "IX" and "XI" trips (of 4%) contribute to 12% of the total non-fee trips, the addition of the "XX" trips (of 8%) increases the total non-fee trips to approximately 20% ¹. Of the total fee trips, 74% (145,858) were attributed to residential growth and 26% (52,014) were attributed to non-residential growth.

This allocation of fees based on BCAG model trip purpose splits, at 74/26 between residential and non-residential growth, is an accurate representation of net trip growth "causality" in the City of Chico area. This methodology does differ from the existing fee splits, which are based solely on national average trip generation rates and trip causality factors.

Following determination of residential and non-residential fee and improvement cost allocation, this allocation was further distributed between land use types within the larger residential and non-residential categories. This distribution was determined using the trip generation rates shown in Column D of Tables 5A and 5B for each land use type. These rates are consistent with national trip rate averages, and result in the improvement cost distributions shown in Column F between residential use types (single family and multi-family) and between non-residential use types (office and medical, retail, and industrial).

The proposed fee schedule by land use type was calculated by dividing the costs in Column G by the land use quantities shown in Column C. The proposed fees are shown in Column H alongside the corresponding existing fee in Column I.

¹ Given the uncertainties associated with accurately accounting for all the "X-X" trips and that some "College" trips are likely "X-I" or "X-I" trips, the actual non-fee percentage of 19.1% was conservatively rounded up to 20%.

Table 4A presents the cost attributed to residential and non-residential land uses, for the entire cost of the full list of identified CIP projects less the 20% of the total related to non-fee trip ends.

**TABLE 3:
BCAG MODEL TRIP END GROWTH ESTIMATES**

Trip Type	2014 Model Trip Ends	2016 Trip Estimate	2040 Model Trip Ends	2014-2040 Trip End Growth	2016-2040 Trip End Growth
<i>Home-Based Work (P)</i>	50,410	51,356	71,675	21,265	20,319
<i>Home-Based Work (A)</i>	62,661	63,451	80,397	17,735	16,946
<i>Home-Based Other (P)</i>	118,947	121,174	168,974	50,027	47,800
<i>Home-Based Other (A)</i>	151,626	153,747	199,292	47,666	45,545
<i>School (P)</i>	15,322	15,659	22,900	7,578	7,241
<i>School (A)</i>	16,771	17,144	25,151	8,380	8,007
<i>Total Trips Assigned to Residential Uses</i>	415,737 69%	422,531 69%	568,389 70%	152,652 74%	145,858 74%
<i>Non-Home-Based (P)</i>	91,164	92,338	117,554	26,390	25,216
<i>Non-Home-Based (A)</i>	91,164	92,338	117,554	26,390	25,216
<i>Casino (P)</i>	3,346	3,420	5,003	1,657	1,583
<i>Casino (A)</i>	-	-	-	-	-
<i>Total Trips Assigned to Non-Residential Uses</i>	185,673 31%	188,095 31%	240,110 30%	54,437 26%	52,015 26%
TOTAL FEE TRIPS	601,411	610,626	808,499	207,089	197,873
<i>University (P)</i>	13,874	14,103	19,032	5,158	4,929
<i>University (A)</i>	28,675	29,220	40,928	12,254	11,708
<i>X-X</i>	71,217	72,298	92,681	21,464	20,383
<i>IX (P)</i>	13,157	13,391	18,430	5,274	5,039
<i>XI (A)</i>	16,567	16,784	21,448	4,881	4,664
TOTAL NON-FEE TRIPS	143,489	145,796	192,519	49,031	46,723

"P" represents Productions

"A" represents Attractions

"I" represents Internal

"X" represents External for City of Chico and SOI

"I-X" and "X-I" reflect 1/2 the total.

**TABLE 4A:
RESIDENTIAL AND NON-RESIDENTIAL COST ATTRIBUTION: FULL CIP LIST**

Description	Total CIP List Amounts	Percentage Split for Land Uses
State Highway and Local Improvements	\$ 347,004,250	
Current Fund Balance	\$ (3,723,042)	
Attributable for Non-Fee Trips (20% of total)	\$ (69,400,850)	
<i>Developments Share of Funding</i>	\$ 273,880,358	
Attributable for Residential	\$ 202,671,464.92	74%
Attributable for Non-Residential	\$ 71,208,893.08	26%

Table 5A presents the potential street facility improvement fee schedule, for the total costs of the full list of capital improvement projects needed to mitigate new development impacts by year 2040.

**TABLE 5A:
POTENTIAL STREET FACILITY IMPROVEMENT FEE SCHEDULE: FULL CIP LIST**

Item	Land Use Type	Unit	Number of New Housing Units or Square Foot Commercial	Daily Trip Generation Rates Per Housing Unit or Per Square Foot Commercial ⁴	Proportional Distribution by Trip Generation	Share of Total Cost Allocated to Each Land Use Type	Potential Street Facility Improvement Fee	Current Street Facility Improvement Fee
A	B		C	D	F	G	H	I
1	Single Family Residential ¹	DU	9,063	10.7000	59.12%	\$ 119,811,308	\$ 13,219.83	\$ 3,330.64
2	Multi-Family Residential ^{1,2}	DU	7,346	7.4000	40.88%	\$ 82,860,157	\$ 11,279.63	\$ 2,303.64
3	<i>RESIDENTIAL TOTAL</i>				100.00%	\$202,671,465		
4	Retail ³	SQFT	2,122,000	0.0550	75.86%	\$ 54,020,540	\$ 25.46	\$ 14.50
5	Office and Medical	SQFT	1,998,000	0.0120	16.55%	\$ 11,786,300	\$ 5.90	\$ 3.74
6	Industrial	SQFT	1,817,000	0.0055	7.59%	\$ 5,402,054	\$ 2.97	\$ 1.71
7	<i>NON-RESIDENTIAL TOTAL</i>				100.00%	\$ 71,208,893		
8						\$ 273,880,358		

Source: Fee calculation methodology developed by City of Chico Engineering Department, Cost estimates by Omni-Means Notes:

- 1) Consistent with the existing fee structure, rural, very low, and low density residential units are considered Single-Family residential; medium, medium high, and high density residential units are considered Multi-Family residential
- 2) Multi-Family residential includes Mobile Home units.
- 3) Hotels are included as Retail Uses.
- 4) Daily trip generation rates are as approved in previous updates by City Council.

The City recognizes that the fees shown in Table 5A representing the entire list of the needed projects would cause economic hardships within the community.

In recognition of these economic hardships, from within the list of approximately \$347 million in transportation improvements which were identified to be needed to mitigate the impacts of new development by year 2040, approximately \$167 million of high priority projects were identified and are proposed to be funded within the nexus program. Table 2B presents the total estimated costs for this subset of the full list of necessary capital improvement projects (CIP) that were identified to be of higher priority for implementation. High priority, mostly being identified through actual specific development project proposal studies identifying impacts directly related/created to that project. In the environmental reviews, CEQA compliance for those projects have been based on City completing the project, which relies upon revenues generated from developers paying their share of costs through the DIF program as their mitigation measures/strategy.

**TABLE 2B
TOTAL HIGH PRIORITY PROJECT COSTS BY CATEGORY**

High Priority Improvement Project Descriptions	Total Estimated Cost
State Highway Projects	\$ 65,300,000
Local Street Projects	\$ 101,699,250
Total	\$ 166,999,250

Table 4B presents the cost attributed to each category, respectively, of the amount needed to be funded by the fee, should the fee only support the costs of the high priority projects (which is approximately 48.1% of the total state highway and local improvement needs cost summary of \$347,004,250).

**TABLE 4B:
RESIDENTIAL AND NON-RESIDENTIAL COST ATTRIBUTION: HIGH PRIORITY PROJECTS**

Description	Amounts	Percentage Split for Land Uses
High Priority State Highway and Local Improvements	\$ 166,999,250	
Current Fund Balance	\$ (3,723,042)	
<i>Developments Share of Funding</i>	<i>\$ 163,276,208</i>	
Attributable for Residential	\$ 120,824,393.92	74%
Attributable for Non-Residential	\$ 42,451,814	26%

Table 5B presents the proposed street facility improvement fee schedule, which reflects only the total costs of the high priority projects.

**TABLE 5B:
PROPOSED STREET FACILITY IMPROVEMENT FEE SCHEDULE: HIGH PRIORITY PROJECTS**

Item	Land Use Type	Unit	Number of New Housing Units or Square Foot Commercial	Daily Trip Generation Rates Per Housing Unit or Per Square Foot Commercial ⁴	Proportional Distribution by Trip Generation	Share of Total Cost Allocated to Each Land Use Type	Recommended Street Facility Improvement Fee	Current Street Facility Improvement Fee
A	B		C	D	F	G	H	I
1	Single Family Residential ¹	DU	9,063	10.7000	59.12%	\$ 71,426,575	\$ 7,881.12	\$ 3,330.64
2	Multi-Family Residential ^{1,2}	DU	7,346	7.4000	40.88%	\$ 49,397,819	\$ 6,724.45	\$ 2,303.64
3	RESIDENTIAL TOTAL				100.00%	\$120,824,394		
4	Retail ³	SQFT	2,122,000	0.0550	75.86%	\$ 32,204,824	\$ 15.18	\$ 14.50
5	Office and Medical	SQFT	1,998,000	0.0120	16.55%	\$ 7,026,507	\$ 3.52	\$ 3.74
6	Industrial	SQFT	1,817,000	0.0055	7.59%	\$ 3,220,482	\$ 1.77	\$ 1.71
7	NON-RESIDENTIAL TOTAL				100.00%	\$ 42,451,814		
8						\$ 163,276,208		

Source: Fee calculation methodology developed by City of Chico Engineering Department, Cost estimates by Omni-Means

Notes:

- 1) Consistent with the existing fee structure, rural, very low, and low density residential units are considered Single-Family residential; medium, medium high, and high density residential units are considered Multi-Family residential
- 2) Multi-Family residential includes Mobile Home units.
- 3) Hotels are included as Retail Uses.
- 4) Daily trip generation rates are as approved in previous updates by City Council.

Again, the reduced fees shown in Table 5B representing only the high priority projects noted in Appendix Tables 1 and 2 as included in the impact fee programs, are proposed for consideration. Doing this will leave the lower priority, but still needed, projects unfunded.

By leaving needed projects unfunded, this means that impacts to the street and highway system as a result of anticipated growth will not be fully mitigated with the fee program. These remaining impacts will need to be addressed as part of the environmental review process associated with each individual development project.

Comparison to Existing

As shown in Table 5B, the recommended Street Facility Improvement fees (Column H) for residential uses would be more than double than existing residential fees (Column I). For non-residential uses, the fees are relatively comparable to existing fees, with slight increases for retail uses as well as industrial uses, and a slight decrease in office and medical uses.

Regional Fee Comparison

The decisions on how to fund public infrastructure improvements to support new development vary substantially from public agency to public agency, be they cities, counties or utility service districts. The combination of financing mechanisms, or the use of just one funding strategy is a decision that will be determined often in the process in finding the most acceptable solution for any given public agency for the public infrastructure that needs to be financed.

In review of Table 6, Street Facilities Fees Comparison Chart, the "whole story" of the needed cost to support new development may not be fully told in comparing their impact fees. Some communities, like Roseville, Rocklin and Vacaville use community facility districts (CFDs) to help finance public infrastructure to support new development areas, in the form of tax assessments. Other communities may pass sales tax measures, becoming Self-Help Counties (not cities in comparison table) to help finance needed public infrastructure improvements. Still other communities have regional agencies that collect regional transportation impact fees or do both, collect a regional transportation impact fee and a sales tax increment.

For the City of Roseville, they have seventeen (17) benefit districts and collect four (4) separate City and regional transportation impact fees for each district. Their cumulative total fees range between districts from a low of about \$3,200 per EDU to \$8,000 per EDU. Roseville is not within a Self-Help County, which allows collection of a sales tax increment.

For El Dorado County, which has both rural and urban communities, differential Traffic Impact Mitigation Fees (TIMF) are calculated by zones based on their transportation improvement needs. Within El Dorado County, eight (8) zones have been created to charge TIMF fees with rural zones paying as little as \$3,190 per SFDU and more urban zones paying as high as \$29,500 per SFDU (two (2) zones).

**TABLE 6:
STREET FACILITIES FEES COMPARISON CHART**

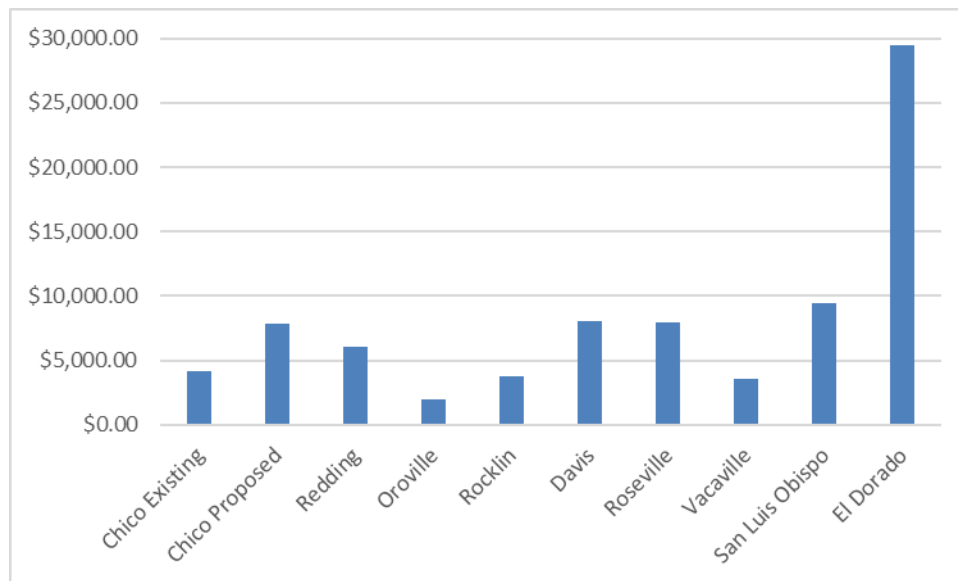
City	Street Facilities Fee
Chico Existing	\$4,216.00
Chico Proposed	\$7,881.12
Redding	\$6,013.00
Oroville	\$1,976.00
Rocklin	\$3,774.00
Davis	\$8,093.00
Roseville	\$7,914.00
Vacaville	\$3,622.00
San Luis Obispo	\$9,402.00
El Dorado	\$29,500.00

Source: Municipal Websites and planning staff

For El Dorado County, \$29,500.00 is the highest fee for two (2) of the eight (8) TIMF zones.

