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**Development Impact Mitigation Fee Nexus Study**

**DRAFT-FINAL REPORT**

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**Prepared for the  
CITY OF ORLAND**

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**November, 2013**

Law Enforcement♦Fire Protection♦City Hall♦Library♦Parks and  
Recreation♦Transportation♦Storm Drainage♦Community Center

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## EXECUTIVE SUMMARY

This report presents an analysis of the cost of public facilities to accommodate new development in the City of Orland. This report documents the fair-share impact fee that could be imposed on new development in accordance with State Law in the following facility categories:

- Law Enforcement
- Fire Protection
- City Hall
- Parks and Recreation
- Libraries
- Transportation
- Storm Drainage
- Community Center

## BACKGROUND AND STUDY OBJECTIVES

The City of Orland is facing increasing challenges funding public facilities to accommodate growth. Since the passage of Proposition 13, property tax revenues have been insufficient for capital funding, and federal and state assistance have not replaced the decline in local revenue sources. These funding shortfalls have caused declining facility standards (i.e., the ratio of facility capacity to service population), which has accelerated the rate of physical deterioration, increased operating costs, and reduced efficiency of many departments. Given these funding difficulties and in the face of continued growth, the City requires new development to pay fees to fund the facilities necessary to provide City services.

This study documents the relationship between new development in Orland and the cost of public facilities to serve growth through the year 2028. The study also provides estimates of the cost of facilities necessary for growth and calculates the updated public facilities fees by land use type that would generate revenues equal to these costs. The estimates of public facilities required to serve growth assume that new development will provide facilities that, at a minimum, will ensure that the City will maintain its current level of service standards for these facilities into the future.

The City will rely on its authority to levy public facilities fees under the police powers granted by the State Constitution pursuant to the procedures of the Mitigation Fee Act, contained in Government Code Section 66000 et seq. This report provides the necessary documentation for the adoption of updated public facilities fees.

## POPULATION PROJECTIONS

The population and employment projections to the year 2028 used in this analysis are summarized in **Table 1.1**. Residential population, housing and employment growth shown in the Table 1.1 are the same as found in the Traffic Impact Study of the Draft EIR for the 2010 General Plan Update. The annual growth rate of 2.7% calculated in the table is significantly higher than the medium growth rate of 2.2%, which was used for the General Plan growth assumptions. This is because the average annual rate of growth that actually occurred between 2008 (when the GP projections were made) and the present was only 0.7%. An annual growth rate of 2.7% would be necessary to attain a population of 11,354 by 2028. The point of this discussion is that

key elements in the analysis are neither the rate of growth, nor the time frame but the absolute growth in population and employment shown in the Table 1.1. The improvements in this analysis, particularly the traffic mitigation measures, are based on the absolute growth shown in Table 1.1.

**Table 1.1 Population, Housing and Employment Growth**

	<b>2013</b>	<b>2028</b>	<b>Net Growth</b>	<b>Average Annual Growth Rate</b>
Population <sup>1,2</sup>	7,626	11,354	3,728	2.7%
Employment <sup>3</sup>	1,700	4,145	2,445	6.1%
Housing <sup>4</sup>				
Single Family Units	1,938	3,103	1,165	
Duplex				
Multi-Family Units			233	
Mobile Homes	74	74		
<b>Total Occupied</b>	<b>2,655</b>	<b>4,053</b>	<b>1,398</b>	
Overall persons per household	2.87	2.80	2.67	

<sup>1</sup> Population for City of Orland from California Dept. of Finance (CA-DOF) Estimate Table E-5.

<sup>2</sup> 2028 projection is based on General Plan Draft EIR Traffic Impact Analysis

<sup>3</sup> Current employment from: 2011 County Business Patterns, total for 95963 ZIP Code, U.S. Census Bureau. Employment growth based on an assumed development of 1.04 million square feet of non-residential floor area and employee occupancy rates per Table 2.1.

<sup>4</sup> 2013 occupied housing estimates from CA-DOF; projections based on GP DEIR Traffic Impact Analysis.

Sources: CA-DOF Demographics Unit, U.S. Census Bureau

## FEE SCHEDULES AND REVENUES

The recommended fees proposed in this Nexus Study and the current fees are summarized in **Tables 1.2**. The current fees by facility category and land use are shown in **Table 1.3**, and the proposed fees are detailed in **Table 1.4**. This nexus study eliminates the separate fee benefit areas for storm drainage, deletes the Pabst Avenue fee, and folds the Signal fee into the Transportation fee category. The proposed fees shown in Table 1.4 are City-wide.

**Table 1.2 – Proposed and Current (est.\*) Fee Summary**

<b>Residential, per unit</b>	<b>Proposed Fees<sup>1</sup></b>	<b>Current Fees<sup>1</sup></b>
Single Family	\$12,509	\$9,491
Duplex	\$9,906	\$7,957
Multi-family	\$7,413	\$5,120
Mobile Homes	\$6,161	\$5,571
<b>Non-residential, per 1,000 square feet of floor area</b>		
Office	\$3,019	\$1,939
Commercial/Retail	\$3,901	\$3,239
Light Industrial	\$3,099	\$1,488
Heavy Industrial	\$1,330	\$1,750

<sup>1</sup> Both proposed and current fee summaries includes a 2% administration fee

\* The current Impact Fee program utilizes a zoned-based approach to the assignment of Storm Drainage fees. Thus, Storm Drainage fees vary based upon geographic location in the City.

**Table 1.3: Detail of Current Development Impact Fees and Administration Costs**

Facility Category	Single Family	Duplex	Multi-Family	Mobile Home	Office	Commercial/Retail	Limited Industrial	Heavy Industrial
	<i>Fee per Dwelling Unit</i>				<i>Fee per 1,000 Building Square Feet<sup>4</sup></i>			
Police	\$1,453.00	\$1,213.00	\$849.00	\$728.00	\$196.84	\$288.81	\$451.86	\$747.33
Fire Protection	\$652.00	\$586.00	\$244.00	\$586.00	\$201.70	\$201.70	\$252.20	\$252.20
City Hall	\$319.00	\$268.00	\$185.00	\$161.00	\$43.49	\$63.81	\$99.83	\$165.11
Libraries	\$319.00	\$266.00	\$187.00	\$161.00	N/A	N/A	N/A	N/A
Community Center	\$1,650.00	\$1,430.00	\$795.00	\$1,145.00	N/A	N/A	N/A	N/A
Parks	\$3,477.00	\$2,897.00	\$2,030.00	\$1,740.00	N/A	N/A	N/A	N/A
Streets	\$1,060.00	\$919.00	\$511.00	\$735.00	\$89.49	\$229.30	\$139.20	\$210.67
Signals <sup>1</sup>	\$375.00	\$222.00	\$219.00	\$206.00	\$1,369.00	\$2,391.50	\$516.10	\$340.00
Pabst Avenue <sup>2</sup>	\$0.00	\$0.00	\$0.00	\$0.00	N/A	N/A	N/A	N/A
Storm Drainage <sup>3</sup>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Subtotal Facilities Fees	\$9,305.00	\$7,801.00	\$5,020.00	\$5,462.00	\$1,900.52	\$3,175.12	\$1,459.19	\$1,715.31
Administration 2%	\$186.10	\$156.02	\$100.40	\$109.24	\$38.01	\$63.50	\$29.18	\$34.31
<b>Total Development Impact Fee</b>	<b>\$9,491</b>	<b>\$7,957</b>	<b>\$5,120</b>	<b>\$5,571</b>	<b>\$1,939</b>	<b>\$3,239</b>	<b>\$1,488</b>	<b>\$1,750</b>

Fees effective July 19, 2013

<sup>1</sup> Signal fee is for areas outside of fee benefit areas. Signal fees in the current fee benefit districts range from zero in West Orland to \$660 per single family unit in Southwest Area.

<sup>2</sup> Current fee for Pabst Avenue is \$821 in Northeast Orland fee benefit district only.

<sup>3</sup> No fee for Storm Drainage has been assigned as actual storm drainage fees vary based upon the geographic location within the City fee benefit areas. Storm Drainage fees in the current fee benefit districts range from zero in Northwest Orland, Northeast Orland, and West Orland to \$1,242 per dwelling unit in the Southwest Orland drainage area.

<sup>4</sup> Fees per 1,000 square feet for Police, City Hall, Streets, Signals are converted from fees per acre, using the following floor area ratios:

<u>Use</u>	<u>FAR</u>	<u>Acre to 1,000 sq. ft. fee conversion factor</u>
Retail	0.27	11.64
Office	0.39	17.08
Limited Industrial	0.17	7.44
Heavy Industrial	0.10	4.50

Table 1.4 - Detail of Proposed Development Impact Fees and Administration Costs

Facility Category	Single Family	Duplex	Multi-Family	Mobile Home	Office	Commercial	Light Industrial	Heavy Industrial
	<i>Fee per Dwelling Unit</i>				<i>Fee per 1,000 Building Square Feet</i>			
Law Enforcement	\$154.57	\$127.92	\$90.61	\$69.29	\$139.16	\$86.98	\$69.58	\$34.79
Fire Protection	\$798.83	\$661.10	\$468.28	\$358.10	\$264.44	\$165.28	\$132.22	\$66.11
City Hall	\$126.88	\$105.00	\$74.38	\$56.88	\$114.20	\$71.38	\$57.10	\$28.55
Libraries	\$1,073.88	\$888.73	\$629.52	\$481.40	N/A	N/A	N/A	N/A
Community Center	\$1,112.93	\$921.05	\$652.41	\$498.90	N/A	N/A	N/A	N/A
Parks and Recreation	\$6,399.87	\$5,296.44	\$3,751.65	\$2,868.91	N/A	N/A	N/A	N/A
Transportation	\$2,142.21	\$1,328.17	\$1,328.17	\$1,263.90	\$2,227.90	\$3,191.89	\$2,227.90	\$235.64
Storm Drainage	\$454.10	\$383.71	\$272.46	\$442.74	\$213.97	\$308.79	\$551.73	\$938.35
Subtotal Facilities Fees	\$12,263.27	\$9,712.12	\$7,267.47	\$6,040.12	\$2,959.67	\$3,824.31	\$3,038.53	\$1,303.44
Administration 2%	\$245.27	\$194.24	\$145.35	\$120.80	\$59.19	\$76.49	\$60.77	\$26.07
<b>Total Impact Fee</b>	<b>\$12,509</b>	<b>\$9,906</b>	<b>\$7,413</b>	<b>\$6,161</b>	<b>\$3,019</b>	<b>\$3,901</b>	<b>\$3,099</b>	<b>\$1,330</b>

**Table 1.5 - Total Impact Fee Revenues with Administration Costs**

<b>Facility Category</b>	<b>Revenues from Impact Fees</b>	<b>General Fund/Other Sources</b>	<b>Program Total</b>
Law Enforcement	\$283,875	\$348,625	\$645,500
Fire Protection	\$1,188,900	\$882,100	\$2,071,000
City Hall	\$233,000	\$427,000	\$660,000
Libraries	\$1,380,497	\$0	\$1,380,497
Parks and Recreation	\$8,227,149	\$0	\$8,227,149
Transportation	\$4,760,000	\$0	\$4,760,000
Drainage	\$1,071,669	\$0	\$1,071,669
Community Center	<u>\$1,430,695</u>	<u>\$2,926,630</u>	<u>\$4,357,325</u>
Subtotal	\$18,575,785	\$4,584,355	\$23,160,140
Administration 2%	\$371,516	N/A	\$371,516
Total (to nearest \$1,000)	\$18,955,000	\$4,584,000	\$21,539,000

Funds identified under *General Fund/Other Sources* is a City obligation to the program.

