

Public Review Draft Report

Public Facilities Impact Fee Program Nexus Study— 2020 Update

The Economics of Land Use



Prepared for:
City of Roseville

Prepared by:
Economic & Planning Systems, Inc. (EPS)

*Economic & Planning Systems, Inc.
400 Capitol Mall, 28th Floor
Sacramento, CA 95814
916 649 8010 tel
916 649 2070 fax*

*Oakland
Sacramento
Denver
Los Angeles*

www.epsys.com

EPS #192127

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1. Introduction and Executive Summary

This 2020 Public Facilities Impact Fee Program Update Nexus Study (2020 Nexus Study) provides the City of Roseville (City) with the necessary technical documentation to support the adoption of an updated Public Facilities Fee (PFF). The City originally adopted a PFF Program in 1991 and subsequently updated the program in 2003, 2007, and 2015.

The PFF Program funds new development's obligations to construct public facilities serving residents and employees in the City. Fee program-eligible public improvements include Police and Public Safety Facilities; General Public Facilities such as Civic Centers, Corporation Yards, and other basic infrastructure; and Community Facilities such as libraries, parks and recreation facilities, community centers, and cultural facilities.

This report provides the nexus findings and analysis and the associated calculations of the maximum supportable citywide fees that could be charged. The City may elect to adopt fees below the maximum supportable level based on economic or policy considerations. For example, the City may choose to reduce the fees in specific locations or on certain types of uses to encourage new development in underutilized areas or to promote certain residential densities. Such fee reductions would require either a reduction in the overall capital facilities standards or the identification of alternative sources of capital funding.

Purpose of This 2020 Nexus Study

As a development impact fee, the PFF can be charged only to new development and must be based on the impact of new development on public facilities infrastructure. The purpose of this 2020 Nexus Study is to update the nexus (or reasonable relationship) between new development that occurs in the City and the need for additional public facility improvements as a result of this new development. This PFF update is based on the standards identified in the City General Plan, existing levels of service, and the City's planned public facility amenities.

Authority

This study serves as the basis for requiring development impact fees under Assembly Bill (AB) 1600 legislation, as codified by the Mitigation Fee Act (California Government Code sections 66000 *et. seq.*). This section of the Mitigation Fee Act sets forth the procedural requirements for establishing and collecting development impact fees. These procedures require that a reasonable relationship, or nexus, must exist between a governmental exaction and the purpose of the condition.

Required Nexus Findings

- ✓ Identify the purpose of the fee.
- ✓ Identify how the fee is to be used.
- ✓ Determine how a reasonable relationship exists between the fee's use and the type of development project on which the fee is imposed.
- ✓ Determine how a reasonable relationship exists between the need for the public facility and the type of development project on which the fee is imposed.
- ✓ Demonstrate a reasonable relationship between the amount of the fee and the cost of the public facility attributable to the development on which the fee is imposed.

Summary

As new development continues to occur in the City, additional public facilities will be required to serve future residents and employees. The public facility costs allocated to new development reflect public facility improvements needed to accommodate future development. This 2020 Nexus Study computes future development's share of future public facility improvement costs based on planned facilities as determined by the City and calibrated by existing level-of-service standards. The PFF will not fund the construction of public facility improvements required to cure existing level-of-service deficiencies. Public facilities included in the PFF Program include the following general categories of facilities:

- Police and Public Safety Facilities.
- General Public Facilities such as civic centers, parking structures, and information technology infrastructure.
- Community Facilities such as libraries, community centers, cultural facilities, parks, and recreational facilities.

Table 1-1 summarizes the maximum justifiable PFF by cost component and land use category for this 2020 Nexus Study. **Table 1-2** compares the total proposed PFF to the current PFF for each cost component and land use category. In total, the proposed fee ranges from the same as the current fee to approximately six percent greater than the current fee, depending on the land use.