For Roseville, \$7914.93 is the highest fee of the 17 TIMF zones.

**CHART 1:
RESIDENTIAL STREET FACILITIES FEE RATE (PER SFDU) COMPARISON CHART**



Source: Municipal websites, planning staff

Summary of Nexus Requirements

California Government Code Section 66000 et. seq. sets forth the procedural requirements for establishing and collecting development impact fees. There are specific conditions which must be met in order for the fee to be set in place, which demonstrate a reasonable relationship, or “nexus” between the fee and its purpose. The key requirements of Government Code Section 66000 are listed below, along with a corresponding discussion that relates to the Street Facility Improvement Fee.

Identify the purpose of the fee.

- The fee will collect and distribute funding for the construction of local street and state highway improvements to alleviate traffic/transportation impacts caused by new development.

Identify how the fee is to be used.

- The fee will be used to assist in the funding of local street and state highway improvements impacted by new development.

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

- New development will generate additional traffic, and the City’s streets will need to be improved and expanded to service added demand. The fee will be used to provide for the capacity improvements required by growth in order to maintain the General Plan's existing level of service goals.

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

- New development will generate additional traffic, and the City’s streets will need to be improved and expanded to service added demand. Different type of land uses generate different amount of traffic. Fees were apportioned between these different types of uses in proportion to the amount of traffic generated by the type of use.

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

- Facility costs have been apportioned to major land use categories using Butte County Association of Governments (BCAG) Travel Demand Model trip generation rates. Fees are charged only for facility improvements which alleviate new development impacts. These fees are allocated among different land uses in proportion to the traffic generation impacts of the type of land use.

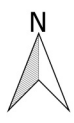
APPENDIX:

Appendix A: Street Facility Improvement Fee Projects Map
and Summary Tables

Appendix B: Preliminary Opinions of Cost

APPENDIX A:

Street Facility Improvement Fee Project Summary Tables



**APPENDIX TABLE 1:
CITY OF CHICO STREET FACILITY IMPROVEMENT FEE PROJECTS: STATE HIGHWAY PROJECTS**

ID New	State Highway Projects	Start	End	Description	Estimated Cost of "Nexus" Improvements	Portion of "Nexus" Improvements Included in Impact Fee	Project Identification Source	Project Need	In Current Nexus	NOTES
701	SR 99 Auxiliary Lanes	Skyway	East 20th St	Construct auxiliary lanes to the outside	\$11,500,000	\$1,900,000	W-Trans Nexus Study (#18), cost estimate by Mark Thomas	Footnote #1	Yes	Project Development Costs
							W-Trans Nexus Study (#18), cost estimate by Mark Thomas	Footnote #1	Yes	Construction, CM and R/W Costs
702	SR 99 Auxiliary Lanes	East 20th St	SR 32	Construct auxiliary lanes to the outside. CP 18057	\$11,000,000	\$1,800,000	W-Trans Nexus Study (#18), cost estimate by Mark Thomas	Footnote #1	Yes	Project Development Costs
							W-Trans Nexus Study (#18), cost estimate by Mark Thomas	Footnote #1	Yes	Construction, CM and R/W Costs
703	SR 99 Auxiliary Lanes	East 1st Ave	Cohasset Rd	Construct auxiliary lanes to the outside	\$20,000,000	\$3,300,000	General Plan Public Facilities Assessment (#3)	Footnote #1	Yes, but \$0 allocated.	Project Development Costs
							General Plan Public Facilities Assessment (#3)	Footnote #1	Yes, but \$0 allocated.	Construction, CM and R/W Costs
704	SR 32 Widening 1	Fir St	Forest Ave	Widen SR 32 from 2 to 4 lanes. CP 15010 (includes traffic signal at SR 32/Yosemite Dr)	\$8,000,000	\$8,000,000	BCAG RTP (#15), 2009 Nexus (#20), General Plan Public Facilities Assessment (#3)	Footnote #1	Yes	Costs remaining
705	SR 32 Widening 2	Forest Ave	El Monte Ave					Footnote #1		
706	SR 32 Widening 3	El Monte Ave	Bruce Rd					Footnote #1		
707	SR 32 Widening 4	Bruce Rd	Yosemite Dr					Footnote #1		
708	SR 32 (Nord Avenue) Improvements	W. Lindo Avenue	W 1st St	Corridor Improvements per specific plan	\$15,000,000		Nord Ave Corridor Plan (#12), cost estimate by URS	Footnote #2	No	
709	SR 32 (W. 8th St) at UPRR			Overpass, highway over railroad with reinforced earth retaining walls	\$25,000,000		In consultation with Fire Department, cost estimate by URS	Footnote #3	No	Project would be removed from list if fee program provides for a new fire station west of UPRR.
710	SR 99 - Eaton Interchange			Widen overpass structure and ramps, construct dual lane roundabouts	\$22,000,000	\$16,000,000	Preliminary PSR (#9)	Footnote #1	Yes, but roundabouts not previously mentioned. Would replace the traffic signals previously included.	
711	SR 99 / Cohasset Road Interchange			Construct Southbound direct on-ramp	\$11,000,000	\$9,000,000	Preliminary PSR (#10)	Footnote #1	Yes	
712	SR 99 - East Avenue Interchange			Restripe East Avenue underpass similar to East 1st Avenue with channelization medians	\$300,000	\$300,000	W-Trans Nexus Study (#18)	Footnote #1	Yes, but \$0 allocated.	
713	SR 99 / 20th Street Interchange and 20th Street Corridor	West of MLK	East of Forest	Reconfigure / reconstruct ramps to increase capacity. Includes roadway improvements / roundabouts on East 20th Street from west of MLK to east of Forest.	\$19,000,000	\$19,000,000	Corridor Study Route 99 (#6), East 20th Street Circulation Study (#17), Cost estimate by URS assumes loop ramps constructed with existing overpass and no roundabouts at ramp intersections (URS). Improvements include intersection improvements at MLK, but not included in cost estimate.	Footnote #1	Yes, but interchange only.	
714	SR 32 (Walnut Street)/SR 32 (W 8th Street), SR 32 (Walnut Street)/SR 32 (W 9th Street)			Traffic Signal Installation including bike/pedestrian detection and channelization	\$545,000		W-Trans Nexus Study (#18)	Footnote #6		
715	SR 32 (W 8th Avenue)/Ivy Street, SR 32 (W 9th Avenue)/Ivy Street			Traffic Signal Installation including bike/pedestrian detection and channelization	\$510,000		W-Trans Nexus Study (#18)	Footnote #6		
716	SR 99 at Garner, Esplanade and Hicks complex			Intersection improvements and/or I/Cs, connector road from Hicks to SR 99, improvements on SR 99, Esplanade, Hicks, and Garner	\$2,000,000	\$2,000,000	General Plan (#1)	Footnote #4	No	Total costs of the complex is over \$100 million. Planning only included in program. Ultimate funding will be a cooperative effort involving County, BCAG, and Caltrans.
717	SR 99 at Southgate complex (IC and connector roads)			IC and connector roads (Player, Fair Street, Midway Connection, Notre Dame, Speedway, West Southgate, East Southgate, Midway)	\$4,000,000	\$4,000,000	General Plan (#1)	Footnote #5	No	Total costs of the complex is \$165 million. Planning only included in program. Ultimate funding will be a cooperative effort involving County, BCAG, and Caltrans.
	TOTAL COSTS				\$149,855,000	\$65,300,000				

Notes: Yellow highlights indicate projects with no Impact Fee funding proposed
Source: City of Chico Engineering Department, Omni-Means/GHD

**APPENDIX TABLE 2:
CITY OF CHICO STREET FACILITY IMPROVEMENT FEE PROJECTS: LOCAL ROADWAY PROJECTS**

ID New	Local Projects	Start	End	Description	Estimated Cost of "Nexus" Improvement (Back-of-Curb to Back-of-Curb Improvements Only)	Portion of "Nexus" Improvement Included in Impact Fee	Project Identification Source	Project Need	In Current Nexus
601	Bruce Road Widening	Skyway	SR 32	Widen roadway and bridge to 4 lanes and median	\$21,290,000 *	\$21,290,000	General Plan (#1, #2, #3)	Footnote #1	Yes
602	Commerce Court Connection	Ivy St	Park Ave	Connect exist Commerce Ct to Park Ave via Westfield Ln	\$1,270,000 *	\$1,270,000	General Plan (#1, #2, #3)	Footnote #1	No
603	East 20th Street	Forest Ave	Bruce Road	4 lanes and median	\$3,120,000 *	\$3,120,000	General Plan (#1, #2, #3)	Footnote #1	Yes
604	Eaton Road	SR 32	Catherine Ct	2 lane expressway and bridge - RR Crossing	\$53,700,000 *		General Plan (#1, #2, #3)	Footnote #1	Yes
605	Eaton Road	Catherine Ct	Esplanade		\$6,200,000 *		General Plan (#1, #2, #3)	Footnote #1	Yes
606	Eaton Road	Hicks Ln	Cohasset	Widen and extend, 4-lanes and median, and bridge - Sycamore Creek tributary	\$22,040,000 *	\$22,040,000	General Plan (#1, #2, #3)	Footnote #1	Yes
607	Eaton Road	Cohasset	Manzanita	4-lanes and median	\$13,590,000 *	\$13,590,000	General Plan (#1, #2, #3)	Footnote #1	Yes
608	Esplanade widening	Shasta Ave	Nord Highway	4-lanes and median	\$6,460,000 *	\$6,460,000	Prior Nexus Report (#20)	Footnote #1	Yes
609	Mariposa Ave	Glenshire Lane	Eaton Road	New Connection	\$1,740,000 *	\$1,740,000	General Plan (#1, #2, #3)	Footnote #1	Yes
610	Esplanade Capacity Improvements	Memorial	W 11th Ave	Capacity enhancements such as intersection turn lanes, traffic signal coordination, traffic signal phasing improvements, side street capacity at signalized intersections, pedestrian crossing improvements.	\$7,200,000	\$300,000	W-Trans Nexus Report (#18)	Footnote #1	No
611	Fair Street / Park Avenue Connection	Fair St	Park Ave	Extend E 23rd St/Silver Dollar Pkwy thru "wedge" to connect to Commerce Ct Connection	\$970,000 *		General Plan (#1, #2, #3)	Footnote #1	No
612	Holly Avenue / Warner Avenue Connection	Capshaw Ct	Fuchsia Way	2 lane collector	\$2,580,000 *		General Plan (#1, #2, #3)	Footnote #1	Yes
613	Ivy Street	Hazel St	Meyers St	New Connection	\$7,130,000 *		General Plan (#1, #2, #3)	Footnote #1	No
614	Yosemite Drive	SR 32	Humboldt Road	New Connection	\$5,820,000 *		General Plan (#1, #2, #3)	Footnote #1	No
615	Notre Dame Boulevard Connection	Little Chico Creek	East 20th St	New street and bridge - Little Chico Creek	\$7,850,000 *	\$7,850,000	General Plan (#1, #2, #3)	Footnote #1	Yes
616	Silver Dollar Way Extension	MLK Prwy	Fair St	Connect exist road stubs	\$2,760,000 *		General Plan (#1, #2, #3)	Footnote #1	No
617	Midway widening	Hegan Ln	Park Ave	4 lanes and median	\$5,660,000 *	\$5,660,000	Prior Nexus Report (#20)	Footnote #1	yes
618	Skyway Capacity Improvements	SR 99	Bruce Road	Corridor capacity enhancements	\$4,000,000	\$4,000,000	W-Trans Nexus Report (#18)	Footnote #1	No
619	Bruce Road/Humboldt Road			New Traffic Signal	\$350,000	\$350,000	City Staff (warranted) and prior nexus (#20)	Footnote #6	Yes
620	Bruce Road/Sierra Sunrise Terrace			New Traffic Signal	\$280,000	\$280,000	City Staff (warranted based on main street traffic volume) and prior nexus (#20)	Footnote #6	Yes
621	East 1st Avenue/Mangrove Avenue			Turn lane capacity expansion, storage length expansion, channelization improvements, pedestrian safety due to increased traffic volumes.	\$250,000	\$250,000	W-Trans Nexus Report (#18)	Footnote #1	Yes
622	East 20th Street/MLK			Intersection capacity and queuing storage enhancements consistent with adjacent interchange improvements.	\$1,000,000	\$1,000,000	W-Trans Nexus Report (#18)	Footnote #1	No
623	East Avenue/Cactus			New Traffic Signal	\$350,000	\$350,000	W-Trans Nexus Report (#18)	Footnote #6	Yes
624	East Avenue/Cohasset Road			Turn lane capacity expansion, storage length expansion, channelization improvements, pedestrian safety due to increased traffic volumes.	\$250,000	\$250,000	W-Trans Nexus Report (#18)	Footnote #1	No
625	East Avenue/Esplanade			Turn lane capacity expansion, storage length expansion, channelization improvements, pedestrian safety due to increased traffic volumes.	\$250,000	\$250,000	W-Trans Nexus Report (#18)	Footnote #1	No

**APPENDIX TABLE 2 (CONT'D):
CITY OF CHICO STREET FACILITY IMPROVEMENT FEE PROJECTS: LOCAL ROADWAY PROJECTS**

ID New	Local Projects	Start	End	Description	Estimated Cost of "Nexus" Improvement (Back-of-Curb to Back-of-Curb Improvements Only)	Portion of "Nexus" Improvement Included in Impact Fee	Project Identification Source	Project Need	In Current Nexus
626	Esplanade/DeGarmo Drive			New Traffic Signal	\$245,000	\$245,000	City Staff (warranted based on main street traffic volume)	Footnote #6	No
627	Esplanade/Henshaw			New Traffic Signal	\$245,000	\$245,000	City Staff (warranted) and prior nexus (#20)	Footnote #6	Yes
628	Esplanade/Rio Lindo			New Traffic Signal	\$210,000	\$210,000	City Staff (warranted) and prior nexus (#20)	Footnote #6	Yes
629	Humboldt/Notre Dame			New Traffic Signal	\$315,000	\$315,000	City Staff (school/road geometrics)	Footnote #6	No
630	Manzanita/Madrone			Roundabout (within existing ROW)	\$404,250	\$404,250	City Staff (School/Safety)	Footnote #6	No
631	Manzanita/Mariposa			Roundabout (within existing ROW)	\$1,910,000	\$1,910,000	City Staff (School/Safety) and prior nexus (#20)	Footnote #6	Yes
632	Park Avenue/MLK			Turn lane capacity expansion, storage length expansion, channelization improvements, pedestrian safety due to increased traffic volumes.	\$700,000	\$700,000	W-Trans Nexus Report (#18)	Footnote #6	No
633	Skyway/Carmichael Drive-Country Club			Turn lane capacity expansion, storage length expansion, channelization improvements, pedestrian safety due to increased traffic volumes.	\$250,000	\$250,000	W-Trans Nexus Report (#18)		No
634	Skyway/Potter Road			New Traffic Signal (Bike Trail)	\$250,000	\$250,000	City Staff (bike access) and prior nexus (#20)	Footnote #6	Yes
635	West Park Extension	Midway	Otterson Drive	Extension from Midway to Otterson Dr (Bridge at creek)	\$9,390,000		General Plan (#1, #2, #3)		
636	Eaton Rd/ Floral Ave			2-Lane Roundabout	\$1,620,000	\$1,620,000	City Staff	Footnote #6	No
637	Eaton Rd/ Ceanothus Ave			1-Lane Roundabout	\$1,160,000	\$1,160,000	City Staff	Footnote #6	No
638	Cohasset Rd Widening			Widen Roadway to include left turn lanes and flatten curves between and including Airpark Blvd, and Two Oaks Drive	\$3,700,000	\$3,700,000	City Staff	Footnote #1	No
639	No Project			No Project					
640	Otterson/Hegan			New Traffic Signal	\$320,000	\$320,000	City Staff	Footnote #6	No
641	East 20th St/ Notre Dame Blvd			New Traffic Signal	\$320,000	\$320,000	City Staff	Footnote #6	No
TOTAL COSTS					\$197,149,250	\$101,699,250			

* THE ESTIMATED COST INCLUDES IMPROVEMENTS BASED ON THE ROADWAYS OUTERMOST BACK-OF-CURB TO BACK-OF-CURB LIMITS.