#### FUNDS NEEDED TO COMPLEMENT FEE PROGRAM

Government Code Section 66000 prohibits using impact fees to remedy an existing facility deficiency. Impact fees imposed on new development may pay for two forms of capital improvements: 1) additional facilities needed to accommodate growth and maintain the current standard of service, or 2) facilities that provide an increase in the level of service or standard, if existing development also pays for its fair-share of facilities needed to raise the standard. The analysis contained in this report indicates that in the Law Enforcement, Fire Protection, City Hall and Community Center categories the City's existing development (current residents and businesses) would derive a more than incidental benefit from the capital improvements included in these categories. Therefore existing development is obligated to pay for its fair-share of the improvements. The impact fee rates presented in this report for these facilities may be imposed on new development only if existing development provides the funding necessary to augment existing facilities from sources other than the impact fee revenues. These funds may come from grants, user fees, taxes and assessments imposed on current residents.

#### FEE COMPARISONS

The proposed impact fees for similar facilities are compared to Orland's current fee schedule and selected cities in Glenn and adjacent counties in **Table 1.6**.

**Table 1.6: Comparison of Impact Fees in Selected Communities**

CITY	DEVELOPMENT TYPE	TRAFFIC	PARKS & RECREATION	LIBRARY & COMMUNITY CENTER	GENERAL GOVERNMENT	FIRE	POLICE	SEWER	WATER	ELECTRIC	STORM DRAINAGE	TOTAL
Orland(1)	Single Family (per du)	\$1,060.00 & \$375.00	\$3,477.00	\$319.00 & \$1,650.00	\$319.00	\$652.00	\$1,453.00	1	1	1	\$0.00	\$9,305 +/-
	Multifamily (per du)	\$511.00 & \$219.00	\$2,030.00	\$187.00 & \$795.00	\$185.00	\$244.00	\$849.00	1	1	1	\$0.00	\$5,120 +/-
	Commercial/Retail	\$229.30 & \$2,391.50	N/A	N/A	\$63.81	\$201.70	\$288.81	N/A	N/A	N/A	\$0.00	\$3,239 +/-
Biggs(2)	Residential (per unit)	\$1,777.00	\$3,060.00	N/A	\$567.00	\$226.00	\$64.00	\$7,273.00	\$3,810.00	\$2,179.00	\$2,276.00	\$21,232.00 +/-
	Industrial/Commercial	\$1,777.00	\$820.00	N/A	\$567.00	\$226.00	\$39.00	\$7,273.00	\$3,810.00	\$2,179.00	\$2,276.00	\$18,967.00 +/-
Live Oak(3)	Single Family (per unit)	\$3,011.00	\$3,263.00 & \$225.00	\$858.00	\$1,749.00	\$1,688.00	\$610.00	\$8,815.00-\$344,708	\$23.97-\$465.07	N/A	\$3,845.00	\$24,087.00 +/-
	Multifamily (per unit)	\$2,299.00	\$2,098.00 & \$161.00	\$613.00	\$1,125.00	\$1,085.00	\$392.00	\$8,815.00-\$344,708	\$23.97-\$465.07	N/A	\$24,304.00 (per acre)	\$40,899.00 +/-
	Commercial	\$28,394.00	\$344.00 & \$24.00	\$0.00	\$369.00	\$712.00	\$470.00	\$8,815.00-\$344,708	\$23.97-\$465.07	N/A	\$25,239.00 (per acre)	\$64,206.00 +/-
Redding(4)	Single Family (per du)	\$5,713.97	\$3,313.15	N/A	N/A	\$965.78	N/A	\$7,000.00	\$5,600.00	N/A	\$891.40	\$23,484.30 +/-
	Multifamily	\$3,675.15	\$2,660.05	N/A	N/A	\$770.47	N/A	\$7,000.00	\$5,600.00	N/A	\$437.73	\$20,143.40 +/-
	Commercial-General	\$10,487.74	N/A	N/A	N/A	\$1,271.76	N/A	\$7,000.00	\$5,600.00	N/A	\$1,117.12	\$25,476.62 +/-
Willows(5)	Single Family	\$1180.00	\$2,139.00	\$1,495.00	\$316.00 (3% of subtotal)	\$1,623.00	\$790.00	\$1,250.00 per du	\$1,261.00 (Waste)	N/A	\$2,035.00	\$12,089.00 +/-
	Multifamily	\$829.00	\$2,052.00	\$1,434.00	\$272.00 (3% of subtotal)	\$1,556.00	\$758.00	\$1,250.00 per du	\$1,209.00 (Waste)	N/A	\$1,221.00	\$10,581.00 +/-
	Commercial	\$4,216.00	\$0.00	\$0	\$338.00 (3% of subtotal)	\$1,414.00	\$688.00	Varies*	\$1,098.00 (waste)	N/A	\$2,990.00	\$10,744.00 +/-

1: Water and Sewer fees for new development in the City of Orland are based upon meter size, line capacity and main line replacement factors and vary based upon location, lot width and length of service line extension. Single family dwelling fees include a \$1,586 capacity fee; \$1,765 meter fee; and, \$29.55/lf line fee. Typical commercial fees include a \$1,938 capacity fee; \$765 meter fee (4" meter); and, \$25.55/lf line fee. The 6" meter fee is \$878 for multi-family units.

The fee comparison table is provided to give a general idea of fees charged for similar facilities in nearby cities. Even though each local agency in California, in order to adopt impact fees, must follow the same general principles established by State Law, as described in the Introduction section of this report, fee comparisons, even among neighboring jurisdictions, tend to vary widely due several factors:

- The methods used to calculate the impact fees and allocate the fees to types of development differ from jurisdiction to jurisdiction;
- The types of facilities that are covered by impact fees vary;
- Cities adopt different standards, or levels of service, for facilities, and may use different ways to calculate those standards;
- Cities may not have kept up with public improvements over the years and, as a consequence, have created deficiencies between adopted or desired levels of service and the levels currently provided. This factor may actually work to reduce the impact fee, since the costs to remedy the existing deficiencies cannot be passed on to new development. In Orland, for example, the current police facilities are not adequate to meet the department's needs to serve the existing population and the planned facility expansion must be funded by both new development and the City.

Furthermore, cities may allow alternatives to impact fees to finance public facilities. Assessment and Mello-Roos districts may be used for improvements that serve specific land development projects. District assessments and special taxes levied to provide public improvements sometimes replace impact fees that would otherwise be used for those improvements.

#### ADDITIONAL CONSIDERATIONS

The City at its sole discretion may reduce the recommended impact fees for one or more categories. However, since the recommended fees are established based on the infrastructure required by new development, by reducing fees it is inevitable that, over time, there will be a continued reduction in the levels of service provided by the public facilities funded by the impact fees, unless other funds are used to replace the fee revenues. Alternatively, the City may consider the following ways to reduce the effect the fees may have on land development in the City, while leaving the fee rates and standards of service intact:

- Phase-in the fee increases over two or more years to provide time for the real estate market to adjust. However, the net loss of revenue during the phase-in period may not be passed on to future development; and
- The impact fees may be deferred to a later date. The City may elect to grant a deferral of payment until units are sold or leased. For residential units, impact fees are not payable until the date of the final inspection, or issuance of a certificate of occupancy, whichever comes first according to Government Code Sec 66007. Notwithstanding State law, it is not uncommon for cities to collect the fees at issuance of a building permit; which they may do, if certain facility financing requirements are met. These requirements are explained in Chapter 11 under Compliance Requirements "Collection of Fees". If the City chooses to defer impact fees to point in time after issuance of a building or occupancy permit, suitable security should be obtained to assure future payment of the fee, through a surety bond, letter of credit, provisions in the escrow agreements, or a lien-hold as appropriate.

**Fee Updates**

This impact fee study and the recommended fees assume a given level of development activity over the study period. The development that actually occurs will result in both different impacts and fee revenues than those that are projected in this study. For that reason, regular updates are recommended to adjust the growth impact fee to match the needs created by the actual development.

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## 1. INTRODUCTION

This report presents an analysis of the need and related cost of public facilities to accommodate new development in the City of Orland. This chapter explains the study approach and summarizes results under the following sections:

- Public facilities financing in California;
- Mitigation Fee Act;
- Organization of the report;
- Facility standards; and
- Fee schedules and revenues

### PUBLIC FACILITIES FINANCING IN CALIFORNIA

The changing fiscal landscape in California during the past three decades has steadily undercut the financial capacity of local governments to fund infrastructure needed for growth. Three dominant trends stand out:

- The passage of a string of tax limitation measures, starting with Proposition 13 in 1978 and continuing through the passage of Proposition 218 in 1996;
- Declining popular support for bond measures to finance infrastructure for the next generation of residents and businesses; and
- Steep reductions in federal and state assistance.

Faced with these trends, many cities and counties have had to shift the burden of funding infrastructure expansion from existing rate and tax payers to new development. This funding shift has been partly accomplished by the imposition of development impact fees, also known as public facility, capital facility and mitigation fees. A key advantage of this approach in an era of voter approval requirements is that impact fees are not taxes and are thus exempt from the requirements of Proposition 218, needing only a majority vote of the legislative body for adoption.

Some fee programs address only a few specific facilities, such as traffic, fire, or storm drainage. Other programs are comprehensive, funding a variety of facility categories from parks and recreation improvements to expanding or refurbishing city office space to meet the needs of future growth.

In most local agencies that have implemented impact fee programs, new development pays close to the full cost required to maintain existing level of service standards as growth occurs. If local agencies did not collect the full amount, the effect is often a decline in facility standards, though some communities are able to increase other revenue sources to compensate. In another rather typical situation, a city's General Plan may state that, as a policy, a certain level of service should be attained for a particular facility. However the current level of service for that facility is less than the stated GP policy. In that event the city will have, in effect, a deficiency which it must remedy in order to collect fees from new development commensurate with the policy standard. The deficiency must be remedied using funds other than impact fee revenues

and new development shall not be required to pay for an increase in the level of service for the benefit of existing development, unless existing development is committed to paying its share of the cost.

### MITIGATION FEE ACT AND REQUIRED FINDINGS

As a result of the growing use of impact fees after passage of Proposition 13 and concern over inconsistencies in their application, the State Legislature passed the *Mitigation Fee Act*, (Act) starting with Assembly Bill 1600 in 1988. The Act, contained in *California Government Code Section 66000 et seq.*, establishes ground rules for the imposition and ongoing administration of impact fee programs. The Act became law in April 1989 and requires local governments to document the following when adopting an impact fee:

- 1) Identify the purpose of the fee;
- 2) Identify the use of fee revenues;
- 3) Determine a reasonable relationship between the fee's use and the type of development paying the fee;
- 4) Determine a reasonable relationship between the need for the fee and the type of development paying the fee; and
- 5) Determine a reasonable relationship between the amount of the fee and the cost of the facility attributable to development paying the fee.

This Development Impact Fee Nexus Study complies with California Government Code Section 66000, et seq., by providing the required documentation for the above findings and determinations that establish the basis for imposition of the recommended fees contained herein.

The fundamental premise of the Act is that the burden of the impact fees cannot total more than the actual cost of the public facility needed to serve the development paying the fee. Also, fee revenues can only be used for their intended purposes. In addition, the Act has specific accounting and reporting requirements both annually and after every five-year period for the use of fee revenues. These requirements are covered in more detail in Chapter 11 of this report.

In addition, the impact fee revenues may not be used for staffing, operations and maintenance of either existing or new facilities.

