

CITY OF FORT BRAGG

Impact Fee Nexus Study



May 10, 2023



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Impact Fee Background

- Impact fees (also called connection fees or capacity fees) are one-time fees paid by new development when building permits are issued by the City
- Fees are intended to recover the capital costs of public facilities needed to accommodate growth
- Fees cannot recover costs that were funded by other revenue sources such as grants or donations
- Fees cannot be used to pay operating costs or general repair and maintenance projects
- Fees must be proportional to the capacity used by new customers (i.e. nexus between costs and benefits received)
- Fees are not paid by current residents



Impact Fee Categories

Current Fee Categories	Fee Categories Under Consideration
Water	Water
Sewer	Sewer
Storm Drainage	Storm Drainage
	Civic Facilities
	Police
	Fire
	Parks & Recreation
	Traffic
	CV Starr



Impact Fee Methodology

Determine planning horizon and buildout capacity

Determine the cost of facilities for fee recovery

Calculate the unit costs of capacity

Apply unit costs to the estimated capacity of new development



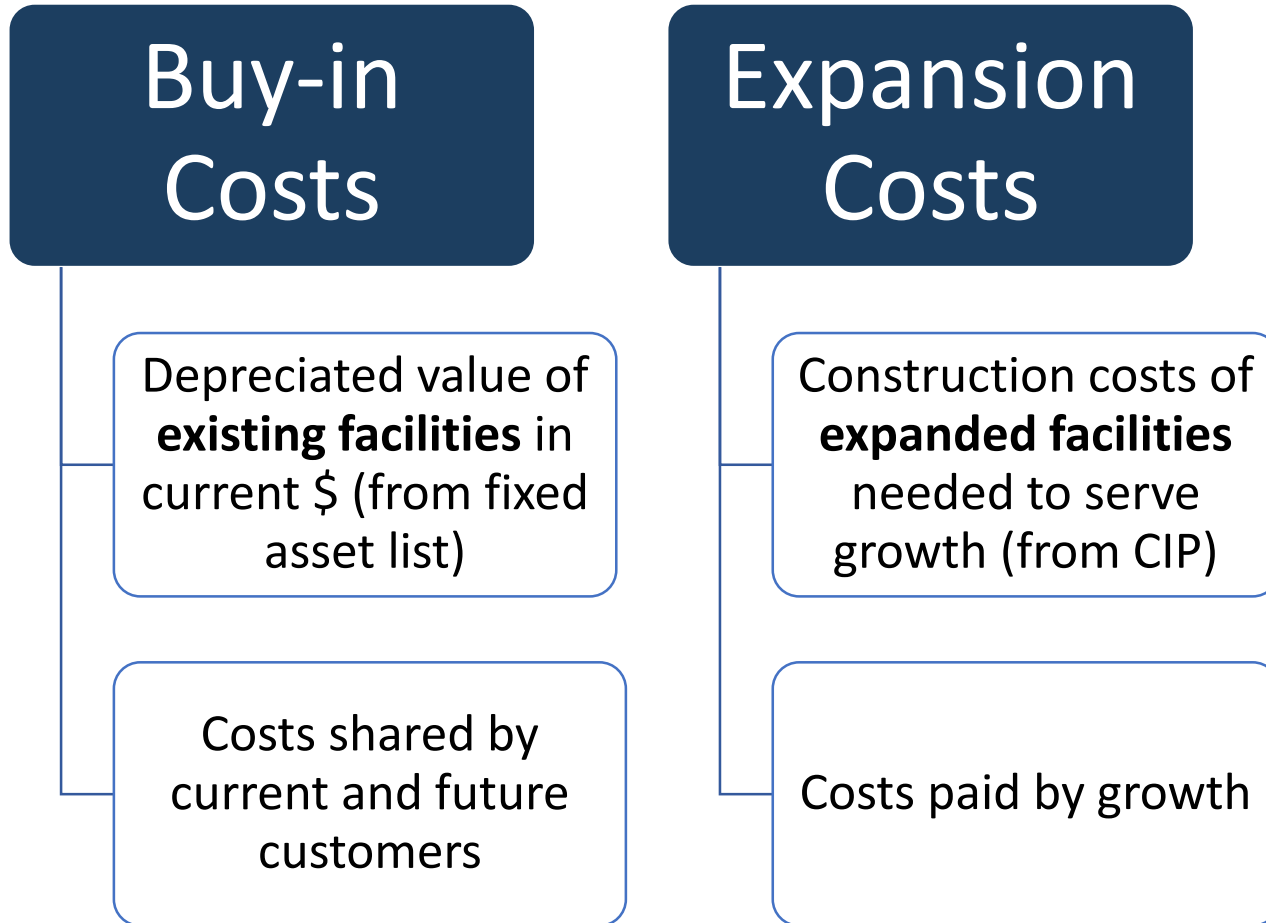
Planning Horizon and Buildout

- Estimated growth over 30 years
 - 1,200 population growth (residents)
 - About 400 new jobs (employees)
 - 429,000 sq ft of commercial development
 - 60,000 sq ft of industrial development
 - 150 new hotel rooms