Notes: Yellow highlights indicate projects with no Impact Fee funding propos

Source: City of Chico Engineering Department, Omni-Means/GHD

APPENDIX TABLE 1 AND 2 FOOTNOTES

#1. Baseline (“existing”) traffic modeling has indicated no need for improvements at the location; however, “projected” traffic volumes indicate the need for these improvements in order to maintain the level of service standards stipulated in the City’s General Plan.

#2. BCAG, Caltrans and the City have identified the need for improvements within this corridor for safety and community design reasons.

#3. A grade separation has been identified as a future need for community connectivity and safety.

#4. The General Plan and project specific studies (proposed land development and project studies) have indicated the need, as the City develops to the north, for improvements along Highway 99 north of Eaton to the City’s Planning Limits including an interchange for Garner and Esplanade. And, the need for a connection from Hicks Road north of Eaton to Highway 99 was also identified. These projects are seen as being quite expensive but they are not definitely scoped. This project is to initiate studies to scope these projects and develop the specific timeframe for implementation, along with a financial plan.

#5. The Caltrans, BCAG and the City have long identified the future need for a new interchange on Highway 99 at Southgate. This new interchange is not seen as needed at present; however project specific studies (a Caltrans PSR) indicate this need by the year 2040. The PSR scoped this project at a cost of \$165 million. This construction project is seen as too expensive for the City to expect development fees to fund. The proposed project would complete the environmental studies for this construction and develop a fiscal plan.

#6. These improvements are not warranted at present. However, it is expected that warrants for this intersection improvement project will be met by the year 2040.

APPENDIX B:

Preliminary Opinions of Cost

Cost Estimate Assumptions for
Local Agency Road Projects

Prepared for:
City of Chico

**COST ESTIMATE ASSUMPTIONS FOR
LOCAL AGENCY ROAD PROJECTS**

**Prepared for:
City of Chico**

General Assumptions

Freeway/Interchange Improvements

Freeway/ Interchange improvements are not part of these cost estimates as these Unit Costs are only for Local Agency Projects. All freeway/ interchange improvement projects have followed a separate estimating and procedure according to the Caltrans Project Development Procedures Manual.

Local Roadway Improvements

Local roadway improvements were measured from back of curb to back of curb, see discussion on unit costs for more information on how these individual items were calculated.

Signalized Intersections

Rather than perform a detailed analysis for all individual intersections within the study, a standard intersection configuration was assumed based on the number of lanes of the street and the cross street.

Bridge/ Structure Improvements

For the purposes of this study, bridges/structures are considered to start and end at the limits of the bridge railing feature.

Railroad grade separations are assumed to be 2400 feet in length. See discussion on unit costs for more information.

Unit Cost Evaluation

Five recent local projects bid by the City were analyzed in conjunction with recent Caltrans District 3 costs in order to choose a unit cost for an individual construction item. See discussion on unit costs for how these items were calculated. See the “Unit Cost Back-Up” table for the individual bids that were analyzed.

Specific to Caltrans data, Caltrans District 3 costs were pulled from the Caltrans Cost Database website (<http://sv08data.dot.ca.gov/contractcost/>) which searches historic bid data for Caltrans construction cost data for an individual construction item based on parameters chosen. All data was searched utilizing the Spring 2018 bids and/ or adjusted to today’s dollars based on the Caltrans Construction Cost Index. The most recent two years of contracts was utilized for an individual construction item wherever applicable. These costs were then supplemented with additional years and/ or districts as needed in order to ensure a minimum of five projects for estimating comparison/ trends. Outlying costs were also removed from the adjusted price analysis to ensure a low standard deviation for the ultimate weighted average cost utilized in the study.

Unit Cost Assumptions

General unit costs have been developed based on the level of detail included in this study in an effort to apply them unilaterally to the variety of projects the City may encounter. Wherever possible, easily measurable units of linear feet (LF) and areas have been used (SY=Square Yard; SF=Square Foot).

Item No. 1: Remove Signing and Pavement Markings (LF)

Costs from recent bid results in the City of Chico that were validated based on the Caltrans Cost Database for the District 3 list removing painted striping at approximately \$1.25/LF. Since most roads are approximately two lanes, this would require an approximate cost of \$3.75/LF (3 parallel stripes at \$1.25/LF). It is assumed that it is necessary to remove one sign per every 100 feet of work, at \$125 each, or \$1.25. The total cost is \$5/LF.

Item No. 2: Cold Plane AC Pavement (SY)

All new pavement is assumed to be placed between the edge of new improvements and 1 foot in from the existing edge of traveled way, or from the sawcut, to ensure a clean construction joint. This means that the area to be cold planed is assumed to be anything left over between the sawcut limits on each side of the road or between the sawcut and the existing median island/ edge of pavement. The area will be calculated based on the existing number of lanes, with an assumed lane width of 4 yards by the project length in yards. For roads where medians will be constructed, that area will not be included as part of the cold plane calculation as those will be treated differently. Cold Plane of AC Pavement is also not required on any structure. The recent costs for Cold Plane AC Pavement in the City of Chico, validated based on the Caltrans Cost Database, are around \$8/SY.

Item No. 3: Roadway Excavation (SF)

Recent bid results for both the City of Chico and Caltrans for larger projects showed a roadway excavation cost of around \$40/CY. Assuming a removal section depth of approximately 14" (4" AC over 10" AB), OR 0.4 yards, the resulting cost is \$16.00/SY or \$1.80/SF. Since it is also assumed that the cost for curb removal is included in the overall excavation cost, the assumed total cost is \$2/SF.

Item No. 4: Asphalt Concrete (2" Overlay w/ Fabric) (SF)

Area quantity for Hot Mix Asphalt (HMA) overlay with fabric is calculated using project length, number of existing lanes, and an assumed existing lane width of 12 feet on average. The areas where medians have/will be constructed are not included as part of the overlay calculation. Recent bid costs for HMA are in the magnitude of \$110/TON. Based on a 2" overlay, the total tonnage of HMA required is 0.012 TON/SF, which correlates to a total HMA cost of \$1.30/SF. Since the existing pavement may need additional strength to aid in the longevity of the overlay, it is assumed that a reinforcement fabric will also be added to all overlays, therefore making the total overlay cost equal to \$2/SF.

Item No. 5: New Pavement Section – 14" Full Depth AC (SF)

Recent bid costs for Hot Mix Asphalt (HMA) are in the magnitude of \$110/TON. Assuming 12' wide lanes and a full depth HMA section of 14", the resulting application rate is 0.09 TON/SF. The resulting cost is \$9.90/SF. In order to be conservative since HMA is such a volatile item, the estimated total cost is \$10/SF.

Item No. 6: Concrete Curb and Gutter (LF)

Recent bid costs indicate that the cost for a vertical curb and gutter is \$35/LF. Costs for this item do not include construction of median or median curb as those are taken care of separately since they are not part of every project.

Item No. 7: Median Curb and Decorative Concrete (LF)

It is assumed that a constructed median will include an average of 48" maintenance strip and/or decorative concrete infill along the length of the median island. Recent construction cost results for textured, colored, or scored concrete, indicate an approximate cost of \$45/LF. Recent bid results indicate a cost of \$27.50/LF for new median or vertical curb. With a new vertical curb and decorative concrete, the total cost per linear foot of median is \$100/LF. It is assumed that a median will be installed on 90% of the project length being estimated, 10% representing breaks for intersections.

Item No. 8: Median Landscaping (LF)

Median landscaping is assumed to be constructed along 90% of the total project length, since 10% of the project length represents the breaks for intersections. The assumed cost for the construction of median landscaping is \$10/SF. With an assumed average median landscaping width of 6 feet, the cost for construction of median landscaping is \$60/LF.

Item No. 9: Signing and Pavement Marking (LF)

Assuming an average roadway width of 4 lanes, cost per linear foot for this item includes the following:

- One new roadside sign installed per every 100LF of roadway work
- One relocated sign per every 100LF of roadway work
- Two lane line thermoplastic stripes
- Three turn lane thermoplastic stripes
- Two median delineation stripes
- Two edge of traveled way or bike lane stripes

The estimated unit cost of a new roadside sign, including post and panel, is \$400/EA. The estimated cost for a relocated sign is \$300/EA. Estimated striping costs end up being \$11/LF with 7 stripes at \$1.50/LF and 2 median stripes with reflectors totaling \$0.25/LF (reflectors \$5/EA at 24' on-center spacing). With all four of these costs combined, the total cost for this item is estimated at \$18/LF.

Item No. 10: Storm Drain System (LF)

It is assumed that all roadwork will include on average 1 manhole and 2 drainage inlets for every 300LF that will be connected by 100' of 12" Reinforced Concrete Pipe (RCP). The assumed cost for 12" RCP is \$150/LF, which makes the resulting cost for 12" RCP connections from and between the manholes and drainage inlets equal to \$15,000. The assumed cost for drainage inlets is \$3,000/EA, \$6,000 total. The assumed cost for a manhole is \$4,000/EA. Based on these assumptions, the estimated unit cost for the installation of new drainage facilities is \$80/LF.

Item No. 11: Structural Crossing (Bridge) (SF)

Based on an assumed standard cast-in-place box girder structure, one of the most commonly used structure types, the most recent Caltrans Comparative Bridge Costs spreadsheet shows a cost range of \$120-\$350/SF. Based on this, an estimated unit cost of \$240/SF was assumed.

Item No. 12: Railroad Grade Separation (EA)

Based on estimated construction costs for similar railroad separation projects, a unit cost of \$25,000,000 is assigned to each railroad grade separation and does not include approach embankments or roadway structure lengths as these are calculated via their individual roadway costs.

Item No. 13: Railroad Crossing (At-Grade) (EA)

A standard at-grade railroad crossing consists of the following minimum required safety devices per the Federal Railroad Administration Regulations, including but not limited to:

- Crossing gates on all approaches
- Cantilever structures with flashers and signage
- Advanced Warning Signs
- Rail Detection and Signaling

Based on similar projects, the average unit cost per at-grade crossing is assumed to be \$2,000,000.

Item No. 14: Traffic Handling and Stage Construction (LS)

Based on similar construction projects in the area an average unit cost of \$50,000 is assumed to cover traffic handling and required stage construction elements for the work.

Item No. 15: Street Lights (LF)

A typical cost for installation of a single street light is approximately \$8,000/EA. This includes the conduit, conductors, pull boxes, light fixture, pole, and foundation. Per City of Chico Standard Drawing SL-1, the maximum street light spacing is 150 LF for street widths of 60-68 feet or every 200 LF for 32-40 foot street width. It is assumed that a street light will be placed on both sides of the corridor every 200 LF, correlating to an assumed cost of \$80/LF.

Item No. 16: Signalized Intersection (New) (EA)

Based on similar projects, the cost of installation of a new signal includes: roadway excavation, new pavement, and median island work to account for the additional width of turning pockets and curb/ island improvements at the intersection location, and all equipment and loops/ detector systems; is assumed to be \$400,000 EA.

Item No. 17: Signalized Intersection (Modification) (EA)

Based on similar projects, the cost for modifying an existing signal includes: roadway excavation, new pavement, and median island work to account for the additional width of turning pockets and curb/ island improvements at the intersection location, and new signal equipment, and is assumed to be \$300,000 EA.

Item No. 18: Minor Items (% of Total Construction Items Above) (LS)

Based on Caltrans estimating guidance the total miscellaneous, or minor, items should never be more than 10% of the construction sub-total. Per this guidance, and since other minor items such as curbs and landscaping have already been accounted for, the minor items are assumed to be 5% of the construction sub-total.

Item No. 19 Contingency (% of Sub-Total Construction) (LS)

Based on Caltrans estimating guidance, a project at the Draft Project Report phase should have a contingency factor of 20%. However, per direction from the City, a construction phase contingency of 10% was applied.

Item No. 20: Right of Way Acquisition (SF)

A general assumption of approximately \$10/SF has been made for Right of Way acquisition costs based on similar projects.