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Table 1-1
Roseville Public Facilities Fee Program Nexus Study Update
Proposed Fee Summary

Land Use	Proposed Fees				Total Proposed Fee
	General City and Public Safety Facilities	Parks, Recreation, and Libraries	Subtotal	Administration (2%)	
Residential	<i>Per Unit</i>				
Single-Family					
LDR	\$1,793	\$1,666	\$3,459	\$69	\$3,528
MDR	\$1,660	\$1,542	\$3,202	\$64	\$3,266
Single-Family Age-Restricted	\$1,195	\$1,111	\$2,306	\$46	\$2,352
Multifamily					
HDR	\$1,195	\$1,111	\$2,306	\$46	\$2,352
HDR Age-Restricted	\$996	\$925	\$1,921	\$38	\$1,959
Nonresidential	<i>Per Bldg. Sq. Ft.</i>				
Commercial					
Neighborhood Commercial	\$0.45	\$0.20	\$0.65	\$0.01	\$0.66
Community Commercial	\$0.45	\$0.20	\$0.65	\$0.01	\$0.66
Regional Commercial	\$0.45	\$0.20	\$0.65	\$0.01	\$0.66
Business Professional	\$0.60	\$0.27	\$0.87	\$0.02	\$0.89
Central Business District	\$0.60	\$0.27	\$0.87	\$0.02	\$0.89
Industrial					
Light Industrial	\$0.30	\$0.13	\$0.43	\$0.01	\$0.44
General Industrial	\$0.18	\$0.08	\$0.26	\$0.01	\$0.27

Source: City of Roseville and EPS

fee

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Table 1-2
Roseville Public Facilities Fee Program Nexus Study Update
Public Facilities Fee Comparison by Component

Land Use	Current Fee (excluding 2% admin.)			Proposed Fee (excluding 2% admin.)			Difference [1]			Percentage Difference		
	General City and Public Safety Fac.	Parks, Recreation, and Libraries	Total (eff. July 1, 2020)	General City and Public Safety Fac.	Parks, Recreation, and Libraries	Total	General City and Public Safety Fac.	Parks, Recreation, and Libraries	Total	General City and Public Safety Fac.	Parks, Recreation, and Libraries	Total
Residential	<i>Per Unit</i>											
Single-Family												
LDR	\$1,751	\$1,526	\$3,277	\$1,793	\$1,666	\$3,459	\$42	\$140	\$182	2.4%	9.2%	5.6%
MDR	\$1,622	\$1,413	\$3,035	\$1,660	\$1,542	\$3,202	\$38	\$129	\$167	2.3%	9.1%	5.5%
Single-Family Age-Restricted	\$1,168	\$1,017	\$2,185	\$1,195	\$1,111	\$2,306	\$27	\$94	\$121	2.3%	9.2%	5.5%
Multifamily												
HDR	\$1,168	\$1,017	\$2,185	\$1,195	\$1,111	\$2,306	\$27	\$94	\$121	2.3%	9.2%	5.5%
HDR Age-Restricted	\$974	\$848	\$1,822	\$996	\$925	\$1,921	\$22	\$77	\$99	2.3%	9.1%	5.4%
Nonresidential	<i>Per Bldg. Sq. Ft.</i>											
Commercial												
Neighborhood Commercial	\$0.44	\$0.19	\$0.63	\$0.45	\$0.20	\$0.65	\$0.01	\$0.01	\$0.02	2.3%	5.3%	3.2%
Community Commercial	\$0.44	\$0.19	\$0.63	\$0.45	\$0.20	\$0.65	\$0.01	\$0.01	\$0.02	2.3%	5.3%	3.2%
Regional Commercial	\$0.44	\$0.19	\$0.63	\$0.45	\$0.20	\$0.65	\$0.01	\$0.01	\$0.02	2.3%	5.3%	3.2%
Business Professional	\$0.57	\$0.25	\$0.82	\$0.60	\$0.27	\$0.87	\$0.03	\$0.02	\$0.05	5.3%	8.0%	6.1%
Central Business District	\$0.57	\$0.25	\$0.82	\$0.60	\$0.27	\$0.87	\$0.03	\$0.02	\$0.05	5.3%	8.0%	6.1%
Industrial												
Light Industrial	\$0.29	\$0.12	\$0.41	\$0.30	\$0.13	\$0.43	\$0.01	\$0.01	\$0.02	3.4%	8.3%	4.9%
General Industrial	\$0.18	\$0.08	\$0.26	\$0.18	\$0.08	\$0.26	\$0.00	\$0.00	\$0.00	0.0%	0.0%	0.0%

