

CITY OF FORT BRAGG

Impact Fee Nexus Study



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Impact Fee Background

- Impact fees are one-time fees paid by new development when building permits are issued by the City
- Assembly Bill 602 requires impact fee updates every eight years
- L&T evaluated a wide range of potential fees and the City can determine if they are appropriate for the community
- 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
- The City of Fort Bragg has a lower tax rate than neighboring cities and thus does not have the same level of tax revenues to offset the cost of facilities



Impact Fee Study Workflow

- October 23, 2023, we presented water, sewer, storm drain, police, fire, and CV Starr impact fees
- Conducted additional legal review
- Revisions:
 - More recent employment data and lodging data incorporated and resulted in minor changes to the fee calculations
 - Water – fine-tuned nonresidential estimated water use; single family fee did not change
 - Sewer – removed the debt service component; fee decreased
 - Storm drain – recommended single fee for all land use types
 - Police – No change to single family fee; slight updates to nonresidential categories
 - Fire – Single family fee decreased slightly; updated medical and emergency response stats based on statewide info; broke out commercial, industrial, and lodging fees
 - CV Starr – Minor decrease to the fee due to nonresidential development updates



Average Single Family Fee – 1,660 sq ft

| | Current | October 2023 | January 2024 |
|-------------------|-----------|--------------|--------------|
| Water | \$4,631 | \$3,280 | \$3,280 |
| Sewer | \$3,640 | \$2,916 | \$2,640 |
| Storm Drain | \$615 | \$1,099 | \$1,236 |
| Police | NA | \$539 | \$539 |
| Fire | NA | \$390 | \$336 |
| CV Starr | <u>NA</u> | <u>\$646</u> | <u>\$640</u> |
| Total Impact Fees | \$8,886 | \$8,870 | \$8,672 |



Storm Drainage Impact Fee

| Land Use Classification | | Current Fee per Sq Ft | Proposed Fee per Sq Ft |
|-------------------------|---|-----------------------|------------------------|
| RVH, RM, RH | High & Medium Density Residential | \$0.15013 | \$0.74462 |
| RL | Low Density Residential | \$0.37054 | \$0.74462 |
| RS, RR | Suburban & Rural Residential | \$0.37054 | \$0.74462 |
| CN, CO, CBD, CG, CH | Commercial | \$0.14623 | \$0.74462 |
| IH, IL, HD, IT | Industrial, Timber Resources, Harbor District | \$0.14623 | \$0.74462 |
| PR | Parks and Recreation | \$0.14361 | \$0.74462 |
| PF | Public Facilities & Services | \$0.05068 | \$0.74462 |
| OS | Open Space | \$0.21541 | \$0.74462 |

- Proposed fee for all improved area: livable space, car ports, patios, walkways, and driveways



Single Family Residential Fee Survey

| Community | Water | Sewer | Storm Drain | Police | Fire | CV Starr | Parks | Civic | Traffic | Total |
|----------------------------------|----------------|----------------|----------------|--------------|--------------|--------------|----------|---------|----------|----------------|
| Eureka | \$3,208 | \$3,423 | | | \$701 | | | | | \$7,332 |
| Fortuna | \$2,165 | \$4,445 | \$531 | | | | | | \$1,310 | \$8,451 |
| Fort Bragg (Proposed) | \$3,280 | \$2,640 | \$1,236 | \$539 | \$336 | \$640 | | | | \$8,672 |
| Fort Bragg (Current) | \$4,631 | \$3,640 | \$615 | | | | | | | \$8,886 |
| 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 |
| 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 | | \$1,502 | | \$11,732 | \$5,727 | \$3,147 | \$40,715 |
| Windsor | \$4,695 | \$11,387 | \$3,758 | \$118 | \$2,905 | | \$13,463 | \$1,626 | \$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.



Estimated Permit Fees for a Single Family Home

| Single Family Residential Customer (1,660 sq ft home) | | |
|---|-----------------|-----------------|
| | Current | Proposed |
| Water and Sewer Impact Fees | \$8,271 | \$5,921 |
| Water and Sewer Connection Fees | \$4,823 | \$4,823 |
| Water and Sewer Permit & Inspection Fee | \$255 | \$255 |
| Storm Drain Impact Fee | \$615 | \$1,236 |
| New Recommended Development Impact Fees | | \$1,516 |
| Other City Fees | \$2,681 | \$2,681 |
| Total Cost | \$16,645 | \$16,431 |

Notes: Fees shown are based on a new single family residential development in a low-density residential zone with a building permit valuation of \$250,000. "Other City Fees" category includes Business License Surcharge, Planning Department Building Permit Fee, Public Works Department Building Permit Fees, General Plan Maintenance Fee, and Construction and Demolition Deposit (refundable after construction).



Nonresidential Impact Fees

- Water and sewer – 20 fee categories based on water use and sewer flows and pollutant loading
- Storm drain – single fee of \$0.74462 per sq ft of impervious area

| | Commercial (per 1,000 sq ft) | Industrial (per 1,000 sq ft) | Lodging (per room) |
|----------|---------------------------------|---------------------------------|-----------------------|
| Police | \$2,028.54 | \$782.16 | \$553.24 |
| Fire | \$371.20 | \$184.49 | \$103.07 |
| CV Starr | \$271.66 | \$104.75 | \$74.09 |



Conclusions