Appendices

1. Unit Cost Back-Up

Appendix 1: Unit Cost Back-Up

Unit Cost Back-Up
Spring 2018

Item No.	Chico Bid	Chico Bid	Chico Bid	Chico Bid	Chico Bid	D3 Caltrans	Previous	Use	Remarks	
	12/15/2015	2/19/2016	5/11/2017	2/15/2018	3/27/2018	Spring 2018	2008	Spring 2018		
1	Remove Signing and Pavement Markings (LF)								\$ 5.00	
1a	Remove Traffic Stripe									
LF	\$ 1.50	\$ -	\$ 1.00	\$ -	\$ -	\$ 1.10	\$ 3.00	\$ 3.75	3 @ \$1.25/ LF = \$3.75	
1b	Remove Signing									
EA	\$ 150.00	\$ -	\$ -	\$ -	\$ -	\$ 110.00	\$ 100.00	\$ 1.25	\$125/100 LF = \$1.25	
2	Cold Plane AC Pavement (SY)								\$ 8.00	
SY	\$ 4.00	\$ -	\$ 3.00	\$ 10.00	\$ -	\$ 8.00	\$ 3.00	\$ 8.00		
3	Roadway Excavation (SF)								\$ 2.00	
CY	\$ 70.00	\$ -	\$ -	\$ -	\$ 45.00	\$ 40.00	\$ 20.00	\$ 40.00	\$40/CY @ 0.4 yards thick = \$1.80/SF	
4	Asphalt Concrete (2" Overlay w/ Fabric) (SF)								\$ 2.00	
4a	Asphalt Concrete (2" Overlay)									
Ton	\$ 125.00	\$ 180.00	\$ 82.00	\$ 93.00	\$ 112.00	\$ 110.00	\$ 90.00	\$ 1.30	\$110/TON @ (2" = 0.012 TON/SF) = \$1.30/SF	
4b	Pavement Reinforcement Fabric									
SQYD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3.00	\$ -	\$ 0.33	\$3/SY = \$0.33/SF	
5	New Pavement Section - 14" Full Depth AC (SF)								\$ 10.00	
Ton	\$ 125.00	\$ 180.00	\$ 82.00	\$ 93.00	\$ 112.00	\$ 110.00	\$ 90.00	\$ 110.00	\$110/TON @ (14" = 0.09 TON/SF) = \$9.90/SF	
6	Concrete Curb and Gutter (LF)								\$ 35.00	
LF	\$ 30.00	\$ 45.00	\$ 40.00	\$ 35.00	\$ 50.00	\$ 35.00	\$ 25.00	\$ 35.00	Assumed A2-6 curb (0.05903CY/LF) for CY conversion	
7	Median Curb and Decorative Concrete (LF)								\$ 60.00	
7a	Vertical Curb									
LF	\$ 15.00	\$ -	\$ -	\$ 30.00	\$ -	\$ 30.00	\$ 20.00	\$ 27.50	Assumed A1-6 curb multiplier(0.02585CY/LF) for CY conversion	
7b	Decorative Concrete									
LF	\$ 50.00	\$ -	\$ -	\$ -	\$ -	\$ 45.00	\$ 40.00	\$ 45.00	Assumed 4' wide	
8	Median Landscaping								\$ 60.00	
LF	\$ 70.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45.00	\$ 60.00	Assumed 6 feet wide @ \$10/SF	
9	Signing and Pavement Marking (LF)								\$ 18.00	
9a	Roadside Sign									
EA	\$ 260.00	\$ 300.00	\$ -	\$ -	\$ -	\$ 450.00	\$ 350.00	\$ 400.00	\$400/100 LF = \$4	
9b	Relocated Sign									
EA	\$ 250.00	\$ -	\$ -	\$ 350.00	\$ 300.00	\$ 200.00	\$ 250.00	\$ 300.00	\$300/100 LF = \$3	
9c	Thermoplastic Striping									
LF	\$ 0.75	\$ 1.50	\$ 1.25	\$ 1.50	\$ -	\$ 1.35	\$ 1.00	\$ 1.50	7 @ \$1.50 = \$11.00	
9d	Reflectors									
EA	\$ 3.00	\$ -	\$ -	\$ -	\$ -	\$ 4.50	\$ 5.00	\$ 5.00	\$5/EA at 24' O.C. = \$0.25/LF x 2 = \$0.50	
10	Storm Drain System (LF)								\$ 80.00	
10a	12" RCP									
LF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150.00	\$ 100.00	\$ 150.00	100 LF per system = \$15,000	
10b	Manhole									
LF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,000.00	\$ 3,000.00	\$ 4,000.00	1 Total per system	
10c	Drainage Structure									
LF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000.00	\$ 2,000.00	\$ 6,000.00	2 Total per system @ \$3,000 EA = \$6,000	
11	Structural Crossing (Bridge) (SF)								\$ 240.00	
SF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 240.00	\$ 200.00	\$ 240.00	Per the Caltrans Comparative Bridge Costs	
12	Railroad Grade Separation (EA)								\$ 25,000,000.00	
EA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000,000.00	\$ 25,000,000.00	Assume 25% cost increase	
13	Railroad Crossing (At Grade) (EA)								\$ 2,000,000.00	
EA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000.00	\$ 1,950,000.00	Assume 30% cost increase	
14	Traffic Handling and Stage Construction								\$ 50,000.00	
LS	\$ 150,000.00	\$ 20,000.00	\$ 40,000.00	\$ 40,000.00	\$ 30,000.00	\$ 100,000.00	\$ 50,000.00	\$ 50,000.00		
15	Street Lights (LF)								\$ 80.00	
EA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,000.00	\$ 5,000.00	\$ 8,000.00	2 lights every 200 LF = \$8000/(200/2) = \$80/LF Assumed 60% cost increase based on lighting cost trends	
16	Signalized Intersection (New) (EA)								\$ 400,000.00	
EA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000.00	\$ 375,000.00	Assume a 50% increase based on signal cost trends	
17	Signalized Intersection (Modification) (EA)								\$ 300,000.00	
EA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000.00	\$ 300,000.00	Assume a 50% increase based on signal cost trends	
18	Minor Items (% of Total Construction Items Above) (LS)									
%	0%	0%	0%	0%	0%	0%	0%	5%	Based on Caltrans estimating guidance.	
19	Contingency (% of Sub-Total Construction) (LS)									
%	0%	0%	0%	0%	0%	0%	0%	10%	Based on City of Chico guidance.	
20	Right of Way Acquisition (SF)								\$ 10.00	
SF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10.00	\$ 10.00	Based on similar projects in the area	

Note:
Costs chosen for discussion in the Unit Cost Assumptions write-up have been shown in **bold** text.



City of Chico
Update of Street Improvement Projects/Development Impact Fees
Nexus Fee Study Update



ROADWAY SEGMENT IMPROVEMENTS/FUTURE CONNECTIONS (LOCAL ROADS)

MAP ID. No.	FILE NAME	ROADWAY	ROADWAY SEGMENTS	EXISTING CONDITIONS	PROPOSED IMPROVEMENTS	Construction Costs (Back-of-Curb to Back-of-Curb Improvements Only)	Right of Way Costs	Non-Construction Support (35% of Construction)	Right of Way Support (20% of R/W)	ESTIMATED TOTAL COST (Back of Curb to Back of Curb/Ultimate R/W)	
601	C009	Bruce Road Reconstruct/Widenin	Skyway to SR 32	2 to 4-Lane Arterial	4-Lane Arterial w/ Median	\$ 14,307,498	\$ 1,640,000	\$ 5,007,624	\$ 328,000	\$ 21,290,000	
602	C010	Commerce Court Connection	Ivy St to Park Ave	2-Lane Collector	2-Lane Collector	\$ 935,229	\$ -	\$ 327,330	\$ -	\$ 1,270,000	
603	C011	East 20th St Reconstruction	Forest Ave to Bruce Rd	2 to 3-Lane Arterial	4-Lane Arterial w/ Median	\$ 2,307,348	\$ -	\$ 807,572	\$ -	\$ 3,120,000	
604	C003	Eaton Road	SR 32 to Catherine Ct	None	2-Lane Expressway	\$ 36,041,775	\$ 4,200,000	\$ 12,614,621	\$ 840,000	\$ 53,700,000	
605	C004	Eaton Road	Catherine Ct to Esplanade	2-Lane Arterial w/o median	4-Lane Arterial w/ Median	\$ 4,590,548	\$ -	\$ 1,606,692	\$ -	\$ 6,200,000	
606	C002	Eaton Road	Hicks Lane to Cohasset Road	2 to 3-Lane Arterial	4-Lane Arterial w/ Median	\$ 13,440,273	\$ 3,240,000	\$ 4,704,096	\$ 648,000	\$ 22,040,000	
607	C008	Eaton Road	Cohasset to Manzanita Ave	2 to 4-Lane Arterial	4-Lane Arterial w/ Median	\$ 10,063,720	\$ -	\$ 3,522,302	\$ -	\$ 13,590,000	
608	C016	Esplanade	W. Shasta Ave to Nord Hwy	2 to 4 Lane Arterial	4-Lane Arterial w/ Median	\$ 4,784,960	\$ -	\$ 1,674,736	\$ -	\$ 6,460,000	
609	C012	Mariposa Ave	Glenshire Ln to Eaton Rd	2-Lane Collector	2-Lane Collector	\$ 1,139,922	\$ 270,000	\$ 365,725	\$ 54,000	\$ 1,740,000	
610	100%	Esplanade	Memorial Way to W. 11th Ave	Varies	Capacity Improvements (Misc)					\$ 7,200,000	
611	C013	Fair St / Park Ave Connection	Fair St to Park Ave	None	2-Lane Collector	\$ 552,552	\$ 180,000	\$ 193,393	\$ 36,000	\$ 970,000	
612	C005	Holly Ave / Warner Ave Connecti	Capshaw Ct to Fuchsia Way	None	2-Lane Collector	\$ 1,322,496	\$ 784,000	\$ 424,301	\$ 156,800	\$ 2,580,000	
613	C006	Ivy Street	Hazel St to Myers St	None	2-Lane Collector	\$ 3,488,562	\$ 2,016,000	\$ 1,220,997	\$ 403,200	\$ 7,130,000	
614	C007	Yosemite Dr	SR 32 to Humboldt Road	None	2-Lane Collector	\$ 3,881,840	\$ 476,000	\$ 1,358,644	\$ 95,200	\$ 5,820,000	
615	C014	Notre Dame Blvd Connection	Little Chico Creek to East 20th St	2-Lane Arterial	2-Lane Arterial w/ Median	\$ 5,812,191	\$ -	\$ 2,034,267	\$ -	\$ 7,850,000	
616	C015	Silver Dollar Way Extension	MLK Pkwy to Fair St	2-Lane Collector	2-Lane Collector	\$ 1,797,514	\$ 270,000	\$ 629,130	\$ 54,000	\$ 2,760,000	
617	C017	Midway	Hegan Ln to Park Ave	3 to 4 Lane Arterial	4-Lane Arterial w/ Median	\$ 3,714,032	\$ 880,000	\$ 1,191,585	\$ 176,000	\$ 5,660,000	
618	100%	Skyway Capacity Improvements	SR 99 to Bruce Rd	4 to 6 Lane Arterial	Capacity Improvements					\$ 4,000,000	
619	100%	Bruce Road/Humboldt Road			New Traffic Signal					\$ 350,000	
620	100%	Bruce Road/Sierra Sunrise Terrac			New Traffic Signal					\$ 280,000	
621	100%	East 1st Avenue/Mangrove Avenue	Turn lane capacity expansion, storage length expansion, channelization improvements, pedestrian safety due to increased traffic volumes.							\$ 250,000	
622	100%	East 20th Street/MLK	Intersection capacity and queuing storage enhancements consistent with adjacent interchange improvements.							\$ 1,000,000	
623	100%	East Avenue/Cactus			New Traffic Signal					\$ 350,000	
624	100%	East Avenue/Cohasset Road	Turn lane capacity expansion, storage length expansion, channelization improvements, pedestrian safety due to increased traffic volumes.							\$ 250,000	
625	100%	East Avenue/Esplanade	Turn lane capacity expansion, storage length expansion, channelization improvements, pedestrian safety due to increased traffic volumes.							\$ 250,000	
626	100%	Esplanade/DeGarmo Drive			New Traffic Signal					\$ 245,000	
627	100%	Esplanade/Henshaw			New Traffic Signal					\$ 210,000	
628	100%	Esplanade/Rio Lindo			New Traffic Signal					\$ 315,000	
629	100%	Humboldt/Notre Dame			New Traffic Signal					\$ 404,250	
630	100%	Manzanita Ave/Mariposa Longfellow Ave			1-Lane Roundabout	\$ 1,410,590	\$ -	\$ 493,706	\$ -	\$ 1,910,000	
631	C029	Manzanita/Madrone			Roundabout (within existing ROW)					\$ -	
632	100%	Park Avenue/MLK	Turn lane capacity expansion, storage length expansion, channelization improvements, pedestrian safety due to increased traffic volumes.							\$ 250,000	
633	100%	Skyway/Carmichael Drive-Country Club	Turn lane capacity expansion, storage length expansion, channelization improvements, pedestrian safety due to increased traffic volumes.							\$ 250,000	
634	100%	Skyway/Potter Road			New Traffic Signal (Bike Trail)					\$ 250,000	
635	C021	West Park Ave Extension	Midway to Otterson Dr	None	2-Lane Collector	\$ 5,657,652	\$ 1,456,000	\$ 1,980,178	\$ 291,200	\$ 9,390,000	
636	C030	Eaton Rd/Floral Ave			2-Lane Roundabout	\$ 1,145,818	\$ 57,000	\$ 401,036	\$ 11,400	\$ 1,620,000	
637	C031	Eaton Rd/Ceanothus Ave			1-Lane Roundabout	\$ 852,448	\$ 6,500	\$ 298,357	\$ 1,300	\$ 1,160,000	
638	C035	Cohasset Rd	600' n. of Two Oaks Dr to Ryan Ave		Realignment/New LTLs	\$ 2,379,384	\$ 625,000	\$ 763,386	\$ 3,506,813	\$ 3,700,000	
639	C034	Cohasset Rd/Airpark Blvd (no Project)			1-Lane Roundabout	\$ -	\$ -	\$ -	\$ -	\$ -	
640	100%	Otterson/Hegan			New Traffic Signal					\$ 320,000	
641	100%	East 20th St/Notre Dame Blvd			New Traffic Signal					\$ 320,000	
ROADWAY SEGMENT IMPROVEMENTS/FUTURE CONNECTIONS (LOCAL ROADS)						\$ 119,626,350	\$ 16,100,500	\$ 41,619,677	\$ 6,601,913	\$ -	\$ 197,154,250



PRELIMINARY OPINION OF COST
 (Back-of-Curb to Back-of-Curb Improvements Only)

Improvement: New 4-Lane Arterial and Median (Total Reconstruction)