Source: City of Roseville and EPS

[1] Total difference may not exactly equal proposed fee less current fee because of rounding.

fee comp2

Land Use Assumptions

The future land uses used in this study represent the growth the City is anticipated to experience through buildout of the General Plan in 2035. Future development projections are estimated as buildout development less existing development, with some adjustments to account for anticipated lower levels of development in some areas of the City than specified in the General Plan. The buildout development is based on the allocated development specified in the General Plan for each of the City's 16 plan areas (14 Specific Plan Areas and 2 Planning Areas). The estimated existing development is based on building permit and other data from the City.

PFF Facilities Costs, Fee Calculation, and Cost Allocation

This 2020 Nexus Study provides detail regarding facility requirements based on the fee methodology described above. Based on the future facility requirements and unit cost estimates as determined by EPS and the City, total facility costs and the proportion of the costs attributable to future development are calculated.

Costs are allocated to future development based on the benefit derived from the public facility improvement by land use category for each fee component. This study uses a persons-served cost allocation methodology to apportion public facility costs in accordance with the benefit received by land use category. PFF facility requirements, the associated costs, cost allocation, and fee calculations are discussed in more detail in the chapters to follow.

Updates in the 2020 Program

This 2020 Nexus Study updates the 2015 Public Facilities Impact Fee Nexus Study (2015 Nexus Study) with the following information and revisions:

- Updated existing and future facility improvements and associated cost assumptions.
- Updated land use assumptions for existing and future development.

Organization of Report

This report is divided into 6 chapters including this **Introduction and Executive Summary**:

- **Chapter 2** describes the fee update methodology, land uses, and future development analyzed in this report.
- **Chapter 3** describes the facility requirements and estimated facility costs.

- **Chapter 4** details the cost allocation methodology and calculation of the maximum justifiable fee for the PFF Program.
- **Chapter 5** describes how the PFF Program will be implemented.
- **Chapter 6** presents the nexus findings for the PFF Program.

2. Fee Update Method, Land Use, and Service Population Assumptions

This chapter outlines the major assumptions used in this 2020 Nexus Study, including an overview of the fee update and cost allocation methodologies, land use assumptions for existing and future development, and population and employment growth calculations.

Fee Update Method

Development impact fees must be related to the demand for facilities generated by new development. As outlined in the previous chapter, several findings regarding the demand and need for new facilities generated by new land uses are required to levy a fee on future development. The fee imposed must demonstrate rough proportionality to the demand generated, or benefit received, by each land use category on which the fee is imposed.

Several methods exist to determine impact fees for new development. This 2020 Nexus Study relies on a plan-based fee method to establish the relationship between costs and updated PFF. The plan-based fee method determines planned facilities based on a facility master plan that identifies facilities designed to serve a defined geographic area or specific service population. Planned facilities are determined based on an evaluation of the adequacy of existing facilities, location, and type of projected future development, additional demand to be generated, and facility improvements required to create sufficient capacity to meet demand. While the City has identified a specific set of public facility needs, as well as new development's proportionate share of those needs, the City has not completed a formal facility master plan for each planned facility.

Cost Allocation Methodology

This 2020 Nexus Study employs a persons-served cost allocation methodology to apportion costs amongst the various land use categories based on each land use category's proportionate benefit from each facility type.