### ORGANIZATION OF THE REPORT

Chapter 2 presents the population and employment assumptions used for the public facilities fee analysis. Chapters 3 through 10 are devoted to documenting new development's fair share cost and impact fees for each of the following facility categories:

- Law Enforcement
- Fire Protection
- City Hall
- Parks
- Libraries
- Transportation
- Storm Drainage
- Community Center

Each chapter is generally organized using the following sections to clearly document the requirements of the *Mitigation Fee Act* discussed above:

- The chapter begins by identifying the purpose of the fee by stating the types of facilities that would be funded.
- The *Existing and Future Planned Facilities Inventory* section summarizes the investment of existing development in this type of facility to date and identifies future planned facilities, if any.
- The *Service Population* section defines what type of development requires this type of facility, whether (1) only residents, or (2) residents and businesses (measured by employment). It also projects the service population growth or demand for facility capacity anticipated to occur over the planning horizon.
- The *Facility Standards and Unit Costs* section establishes a reasonable relationship between the need for the fee and the type of development paying the fee. This section also estimates the cost per capita for facilities to accommodate growth.
- The *Facility Costs to Accommodate Growth* section establishes a reasonable relationship between the use of fee revenues and the type of development paying the fee. This section estimates the total facilities costs associated with new development over the planning horizon, equal to the revenues that would be collected through the impact fee.
- The *Fee Schedule* section establishes a reasonable relationship between the amount of the fee and the cost of the facility attributable to development paying the fee. Using a common factor for facility costs per capita, the fee schedule ensures that each development project pays its fair share of total facility costs.

Finally, Chapter 11 provides a summary of fee implementation procedures and recommendations for the ongoing administration of the fee. The recommendations are provided to ensure compliance with the Act, and to ensure that fees are updated in the future for construction cost inflation, changes in the standards or changes in development assumptions.

### FACILITY STANDARDS, LEVEL OF SERVICE AND DEFICIENCIES

Throughout this report the words “standard” and “level of service” are used (at times interchangeably) to describe the level of investment in capital facilities that are needed to serve the community. A standard is defined as the adopted policy or benchmark that the City would

like to achieve for any particular facility. For example, the number of acres of parks per 1,000 residents required for new development would be a standard. On the other hand, level of service refers to the actual level of benefit that the current population experiences. Level of service may be different from the standard for a given facility. When the existing level of service is less than the standard, in other words when the facility is overcapacity relative to the stated or policy standard, a deficiency exists for that facility. If the opposite is the case--if there is a surplus of capacity--then the City may recoup a portion of its investment in that facility that is available to serve new development. Frequently there is no stated policy standard for a given facility, in which case the existing level of service becomes the de-facto "current standard" and the terms may be interchanged.

New development alone cannot be asked to improve the level of service provided by those facilities that serve both new and existing development. Additionally, new development alone cannot correct an existing facility deficiency. Either way, facility standards cannot be increased compared to the existing level of service solely by imposing impact fees on new development.

By policy, the City of Orland can adopt its own reasonable facility standards to reduce, maintain, or increase the existing facility standard. However, basing an impact fee on a standard that is higher than the existing level of service is fair to new development only if the City were to use alternative funds to increase the capacity in facilities that benefit existing development. This extra funding is needed to correct the "existing deficiency".

This study uses three approaches for establishing facility standards:

- The existing level of service method uses a standard based on the ratio of existing facilities to the current service population. Under this approach, new development funds the expansion of facilities at the same level of service, or current standard, currently enjoyed by the service population (residents and workers) in existing development. By definition, this approach results in no facility deficiencies attributable to existing development. With a few exceptions, this is the basic method used throughout this report for all facility categories. There are other methods used in fee nexus studies as follows:
- The master plan method establishes the standard based on the ratio of all existing plus planned facilities to total future demand (current and future development). This method is used when the local agency anticipates increasing its facility standards above the existing inventory standard and planned facilities are part of a system that benefit both existing and new development. This method typically results in "existing deficiencies" that must be funded outside of the impact fee program.
- The engineering standard approach is based upon standards adopted by the City and/or standard engineering or planning criteria. This method is typically used for infrastructure such as storm drainage and traffic facilities. The basic approach is to maintain the appropriate level of service as defined by accepted planning and engineering practice for all roadway segments and intersections, and drainage systems. If there any costs related to existing deficiencies they may not be passed on to new development.

Use of these standards is not meant to label them as city policy. Indeed, many jurisdictions consider their existing levels of service to be deficient compared to the policies stated in their General Plans. The City of Orland may, as a policy decision raise any facility standard, and in doing so, possibly create a deficiency relative to the existing level of service.

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## 2. GROWTH PROJECTIONS

### INTRODUCTION

Estimates of existing development (number and type of housing) and projections of growth are used throughout the public facility fee chapters that follow in this report. Current residential population estimates are based on the latest California Department of Finance County/City estimate dated January 2013. Current employment (jobs within the City as opposed to employed residents who live in the City but may work elsewhere) are based on the estimates found in the U.S. Census Bureau's 2007 County Business Patterns compiled for Orland's postal Zip code.

### OCCUPANCY RATES

The use of occupancy rates ensures a reasonable relationship between the increase in service population and amount of the fee. To do this, the fee must vary by the estimated service population generated by a particular development project. Developers pay the fee based on the number of additional housing units or building square feet, so the fee analysis must convert service population estimates to these measures of project size to derive a fee per unit of development. This conversion is done with average occupancy factors by land use category, shown in **Table 2.1**.

**Table 2.1 – Occupancy Assumptions for Households and Employment**

<b>Land Use</b>	<b>Current Occupancy Rate, estimated</b>		<b>Employees per 1,000 square feet</b>
Residential <sup>1</sup>			
Single Family	2.90	persons per dwelling unit	~
Duplex	2.40	persons per dwelling unit	
Multi-family	1.70	persons per dwelling unit	~
Mobil Home	1.30	persons per dwelling unit	
Nonresidential <sup>2</sup>			
Office	250	building square feet per worker	4.00
Commercial	400	building square feet per worker	2.50
Light Industrial	500	building square feet per worker	2.00
Heavy Industrial	1,000	building square feet per worker	1.00

<sup>1</sup>Based on American Community Survey 5-yr. Estimates, 2007-2011, Tenure and Units in Structure tables B25033 & B25032, U.S. Census Bureau, adjusted for current occupied units and population.

<sup>2</sup>Building area per worker factors are based on the Employment Density Study for SCAG, by the Natelson Company, 2001.

Employment occupancies—the number of workers per non-residential floor area—were based on values found in the “Employment Density Study” done for the Southern California Association of Governments by the Natelson Company in 2001.

POPULATION, HOUSING AND EMPLOYMENT ESTIMATES

The 2028 projections for occupied housing and population are based on a medium level annual average rate of change of 2.2% beginning in 2008. This was the basis for land use projections in the 2010 General Plan Update and the housing and employment growth used in the Traffic Impact Study for the GP Draft EIR. As noted in the Summary above, the absolute numbers for population, housing and employment have been retained in this nexus study analysis since the facilities are predicated on that growth and not a particular annual rate of growth.

The population and housing estimates from the Summary are repeated in **Table 2.2**.

**Table 2.2 – Growth Assumptions for Households and Employment**

	2013	2028	Net Growth	Average Annual Growth Rate
Population <sup>1,2</sup>	7,626	11,354	3,728	2.7%
Employment <sup>3</sup>	1,700	4,145	2,445	6.1%
Housing <sup>4</sup>				
Single Family Units	1,938	3,103	1,165	
Duplex				
Multi-Family Units			233	
Mobile Homes	74	74		
<b>Total Occupied</b>	<b>2,655</b>	<b>4,053</b>	<b>1,398</b>	
Overall persons per household	2.87	2.80	2.67	

<sup>1</sup> Population for City of Orland from California Dept. of Finance (CA-DOF) Estimate Table E-5.

<sup>2</sup> 2028 projection is based on General Plan Draft EIR Traffic Impact Analysis

<sup>3</sup> Current employment from: 2011 County Business Patterns, total for 95963 ZIP Code, U.S. Census Bureau. Employment growth based on an assumed development of 1.04 million square feet of non-residential floor area and employee occupancy rates per Table 2.1.

<sup>4</sup> 2013 occupied housing estimates from CA-DOF; projections based on GP DEIR Traffic Impact Analysis.

Sources: CA-DOF Demographics Unit, U.S. Census Bureau

These population estimates are used as follows:

- Estimates of future growth are used to provide a rough estimate of the total amount of public facilities required to accommodate growth over the planning horizon.
- Estimates of existing population and land development are used to determine current facility standards; for example: square feet of public buildings per capita or average daily trips per household to correlate with traffic level of service.

- Future employment estimates are used to establish the level of service and facilities that are applicable to future non-residential development.

### LAND USE CATEGORIES

Measuring the impact of growth requires land use types for summarizing different categories of new development. The land use types used in this analysis are defined below.

- **Single family:** Detached and attached (townhomes and condominiums) one-family dwelling units.
- **Multi-family:** Dwellings units such as duplexes and condominiums (unless considered attached “townhomes”), apartments, and dormitories.
- **Mobile Homes:** Includes manufactured housing units located within mobile home parks.
- **Commercial/Office:** All commercial, retail, educational, and hotel/motel development. All general, professional, and medical office development.
- **Industrial:** All manufacturing, fabrication, food processing, motor vehicle repair, warehousing, truck yards and warehousing terminals and distribution centers. This category may also encompass business parks, research and development space, including “back-office” uses and ancillary employee-serving retail and services;

### Applying the Impact Fees to Development Projects Involving More Than One Land Use

Some developments may include more than one land use category, such as a mixed-use development with both residential and commercial uses. In these cases, the impact fee would be calculated separately for each land use category contained within the project.

The amount of impact fees payable should be evaluated prior to the issuance of a building permit and be based on the information provided in the permit application including: number and type of units, intended occupancy, and floor areas per occupancy. In a single use structure the total of the fees would be the sum of each of the products of the fee rate for each facility category times the number of units or the floor area (1,000 sq. ft. increments) in the structure. For a mixed-use project, wherein more than one use will occupy a single permitted structure, an impact fee calculation should apply the appropriate fee rate to each portion of the structure containing an identified use. For a commercial-residential structure the applicable residential fee rates shall be applied to each residential unit (the unit may be defined as either a single or multi-family unit depending on the type of construction) and the applicable non-residential rates will be applied to each unit of non-residential floor area.

### SERVICE POPULATION

Different types of development use public facilities at different rates in relation to each other, depending on the services provided. In each succeeding chapter, a specific service population is identified for each facility type to reflect this. The service population is calculated by weighting one land use category against another based on each category's demand for services.

## 2. GROWTH PROJECTIONS

Different service populations are used to estimate impacts for different types of fees. To measure existing development and future growth, this Nexus Study makes the following assumptions regarding use:

- City Hall, fire and police facilities are used to serve city-wide residents and workers;
- Parks, the library and the Community Center serve only the residential population;
- Traffic facilities serve the residential and worker populations which occupy homes and businesses that are assigned a trip generation rate to measure impact on the street network; and,
- Drainage systems serve both residential and non-residential development.

The service population for law enforcement, fire protection, and City Hall is calculated below in **Table 2.3**. Workers are shown as “weighted” for purposes of determining their relative demand and the demand non-residential development has on public facilities included in this study. When residents and workers are part of the same service population, it is reasonable to assume that one resident places greater demand on public services and associated facilities than one worker. Therefore, workers are factored at 24% of a resident for purposes of determining their relative demand and the demand non-residential development has on public facilities included in this study.

**Table 2.3 - Service Populations for Law Enforcement, Fire Protection and City Hall**

	Residents	Workers <sup>1</sup>	Factored Workers	Service Populations <sup>2</sup>	Relative Percentages
Existing (2013)	7,626	1,700	408	8,034	65%
New Development (2013-2028)	<u>3,728</u>	<u>2,448</u>	<u>588</u>	<u>4,316</u>	<u>35%</u>
Totals	11,354	4,148	996	12,350	100%
<i>Weighting factor<sup>3</sup></i>	<i>1.00</i>	<i>0.24</i>			

<sup>1</sup>Current employment from: County Business Patterns, U.S. Census Bureau 2005. Employment projections are based on assumed non-residential land development over the study period and worker occupancy per floor area

<sup>2</sup>Service population is found by adding “Residents” and “Factored Workers”.