Google Image dated 4-15-2015

COST BREAKDOWN

PROJECT LENGTH (ft): **8,100**

No.	Item Description	Quantity	Units	Unit Cost	Sub-Total Cost	Estimated Total Cost
1	Remove Signing and Pavement Markings	8,100	LF	\$5.00	\$40,500	
2	Cold Plane AC Pavement	0	SY	\$8.00	\$0	
3	Roadway Excavation	623,700	SF	\$2.00	\$1,247,400	
4	Asphalt Concrete (2" Overlay with Fabric)	0	SF	\$2.00	\$0	
5	New Pavement Section - 14" Full Depth AC	486,000	SF	\$10.00	\$4,860,000	
6	Concrete Curb and Gutter	14,580	LF	\$35.00	\$510,300	
7	Median Curb and Decorative Concrete	14,580	LF	\$100.00	\$1,458,000	
8	Median Landscaping	7,290	LF	\$60.00	\$437,400	
9	Signing and Pavement Marking	8,100	LF	\$18.00	\$145,800	
10	Storm Drain System	8,100	LF	\$80.00	\$648,000	
11	Structural Crossing (Bridge)	6,630	SF	\$240.00	\$1,591,200	
12	Railroad Grade Separation	0	EA	\$25,000,000.00	\$0	
13	Railroad Crossing (At-Grade)	0	EA	\$2,000,000.00	\$0	
14	Traffic Handling and Stage Construction	1	LS	\$50,000.00	\$50,000	
15	Street Lights	8,100	LF	\$80.00	\$648,000	
16	Signalize Intersection (New)	0	EA	\$400,000.00	\$0	
17	Signalize Intersection (Modification)	0	EA	\$300,000.00	\$0	
18	Minor Items (% of Total Construction Items Above)		LS	5%	\$581,830	
	Sub-Total Construction				\$12,218,430	
19	Contingency (% of Sub-Total Construction)		LS	10%	\$1,221,843	
	Total Construction				\$13,440,273	\$13,440,273
20	Right of Way Acquisition	324,000	SF	\$10.00	\$3,240,000	
	Total Right of Way				\$3,240,000	\$3,240,000
	TOTAL CONSTRUCTION & R/W				\$16,680,273	
21	PS&E, CM, PW Direct Charges (% of Total Construction)					
	Local Roadways			35%	\$4,704,096	\$4,704,096
22	R/W Contingency, Appraisals & Negotiations (% of Total Right of Way)					
	Local Roadways			20%	\$648,000	\$648,000
	TOTAL PROJECT				\$22,032,369	\$22,032,369



PRELIMINARY OPINION OF COST
(Back-of-Curb to Back-of-Curb Improvements Only)

Improvement: New 2-Lane Arterial with Median



COST BREAKDOWN

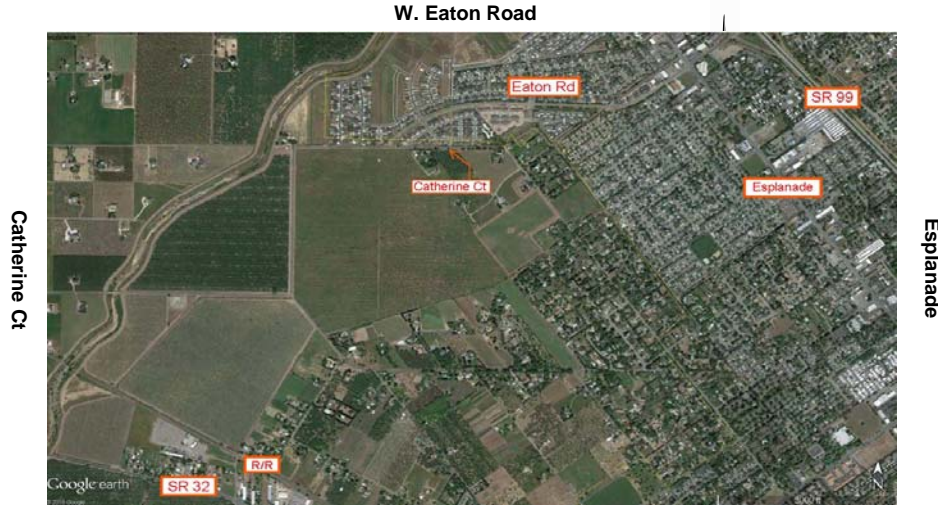
PROJECT LENGTH (ft): 7,500

No.	Item Description	Quantity	Units	Unit Cost	Sub-Total Cost	Estimated Total Cost
1	Remove Signing and Pavement Markings	0	LF	\$5.00	\$0	
2	Cold Plane AC Pavement	0	SY	\$8.00	\$0	
3	Roadway Excavation	397,500	SF	\$2.00	\$795,000	
4	Asphalt Concrete (2" Overlay with Fabric)	0	SF	\$2.00	\$0	
5	New Pavement Section - 14" Full Depth AC	270,000	SF	\$10.00	\$2,700,000	
6	Concrete Curb and Gutter	15,000	LF	\$35.00	\$525,000	
7	Median Curb and Decorative Concrete	0	LF	\$100.00	\$0	
8	Median Landscaping	0	LF	\$60.00	\$0	
9	Signing and Pavement Marking	7,500	LF	\$18.00	\$135,000	
10	Storm Drain System	7,500	LF	\$80.00	\$600,000	
11	Structural Crossing (Bridge)	0	SF	\$240.00	\$0	
12	Railroad Grade Separation	1	EA	\$25,000,000.00	\$25,000,000	
13	Railroad Crossing (At-Grade)	0	EA	\$2,000,000.00	\$0	
14	Traffic Handling and Stage Construction	1	LS	\$50,000.00	\$50,000	
15	Street Lights	7,500	LF	\$80.00	\$600,000	
16	Signalize Intersection (New)	2	EA	\$400,000.00	\$800,000	
17	Signalize Intersection (Modification)	0	EA	\$300,000.00	\$0	
18	Minor Items (% of Total Construction Items Above)		LS	5%	\$1,560,250	
	Sub-Total Construction				\$32,765,250	
19	Contingency (% of Sub-Total Construction)		LS	10%	\$3,276,525	
	Total Construction				\$36,041,775	\$36,041,775
20	Right of Way Acquisition	420,000	SF	\$10.00	\$4,200,000	
	Total Right of Way				\$4,200,000	\$4,200,000
	TOTAL CONSTRUCTION & R/W				\$40,241,775	
21	PS&E, CM, PW Direct Charges (% of Total Construction)					
	Local Roadways			35%	\$12,614,621	\$12,614,621
22	R/W Contingency, Appraisals & Negotiations (% of Total Right of Way)					
	Local Roadways			20%	\$840,000	\$840,000
	TOTAL PROJECT				\$53,696,396	\$53,696,396



PRELIMINARY OPINION OF COST
(Back-of-Curb to Back-of-Curb Improvements Only)

Improvement: Widen to 4-Lane Arterial with Median



COST BREAKDOWN

PROJECT LENGTH (ft): 5,500

No.	Item Description	Quantity	Units	Unit Cost	Sub-Total Cost	Estimated Total Cost
1	Remove Signing and Pavement Markings	5,500	LF	\$5.00	\$27,500	
2	Cold Plane AC Pavement	0	SY	\$8.00	\$0	
3	Roadway Excavation	211,750	SF	\$2.00	\$423,500	
4	Asphalt Concrete (2" Overlay with Fabric)	0	SF	\$2.00	\$0	
5	New Pavement Section - 14" Full Depth AC	165,000	SF	\$10.00	\$1,650,000	
6	Concrete Curb and Gutter	5,500	LF	\$35.00	\$192,500	
7	Median Curb and Decorative Concrete	4,950	LF	\$100.00	\$495,000	
8	Median Landscaping	4,950	LF	\$60.00	\$297,000	
9	Signing and Pavement Marking	5,500	LF	\$18.00	\$99,000	
10	Storm Drain System	0	LF	\$80.00	\$0	
11	Structural Crossing (Bridge)	0	SF	\$240.00	\$0	
12	Railroad Grade Separation	0	EA	\$25,000,000.00	\$0	
13	Railroad Crossing (At-Grade)	0	EA	\$2,000,000.00	\$0	
14	Traffic Handling and Stage Construction	1	LS	\$50,000.00	\$50,000	
15	Street Lights	5,500	LF	\$80.00	\$440,000	
16	Signalize Intersection (New)	0	EA	\$400,000.00	\$0	
17	Signalize Intersection (Modification)	1	EA	\$300,000.00	\$300,000	
18	Minor Items (% of Total Construction Items Above)		LS	5%	\$198,725	
	Sub-Total Construction				\$4,173,225	
19	Contingency (% of Sub-Total Construction)		LS	10%	\$417,323	
	Total Construction				\$4,590,548	\$4,590,548
20	Right of Way Acquisition	0	SF	\$10.00	\$0	
	Total Right of Way				\$0	\$0
	TOTAL CONSTRUCTION & R/W				\$4,590,548	
21	PS&E, CM, PW Direct Charges (% of Total Construction)					
	Local Roadways			35%	\$1,606,692	\$1,606,692
22	R/W Contingency, Appraisals & Negotiations (% of Total Right of Way)					
	Local Roadways			20%	\$0	\$0
	TOTAL PROJECT				\$6,197,239	\$6,197,239



PRELIMINARY OPINION OF COST
 (Back-of-Curb to Back-of-Curb Improvements Only)

Improvement: New 2-Lane Collector



COST BREAKDOWN

PROJECT LENGTH (ft): **1,400**

No.	Item Description	Quantity	Units	Unit Cost	Sub-Total Cost	Estimated Total Cost
1	Remove Signing and Pavement Markings	0	LF	\$5.00	\$0	
2	Cold Plane AC Pavement	0	SY	\$8.00	\$0	
3	Roadway Excavation	74,200	SF	\$2.00	\$148,400	
4	Asphalt Concrete (2" Overlay with Fabric)	0	SF	\$2.00	\$0	
5	New Pavement Section - 14" Full Depth AC	50,400	SF	\$10.00	\$504,000	
6	Concrete Curb and Gutter	2,800	LF	\$35.00	\$98,000	
7	Median Curb and Decorative Concrete	0	LF	\$100.00	\$0	
8	Median Landscaping	0	LF	\$60.00	\$0	
9	Signing and Pavement Marking	1,400	LF	\$18.00	\$25,200	
10	Storm Drain System	1,400	LF	\$80.00	\$112,000	
11	Structural Crossing (Bridge)	0	SF	\$240.00	\$0	
12	Railroad Grade Separation	0	EA	\$25,000,000.00	\$0	
13	Railroad Crossing (At-Grade)	0	EA	\$2,000,000.00	\$0	
14	Traffic Handling and Stage Construction	1	LS	\$50,000.00	\$50,000	
15	Street Lights	1,400	LF	\$80.00	\$112,000	
16	Signalize Intersection (New)	0	EA	\$400,000.00	\$0	
17	Signalize Intersection (Modification)	0	EA	\$300,000.00	\$0	
18	Minor Items (% of Total Construction Items Above)		LS	5%	\$52,480	
	Sub-Total Construction				\$1,102,080	
19	Contingency (% of Sub-Total Construction)		LS	10%	\$110,208	
	Total Construction				\$1,212,288	\$1,212,288
20	Right of Way Acquisition	78,400	SF	\$10.00	\$784,000	
	Total Right of Way				\$784,000	\$784,000
	TOTAL CONSTRUCTION & R/W				\$1,996,288	
21	PS&E, CM, PW Direct Charges (% of Total Construction)					
	Local Roadways			35%	\$424,301	\$424,301
22	R/W Contingency, Appraisals & Negotiations (% of Total Right of Way)					
	Local Roadways			20%	\$156,800	\$156,800
	TOTAL PROJECT				\$2,577,389	\$2,577,389



PRELIMINARY OPINION OF COST
 (Back-of-Curb to Back-of-Curb Improvements Only)

Improvement: New 2-Lane Collector

Ivy St

Hazel St



Myers St

COST BREAKDOWN

PROJECT LENGTH (ft): 3,600

No.	Item Description	Quantity	Units	Unit Cost	Sub-Total Cost	Estimated Total Cost
1	Remove Signing and Pavement Markings	0	LF	\$5.00	\$0	
2	Cold Plane AC Pavement	0	SY	\$8.00	\$0	
3	Roadway Excavation	190,800	SF	\$2.00	\$381,600	
4	Asphalt Concrete (2" Overlay with Fabric)	0	SF	\$2.00	\$0	
5	New Pavement Section - 14" Full Depth AC	129,600	SF	\$10.00	\$1,296,000	
6	Concrete Curb and Gutter	7,200	LF	\$35.00	\$252,000	
7	Median Curb and Decorative Concrete	0	LF	\$100.00	\$0	
8	Median Landscaping	0	LF	\$60.00	\$0	
9	Signing and Pavement Marking	3,600	LF	\$18.00	\$64,800	
10	Storm Drain System	3,600	LF	\$80.00	\$288,000	
11	Structural Crossing (Bridge)	0	SF	\$240.00	\$0	
12	Railroad Grade Separation	0	EA	\$25,000,000.00	\$0	
13	Railroad Crossing (At-Grade)	0	EA	\$2,000,000.00	\$0	
14	Traffic Handling and Stage Construction	1	LS	\$50,000.00	\$50,000	
15	Street Lights	3,600	LF	\$80.00	\$288,000	
16	Signalize Intersection (New)	1	EA	\$400,000.00	\$400,000	
17	Signalize Intersection (Modification)	0	EA	\$300,000.00	\$0	
18	Minor Items (% of Total Construction Items Above)		LS	5%	\$151,020	
	Sub-Total Construction				\$3,171,420	
19	Contingency (% of Sub-Total Construction)		LS	10%	\$317,142	
	Total Construction				\$3,488,562	\$3,488,562
20	Right of Way Acquisition	201,600	SF	\$10.00	\$2,016,000	
	Total Right of Way				\$2,016,000	\$2,016,000
	TOTAL CONSTRUCTION & R/W				\$5,504,562	
21	PS&E, CM, PW Direct Charges (% of Total Construction)					
	Local Roadways			35%	\$1,220,997	\$1,220,997
22	R/W Contingency, Appraisals & Negotiations (% of Total Right of Way)					
	Local Roadways			20%	\$403,200	\$403,200
	TOTAL PROJECT				\$7,128,759	\$7,128,759



PRELIMINARY OPINION OF COST
(Back-of-Curb to Back-of-Curb Improvements Only)