Under the persons-served cost allocation methodology, public facility costs are allocated based on the City's existing and future residential and employee populations. Costs are allocated to residential land uses based on the number of persons per household generated by each land use category and to nonresidential land uses in accordance with the number of employees per 1,000 building square feet.

An adjustment factor is applied to the employee population to account for varying demand characteristics of nonresidential land uses as compared to residential land uses.

Land Use Assumptions

Working with the City Planning Department, EPS established the existing, future, and 2035 General Plan buildout land use assumptions documented in **Table 2-1**.

Appendix A offers a detailed description of the basis for these land use assumptions, discussed in summary form below.

Existing development estimates, current as of January 2020, were created based on building permit data provided by the City. Buildout land use assumptions were derived based on City analysis of development capacity by development area and land use allocation data by development area from the City's General Plan, as well as a review of relevant Specific Plan data and land use plans. Projected future development was derived based on the difference between projected buildout and current development levels and reflects development anticipated to occur within the fee program planning horizon period of 2020 to 2035.

As shown in **Table 2-1**, the City is projected to add approximately 19,400 dwelling units between 2020 and 2035. Residential land uses include the following land use categories:

- Single-Family
 - Low Density Residential (LDR)
 - Medium Density Residential (MDR)
 - Single-Family Age Restricted
- Multifamily
 - High Density Residential (HDR)¹
 - HDR Age-Restricted

¹ Includes residential units assigned to Community Commercial and Central Business District uses.

Table 2-1
Roseville Public Facilities Fee Program Nexus Study Update
Existing and Projected Development

Land Use	Dwelling Units / Building Square Feet		
	Existing	Future [1]	Buildout
<hr/>			
Residential			
Source	City of Roseville		
Single-Family	<u>dwelling units</u>		
LDR	36,692	5,856	42,548
MDR	6,357	5,134	11,491
Single-Family Age-Restricted	3,110	-	3,110
Subtotal Single-Family	46,159	10,990	57,149
Multifamily			
HDR [2]	11,719	8,401	20,120
HDR Age-Restricted	100	-	100
Subtotal Multifamily	11,819	8,401	20,220
Total Residential	57,978	19,391	77,369
<hr/>			
Nonresidential			
Source	Table A-1	Table A-2	
Commercial	<u>bldg. sq. ft.</u>		
Neighborhood Commercial	153,935	179,084	333,019
Community Commercial	11,051,050	3,761,106	14,812,156
Regional Commercial	4,704,429	554,711	5,259,140
Business Professional	8,369,459	3,069,952	11,439,411
Central Business District	279,781	1,307,435	1,587,216
Subtotal Commercial	24,558,654	8,872,288	33,430,942
Industrial			
Light Industrial	6,978,057	4,314,613	11,292,670
General Industrial	4,066,708	4,769,914	8,836,622
Subtotal Industrial	11,044,765	9,084,526	20,129,291
Total Nonresidential	35,603,419	17,956,814	53,560,233

lu

Source: City of Roseville and EPS

[1] Future units/sq. ft. estimated as buildout units/sq. ft. less existing units/sq. ft.

[2] Includes units allocated to Community Commercial and Central Business District uses.

Future nonresidential development consists of approximately 8.9 million square feet of commercial development and 9.1 million square feet of industrial development, for a total of 18.0 million square feet from 2020 through 2035. The categories of commercial and industrial development are listed below:

- Commercial
 - Neighborhood Commercial
 - Community Commercial
 - Regional Commercial
 - Business Professional
 - Central Business District
- Industrial
 - Light Industrial
 - General Industrial

All impact fees have been calculated per residential dwelling unit and per nonresidential building square foot, based on the population and employment densities discussed in the section to follow.