<sup>3</sup>The resident-to-worker weighting factor is calculated by dividing a 40-hour workweek into 168 total hours in a week.

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### 3. LAW ENFORCEMENT FACILITIES

This chapter summarizes the analysis of the need for law enforcement facilities, vehicles and equipment to accommodate new development. This chapter documents a reasonable relationship between new development and the fair-share impact fee for the funding of such facilities and vehicles.

#### EXISTING AND PLANNED POLICE FACILITIES

The impact fee update for law enforcement includes Police Department space needs, new patrol vehicles, and personal equipment for the additional officers needed to serve growth. The “planned facilities” approach is used to calculate the impact fee for law enforcement. The new facilities planned for Orland’s police department involve the expansion into the space at City Hall currently occupied by the City’s administrative staff (the construction of a replacement City Hall is discussed in Chapter 5 below). With this approach the cost of the planned facility is shared between the existing population and new development because the level of service will be increased with the expansion of space used by law enforcement. In **Table 3.1** below the police facility standard is calculated based on the planned space and the future service population. **Table 3.2** then allocates the cost of the planned facility between anticipated growth and existing development. The allocation of cost is proportional to the existing service population and the growth of service population. The allocation is roughly 65% for existing and 35% for new development, based on the relative percentages of these two service populations shown on Table 2.3 above.

In contrast, the “existing inventory” approach is used for patrol vehicles and equipment. With the existing inventory approach the current ratio of officers per 1,000 service population and the current ratio of patrol vehicles per officer are used to determine the number of additional officers and vehicles needed to serve growth at the same level of service experienced by the existing population. With the existing inventory approach, the entire cost of the additional equipment and vehicles is borne by new development only. **Table 3.1** below shows the applicable standard for patrol vehicles. **Table 3.2** shows the cost of vehicles and personal equipment.

**Table 3.1 – Planned and Current Standards for Law Enforcement**

Planned Law Enforcement Facility (expansion into entire City Hall)	4,300 sq. ft.
Current Service Population <sup>1</sup>	8,034
Future Service Population <sup>1</sup>	12,350
Planned Standard per capita (4,300 sq. ft. / 12,350)	0.35 sq. ft.
Current Officers	10
Current Patrol Vehicles	8
Current Standard of officers per 1,000 service population	1
Current Standard for Patrol Vehicles per officer	0.8

<sup>1</sup> Includes residential population and factored workers.  
*Source: City of Orland*

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**Table 3.2 - Planned Law Enforcement Facilities Cost Allocation**

	<b>Service Populations and Standards</b>	<b>Cost per sq. ft. or item<sup>2</sup></b>	<b>Total Cost for New Development</b>
Current service population <sup>1</sup>	8,034		
<i>Space Needs</i>			
Planned Facility Standard per capita	0.35 sq. ft.		
Service Population Growth	4,316		
Planned Facility (existing City Hall)	4,300 sq. ft.		
Floor area renovated with other funds (existing service population's. share)	<u>2,789 sq. ft.</u>	\$125	<u>\$348,625</u>
Additional space needed for growth (.35 sq. ft. per capita x 4,316)	1,511 sq. ft.	\$125	\$188,875
<i>Vehicle and Equipment Needs</i>			
Additional personal equipment for law enforcement needed for growth (1 officer per 1,000 service pop.)	4	\$3,500	\$14,000
Patrol Vehicles per officer	0.80		
Additional patrol vehicles needed for growth	3	\$27,000	<u>\$81,000</u>
<b>Total Law Enforcement Costs for Growth</b>			<b>\$283,975</b>

<sup>1</sup> Includes residential population and factored workers.

<sup>2</sup> Estimated cost of renovating existing City Hall to serve Police Department. Cost of new vehicles based on capitalized lease cost over an 8-year period (average length of lease at 90,000 mile limit) with a 2% discount rate.

Sources: City of Orland

New development's share of the cost is allocated to residential and non-residential on a 70%/30% basis per the Municipal Code:

**Table 3.3 - Residential and Non-Residential Cost Allocation**

		<b>Residential 70%</b>	<b>Non-residential 30%</b>
Police Facilities cost for growth	\$283,875	\$198,713	\$85,163
Service Population Growth (2013-2028)		<u>3,728</u>	<u>2,448</u>
<b>Cost per Resident or Worker</b>		<b>\$53.30</b>	<b>\$34.79</b>

Source: Table 3.2

#### PROPOSED LAW ENFORCEMENT FEE SCHEDULE

The proposed impact fee schedule for Law Enforcement is shown on **Table 3.4**. The fees are based on the cost per capita (residents or workers) for growth calculated in Table 3.3. The cost per resident, or worker, is then multiplied by the estimated occupancy factors in Table 2.3 above

(per dwelling unit for residential, or per 1,000 square feet for non-residential uses) to yield the proposed fee for each units or 1,000 sq. ft. of each type of non-residential land use. The current fees are also shown in Table 3.4.

**Table 3.4 – Proposed Law Enforcement Fee Schedule**

<b>Land Use<sup>1</sup></b>	<b>Costs per Resident or Worker</b>	<b>Occupancy Factor<sup>2</sup></b>	<b>Proposed Fee<sup>3</sup></b>	<b>Current Fee</b>
<i>Residential (per dwelling unit)</i>				
Single Family	\$53.30	2.90	\$154.57	\$1,453
Duplex	\$53.30	2.40	\$127.92	\$1,213
Multi-family	\$53.30	1.70	\$90.61	\$849
Mobile Home	\$53.30	1.30	\$69.29	\$728
<i>Non-residential (per 1,000 sq. ft.)</i>				
Office	\$34.79	4.00	\$139.16	\$197
Retail/Commercial	\$34.79	2.50	\$86.98	\$289
Light Industrial	\$34.79	2.00	\$69.58	\$452
Heavy Industrial	\$34.79	1.00	\$34.79	\$747

<sup>1</sup> See page 16 for land use type descriptions.

<sup>2</sup> Persons per dwelling unit are estimated future rates set to equate projected population with housing units. Employees per 1,000 square feet for non-residential land uses.

<sup>3</sup> Per dwelling unit for residential uses and per 1,000 square feet for non-residential land uses.

Sources: Tables 2.1 and 3.3

#### CURRENT FEES FOR LAW ENFORCEMENT

The City's current fees for law enforcement were based on the assumption that the Police Department would be housed in new \$3 million structure. Instead, the proposed fees above now assume that a replacement City Hall will be constructed and the Police Department would expand into the vacated space. At first this would seem to have effect of raising the City Hall fee and reducing the law enforcement fee. Rather, the two fee components should be considered together from the point of view that the proposed approach is the more cost-effective: A replacement City Hall, of the appropriate size to meet current and future needs, may be constructed at a lower cost than a completely new police station.

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#### 4. FIRE PROTECTION FACILITIES

This chapter summarizes the analysis of the need for fire facilities to accommodate new development. This chapter documents a reasonable relationship between new development and the fair-share impact fee for funding of such facilities.

##### EXISTING FIRE FACILITIES

The City of Orland owns and operates the fire stations, vehicles and equipment listed in **Table 4.1**. Fire-fighting vehicles are included in the analysis because they represent integral capital investments needed to provide fire protection services and they have a minimum five-year service life.

**Table 4.1 – Current Fire Protection Facilities**

<u>Item</u>	
<u>Fire Stations</u>	
Station No. 1, 810 Fifth Street	4,000 sq. ft.
<u>Fire Fighting Vehicles</u>	
Ladder Truck No. 26, 1979 International	
Engine No. 28, 2006 Freightliner	
Engine No. 25, 1993 Freightliner	
Rescue No. 29, 2003 Ford Crew Cab	

##### FIRE FACILITIES NEEDED FOR GROWTH

The Fire Department has determined that, with the exceptions as noted, the facilities and equipment outlined in **Table 4.2** below are necessary to serve the new development projected to occur on the west side of Interstate 5 and may be funded entirely through impact fee revenues. The exceptions are the replacement ladder truck, the new fire truck, and the fire rescue vehicle. The ladder truck will primarily benefit existing development downtown; therefore 90% of the cost will be funded by the existing service population. On the other hand, the new fire truck will be housed in the planned new sub-station, but may on occasion be rotated to the existing Station No. 1. It is estimated that half the calls for the new fire rescue vehicle will come from new development. The same service population as law enforcement pertains to fire protection (see Table 2.3). **Table 4.2** also calculates the cost per capita for fire protection facilities to serve growth.

**Table 4.2 – Planned Fire Protection Facilities**

	<b>Costs</b>	<b>Share to Existing Service Population</b>	<b>Share to Future Service Population Growth</b>
<b>Planned Fire Facilities for Growth</b>			
New fire sub-station, land acquisition, utilities, construction (Growth's share: 100%)	\$625,000	0	\$625,000
Ladder truck (Growth's share: 10%)	\$850,000	\$765,000	\$85,000
Fully equipped fire truck, including radio system (Growth's share: 90%)	\$421,000	\$42,100	\$378,900
Breathing Apparatus (4)	\$15,000	0	\$15,000
Personal gear (4)	\$10,000	0	\$10,000
Fire Rescue Vehicle (Growth's share 50%)	\$150,000	\$75,000	\$75,000
<b>Total Cost for Fire Protection</b>	<b>\$2,071,000</b>	<b>\$882,100</b>	<b>\$1,188,900</b>
Service Population Growth			4,316
			<b>\$275.46</b>
<b>Cost per Capita for Growth</b>			

Sources: City of Orland

#### PROPOSED FIRE PROTECTION FEE SCHEDULE

The proposed impact fee schedule for Fire Protection is shown on **Table 4.3**. The fees are based on the cost per capita for growth calculated in Table 4.2. Non-residential fees are based on the cost per capita to which the worker factor of 24 % is applied resulting in a cost per worker. The cost per worker is then multiplied by the estimated number of workers per 1,000 square feet to yield the proposed fee for 1,000 sq. ft. of each type of non-residential land use. The current fees are also shown in Table 4.3.

**Table 4.3 – Proposed Fire Protection Fee Schedule**

<b>Land Use<sup>1</sup></b>	<b>Costs per Capita<sup>2</sup></b>	<b>Occupancy<sup>3</sup></b>	<b>Proposed Fee<sup>4</sup></b>	<b>Current Fee</b>
<i>Residential (per dwelling unit)</i>				
Single Family	\$275.46	2.90	\$798.83	\$652.00
Duplex	\$275.46	2.40	\$661.10	\$586.00
Multi-family	\$275.46	1.70	\$468.28	\$244.00
Mobile Home	\$275.46	1.30	\$358.10	\$586.00
<i>Non-residential (per 1,000 sq. ft.)</i>				
Office	\$66.11	4.00	\$264.44	\$201.70
Commercial/Retail	\$66.11	2.50	\$165.28	\$201.70
Light Industrial	\$66.11	2.00	\$132.22	\$252.20
Heavy Industrial	\$66.11	1.00	\$66.11	\$252.20

<sup>1</sup> See page 16 for land-use type definitions.

<sup>2</sup> Cost per capita for non-residential is 24% of the residential cost per capita.

<sup>3</sup> Persons per dwelling unit are estimated future rates set to equate projected population with housing units. Employees per 1000 square feet for non-residential land uses.

<sup>4</sup> Per dwelling unit for residential uses and per 1,000 square feet for non-residential land uses.

Sources: Tables 2.1 and 4.2

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## 5. CITY HALL

This chapter summarizes an analysis of the need for City Hall facilities to accommodate new development. This chapter documents a reasonable relationship between new development and the fair-share impact fee for funding of such facilities.