Improvement: New 2-Lane Collector

Yosemite Dr



COST BREAKDOWN

PROJECT LENGTH (ft): 850

No.	Item Description	Quantity	Units	Unit Cost	Sub-Total Cost	Estimated Total Cost
1	Remove Signing and Pavement Markings	0	LF	\$5.00	\$0	
2	Cold Plane AC Pavement	0	SY	\$8.00	\$0	
3	Roadway Excavation	45,050	SF	\$2.00	\$90,100	
4	Asphalt Concrete (2" Overlay with Fabric)	0	SF	\$2.00	\$0	
5	New Pavement Section - 14" Full Depth AC	30,600	SF	\$10.00	\$306,000	
6	Concrete Curb and Gutter	1,700	LF	\$35.00	\$59,500	
7	Median Curb and Decorative Concrete	0	LF	\$100.00	\$0	
8	Median Landscaping	0	LF	\$60.00	\$0	
9	Signing and Pavement Marking	850	LF	\$18.00	\$15,300	
10	Storm Drain System	850	LF	\$80.00	\$68,000	
11	Structural Crossing (Bridge)	9,600	SF	\$240.00	\$2,304,000	
12	Railroad Grade Separation	0	EA	\$25,000,000.00	\$0	
13	Railroad Crossing (At-Grade)	0	EA	\$2,000,000.00	\$0	
14	Traffic Handling and Stage Construction	1	LS	\$50,000.00	\$50,000	
15	Street Lights	850	LF	\$80.00	\$68,000	
16	Signalize Intersection (New)	1	EA	\$400,000.00	\$400,000	
17	Signalize Intersection (Modification)	0	EA	\$300,000.00	\$0	
18	Minor Items (% of Total Construction Items Above)		LS	5%	\$168,045	
	Sub-Total Construction				\$3,528,945	
19	Contingency (% of Sub-Total Construction)		LS	10%	\$352,895	
	Total Construction				\$3,881,840	\$3,881,840
20	Right of Way Acquisition	47,600	SF	\$10.00	\$476,000	
	Total Right of Way				\$476,000	\$476,000
	TOTAL CONSTRUCTION & R/W				\$4,357,840	
21	PS&E, CM, PW Direct Charges (% of Total Construction)					
	Local Roadways			35%	\$1,358,644	\$1,358,644
22	R/W Contingency, Appraisals & Negotiations (% of Total Right of Way)					
	Local Roadways			20%	\$95,200	\$95,200
	TOTAL PROJECT				\$5,811,683	\$5,811,683



PRELIMINARY OPINION OF COST
(Back-of-Curb to Back-of-Curb Improvements Only)

Improvement: Widen to 4-Lane Arterial with Median/Overlay Exist



Google Image dated 4-15-2015

COST BREAKDOWN

PROJECT LENGTH (ft): **13,300**

No.	Item Description	Quantity	Units	Unit Cost	Sub-Total Cost	Estimated Total Cost
1	Remove Signing and Pavement Markings	6,600	LF	\$5.00	\$33,000	\$217,800,000.00
2	Cold Plane AC Pavement	3,022	SY	\$8.00	\$24,178	
3	Roadway Excavation	523,600	SF	\$2.00	\$1,047,200	
4	Asphalt Concrete (2" Overlay with Fabric)	98,400	SF	\$2.00	\$196,800	
5	New Pavement Section - 14" Full Depth AC	387,800	SF	\$10.00	\$3,878,000	
6	Concrete Curb and Gutter	17,600	LF	\$35.00	\$616,000	
7	Median Curb and Decorative Concrete	9,000	LF	\$100.00	\$900,000	
8	Median Landscaping	9,000	LF	\$60.00	\$540,000	
9	Signing and Pavement Marking	12,800	LF	\$18.00	\$230,400	
10	Storm Drain System	7,500	LF	\$80.00	\$600,000	
11	Structural Crossing (Bridge)	0	SF	\$240.00	\$0	
12	Railroad Grade Separation	0	EA	\$25,000,000.00	\$0	
13	Railroad Crossing (At-Grade)	0	EA	\$2,000,000.00	\$0	
14	Traffic Handling and Stage Construction	7	LS	\$50,000.00	\$350,000	
15	Street Lights	3,720	LF	\$80.00	\$297,600	
16	Signalize Intersection (New)	0	EA	\$400,000.00	\$0	
17	Signalize Intersection (Modification)	0	EA	\$300,000.00	\$0	
18	Minor Items (% of Total Construction Items Above)		LS	5%	\$435,659	
	Sub-Total Construction				\$9,148,837	
19	Contingency (% of Sub-Total Construction)		LS	10%	\$914,884	
	Total Construction				\$10,063,720	\$10,063,720
20	Right of Way Acquisition	0	SF	\$10.00	\$0	
	Total Right of Way				\$0	\$0
	TOTAL CONSTRUCTION & R/W				\$10,063,720	
21	PS&E, CM, PW Direct Charges (% of Total Construction)					
	Local Roadways			35%	\$3,522,302	\$3,522,302
22	R/W Contingency, Appraisals & Negotiations (% of Total Right of Way)					
	Local Roadways			20%	\$0	\$0
	TOTAL PROJECT				\$13,586,022	\$13,586,022



PRELIMINARY OPINION OF COST
(Back-of-Curb to Back-of-Curb Improvements Only)

Improvement: Widen to 4-Lane Arterial with Median/Overlay Exist

Bruce RD



COST BREAKDOWN

PROJECT LENGTH (ft): **10,900**

No.	Item Description	Quantity	Units	Unit Cost	Sub-Total Cost	Estimated Total Cost
1	Remove Signing and Pavement Markings	9,600	LF	\$5.00	\$48,000	
2	Cold Plane AC Pavement	1,556	SY	\$8.00	\$12,444	
3	Roadway Excavation	622,950	SF	\$2.00	\$1,245,900	
4	Asphalt Concrete (2" Overlay with Fabric)	186,600	SF	\$2.00	\$373,200	
5	New Pavement Section - 14" Full Depth AC	467,400	SF	\$10.00	\$4,674,000	
6	Concrete Curb and Gutter	18,300	LF	\$35.00	\$640,500	
7	Median Curb and Decorative Concrete	9,690	LF	\$100.00	\$969,000	
8	Median Landscaping	9,690	LF	\$60.00	\$581,400	
9	Signing and Pavement Marking	10,500	LF	\$18.00	\$189,000	
10	Storm Drain System	9,150	LF	\$80.00	\$732,000	
11	Structural Crossing (Bridge)	5,600	SF	\$240.00	\$1,344,000	
12	Railroad Grade Separation	0	EA	\$25,000,000.00	\$0	
13	Railroad Crossing (At-Grade)	0	EA	\$2,000,000.00	\$0	
14	Traffic Handling and Stage Construction	5	LS	\$50,000.00	\$250,000	
15	Street Lights	9,100	LF	\$80.00	\$728,000	
16	Signalize Intersection (New)	0	EA	\$400,000.00	\$0	
17	Signalize Intersection (Modification)	2	EA	\$300,000.00	\$600,000	
18	Minor Items (% of Total Construction Items Above)		LS	5%	\$619,372	
	Sub-Total Construction				\$13,006,817	
19	Contingency (% of Sub-Total Construction)		LS	10%	\$1,300,682	
	Total Construction				\$14,307,498	\$14,307,498
20	Right of Way Acquisition	164,000	SF	\$10.00	\$1,640,000	
	Total Right of Way				\$1,640,000	\$1,640,000
	TOTAL CONSTRUCTION & R/W				\$15,947,498	
21	PS&E, CM, PW Direct Charges (% of Total Construction)					
	Local Roadways			35%	\$5,007,624	\$5,007,624
22	R/W Contingency, Appraisals & Negotiations (% of Total Right of Way)					
	Local Roadways			20%	\$328,000	\$328,000
	TOTAL PROJECT				\$21,283,123	\$21,283,123



PRELIMINARY OPINION OF COST
(Back-of-Curb to Back-of-Curb Improvements Only)

Improvement: Improve to 2-Lane Collector/Overlay Exist



COST BREAKDOWN

PROJECT LENGTH (ft): **1,700**

No.	Item Description	Quantity	Units	Unit Cost	Sub-Total Cost	Estimated Total Cost
1	Remove Signing and Pavement Markings	1,700	LF	\$5.00	\$8,500	
2	Cold Plane AC Pavement	978	SY	\$8.00	\$7,822	
3	Roadway Excavation	41,400	SF	\$2.00	\$82,800	
4	Asphalt Concrete (2" Overlay with Fabric)	56,000	SF	\$2.00	\$112,000	
5	New Pavement Section - 14" Full Depth AC	31,200	SF	\$10.00	\$312,000	
6	Concrete Curb and Gutter	1,200	LF	\$35.00	\$42,000	
7	Median Curb and Decorative Concrete	0	LF	\$100.00	\$0	
8	Median Landscaping	0	LF	\$60.00	\$0	
9	Signing and Pavement Marking	1,700	LF	\$18.00	\$30,600	
10	Storm Drain System	600	LF	\$80.00	\$48,000	
11	Structural Crossing (Bridge)	0	SF	\$240.00	\$0	
12	Railroad Grade Separation	0	EA	\$25,000,000.00	\$0	
13	Railroad Crossing (At-Grade)	0	EA	\$2,000,000.00	\$0	
14	Traffic Handling and Stage Construction	1	LS	\$50,000.00	\$50,000	
15	Street Lights	1,450	LF	\$80.00	\$116,000	
16	Signalize Intersection (New)	0	EA	\$400,000.00	\$0	
17	Signalize Intersection (Modification)	0	EA	\$300,000.00	\$0	
18	Minor Items (% of Total Construction Items Above)		LS	5%	\$40,486	
	Sub-Total Construction				\$850,208	
19	Contingency (% of Sub-Total Construction)		LS	10%	\$85,021	
	Total Construction				\$935,229	\$935,229
20	Right of Way Acquisition	0	SF	\$10.00	\$0	
	Total Right of Way				\$0	\$0
	TOTAL CONSTRUCTION & R/W				\$935,229	
21	PS&E, CM, PW Direct Charges (% of Total Construction)					
	Local Roadways			35%	\$327,330	\$327,330
22	R/W Contingency, Appraisals & Negotiations (% of Total Right of Way)					
	Local Roadways			20%	\$0	\$0
	TOTAL PROJECT				\$1,262,559	\$1,262,559



PRELIMINARY OPINION OF COST

(Back-of-Curb to Back-of-Curb Improvements Only)

Improvement: Improve to 4-Lane Arterial w/ Median/Overlay Exist

E. 20th St



COST BREAKDOWN

PROJECT LENGTH (ft): **4,100**

No.	Item Description	Quantity	Units	Unit Cost	Sub-Total Cost	Estimated Total Cost
1	Remove Signing and Pavement Markings	4,100	LF	\$5.00	\$20,500	
2	Cold Plane AC Pavement	1,911	SY	\$8.00	\$15,289	
3	Roadway Excavation	103,350	SF	\$2.00	\$206,700	
4	Asphalt Concrete (2" Overlay with Fabric)	184,400	SF	\$2.00	\$368,800	
5	New Pavement Section - 14" Full Depth AC	70,200	SF	\$10.00	\$702,000	
6	Concrete Curb and Gutter	3,900	LF	\$35.00	\$136,500	
7	Median Curb and Decorative Concrete	0	LF	\$100.00	\$0	
8	Median Landscaping	0	LF	\$60.00	\$0	
9	Signing and Pavement Marking	4,100	LF	\$18.00	\$73,800	
10	Storm Drain System	2,800	LF	\$80.00	\$224,000	
11	Structural Crossing (Bridge)	0	SF	\$240.00	\$0	
12	Railroad Grade Separation	0	EA	\$25,000,000.00	\$0	
13	Railroad Crossing (At-Grade)	0	EA	\$2,000,000.00	\$0	
14	Traffic Handling and Stage Construction	1	LS	\$50,000.00	\$50,000	
15	Street Lights	0	LF	\$80.00	\$0	
16	Signalize Intersection (New)	0	EA	\$400,000.00	\$0	
17	Signalize Intersection (Modification)	1	EA	\$300,000.00	\$300,000	
18	Minor Items (% of Total Construction Items Above)		LS	5%	\$104,879	
	Sub-Total Construction				\$2,097,589	
19	Contingency (% of Sub-Total Construction)		LS	10%	\$209,759	
	Total Construction				\$2,307,348	\$2,307,348
20	Right of Way Acquisition	0	SF	\$10.00	\$0	
	Total Right of Way				\$0	\$0
	TOTAL CONSTRUCTION & R/W				\$2,307,348	
21	PS&E, CM, PW Direct Charges (% of Total Construction)					
	Local Roadways			35%	\$807,572	\$807,572
22	R/W Contingency, Appraisals & Negotiations (% of Total Right of Way)					
	Local Roadways			20%	\$0	\$0
	TOTAL PROJECT				\$3,114,920	\$3,114,920



PRELIMINARY OPINION OF COST
 (Back-of-Curb to Back-of-Curb Improvements Only)

Improvement: Improve to 2-Lane Collector

Mariposa Ave



COST BREAKDOWN

PROJECT LENGTH (ft): 1,100

No.	Item Description	Quantity	Units	Unit Cost	Sub-Total Cost	Estimated Total Cost
1	Remove Signing and Pavement Markings	1,100	LF	\$5.00	\$5,500	
2	Cold Plane AC Pavement	0	SY	\$8.00	\$0	
3	Roadway Excavation	47,700	SF	\$2.00	\$95,400	
4	Asphalt Concrete (2" Overlay with Fabric)	0	SF	\$2.00	\$0	
5	New Pavement Section - 14" Full Depth AC	32,400	SF	\$10.00	\$324,000	
6	Concrete Curb and Gutter	1,800	LF	\$35.00	\$63,000	
7	Median Curb and Decorative Concrete	0	LF	\$100.00	\$0	
8	Median Landscaping	0	LF	\$60.00	\$0	
9	Signing and Pavement Marking	1,100	LF	\$18.00	\$19,800	
10	Storm Drain System	0	LF	\$80.00	\$0	
11	Structural Crossing (Bridge)	0	SF	\$240.00	\$0	
12	Railroad Grade Separation	0	EA	\$25,000,000.00	\$0	
13	Railroad Crossing (At-Grade)	0	EA	\$2,000,000.00	\$0	
14	Traffic Handling and Stage Construction	0.5	LS	\$50,000.00	\$25,000	
15	Street Lights	900	LF	\$80.00	\$72,000	
16	Signalize Intersection (New)	0	EA	\$400,000.00	\$0	
17	Signalize Intersection (Modification)	1	EA	\$300,000.00	\$300,000	
18	Minor Items (% of Total Construction Items Above)		LS	5%	\$45,235	
	Sub-Total Construction				\$949,935	
19	Contingency (% of Sub-Total Construction)		LS	10%	\$94,994	
	Total Construction				\$1,044,929	\$1,044,929
20	Right of Way Acquisition	27,000	SF	\$10.00	\$270,000	
	Total Right of Way				\$270,000	\$270,000
	TOTAL CONSTRUCTION & R/W				\$1,314,929	
21	PS&E, CM, PW Direct Charges (% of Total Construction)					
	Local Roadways			35%	\$365,725	\$365,725
22	R/W Contingency, Appraisals & Negotiations (% of Total Right of Way)					
	Local Roadways			20%	\$54,000	\$54,000
	TOTAL PROJECT				\$1,734,653	\$1,734,653