- Fees are scaled based on impact to facilities
 - Ex. New employees have low impact on civic facilities and parks but high impact on police services
 - Single family or multi-family dwellings – number of people per home
 - Commercial or industrial development – number of employees per 1,000 sq ft
 - Lodging – number of employees per room



Costs of Facilities





Water Impact Fee

- Estimated \$14.7M value of existing assets
- Estimated \$29.2M of expansion costs allocated to growth
- Major Projects:
 - Raw water lines and reservoirs (74.5% allocated to growth)
 - Desalination – ocean intake (74.5% allocated to growth)
 - Extend water system North of Pudding Creek (100% allocated to growth)
- Capacity is assigned using water demand in gallons



Water Impact Fee

- Current fee is \$4,631 per EDU (equivalent dwelling unit)

Component	Proposed Fee
Buy-in fee per EDU	\$734.80
Expansion fee per EDU	<u>\$1,961.30</u>
Total fee per EDU	\$2,696.10
Buy-in fee (\$/gpd)	\$6.68
Expansion fee (\$/gpd)	<u>\$17.83</u>
Total fee (\$/gpd)	\$24.51



Sewer Impact Fee

- Estimated \$20M value of existing assets (RCNLD)
- A portion of the fee will recover costs for debt service for the City's 2018 Wastewater Treatment Plant loan
- Estimated \$2.4M of expansion costs allocated to growth
- Major Projects:
 - Bio Solids dryer (38.9% allocated to growth)
 - Pudding Creek sewer main relocation (38.9% allocated to growth)
 - Extend sewer system North of Pudding Creek (100% allocated to growth)
- Capacity is assigned using sewer flow in gallons



Sewer Impact Fee

- Current fee is \$3,640 per EDU (equivalent dwelling unit)

Component	Proposed Fee
Buy-in fee per EDU	\$2,428.88
Expansion fee per EDU	\$757.57
Debt service fee per EDU	<u>\$275.48</u>
Total fee per EDU	\$3,461.93
Buy-in fee (\$/gpd – gallons per day)	\$25.04
Expansion fee (\$/gpd)	\$7.81
Debt Service fee (\$/gpd)	<u>\$2.84</u>
Total fee (\$/gpd)	\$35.69



Civic Facilities Impact Fee

- Recovers the cost of the City's municipal facilities
- Estimated \$10.2M value of existing assets
- Estimated \$2.3M of expansion costs allocated to growth
- Major Projects:
 - Broadband – Fiber (14.4% allocated to growth)
 - Rehabilitation and improvements to City Hall, Guest House, Town Hall, and Corporation Yard (14.4% allocated to growth)
- Capacity is assigned using number of residents or employees; weighted based on number of working hours vs. non-working hours during the week



Civic Facilities Impact Fee

Category	Proposed Fee	Fee Basis
Single family (SF)	\$6,595.65	per SF home
Multi-family (MF)	\$5,893.99	per MF home
Commercial	\$2,775.51	per 1,000 sqft
Industrial	\$1,070.18	per 1,000 sqft
Lodging	\$756.96	per room



Police Facilities Impact Fee

- Estimated \$2.5M value of existing assets
- Estimated \$198,000 of expansion costs allocated to growth
- Major Projects:
 - Vehicle Replacement Plan (14.4% allocated to growth)
 - EV Charging station (14.4% allocated to growth)
- Capacity is assigned using number of residents or employees; weighted based on number of service calls to residential vs. commercial locations



Police Facilities Impact Fee

Category	Proposed Fee	Fee Basis
Single family (SF)	\$539.49	per SF home
Multi-family (MF)	\$482.10	per MF home
Commercial	\$2,218.94	per 1,000 sqft
Industrial	\$855.58	per 1,000 sqft
Lodging	\$605.17	per room



Fire Facilities Impact Fee

- Estimated \$2.0M value of existing assets
- No estimated expansion costs allocated to growth (all projected capital improvements are grant funded)

Category	Proposed Fee	Fee Basis
Single family residential	\$389.69	per dwelling unit
Multi-family residential	\$279.76	per dwelling unit
Commercial/Industrial	\$300.06	per 1,000 sqft



Parks & Recreation Impact Fee

- Estimated \$11.5M value of existing assets (RCNLD)
- Estimated \$18,000 of expansion costs allocated to growth
- Projects Included:
 - Bathrooms and fencing at Noyo Headlands Park (14.4% allocated to growth)
 - Parking lot rehabilitation at Pomo Bluffs Park (14.4% allocated to growth)
- Capacity is assigned using number of residents
- Proposed to be charged to residential development only