### EXISTING AND PLANNED CITY HALL FACILITIES

The following City Hall analysis is the compliment to the analysis above for Law Enforcement. A new building would be constructed to house City administrative offices and Council chambers. The current City Hall would then be renovated to serve the Police Department. The floor area currently used by City administration, the facility standard in terms of floor area per capita of service population, and the planned floor area of the new building are shown in **Table 5.1**. The cost to construct a new building and the cost allocation between existing population and growth are shown in **Table 5.2**. The planned City Hall is intended to provide the same level of service in terms of floor area per capita as the current City Hall. Even so, since an entirely new structure will be built, and not an incremental expansion of the current building, a share of the cost of the new City Hall must be borne by the existing population (funding will be required from sources other than the impact fee revenues).

The same service population as law enforcement and fire protection pertains to City Hall (see Table 2.3).

**Table 5.1 - Existing and Planned City Hall Space**

<b>Facility</b>	<b>Current Floor Area SF</b>
817 Fourth Street <sup>1</sup>	2,150 sq. ft.
Total Existing Service Population	8,034
Existing Level of Service	0.27 sq. ft. per capita
Planned Facility	3,300 sq. ft.
Total Existing Service Population	12,350
Future Level of Service	0.27 sq. ft. per capita

<sup>1</sup> Current City Hall floor area used by both City administration and Police.

Source: City of Orland

**Table 5.2 - City Hall Costs and Allocation to Growth**

	Service Populations and Standards	Cost per Sq. Ft. <sup>1</sup>	Total Cost for New Development
Service Population Growth	4,316		
Planned Facility Standard per capita	0.27 sq. ft.		
<b>Additional space needed for growth</b>	<b>1,165 sq. ft.</b>	<b>\$200</b>	<b>\$233,000</b>
Planned City Hall	3,300 sq. ft.		
Obligation of existing population (funds from sources other than fee revenues)	2,135 sq. ft.	\$200	\$427,000

Sources: City of Orland Table 2.3

<sup>1</sup> Cost per square foot for the new City Hall includes: design, construction, land acquisition, utilities, and site improvements.

As with law enforcement, new development's share of the cost is allocated to residential and non-residential on a 70%/30% basis as follows:

**Table 5.3 - Residential and Non-Residential Cost Allocation**

		Residential Share 70%	Non-residential 30%
City Hall Costs for Growth	\$233,000	\$163,100	\$69,900
Service Population Growth (2013-2028)		<u>3,728</u>	<u>2,448</u>
<b>Cost per Resident or Worker</b>		<b>\$43.75</b>	<b>\$28.55</b>

Sources: Table 5.2

#### PROPOSED CITY HALL FEE SCHEDULES

The proposed impact fee schedule for City Hall is shown on **Table 5.4**. The fees are based on the cost per capita (resident or worker per Table 5.3) of new development's share of the total cost for the proposed new City Hall. The cost per worker is not factored in this case, as it is in Fire Protection, since the non-residential share for City Hall is determined by City Ordinance at 30% of the total cost.

**Table 5.4 – Proposed City Hall Fee Schedule**

<b>Land Use<sup>1</sup></b>	<b>Costs per Capita</b>	<b>Occupancy Factor<sup>2</sup></b>	<b>Fee Residential per unit/ Non-residential per 1,000 sq. ft.</b>	<b>Current Fees</b>
<i>Residential (per dwelling unit)</i>				
Single Family	\$43.75	2.90	\$126.88	\$319.00
Duplex	\$43.75	2.40	\$105.00	\$268.00
Multi-family	\$43.75	1.70	\$74.38	\$185.00
Mobile Home	\$43.75	1.30	\$56.88	\$161.00
<i>Nonresidential (per 1,000 sq. ft.)</i>				
Office	\$28.59	4.00	\$114.20	\$43.49
Commercial	\$28.59	2.50	\$71.38	\$63.81
Light Industrial	\$28.59	2.00	\$57.10	\$99.83
Heavy Industrial	\$28.59	1.00	\$28.55	\$165.11

<sup>1</sup> See page 16 for land-use type definitions.

<sup>2</sup> Cost per capita for non-residential is factored at 24% of the residential cost per capita.

<sup>3</sup> Persons per dwelling unit are estimated future rates set to equate projected population with housing units. Employees per 1000 square feet for non-residential land uses.

<sup>4</sup> Per dwelling unit for residential uses and per 1,000 square feet for non-residential land uses.

Sources: Tables 2.1 and 5.3

#### CURRENT CITY HALL FEES

The prior fee study by Quad Consultants in 1995 recommended a City Hall fee of \$74 per single family unit based on \$129,000 in City Hall improvements. The current fee has been updated since 1995 by a cost inflation factor of 8.5% per year, which in retrospect is very high given the relatively mild inflation in recent years. The proposed fees assume a projected construction cost of \$660,000 (3,300 square feet at \$200 per square feet, including land purchase) with 65% of the funding coming from sources other than impact fee revenues

## 6. LIBRARY

This chapter summarizes an analysis of the need for library facilities to accommodate new development. This chapter documents a reasonable relationship between new development and the fair-share impact fees for funding of future library facilities.

### LIBRARY SERVICE POPULATION

**Table 6.1** shows the library service populations estimated for 2013 and projected in 2028. Although workers may use the library during their workday, the overwhelming majority of patrons are residents and not employees of businesses. Therefore, the current and future service population of the library is assumed to be comprised of City residents only.

**Table 6.1 – Library Service Population**

	<b>Service Population</b>
Existing (2013)	7,626
New Development (2013-2028)	<u>3,728</u>
Total (2028)	11,354
<i>Source: Table 2.3</i>	

### EXISTING AND PLANNED LIBRARY FACILITIES

The City of Orland is served by the Orland Free Library, which staffs and operates the facility indicated in **Table 6.2**.

**Table 6.2 – Current Library Facilities**

<b>Name</b>	<b>Location</b>	
Orland Free Library <sup>1</sup>	333 Mill Street (Library Park)	6,905 sq. ft.
	Current Service Population	7,626
	Current library space per capita	0.91 sq. ft.
	Approximate volumes <sup>2</sup>	65,000
	Current volumes per capita	8.52
	Computer work stations	12
	Computer work stations per 1,000 pop.	1.57

<sup>1</sup> Current Library floor area includes the recently completed Community Room addition of 930 square feet.

<sup>2</sup>Includes 50,000 hard-copy volumes and 15,000 electronic media

Sources: Orland Free Library

## LIBRARY FACILITIES STANDARDS AND UNIT COSTS

Table 6.2 also calculates the current library service levels in terms of floor space and volumes per capita used to determine future development's share of the costs for these items. **Table 6.3** shows an evaluation of the per capita cost to provide the library space, volumes, (books and media) and workstations. The recently completed Community Room has been added to the floor area for the purpose of establishing the total floor area standard per capita.

**Table 6.3 – Library Costs per Capita**

	<b>Current Facility Standards Square Feet/Number of Volumes/Workstations per Capita</b>	<b>Unit Cost<sup>1</sup></b>	<b>Current Cost Per Capita</b>
Library space	0.91 sq. ft.	\$172	\$156.52
Volume, per resident	8.52	\$25	\$213.00
Computer stations (per 1,000 residents)	1.57	\$500	\$0.79
<b>Total cost per capita for new development:</b>			<b>\$370.31</b>
Population Growth (2013-2028)			3,728
<b>Total cost for new development:</b>			<b>\$1,380,497</b>

<sup>1</sup>Unit cost of library space based on contract award (Feb. 4, 2013) for Community Room addition: \$160,000 for design and construction of the 930 square foot addition.

Sources: Tables 6.1 and 6.2; PMC.

## USE OF LIBRARY FEE REVENUES

The library impact fee revenues may be used to contribute to the cost of a new library and/or acquisition of land, expansion or upgrade the existing library, purchase equipment with a minimum five-year life span, enhance the utility of existing technology systems and/or perform refurbishment within the parameters allowed by Government Code 66000.

## PROPOSED LIBRARY FEE SCHEDULE

**Table 6.4** shows the Library facilities impact fee for new development based on the facilities cost per capita shown in Table 6.3. The fee represents the amount required to fully fund all facilities needed to accommodate growth based on the existing library standards. Residential development in the City would pay the fee based on the service population for the facilities.

**Table 6.4 – Proposed and Current Library Fees**

<b>Land Use<sup>1</sup></b>	<b>Costs per Capita</b>	<b>Occupancy Factor<sup>2</sup></b>	<b>Fee Residential per unit</b>	<b>Current Fees</b>
Single Family	\$370.31	2.90	\$1,073.88	\$319.00
Duplex	\$370.31	2.40	\$888.73	\$266.00
Multi-family	\$370.31	1.70	\$629.52	\$187.00
Mobile home	\$370.31	1.30	\$481.40	\$161.00

<sup>1</sup> See page 16 for land use type definitions.

<sup>2</sup> Persons per dwelling unit are estimated future rates set to equate projected population with housing units.

Sources: Tables 2.1. and 6.3

The 1995 fee study for library included improvement costs totaling about \$233,000 and a per capita cost of \$64. This study, which is based on the existing inventory method shows that total costs to be nearly \$1.4 million and \$370 per capita in order to maintain the current standard. The City's current library space of 6,905 sq. ft. (including the future Community Room) will provide about 605 sq. ft of space for every 1,000 residents of the 2028 population, the American Library Association recommends 400 to 600 sq. ft. per 1,000 residents for planning purposes.

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## 7. PARK AND RECREATION FACILITIES

This chapter summarizes an analysis of the need for parks and recreation facilities to accommodate new development. This chapter documents a reasonable relationship between new development and the fair-share impact fee for funding of such facilities.

### CURRENT PARK AND RECREATION FACILITIES

The current Orland park system encompasses nearly 53 acres of total parklands as summarized below:

**Table 7.1 – Park Inventory Summary**

<u>Location</u>	<u>Developed Park (acres)</u>
<u>Neighborhood Parks</u>	
Vinsonhaler Park	18.00
Library Park	2.60
Spence Park	2.10
<u>Mini-Parks</u>	
Orland Centennial Park	0.26
<u>Special Interest Parks</u>	
Lely Aquatic Park	30.00
<b>Total Developed Park Acres:</b>	<b>52.96</b>
<b>Undeveloped Park Land Acres:</b>	<b>0.00</b>
<b>Total all Park Equivalent Acres:</b>	<b>52.96</b>

### PARKS SERVICE POPULATION

For purposes of the fee, the City's park facilities are assumed to serve only residents of the City, given the general intensity of usage by residents as a group versus workers. The current service population and growth from 2013 to 2028 is shown in **Table 7.2** below is the same as the Library:

**Table 7.2 – Park Service Population and Current Standard**

City Parks, total area	52.96 ac.
Current Service Population (2013)	<u>7,626</u>
Current Park acres per 1,000 residents	6.94
<i>Sources: Tables 2.3 and 7.1</i>	

In addition to the developed park acreage in Table 7.1, above, the Orland Park and Recreation system includes the recreation building located in Lely Park. The recreation facility has a floor area of 8,664 square feet and an estimated replacement value of \$1,000,000. **Table 7.3** below calculates the current standard for the recreation facility and its cost per capita. This cost per capita is carried forward to **Table 7.4** where the total cost per capita for all park and recreation facilities is calculated.

**Table 7.3 – Lely Park Recreation Facility Service Population and Current Standard**

Lely Park Recreation Facility, total floor area	8,664 sq. ft.
Current Service Population (2013)	<u>7,626</u>
Current Recreation Facility per capita	1.14 sq. ft.
Replacement Cost	\$1,000,000
Replacement Cost per square foot	\$115.42
<b>Recreation facility cost per capita</b>	<b>\$131.58</b>
<i>Sources: City of Orland and Table 2.3</i>	

#### PARK STANDARDS AND UNIT COSTS

Park standards are typically stated in terms of parkland per 1,000 population. The Orland City Council set a park dedication standard of 8.4 acre acres per 1,000 residents. However, the existing park inventory is approximately 7 acres per 1,000. The existing park inventory is used to determine the impact fee to avoid the dual consequences of creating a “deficiency” that would obligate the City to fund additional park acquisition and development by its own means, while also increasing the level of service and impact fee amount for new development.