PRELIMINARY OPINION OF COST
(Back-of-Curb to Back-of-Curb Improvements Only)

Improvement: New 2-Lane Collector

Fair St/Park Ave Connector

Park Ave



Fair St

COST BREAKDOWN

PROJECT LENGTH (ft): **600**

No.	Item Description	Quantity	Units	Unit Cost	Sub-Total Cost	Estimated Total Cost
1	Remove Signing and Pavement Markings	0	LF	\$5.00	\$0	
2	Cold Plane AC Pavement	0	SY	\$8.00	\$0	
3	Roadway Excavation	31,800	SF	\$2.00	\$63,600	
4	Asphalt Concrete (2" Overlay with Fabric)	0	SF	\$2.00	\$0	
5	New Pavement Section - 14" Full Depth AC	21,600	SF	\$10.00	\$216,000	
6	Concrete Curb and Gutter	1,200	LF	\$35.00	\$42,000	
7	Median Curb and Decorative Concrete	0	LF	\$100.00	\$0	
8	Median Landscaping	0	LF	\$60.00	\$0	
9	Signing and Pavement Marking	600	LF	\$18.00	\$10,800	
10	Storm Drain System	600	LF	\$80.00	\$48,000	
11	Structural Crossing (Bridge)	0	SF	\$240.00	\$0	
12	Railroad Grade Separation	0	EA	\$25,000,000.00	\$0	
13	Railroad Crossing (At-Grade)	0	EA	\$2,000,000.00	\$0	
14	Traffic Handling and Stage Construction	1	LS	\$50,000.00	\$50,000	
15	Street Lights	600	LF	\$80.00	\$48,000	
16	Signalize Intersection (New)	0	EA	\$400,000.00	\$0	
17	Signalize Intersection (Modification)	0	EA	\$300,000.00	\$0	
18	Minor Items (% of Total Construction Items Above)		LS	5%	\$23,920	
	Sub-Total Construction				\$502,320	
19	Contingency (% of Sub-Total Construction)		LS	10%	\$50,232	
	Total Construction				\$552,552	\$552,552
20	Right of Way Acquisition	18,000	SF	\$10.00	\$180,000	
	Total Right of Way				\$180,000	\$180,000
	TOTAL CONSTRUCTION & R/W				\$732,552	
21	PS&E, CM, PW Direct Charges (% of Total Construction)					
	Local Roadways			35%	\$193,393	\$193,393
22	R/W Contingency, Appraisals & Negotiations (% of Total Right of Way)					
	Local Roadways			20%	\$36,000	\$36,000
	TOTAL PROJECT				\$961,945	\$961,945



PRELIMINARY OPINION OF COST
 (Back-of-Curb to Back-of-Curb Improvements Only)

Improvement: *New 2-Lane Arterial w/ Median*

Notre Dame Blvd



COST BREAKDOWN

PROJECT LENGTH (ft): **3,100**

No.	Item Description	Quantity	Units	Unit Cost	Sub-Total Cost	Estimated Total Cost
1	Remove Signing and Pavement Markings	0	LF	\$5.00	\$0	
2	Cold Plane AC Pavement	0	SY	\$8.00	\$0	
3	Roadway Excavation	144,900	SF	\$2.00	\$289,800	
4	Asphalt Concrete (2" Overlay with Fabric)	0	SF	\$2.00	\$0	
5	New Pavement Section - 14" Full Depth AC	105,800	SF	\$10.00	\$1,058,000	
6	Concrete Curb and Gutter	4,600	LF	\$35.00	\$161,000	
7	Median Curb and Decorative Concrete	2,250	LF	\$100.00	\$225,000	
8	Median Landscaping	2,250	LF	\$60.00	\$135,000	
9	Signing and Pavement Marking	2,300	LF	\$18.00	\$41,400	
10	Storm Drain System	2,300	LF	\$80.00	\$184,000	
11	Structural Crossing (Bridge)	9,600	SF	\$240.00	\$2,304,000	
12	Railroad Grade Separation	0	EA	\$25,000,000.00	\$0	
13	Railroad Crossing (At-Grade)	0	EA	\$2,000,000.00	\$0	
14	Traffic Handling and Stage Construction	1	LS	\$50,000.00	\$50,000	
15	Street Lights	2,300	LF	\$80.00	\$184,000	
16	Signalize Intersection (New)	1	EA	\$400,000.00	\$400,000	
17	Signalize Intersection (Modification)	0	EA	\$300,000.00	\$0	
18	Minor Items (% of Total Construction Items Above)		LS	5%	\$251,610	
	Sub-Total Construction				\$5,283,810	
19	Contingency (% of Sub-Total Construction)		LS	10%	\$528,381	
	Total Construction				\$5,812,191	\$5,812,191
20	Right of Way Acquisition	0	SF	\$10.00	\$0	
	Total Right of Way				\$0	\$0
	TOTAL CONSTRUCTION & R/W				\$5,812,191	
21	PS&E, CM, PW Direct Charges (% of Total Construction)					
	Local Roadways			35%	\$2,034,267	\$2,034,267
22	R/W Contingency, Appraisals & Negotiations (% of Total Right of Way)					
	Local Roadways			20%	\$0	\$0
	TOTAL PROJECT				\$7,846,458	\$7,846,458



PRELIMINARY OPINION OF COST
(Back-of-Curb to Back-of-Curb Improvements Only)

Improvement: Improve to 2-Lane Collector/Overlay Exist

Silver Dollar Way



Fair St

MLK Pkwy

COST BREAKDOWN

PROJECT LENGTH (ft): 3,200

No.	Item Description	Quantity	Units	Unit Cost	Sub-Total Cost	Estimated Total Cost
1	Remove Signing and Pavement Markings	2,200	LF	\$5.00	\$11,000	
2	Cold Plane AC Pavement	711	SY	\$8.00	\$5,689	
3	Roadway Excavation	103,200	SF	\$2.00	\$206,400	
4	Asphalt Concrete (2" Overlay with Fabric)	52,000	SF	\$2.00	\$104,000	
5	New Pavement Section - 14" Full Depth AC	62,400	SF	\$10.00	\$624,000	
6	Concrete Curb and Gutter	4,800	LF	\$35.00	\$168,000	
7	Median Curb and Decorative Concrete	0	LF	\$100.00	\$0	
8	Median Landscaping	0	LF	\$60.00	\$0	
9	Signing and Pavement Marking	2,400	LF	\$18.00	\$43,200	
10	Storm Drain System	2,400	LF	\$80.00	\$192,000	
11	Structural Crossing (Bridge)	0	SF	\$240.00	\$0	
12	Railroad Grade Separation	0	EA	\$25,000,000.00	\$0	
13	Railroad Crossing (At-Grade)	0	EA	\$2,000,000.00	\$0	
14	Traffic Handling and Stage Construction	1.0	LS	\$50,000.00	\$50,000	
15	Street Lights	1,900	LF	\$80.00	\$152,000	
16	Signalize Intersection (New)	0	EA	\$400,000.00	\$0	
17	Signalize Intersection (Modification)	0	EA	\$300,000.00	\$0	
18	Minor Items (% of Total Construction Items Above)		LS	5%	\$77,814	
	Sub-Total Construction				\$1,634,103	
19	Contingency (% of Sub-Total Construction)		LS	10%	\$163,410	
	Total Construction				\$1,797,514	\$1,797,514
20	Right of Way Acquisition	27,000	SF	\$10.00	\$270,000	
	Total Right of Way				\$270,000	\$270,000
	TOTAL CONSTRUCTION & R/W				\$2,067,514	
21	PS&E, CM, PW Direct Charges (% of Total Construction)					
	Local Roadways			35%	\$629,130	\$629,130
22	R/W Contingency, Appraisals & Negotiations (% of Total Right of Way)					
	Local Roadways			20%	\$54,000	\$54,000
	TOTAL PROJECT				\$2,750,643	\$2,750,643



PRELIMINARY OPINION OF COST
(Back-of-Curb to Back-of-Curb Improvements Only)

Improvement: Improve to 4-Lane Arterial w/ Median/Overlay Exist

Esplanade



COST BREAKDOWN

PROJECT LENGTH (ft): 7,400

No.	Item Description	Quantity	Units	Unit Cost	Sub-Total Cost	Estimated Total Cost
1	Remove Signing and Pavement Markings	7,400	LF	\$5.00	\$37,000	
2	Cold Plane AC Pavement	6,578	SY	\$8.00	\$52,622	
3	Roadway Excavation	211,400	SF	\$2.00	\$422,800	
4	Asphalt Concrete (2" Overlay with Fabric)	433,800	SF	\$2.00	\$867,600	
5	New Pavement Section - 14" Full Depth AC	84,000	SF	\$10.00	\$840,000	
6	Concrete Curb and Gutter	2,800	LF	\$35.00	\$98,000	
7	Median Curb and Decorative Concrete	6,660	LF	\$100.00	\$666,000	
8	Median Landscaping	6,660	LF	\$60.00	\$399,600	
9	Signing and Pavement Marking	7,400	LF	\$18.00	\$133,200	
10	Storm Drain System	1,400	LF	\$80.00	\$112,000	
11	Structural Crossing (Bridge)	0	SF	\$240.00	\$0	
12	Railroad Grade Separation	0	EA	\$25,000,000.00	\$0	
13	Railroad Crossing (At-Grade)	0	EA	\$2,000,000.00	\$0	
14	Traffic Handling and Stage Construction	1	LS	\$50,000.00	\$50,000	
15	Street Lights	5,800	LF	\$80.00	\$464,000	
16	Signalize Intersection (New)	0	EA	\$400,000.00	\$0	
17	Signalize Intersection (Modification)	0	EA	\$300,000.00	\$0	
18	Minor Items (% of Total Construction Items Above)		LS	5%	\$207,141	
	Sub-Total Construction				\$4,349,963	
19	Contingency (% of Sub-Total Construction)		LS	10%	\$434,996	
	Total Construction				\$4,784,960	\$4,784,960
20	Right of Way Acquisition	0	SF	\$10.00	\$0	
	Total Right of Way				\$0	\$0
	TOTAL CONSTRUCTION & R/W				\$4,784,960	
21	PS&E, CM, PW Direct Charges (% of Total Construction)					
	Local Roadways			35%	\$1,674,736	\$1,674,736
22	R/W Contingency, Appraisals & Negotiations (% of Total Right of Way)					
	Local Roadways			20%	\$0	\$0
	TOTAL PROJECT				\$6,459,696	\$6,459,696



PRELIMINARY OPINION OF COST

(Back-of-Curb to Back-of-Curb Improvements Only)

Improvement: Widen to 4-Lane Arterial w/ Median/Overlay Exist



COST BREAKDOWN

PROJECT LENGTH (ft): 2,200

No.	Item Description	Quantity	Units	Unit Cost	Sub-Total Cost	Estimated Total Cost
1	Remove Signing and Pavement Markings	2,200	LF	\$5.00	\$11,000	
2	Cold Plane AC Pavement	1,956	SY	\$8.00	\$15,644	
3	Roadway Excavation	147,400	SF	\$2.00	\$294,800	
4	Asphalt Concrete (2" Overlay with Fabric)	52,800	SF	\$2.00	\$105,600	
5	New Pavement Section - 14" Full Depth AC	79,200	SF	\$10.00	\$792,000	
6	Concrete Curb and Gutter	3,960	LF	\$35.00	\$138,600	
7	Median Curb and Decorative Concrete	3,960	LF	\$100.00	\$396,000	
8	Median Landscaping	1,980	LF	\$60.00	\$118,800	
9	Signing and Pavement Marking	2,200	LF	\$18.00	\$39,600	
10	Storm Drain System	2,200	LF	\$80.00	\$176,000	
11	Structural Crossing (Bridge)	2,640	SF	\$240.00	\$633,600	
12	Railroad Grade Separation	0	EA	\$25,000,000.00	\$0	
13	Railroad Crossing (At-Grade)	0	EA	\$2,000,000.00	\$0	
14	Traffic Handling and Stage Construction	1	LS	\$50,000.00	\$50,000	
15	Street Lights	2,200	LF	\$80.00	\$176,000	
16	Signalize Intersection (New)	0	EA	\$400,000.00	\$0	
17	Signalize Intersection (Modification)	0	EA	\$300,000.00	\$0	
18	Minor Items (% of Total Construction Items Above)		LS	5%	\$147,382	
	Sub-Total Construction				\$3,095,027	
19	Contingency (% of Sub-Total Construction)		LS	10%	\$309,503	
	Total Construction				\$3,404,529	\$3,404,529
20	Right of Way Acquisition	88,000	SF	\$10.00	\$880,000	
	Total Right of Way				\$880,000	\$880,000
	TOTAL CONSTRUCTION & R/W				\$4,284,529	
21	PS&E, CM, PW Direct Charges (% of Total Construction)					
	Local Roadways			35%	\$1,191,585	\$1,191,585
22	R/W Contingency, Appraisals & Negotiations (% of Total Right of Way)					
	Local Roadways			20%	\$176,000	\$176,000
	TOTAL PROJECT				\$5,652,115	\$5,652,115



PRELIMINARY OPINION OF COST
(Back-of-Curb to Back-of-Curb Improvements Only)