Parks & Recreation Impact Fee

Component	Proposed Fee
Buy-in fee per resident	\$1,379.78
Expansion fee per resident	<u>\$14.76</u>
Total fee per resident	\$1,394.54
Impact fee per SF home	\$3,277.17
Impact fee per MF home	\$2,928.53



Traffic Impact Fee

- Estimated \$20.3M value of existing assets
- Estimated \$1.2M of expansion costs allocated to growth
- Major Projects:
 - Funding recommended to improve pavement network in the City's Pavement Management Plan by Nichols Consulting Engineers in 2021 (4.5% allocated to growth)
- Capacity is assigned using number of daily vehicle trips by each customer category



Traffic Impact Fee

Category	Proposed Fee	Fee Basis
Single family (SF)	\$1,860.49	per SF home
Multi-family (MF)	\$1,144.04	per MF home
Commercial	\$2,424.91	per 1,000 sqft
Industrial	\$763.96	per 1,000 sqft
Lodging	\$1,351.18	per room



Storm Drainage Impact Fee

- Estimated \$705,000 value of existing assets
- Estimated \$908,000 of expansion costs allocated to growth
- Projects Included:
 - Trash capture devices (16.3% allocated to growth)
 - All development driven projects recommended in the City's Storm Drain Master Plan by Winzler & Kelly Consulting Engineers in 2004 (16.3% allocated to growth)
- Capacity is assigned using impervious area
- Fee for each land use classification depends on estimated runoff coefficient



Storm Drainage Impact Fee

Land Use Classification		Current Fee per Sq Ft	Proposed Fee per Sq Ft
RVH, RM, RM	High & Medium Density Residential	\$0.15013	\$0.84258
RL	Low Density Residential	\$0.37054	\$0.66203
RS, RR	Suburban & Rural Residential	\$0.37054	\$0.48148
CN, CO, CBD, CG, CH	Commercial	\$0.14623	\$1.02314
IH, IL, HD, IT	Industrial, Timber Resources, Harbor District	\$0.14623	\$1.02314
PR	Parks and Recreation	\$0.14361	\$0.36111
PF	Public Facilities & Services	\$0.05068	\$0.12037
OS	Open Space	\$0.21541	\$0.24074



CV Starr Impact Fee

- No proposed buy-in component of fee since purchase of the CV Starr Center was funded through fundraising and donations
- Estimated \$364,000 of expansion costs allocated to growth
- Major Projects:
 - Planned upgrades to the CV Starr Center including the UV disinfection system replacement, HVAC air intake redesign, and roof repair (14.4% allocated to growth)
- Capacity is assigned using number of residents or employees; weighted based on number of working hours vs. non-working hours during the week



CV Starr Impact Fee

Category	Proposed Fee	Fee Basis
Single family (SF)	\$646.23	per SF home
Multi-family (MF)	\$577.48	per MF home
Commercial	\$271.95	per 1,000 sqft
Industrial	\$104.86	per 1,000 sqft
Lodging	\$74.17	per room



Single Family Residential Fee Survey

Community	Water	Sewer	Storm Drain	Parks	Civic	Police	Fire	Traffic	CV Starr	Total
Eureka	\$3,208	\$3,423					\$701			\$7,332
Fortuna	\$2,165	\$4,445	\$531					\$1,310		\$8,451
Fort Bragg (Current)	\$4,631	\$3,640	\$249							\$8,520
Willits / Little Lake FD	\$4,025	\$7,840					\$1,627			\$13,492
Ukiah / Ukiah Valley SD	\$1,833	\$12,240								\$14,073
Arcata	\$7,429	\$8,161	\$199							\$15,789
Fort Bragg (Proposed)	\$2,696	\$3,462	\$1,099	\$3,277	\$6,596	\$539	\$390	\$1,860	\$646	\$20,566
Sonoma / Sonoma Valley County SD	\$4,260	\$17,739								\$21,999
Clearlake	\$7,500	\$11,936					\$1,660	\$2,049		\$23,145
Lakeport	\$8,877	\$16,309	\$166				\$1,660			\$27,012
Cloverdale	\$7,192	\$11,160	\$255	\$11,732	\$5,727		\$1,502	\$3,147		\$40,715
Windsor	\$4,695	\$11,387	\$3,758	\$13,463	\$1,626	\$118	\$2,905	\$12,492		\$50,444

Notes: For all fees calculated on a square footage basis, 1,660 sq ft is used to generate rates shown in the table. Water and wastewater impact fees are shown for the smallest meter size available. Some agencies shown in the table charge additional impact fees which are not shown in the table, including fees for affordable housing, schools, or other purposes.



Questions?