#### Park Cost Estimate

To calculate the cost of new park facilities needed to serve new development, a cost estimate was developed for a model 5-acre neighborhood park that includes the amenities generally found in the Orland's existing parks.

The cost of the model park is \$296,545 per acre (including land cost at \$50,000 per acre). The unit costs for park construction, which are shown in **Table 7.4** below, except for land cost, are based on a recent park impact fee study done for the City of Redding.

Table 7.4 – Model 5-Acre Park Cost

Item Description	Quantity	Unit	Unit Cost	Total Cost
Street frontage Improvements 12' pavement, curb, gutter, sidewalk, driveways	400	LF	\$ 150.00	\$ 60,000.00
Clearing and Grading	5	Acre	\$ 10,000.00	\$ 50,000.00
Playground Equipment, 5-11 years	1	LS	\$ 75,000.00	\$ 75,000.00
Engineered wood safety surface for playground equipment	10000	Sq. Ft.	\$ 3.00	\$ 30,000.00
Full-court basketball, 56' x 90' (50' x 84' court and 3-foot out-of-bounds trim)	1	LS	\$ 80,000.00	\$ 80,000.00
Additional Amenities (e.g. Bocce Court, backstops, Wall Ball, Volleyball Courts)	1	LS	\$ 20,000.00	\$ 20,000.00
Trash Receptacles, 55 gal, aggregate stone	6	Each	\$ 785.00	\$ 4,710.00
Concrete Benches, 6 ft. flat	6	Each	\$ 640.00	\$ 3,840.00
Concrete Picnic Tables, 66 in. dia. round	8	Each	\$ 825.00	\$ 6,600.00
ADA Compliant Picnic Tables, 8 ft., concrete	2	Each	\$ 735.00	\$ 1,470.00
Drinking Fountains	2	Each	\$ 2,000.00	\$ 4,000.00
Bike Racks, 7 bike wave rack	2	Each	\$ 1,133.33	\$ 2,266.66
BBQ Grill, 300 sq. in enameled cooking surface	4	Each	\$ 500.00	\$ 2,000.00
Concrete Interior Path (6 ft. wide)	900	LF	\$ 22.20	\$ 19,980.00
12' Mow Strip, surrounding planting beds	400	LF	\$ 4.00	\$ 1,600.00
Irrigated Multi-Purpose Turf, 200' x 300'	60000	Sq. Ft.	\$ 2.50	\$ 150,000.00
Ornamental Planting	10000	Sq. Ft.	\$ 7.50	\$ 75,000.00
Other Ground / Slope Cover	45000	Sq. Ft.	\$ 1.25	\$ 56,250.00
Monument Entry Sign / Kiosk	1	LS	\$ 3,000.00	\$ 3,000.00
Amended Soil Base, turf, planting beds and miscellaneous ground cover	115000	Sq. Ft.	\$ 1.00	\$ 115,000.00
Shade Trees, 10 gallons	25	Each	\$ 100.00	\$ 2,500.00
Permanent Rest Rooms	2	Each	\$ 75,000.00	\$ 150,000.00
Water Supply	1	LS	\$ 5,000.00	\$ 5,000.00
Sewer Line	1	LS	\$ 7,500.00	\$ 7,500.00
Drainage	1	LS	\$ 10,000.00	\$ 10,000.00
Electrical	1	LS	\$ 2,000.00	\$ 2,000.00
Parking Lot (3" AC / 4" AB) approximately 2.5% of site, 20 spaces	5000	SF	\$ 6.50	\$ 32,500.00
Signage (Park Rules, Playground Rules, etc.)	6	Each	\$ 500.00	\$ 3,000.00
				\$ 973,216.66
				\$ 194,643.33
Utilities Fees @ 2%				19,464.33
Contingency @ 5%				48,660.83
Engineering / Design @ 5%				48,660.83
CM & Inspection @ 5%				48,660.83
City Administration @ 2.5%				24,330.42
Environmental @ 1%				9,732.17
				199,509.42
365-day maintenance	1	LS	\$ 60,000.00	\$ 60,000.00
				\$ 259,509.42
				\$ 1,232,726.08
				\$ 246,545.22
				\$ 50,000.00
				<b>\$ 296,545.22</b>

PARKS COST PER CAPITA

**Table 7.5** below calculates the park cost per capita at the current standard using the park acquisition and development costs stated above.

**Table 7.5 – Park and Recreation Cost per Capita**

	<b>Park Standards and Costs</b>
<b>Park and Recreation Acquisition and Development Costs for Growth</b>	
Existing level of service per 1,000 population:	6.94 ac.
Service Population Growth to 2028	<u>3,728</u>
Park Acres Required for Growth	25.87
Estimated Park Development cost per acre	\$246,545
Estimated Park Acquisition cost per acre	<u>\$50,000</u>
Total Cost per Acre	<u>\$296,545</u>
Developed Park cost for Growth (25.87 acres x \$296,545)	\$7,671,619
Recreation Facility cost per capita	<u>\$131.58</u>
Recreation Facility cost for growth (\$131.58 x 3,728)	\$490,530
Additional recreation equipment needed for growth	<u>\$65,000</u>
Total Park and Recreation Cost for Growth	\$8,227,149
<b>Cost per Capita at existing level of service: (\$8,227,149/3,728)</b>	<b><u>\$2,206.85</u></b>

Sources: Tables 2.3, 7.2, 7.3 and 7.4

PARKS AND RECREATION FEE SCHEDULE

**Table 7.6** shows the proposed park and recreation impact fee for new development based on the facilities cost per capita shown in Table 7.5. The fee represents the amount required to fully fund all new park facilities needed to accommodate growth based on the existing facility standard. City-wide residential development would pay the fee based on the service population for the facilities.

**Table 7.6 – Proposed Parks and Recreation Fee Schedule**

Land Use <sup>1</sup>	Cost per Capita	Occupancy <sup>2</sup>	Fee	Current Fee
Single Family	\$2,206.85	2.90	\$6,399.87	\$3,477.00
Duplex	\$2,206.85	2.40	\$5,296.45	\$2,897.00
Multi-family	\$2,206.85	1.70	\$3,751.65	\$2,030.00
Mobile Home	\$2,206.85	1.30	\$2,868.91	\$1,740.00

<sup>1</sup> See page 16 for land use type definitions.

<sup>2</sup> Persons per dwelling unit are future estimated rates set to equate projected population with housing units.

Sources: Tables 2.1 and 7.5

The proposed fee is substantially higher than the current fee for two primary reasons:

- While the investment of parks in Orland has not increased since the 1995 fee study—there were 53 acres then—the 1995 study used only the 5 acre per thousand residents standard of the Quimby Act. It is justifiable to use the current standard of nearly 7 acres per thousand.
- The costs of land acquisition and park development have also increased since 1995. The 1995 study estimated land cost at an average of \$30,000 per acre and a park development cost of \$75,000 per acre. This study uses updated costs of \$50,000 and \$246,500 per acre for acquisition and development costs, respectively.

### USE OF FEE REVENUES

The park impact fee revenues may be used to contribute to the acquisition and the development of new park land. Fee revenues may also be used to purchase or construct park amenities such as playground equipment, hard-courts, restrooms, ballfield and area lighting to extend hours of use and/or perform refurbishment within the parameters allowed by Government Code 66000.

## 8. TRANSPORTATION

This chapter summarizes the analysis of the need for transportation facilities including arterial roadway segments, intersection improvements, and traffic signals which were identified as mitigation measures in the Traffic Impact Study (TIS) done for the Draft EIR of the 2010 General Plan Update. These improvements are needed to accommodate the new development projected in the TIS to occur by 2028. This chapter documents a reasonable relationship between new development and the fair-share impact fee for funding of these facilities. The improvements identified in the TIS are listed in **Table 8.1**.

**Table 8.1 – Transportation Improvements**

Project	Current Costs (2013 Dollars) <sup>2</sup>	Funding from Other Sources	Funded by Impact Fee
<b>Segments</b>			
Extension of Stony Creek Drive to Bryant Street	\$350,000	\$0	\$350,000
Extension of Stony Creek Drive to the west	\$800,000	\$0	\$800,000
Extension of County Road MM (Hambricht Avenue) between Bryant Street and SR 32,	\$245,000	\$0	\$245,000
Extension of County Road MM (Hambricht Avenue) between SR 32 and County Road 15 ½,	\$370,000	\$0	\$370,000
Widening of County Road 15-1/3 between Papst Ave. and County Road N	\$735,000	\$0	\$735,000
		\$0	
<b>Intersections</b>			
#1 – Newville Road & County Road HH	\$375,000	\$0	\$375,000
#2 – Newville Road & I-5 Southbound Ramps	\$375,000	\$0	\$375,000
#3 – Newville Road & I-5 Northbound Ramps	\$375,000	\$0	\$375,000
#5 – Walker Street (SR 32) & 6 <sup>th</sup> Street	\$35,000	\$0	\$35,000
#9 – SR 32 & County Road N	\$425,000	\$0	\$425,000
Signalization of the intersection of SR 32 and Tehama Street (9 <sup>th</sup> Street)	\$300,000	\$0	\$300,000
Signalization of the intersection of SR 32 and County Road MM (Hambricht Avenue).	<u>\$375,000</u>	\$0	<u>\$375,000</u>
<b>Total Improvements for New Development :</b>	<b>\$4,760,000</b>		<b>\$4,760,000</b>

<sup>1</sup> Source: City of Orland; mitigation measures and improvements assumed in the General Plan DEIR Traffic Impact Study

### TRAFFIC DEMAND FROM NEW DEVELOPMENT

The methodology used in this study to allocate the transportation system improvement costs to the various land-uses is based on the traffic demand generated by each land use. The trip generation rate of the land use represents its demand on transportation facilities. This study uses the afternoon peak-period trip rates for residential and non-residential that were used in the TIS. From these trip rates a specific dwelling unit equivalent (DUE) factor was calculated for each land-use. The DUE states the impact of each unit of a given land use in terms of a single family dwelling unit. This study also includes a pass-by trip factor applied to the non-residential land uses to account for trips that are already on the road and do not add an impact to the network. The total new DUEs and the cost per DUE are calculated in the tables below. **Table 8.2** shows the increase in traffic demand that would be generated by new development from 2013 to 2028,

based on the TIS. For office, light industrial and heavy industrial the Institute of Transportation Engineers (ITE) rates are used, since the TIS stated these rates in terms of peak-period trips per acre.

**Table 8.2 – Growth in Traffic Demand from New Development**

<b>Land Use<sup>1</sup></b>	<b>Growth 2013-2028 Units or Thousand Square Feet</b>	<b>PM Peak Period Trip Rate</b>	<b>Pass-by and Diverted Trip Factor</b>	<b>DUE Factor<sup>2</sup></b>	<b>New DUE's 2013-2028</b>
<i>Residential (in units)</i>					
Single Family	1,165	1.00	1.00	1.00	1,165.00
Multi-family	233	0.62	1.00	0.62	144.46
Mobile Home	-	0.59	1.00	0.59	-
Total	1,398				1,309.46
<i>Non-residential (in thousand sq. ft. units)<sup>3</sup></i>					
Office	162	1.49	0.70	1.04	168.48
Retail/Commercial <sup>4</sup>	309	3.73	0.40	1.49	460.41
Light Industrial	461	0.98	0.60	0.59	
Heavy Industrial	105	0.15	0.70	0.11	11.55
Total	1,036				912.43
<b>Total DUEs</b>					<b>2,222</b>

<sup>1</sup> See page 16 for land use type definitions. Growth measured in dwelling units for residential uses and 1,000 square feet for non-residential uses.