Improvement: New 2-Lane Collector

W. Park Ave Extension



COST BREAKDOWN

PROJECT LENGTH (ft): **2,600**

No.	Item Description	Quantity	Units	Unit Cost	Sub-Total Cost	Estimated Total Cost
1	Remove Signing and Pavement Markings	0	LF	\$5.00	\$0	
2	Cold Plane AC Pavement	0	SY	\$8.00	\$0	
3	Roadway Excavation	137,800	SF	\$2.00	\$275,600	
4	Asphalt Concrete (2" Overlay with Fabric)	0	SF	\$2.00	\$0	
5	New Pavement Section - 14" Full Depth AC	93,600	SF	\$10.00	\$936,000	
6	Concrete Curb and Gutter	5,200	LF	\$35.00	\$182,000	
7	Median Curb and Decorative Concrete	0	LF	\$100.00	\$0	
8	Median Landscaping	0	LF	\$60.00	\$0	
9	Signing and Pavement Marking	2,600	LF	\$18.00	\$46,800	
10	Storm Drain System	2,600	LF	\$80.00	\$208,000	
11	Structural Crossing (Bridge)	10,800	SF	\$240.00	\$2,592,000	
12	Railroad Grade Separation	0	EA	\$25,000,000.00	\$0	
13	Railroad Crossing (At-Grade)	0	EA	\$2,000,000.00	\$0	
14	Traffic Handling and Stage Construction	1	LS	\$50,000.00	\$50,000	
15	Street Lights	2,600	LF	\$80.00	\$208,000	
16	Signalize Intersection (New)	1	EA	\$400,000.00	\$400,000	
17	Signalize Intersection (Modification)	0	EA	\$300,000.00	\$0	
18	Minor Items (% of Total Construction Items Above)		LS	5%	\$244,920	
	Sub-Total Construction				\$5,143,320	
19	Contingency (% of Sub-Total Construction)		LS	10%	\$514,332	
	Total Construction				\$5,657,652	\$5,657,652
20	Right of Way Acquisition	145,600	SF	\$10.00	\$1,456,000	
	Total Right of Way				\$1,456,000	\$1,456,000
	TOTAL CONSTRUCTION & R/W				\$7,113,652	
21	PS&E, CM, PW Direct Charges (% of Total Construction)					
	Local Roadways			35%	\$1,980,178	\$1,980,178
22	R/W Contingency, Appraisals & Negotiations (% of Total Right of Way)					
	Local Roadways			20%	\$291,200	\$291,200
	TOTAL PROJECT				\$9,385,030	\$9,385,030



PRELIMINARY OPINION OF COST
 (Back-of-Curb to Back-of-Curb Improvements Only)

Improvement: 1-Lane Roundabout



COST BREAKDOWN

PROJECT LENGTH (ft): *N/A*

No.	Item Description	Quantity	Units	Unit Cost	Sub-Total Cost	Estimated Total Cost
1	Remove Signing and Pavement Markings	0	LF	\$5.00	\$0	
2	Cold Plane AC Pavement	0	SY	\$8.00	\$0	
3	Roadway Excavation	0	CY	\$2.00	\$0	
4	Asphalt Concrete (2" Overlay with Fabric)	0	SF	\$2.00	\$0	
5	New Pavement Section - 14" Full Depth AC	0	SF	\$10.00	\$0	
6	Concrete Curb and Gutter	0	LF	\$35.00	\$0	
7	Concrete Sidewalk	770	LF	\$40.00	\$30,800	
8	Median Curb and Decorative Concrete	0	LF	\$100.00	\$0	
9	Median Landscaping	0	LF	\$60.00	\$0	
10	Signing and Pavement Marking	4	EA	\$5,000.00	\$20,000	
11	Storm Drain System	1	LS	\$60,000.00	\$60,000	
12	Structural Crossing (Bridge)	2,000	SF	\$240.00	\$480,000	
13	Railroad Grade Separation	0	EA	\$25,000,000.00	\$0	
14	Railroad Crossing (At-Grade)	0	EA	\$2,000,000.00	\$0	
15	Traffic Handling and Stage Construction	1	LS	\$30,000.00	\$30,000	
16	Street Lights	8	EA	\$10,000.00	\$80,000	
17	Sidewalk Planter Landscaping	3,850	SF	\$5.00	\$19,250	
18	Signalize Intersection (New)	0	EA	\$400,000.00	\$0	
19	Utility Relocations (Public)	1	LS	\$30,000.00	\$30,000	
20	Roundabout (AC/AB/C&G/Conc Paving/Excavation)	26,180	SF	\$18.00	\$471,240	
21	Minor Items (% of Total Construction Items Above)		LS	5%	\$61,065	
	Sub-Total Construction				\$1,282,355	
22	Contingency (% of Sub-Total Construction)		LS	10%	\$128,235	
	Total Construction				\$1,410,590	\$1,410,590
23	Right of Way Acquisition	0	SF	\$10.00	\$0	
	Total Right of Way				\$0	\$0
	TOTAL CONSTRUCTION & R/W				\$1,410,590	
24	PS&E, CM, PW Direct Charges (% of Total Construction)					
	Local Roadways			35%	\$493,706	\$493,706
25	R/W Contingency, Appraisals & Negotiations (% of Total Right of Way)					
	Local Roadways			20%	\$0	\$0
	TOTAL PROJECT				\$1,904,296	\$1,904,296



PRELIMINARY OPINION OF COST
(Back-of-Curb to Back-of-Curb Improvements Only)

Improvement: 2-Lane Roundabout



Floral Ave

COST BREAKDOWN

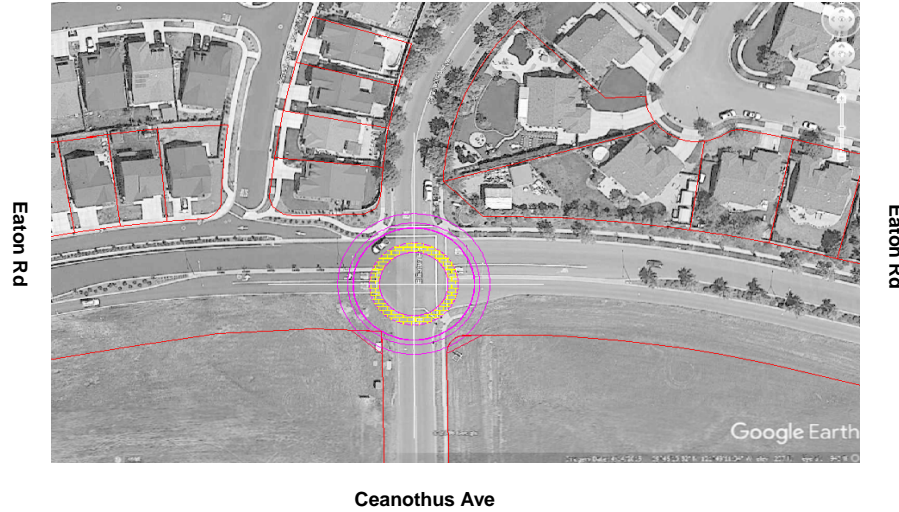
PROJECT LENGTH (ft): N/A

No.	Item Description	Quantity	Units	Unit Cost	Sub-Total Cost	Estimated Total Cost
1	Remove Signing and Pavement Markings	0	LF	\$5.00	\$0	
2	Cold Plane AC Pavement	0	SY	\$8.00	\$0	
3	Roadway Excavation	0	CY	\$2.00	\$0	
4	Asphalt Concrete (2" Overlay with Fabric)	0	SF	\$2.00	\$0	
5	New Pavement Section - 14" Full Depth AC	0	SF	\$10.00	\$0	
6	Concrete Curb and Gutter	0	LF	\$35.00	\$0	
7	Concrete Sidewalk	770	LF	\$40.00	\$30,800	
8	Median Curb and Decorative Concrete	0	LF	\$100.00	\$0	
9	Median Landscaping	0	LF	\$60.00	\$0	
10	Signing and Pavement Marking	4	EA	\$7,500.00	\$30,000	
11	Storm Drain System	1	LS	\$60,000.00	\$60,000	
12	Structural Crossing (Bridge)	0	SF	\$240.00	\$0	
13	Railroad Grade Separation	0	EA	\$25,000,000.00	\$0	
14	Railroad Crossing (At-Grade)	0	EA	\$2,000,000.00	\$0	
15	Traffic Handling and Stage Construction	1	LS	\$40,000.00	\$40,000	
16	Street Lights	8	EA	\$10,000.00	\$80,000	
17	Sidewalk Planter Landscaping	3,850	SF	\$5.00	\$19,250	
18	Signalize Intersection (New)	0	EA	\$400,000.00	\$0	
19	Utility Relocations (Public)	1	LS	\$30,000.00	\$30,000	
20	Roundabout (AC/AB/C&G/Conc Paving/Excavation)	39,000	SF	\$18.00	\$702,000	
21	Minor Items (% of Total Construction Items Above)		LS	5%	\$49,603	
	Sub-Total Construction				\$1,041,653	
22	Contingency (% of Sub-Total Construction)		LS	10%	\$104,165	
	Total Construction				\$1,145,818	\$1,145,818
23	Right of Way Acquisition	5,700	SF	\$10.00	\$57,000	
	Total Right of Way				\$57,000	\$57,000
	TOTAL CONSTRUCTION & R/W				\$1,202,818	
24	PS&E, CM, PW Direct Charges (% of Total Construction)					
	Local Roadways			35%	\$401,036	\$401,036
25	R/W Contingency, Appraisals & Negotiations (% of Total Right of Way)					
	Local Roadways			20%	\$11,400	\$11,400
	TOTAL PROJECT				\$1,615,254	\$1,615,254



PRELIMINARY OPINION OF COST
(Back-of-Curb to Back-of-Curb Improvements Only)

Improvement: 1-Lane Roundabout



COST BREAKDOWN

PROJECT LENGTH (ft): N/A

No.	Item Description	Quantity	Units	Unit Cost	Sub-Total Cost	Estimated Total Cost
1	Remove Signing and Pavement Markings	0	LF	\$5.00	\$0	
2	Cold Plane AC Pavement	0	SY	\$8.00	\$0	
3	Roadway Excavation	0	CY	\$2.00	\$0	
4	Asphalt Concrete (2" Overlay with Fabric)	0	SF	\$2.00	\$0	
5	New Pavement Section - 14" Full Depth AC	0	SF	\$10.00	\$0	
6	Concrete Curb and Gutter	0	LF	\$35.00	\$0	
7	Concrete Sidewalk	770	LF	\$40.00	\$30,800	
8	Median Curb and Decorative Concrete	0	LF	\$100.00	\$0	
9	Median Landscaping	0	LF	\$60.00	\$0	
10	Signing and Pavement Marking	4	EA	\$5,000.00	\$20,000	
11	Storm Drain System	1	LS	\$60,000.00	\$60,000	
12	Structural Crossing (Bridge)	0	SF	\$250.00	\$0	
13	Railroad Grade Separation	0	EA	\$25,000,000.00	\$0	
14	Railroad Crossing (At-Grade)	0	EA	\$2,000,000.00	\$0	
15	Traffic Handling and Stage Construction	1	LS	\$30,000.00	\$30,000	
16	Street Lights	8	EA	\$10,000.00	\$80,000	
17	Sidewalk Planter Landscaping	3,850	SF	\$5.00	\$19,250	
18	Signalize Intersection (New)	0	EA	\$400,000.00	\$0	
19	Utility Relocations (Public)	1	LS	\$30,000.00	\$30,000	
20	Roundabout (AC/AB/C&G/Conc Paving/Excavation)	26,000	SF	\$18.00	\$468,000	
21	Minor Items (% of Total Construction Items Above)		LS	5%	\$36,903	
	Sub-Total Construction				\$774,953	
22	Contingency (% of Sub-Total Construction)		LS	10%	\$77,495	
	Total Construction				\$852,448	\$852,448
23	Right of Way Acquisition	650	SF	\$10.00	\$6,500	
	Total Right of Way				\$6,500	\$6,500
	TOTAL CONSTRUCTION & R/W				\$858,948	
24	PS&E, CM, PW Direct Charges (% of Total Construction)					
	Local Roadways			35%	\$298,357	\$298,357
25	R/W Contingency, Appraisals & Negotiations (% of Total Right of Way)					
	Local Roadways			20%	\$1,300	\$1,300
	TOTAL PROJECT				\$1,158,604	\$1,158,604



PRELIMINARY OPINION OF COST
(Back-of-Curb to Back-of-Curb Improvements Only)

Improvement: Curve Realignment/Widen for Left Turn Lanes

Cohasset Rd



COST BREAKDOWN

PROJECT LENGTH (ft): **3,500**

No.	Item Description	Quantity	Units	Unit Cost	Sub-Total Cost	Estimated Total Cost
1	Remove Signing and Pavement Markings	0	LF	\$5.00	\$0	
2	Cold Plane AC Pavement	0	SY	\$8.00	\$0	
3	Roadway Excavation	147,900	SF	\$2.00	\$295,800	
4	Asphalt Concrete (2" Overlay with Fabric)	0	SF	\$2.00	\$0	
5	New Pavement Section - 14" Full Depth AC	147,900	SF	\$10.00	\$1,479,000	
6	Concrete Curb and Gutter	0	LF	\$35.00	\$0	
7	Median Curb and Decorative Concrete	6	LF	\$100.00	\$600	
8	Median Landscaping	0	LF	\$60.00	\$0	
9	Signing and Pavement Marking	3,500	LF	\$18.00	\$63,000	
10	Storm Drain System	0	LF	\$80.00	\$0	
11	Structural Crossing (Bridge)	0	SF	\$240.00	\$0	
12	Railroad Grade Separation	0	EA	\$25,000,000.00	\$0	
13	Railroad Crossing (At-Grade)	0	EA	\$2,000,000.00	\$0	
14	Traffic Handling and Stage Construction	1	LS	\$50,000.00	\$50,000	
15	Street Lights	0	LF	\$80.00	\$0	
16	Signalize Intersection (New)	0	EA	\$400,000.00	\$0	
17	Signalize Intersection (Modification)	0	EA	\$300,000.00	\$0	
18	Minor Items (% of Total Construction Items Above)		LS	5%	\$94,420	
	Sub-Total Construction				\$1,982,820	
19	Contingency (% of Sub-Total Construction)		LS	10%	\$198,282	
	Total Construction				\$2,181,102	\$2,181,102
20	Right of Way Acquisition	62,500	SF	\$10.00	\$625,000	
	Total Right of Way				\$625,000	\$625,000
	TOTAL CONSTRUCTION & R/W				\$2,806,102	
21	PS&E, CM, PW Direct Charges (% of Total Construction)					
	Local Roadways			35%	\$763,386	\$763,386
22	R/W Contingency, Appraisals & Negotiations (% of Total Right of Way)					
	Local Roadways			20%	\$125,000	\$125,000
	TOTAL PROJECT				\$3,694,488	\$3,694,488