<sup>2</sup> DUE means “dwelling unit equivalent” or traffic generation by land use per unit compared to a single family dwelling unit (1.01 afternoon peak-period trips). Multi-family generates 0.62 afternoon peak-period trips per unit. Factors for non-residential are per 1,000 square feet.

**Table 8.3 – Transportation Improvements Cost per DUE**

Improvements cost for growth	\$4,760,000
Other Funding Sources	\$0
Total cost of new development's share	\$4,760,000
Total new DUE	2,222
<b>Cost per DUE</b>	<b>\$2,142.21</b>
<i>Sources: Tables 8.1 and 8.2</i>	

TRANSPORTATION FACILITIES STANDARDS

The traffic facility standards are based on roadway level of service (LOS) stated in terms of the capacity of intersections and roadway segments.

### Level of Service

A segment of roadway's level of service ("LOS") is measured by its volume to capacity ratio (v/c). A v/c of 1.00 or more is given a LOS F, which indicates the segment has reached its the capacity to handle traffic. A segment with a LOS A has a v/c of .6 or better. A lower v/c typically means a lower time of travel over the segment of roadway.

Under current conditions, all road segments in Orland operate at LOS C or better (v/c < .7) during the critical AM and PM peak hours. The capacities of these roadways are therefore adequate to meet the traffic demands of the City's current level of development. The traffic mitigation measures recommended in the TIS and summarized in Table 8.1 benefit new development and may be funded through impact fee revenues only.

### PROPOSED TRANSPORTATION FEE SCHEDULE

**Table 8.4** shows the Traffic facilities impact fee for new development based on the road improvements cost per DUE shown in Table 8.3. The fee represents the amount required to fully fund all roadway improvements needed to accommodate growth based on the level of service approach. Citywide residential and nonresidential developments within the City would pay the fee based on the dwelling unit equivalent for each development type as indicated.

**Table 8.4 – Proposed Transportation Fees**

Land Use	Cost Per DUE	DUE factor <sup>1</sup>	Fee <sup>3</sup>	Current Fees <sup>4</sup>
<i>Residential (per dwelling unit)</i>				
Single Family	\$2,142.21	1.00	\$2,142.21	\$1,435.00
Duplex	\$2,142.21	0.62	\$1,328.17	\$1,141.00
Multi-family	\$2,142.21	0.62	\$1,328.17	\$730.00
Mobile Home	\$2,142.21	0.59	\$1,263.90	\$941.00
<i>Non-residential (per 1,000 sq. ft.)</i>				
Office	\$2,142.21	1.04	\$2,227.90	\$1,458.49
Retail/Commercial	\$2,142.21	1.49	\$3,191.89	\$2,620.80
Light Industrial	\$2,142.21	0.59	\$2,227.90	\$655.30
Heavy Industrial	\$2,142.21	0.11	\$235.64	\$550.67

<sup>1</sup>This factor combines afternoon peak-period trip DUE factor and the pass-by and diverted trip factor

<sup>2</sup> DUE means "dwelling unit equivalent" or the impact by land use per unit compared to a single family dwelling unit.

<sup>3</sup> Fee per dwelling unit for residential land uses and per 1,000 square feet for non-residential uses.

<sup>4</sup> Current fees for Streets and Signals

Sources: Table 8.1, 8.2 and 8.3

### IMPROVEMENTS SERVING SPECIFIC DEVELOPMENT PROJECTS

The fees indicated in Table 8.4 cover only the transportation improvements indicated in Table 8.2 above. Road improvements necessary for development of individual properties, to provide access to individual property and to mitigate on or off-site project specific traffic impacts are not included in the improvements covered by the transportation impact fee proposed in this chapter. Project-specific improvements not covered by the fee include but are not limited to the following:

- Local, in-tract and backbone road improvements serving individual parcels;
- Traffic signals and other modifications not included in Table 8.2 but required as a condition of project approval;
- Arterial roadways or any other transportation-related improvement required by a development agreement;
- Project specific mitigations identified in a final EIR.

Notwithstanding the above, a developer of a property may be required as a condition of approval to construct one or more or a portion of any of the improvements covered by the fee. In such case, the value of constructed improvements that correspond to those listed in Table 8.2 may be credited against the transportation impact fee at the City's discretion.

## 9. STORM DRAINAGE

This chapter summarizes an analysis of the need for drainage facilities to accommodate new development. This chapter documents a reasonable relationship between new development and the impact fee for funding of such facilities.

### PLANNED DRAINAGE IMPROVEMENTS

This nexus study analyzes and distributes the drainage improvement costs on a city-wide basis. Presently, Orland has multiple geographically-divided benefit areas for which drainage fees apply. The rationale for spreading the costs to the entire city is similar to traffic improvements: All areas of the City benefit from major drainage improvements that protect critical road connections and assure continued access by emergency vehicles. The City's Storm Drainage Master Plan recommends drainage improvements necessary to assure access during a 50 year rain event. These improvements include construction of a pump and pressure line from the Lely Park detention basin to the east side of the Tehama-Colusa Canal, and installation of a gravity pipeline from the canal to the basin at Haigh Field. The peak flow into Lely Park basin during a 50 year storm occurrence is approximately 35,500 GPM (gallons per minute). Pump selection does not need to accommodate the peak flow as long as the pump is sized appropriately and begins pumping well in advance of the peak runoff's arrival at Lely Park Basin.

The costs of these drainage improvements are summarized in **Table 9.1** includes the major drainage projects that are necessary to prevent flooding of existing critical roadways. This original 2009 cost has been updated by a construction cost inflation factor.

**Table 9.1 – Storm Drainage Master Plan Improvements**

<b>Improvements</b>	<b>Project Costs (2009 dollars)<sup>1</sup></b>	<b>Current Project Costs (2013 dollars)<sup>2</sup></b>
Pump, 20,000 GPM	\$165,000	\$174,260
36" Pressure pipe, 3,753 lineal feet	\$262,710	\$277,454
48" Gravity pipe, 3,453 lineal feet	\$587,010	\$619,954
<b>Total Drainage Improvements:</b>	<b>\$1,014,720</b>	<b>\$1,071,669</b>

<sup>1</sup> Source: *City of Orland Storm Drainage Master Plan, August 2009 by Rolls, Anderson & Rolls*

<sup>2</sup> Cost inflation factor:

California Highway Cost Construction Index 2009 (year):	78.4
California Highway Cost Construction Index 4th qtr. 2012:	<u>82.8</u>
Percent Change	6%

Note that these improvements are very limited in scope and do not provide flood-proofing for private developments, or provide storm water management measures needed for NPDES compliance. Such flood and storm water quality mitigations are a private responsibility and typically must be established on-site through best management practices.

The methodology used to distribute the cost of the drainage improvements is based on the impervious acreage added by new growth as presented in the drainage allocation **Table 9.2** below. This table calculates the growth in impervious acres based on projected land use.

Table .9.2 – Impervious Acreage Projection and Allocation

Land Use	Growth in Units or Square Feet 2013-2028 <sup>1</sup> (a)	Average Density, Units or Floor Area Ratio (b)	Acres of New Residential <sup>2</sup> (c)	Acres of New Non-Residential <sup>3</sup> (d)	Runoff Coefficient <sup>4</sup> (e)	Impervious Area Growth (acres) 2013-2028 (c) or (d) x (e) (e)
<i>Residential (in acres)</i>						
Single Family	1,165	5.00	233.0		0.50	116.5
Duplex	0	8.00	0.0		0.65	0.0
Multi-family	233	13.00	17.9		0.75	13.4
Mobile Home	0	8.00	0.0		0.75	0.0
<i>Nonresidential (in acres)</i>						
Office	162	0.39		9.54	0.80	7.6
Retail/Commercial	309	0.27		26.27	0.80	21.0
Light Industrial	461	0.17		62.25	0.90	56.0
Heavy Industrial	105	0.10		24.10	0.90	21.7
<b>Total New Impervious Acres:</b>						<b>236</b>

<sup>1</sup> Growth is consistent with the General Plan Draft EIR Traffic Impact Study

<sup>2</sup> Growth in acreage is based on forecasted dwelling units and assumed average units per acre: (c) = (a)/(b)

<sup>3</sup> Growth in non-residential acreage is based on the estimated floor area determined by employment occupancy ratios (the floor area per employee), and a floor area ratio, which is the square footage of floor area that may be constructed on each square foot of land area as follows: (d) = (a)\*1000/(b)/43,560

<sup>4</sup> Runoff coefficients per *Standard Handbook for Civil Engineers, 3rd Edition McGraw Hill*

Sources: PMC; City of Orland

## DRAINAGE FACILITIES STANDARDS AND UNIT COSTS

The level of service applicable to drainage facilities and the general standards for new development relative to drainage, flood protection and storm water mitigation are contained in various documents that define hydrologic and hydraulic design and planning criteria, including but not limited to:

- The General Plan of the City of Orland;
- *Land Division Standards, Storm Drainage Criteria*, City of Orland Public Works Department.

New development can be required to provide its proportionate share of drainage facilities necessary to be consistent with the existing level of service standards pertaining to drainage, flood control and storm water management in general. **Table 9.3** shows the allocation of city-wide drainage facilities costs attributable to new development. New development is contributing to drainage improvements only to the extent of its impacts on the City's storm water management system.

**Table 9.3 – Drainage Improvements Cost per Impervious Acre**

Master Plan Drainage Improvements	\$1,071,669
Growth of impervious acres (2013-2028)	236
<b>Cost per impervious acre:</b>	<b>\$4,540.97</b>

<sup>1</sup> Drainage Improvements identified in the *Orland Storm Drain Master Plan* by Rolls Anderson and Rolls, August 2009

## FEE SCHEDULE

**Table 9.4** shows the drainage facilities impact fee for new development based on the facilities cost per impervious acre shown in Table 9.3. The fee represents the cost to fully fund all facilities needed to mitigate the downstream impacts of new development. City-wide residential and non-residential developments within the City would pay the fee based on the impervious acreage factors, and the density and floor areas ratios. The following table presents the proposed city-wide drainage fees. Note that currently there is no city-wide drainage fee.

**Table 9.4 – Proposed Storm Drainage Fees**

Land Use <sup>1</sup>	Cost per Impervious Acre	Acres per per Unit Factors <sup>2</sup>	Imperviousness Factor	Fee <sup>3</sup>	Current Fee (Southwest Area) <sup>4</sup>
<i>Residential (per dwelling unit)</i>					
Single Family	\$4,540.97	0.20	0.50	\$454.10	\$1,242
Duplex	\$4,540.97	0.13	0.65	\$383.71	\$1,242
Multi-family	\$4,540.97	0.08	0.75	\$272.46	\$1,242
Mobil Home	\$4,540.97	0.13	0.75	\$442.74	\$1,242
<i>Non-residential (per 1,000 sq. ft.)</i>					
Office	\$4,540.97	0.0589	0.80	\$213.97	\$267
Retail/Commercial	\$4,540.97	0.0850	0.80	\$308.79	\$628
Light Industrial	\$4,540.97	0.1350	0.90	\$551.73	\$997
Heavy Industrial	\$4,540.97	0.2296	0.90	\$938.35	\$1695

<sup>1</sup> See page 16 for land use type definitions.

<sup>2</sup> Residential factors = acres per unit (1/units per acre). Non-residential factors = 1,000 sq. ft./Floor Area Ratio/43,560

<sup>3</sup> Fee per dwelling unit for residential land uses and per 1,000 square feet for non-residential uses.

<sup>4</sup> The current fee is shown for the Southwest Area only. The fee per 1,000 sq. ft. is estimated by using the acres per unit factor times the current fee of \$7,383 per acre, which is the same for all non-residential.

### IMPROVEMENTS SERVING SPECIFIC DEVELOPMENT PROJECTS

The fees indicated in Table 9.4 cover only the specific limited improvements indicated in Table 9.1. Drainage improvements necessary for development of individual properties, to mitigate on or off-site flood hazards, or for storm water quality management are not included in the improvements covered by the drainage impact fee proposed in this chapter. Project-specific improvements not covered by the fee include but are not limited to the following:

- Local and backbone storm drains and appurtenances serving individual parcels;
- Storm drain trunk-lines and their appurtenances required for larger master-planned developments;
- Detention basins designed to attenuate peak runoff;
- Retention and debris basins, for storm water quality and other purposes;
- Downstream flooding mitigation measures not listed in Table 9.1 or in the Master Plan;
- Project specific NPDES measures.

Notwithstanding the above, a developer of a project may be required as a condition of project approval to construct one or more or a portion of any of the drainage improvements covered by the fee. In such case, the value of constructed improvements that correspond to those listed in Table 9.1, or the Master Drainage Plan, may be credited against the drainage impact fee at the City's discretion.

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## 10. COMMUNITY CENTER

This chapter summarizes an analysis of the need for a new Community Center to be used for community activities to serve the existing population and the population generated by new residential development. This chapter documents a reasonable relationship between new development and the fair-share impact fee for funding of such facilities.

### PLANNED COMMUNITY CENTER

A new community center facility has been proposed for Orland, the total cost of which, and the cost per capita are presented below. A fee for the Community Center was originally established in 2006. Since the City doesn't have any facilities that are equivalent to a community center, the entire cost must be divided proportionately between existing and future development as shown in **Table 10.1**.

**Table 10.1 – Community Center Cost Allocation**

Proposed Community Center , cost estimate <sup>1</sup>	\$4,357,300
Population 2028	11,354
Cost estimate per capita	\$383.77
Population 2013	7,626
Cost for existing population (\$383.77 x 7,626)	\$2,926,630
Population Growth (2013-2028)	3,728
<b>Cost for new development</b>	<b>\$1,430,695</b>

<sup>1</sup> Estimate for 15,000 sq. ft. facility from May 20, 2013 Agenda Statement: *Annual Adjustment to Development Impact Fees*

Sources: *City of Orland*

### COMMUNITY CENTER SERVICE POPULATION AND PLANNED STANDARD

With construction of the Community Center as planned, a new standard will be established as presented in **Table 10.2**. The service population for the Community Center includes only City residents.

**Table 10.2 – Proposed Community Center Standard**

Community Center, floor area	15,000 sq. ft.
Population 2028	11,354
Proposed Standard	1.32 sq. ft. per capita

### USE OF FEE REVENUES

The Community Center fee revenues may be used to purchase land, for design, engineering, environmental documentation, construction and construction management of a new or converted facility.

PROPOSED COMMUNITY CENTER FEE SCHEDULE

New development can be required to provide its proportionate share of the Community Center facilities at the planned level of service standard. **Table 10.3** shows the Community Center impact fee for new development based on the facilities cost per capita shown in Table 10.1.

**Table 10.3 – Proposed Community Center Fees**

<b>Land Use</b>	<b>Costs per Capita</b>	<b>Occupancy Factor</b>	<b>Proposed Fee<sup>1</sup></b>	<b>Current Fee</b>
Single Family	\$383.77	2.90	\$1,112.93	\$1,650
Duplex	\$383.77	2.40	\$921.05	\$1,430
Multi-family	\$383.77	1.70	\$652.41	\$795
Mobile Home	\$383.77	1.30	\$498.90	\$1,145

<sup>1</sup> Fee per dwelling unit.

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## 11. IMPLEMENTATION

This chapter identifies tasks that the City should complete when implementing the fee program.

### IMPACT FEE PROGRAM ADOPTION PROCESS

Impact fee program adoption procedures are found in the California Government Code § 66000 *et seq.* Adoption of an impact fee program requires the City Council to follow certain procedures including holding a public hearing. Mailed notice fourteen days prior to the public hearing is required only for those individuals who request such notification. Data, such as this impact fee report, and referenced material must be made available at least 10 days prior to the public hearing. The City's legal counsel should inform the City of any other procedural requirements as well as advice regarding adoption of an enabling ordinance and/or a resolution. After adoption, there is a mandatory 60-day waiting period before the fees go into effect, unless an Urgency Ordinance, valid for 30 days is adopted making certain findings regarding the urgency being claimed. The ordinance must be re-adopted at the end of the first period (and possibly at the end of the second period depending on City Council meeting dates) to cover the next 30 days and therefore the entire 60-day waiting period. Fees adopted by urgency go into effect immediately. This procedure must also be followed for fee increases.

### PROGRAMMING REVENUES AND PROJECTS WITH THE CIP

Although State Law does not require a Capital Improvement Program (CIP) for adoption of an impact fee program, the City should regularly update its (CIP) to identify specific projects and program fee revenues intended for those projects. Use of the CIP in this manner helps to provide the necessary documentation of a reasonable relationship between new development and the City's use of fee revenues. (see paragraph below: "**Annual update of Capital Improvement Program**").

For the planning period of the CIP, the City should allocate all existing fund balances and projected fee revenue to facilities projects. The City should plan its CIP expenditures at least five years in advance and show where all collected DIF revenues will be spent. The City can hold funds in a project account for longer than five years if necessary to collect sufficient funds to complete a given project.

### FUNDS NEEDED TO COMPLEMENT IMPACT FEE PROGRAM

In adopting the fees as presented in this report, additional funds will need to be identified to fund the share of costs not related to new development. **Table 1.5** identifies the facilities studied in this report and the funding sources for the facilities. The "General Fund/Other Sources" column identifies the additional funding that the City needs to obtain for the facilities shown to cover the City's share related to existing development.

### INFLATION ADJUSTMENT

For the majority of the projects, the costs in this report are shown in 2013 dollars based on the consultant's experience and actual construction costs where available. To ensure that the fee program stays current with the prevailing cost of construction, the City should identify appropriate inflation indexes in the fee ordinance and include an automatic annual inflation adjustment in the fee ordinance for those facilities or systems that have not been completed. In addition, for those facilities for which the City is recouping funds for building excess capacity into the facilities, no annual adjustment factor is recommended. For these projects, the annual

adjustment factor is not necessary because the facilities have been constructed and the costs determined.

A construction cost index can be based on the City's recent capital project experience or taken from any reputable source, such as the Engineering News Record.

### COMBINING FEES

Each facility category has been presented separately for the purpose of analysis and reporting. However, fees may be combined into two or more fee categories at the City's discretion, to facilitate administration.

### COMPLIANCE REQUIREMENTS

The California Mitigation Fee Act (Government Code § 66000 *et seq*) mandates procedures for administration of impact fee programs, including collection, accounting, refunds, updates and reporting. The City should comply with the annual and five-year reporting requirements. For facilities to be funded with a combination of impact fees and other revenues, the City must identify the source and amount of the other revenues. The City must also identify when the other revenues are anticipated to be available to fund the project. The City's compliance obligations vis-à-vis the Act include but are not limited to the following specific requirements:

**Collection of fees.** Section 66007 provides that a local agency shall not require payment of fees by developers of residential projects prior to the date of final inspection, or issuance of a certificate of occupancy, whichever comes first. In a residential development of more than one dwelling unit, the local agency may choose to collect fees either for individual units or for phases upon final inspection, or for the entire project upon final inspection of the first dwelling unit when it is completed. The local agency may require the payment of those fees or charges at an earlier time if: (A) the local agency determines that the fees or charges will be collected for public improvements or facilities for which an account has been established and funds appropriated and for which the local agency has adopted a proposed construction schedule or plan prior to final inspection or issuance of the certificate of occupancy; or, (B) the fees or charges are to reimburse the local agency for expenditures previously made. "Appropriated," as used in this subdivision, means authorization by the governing body of the local agency for which the fee is collected to make expenditures and incur obligations for specific purposes.

**Fee exemptions, reductions and waivers.** In the event that a development project is found to have no impact on facilities for which fees are charged, such project must be exempted from the fees. If a project has characteristics that indicate its impacts on a particular public facility or infrastructure system will be significantly and permanently smaller than the average impact used to calculate impact fees in this study, the fees should be reduced accordingly.

In some cases, the City may desire to voluntarily waive or reduce impact fees that would otherwise apply to a project to promote goals such as affordable housing or economic development. Such a waiver or reduction may not result in increased costs to other development projects, and are allowable only if the City offsets the lost revenue from other fund sources.

**Credit for improvements by developers.** If the City requires a developer, as a condition of approval, to construct facilities or improvements for which impact fees have been, or will be charged, the impact fee imposed on that development project for that type of facility must be adjusted to reflect a credit for the cost of facilities or improvements constructed or otherwise provided by the developer. If the reimbursement would exceed the amount of the fee to be

paid by the development for that type of facility, the City may seek to negotiate a reimbursement agreement with the developer.

**Earmarking of fee revenues.** Section 66006 mandates that the City shall: “deposit .... fees for the improvement in a separate capital facilities account or fund in a manner to avoid any commingling of the fees with other revenues and funds of the City, except for temporary investments”... Fees must be expended solely for the purpose for which they were collected. Interest earned on the fee revenues must also be placed in the capital account and used for the same purpose. The Mitigation Impact Fee Act is not clear as to whether depositing fees “for the improvements” refers to a specific capital improvement or a class of improvements (e.g. park facilities). Recommended practice is for the City is to maintain separate funds or accounts for impact fee revenues by facility category, but not necessarily for individual projects.

**Reporting.** Section 66006 requires that once each year, within 180 days of the close of the fiscal year, the local agency must make available to the public the following information for each account established to receive impact fee revenues:

1. The amount of the fee;
2. The beginning and ending balance of the account or fund;
3. The amount of the fees collected and interest earned;
4. Identification of each public improvement on which fee revenues were expended and the amount of the expenditures on each improvement, including the percentage of the cost of the public improvement that was funded with fee revenues;
5. Identification of the approximate date by which the construction of a public improvement will commence, if the City determines sufficient funds have been collected financing of an incomplete public improvement;
6. A description of each inter-fund transfer or loan made from the account or fund, including interest rates, repayment dates, and a description of the improvements on which the transfer or loan will be expended;
7. The amount of any refunds or allocations made pursuant to Section 66001, paragraphs (e) and (f).

The above information must be reviewed by the City Council at its next regularly scheduled public meeting, but not less than 15 days after the statements are made public.

**Findings and refunds.** Section 66001 requires that, for the fifth fiscal year following the first deposit of any impact fee revenue into an account or fund as required by Section 66006, and every five years thereafter, the local agency shall make all of the following findings for any fee revenues that remain unexpended, whether committed or uncommitted:

1. Identify the purpose to which the fee will be put;
2. Demonstrate the reasonable relationship between the fee and the purpose for which it is charged;

3. Identify all sources and amounts of funding anticipated to complete financing of incomplete improvements for which the impact fees are to be used;
4. Designate the approximate dates on which the funding necessary to complete financing of those improvements will be deposited in to the appropriate account of fund.

**Annual update of Capital Improvement Program.** Section 66002 provides that if a local agency adopts a CIP to identify the use of impact fees, that program must be adopted and annually updated by a resolution of the governing body at a noticed public hearing. The alternative is to identify improvements in other public documents.

### COST TO IMPLEMENT IMPACT FEE PROGRAM

As with most programs, there is a cost to administer, oversee and update the Impact Fee program. While an administrative fee is not an AB 1600 impact fee, it is standard practice to charge new development to recover the costs related to implementing, administering, overseeing and updating the fee program, including the annual reporting requirements. An estimated administrative cost of 2% of the total fee has been calculated and is shown in **Table 1.5**.