Population and Employment Assumptions

PFF Program costs are allocated in accordance with the population or employees generated by each of the various land use categories discussed above. EPS estimated the existing population via a review of Department of Finance population data. For each residential category, future population was estimated by applying persons-per-household assumptions to estimated future development. The persons-per-household factors were established in the prior 2015 PFF Nexus Study. For this 2020 report, EPS reviewed the factors and verified that they were consistent with factors used for other recent economic analyses in the City. As shown in **Table 2-2**, the estimated current City population is roughly 139,000 residents. Future residential development is anticipated to generate an additional 44,000 residents, for a total residential population at General Plan buildout of roughly 183,000.

Existing and future employees were estimated by applying standard square feet per employee assumptions to each nonresidential land use category, as shown in **Table 2-2**. EPS and the City estimate that, based on the existing nonresidential land use distribution and United States Census Bureau data, the current employee population totals approximately 84,000 employees. New nonresidential development will create an estimated 38,000 permanent jobs, generating a buildout General Plan employee population of approximately 122,000 employees.

Table 2-2
Roseville Public Facilities Fee Program Nexus Study Update
Estimated Population/Employees

Land Use	PPH/ Sq. Ft. per Emp.	Dwelling Units / Square Feet			Population / Employees		
		Existing	Future	Buildout	Existing [1]	Future	Buildout
Residential	PPH	Dwelling Units			Residents		
Single-Family							
LDR	2.70	36,692	5,856	42,548		15,811	
MDR	2.50	6,357	5,134	11,491		12,835	
Single-Family Age-Restricted	1.80	3,110	0	3,110		0	
Subtotal Single-Family		46,159	10,990	57,149		28,646	
Multifamily							
HDR	1.80	11,719	8,401	20,120		15,122	
HDR Age-Restricted	1.50	100	0	100		0	
Subtotal Multifamily		11,819	8,401	20,220		15,122	
Subtotal Residential		57,978	19,391	77,369	138,796	43,768	182,564
Nonresidential	Sq. Ft. per Emp.	Building Square Feet			Employees		
Commercial							
Neighborhood Commercial	400	153,935	179,084	333,019	385	448	833
Community Commercial	400	11,051,050	3,761,106	14,812,156	27,628	9,403	37,031
Regional Commercial	400	4,704,429	554,711	5,259,140	11,761	1,387	13,148
Business Professional	300	8,369,459	3,069,952	11,439,411	27,898	10,233	38,131
Central Business District	300	279,781	1,307,435	1,587,216	933	4,358	5,291
Subtotal Commercial		24,558,654	8,872,288	33,430,942	68,605	25,829	94,434
Industrial							
Light Industrial	600	6,978,057	4,314,613	11,292,670	11,630	7,191	18,821
General Industrial	1,000	4,066,708	4,769,914	8,836,622	4,067	4,770	8,837
Subtotal Industrial		11,044,765	9,084,526	20,129,291	15,697	11,961	27,658
Subtotal Nonresidential		35,603,419	17,956,814	53,560,233	84,302	37,790	122,092
Total All Land Uses					223,098	81,558	304,656

pop

Source: City of Roseville, EPS, and California Department of Finance (DOF)

[1] Existing population from DOF as of January 1, 2019.

Service Population Estimates

Table 2-3 provides the service population estimates used as the basis to allocate PFF Program costs. Service population estimates apply an adjustment factor to total employees to reflect their lower demand for public facilities as compared to residents. This study uses two service population estimates for purposes of cost allocation:

- **General City and Public Safety Facilities.** These facilities include all facilities in the PFF Program excluding parks, recreation, and library facilities. The service population is derived assuming an employee weighting factor of 0.27, meaning that an employee generates roughly 27 percent of the demand generated by a resident. As detailed in **Table 2-3**, this estimate is derived based on the estimated proportionate time spent in the jurisdiction by an employee relative to a resident.
- **Parks, Recreation, and Library Facilities.** Because the users of these facilities predominantly originate from residential uses, the employee weighting factor used to derive the service population for these facilities was reduced by 50 percent. For these facilities, the report is based on the assumption that an employee is equivalent to 0.13 residents.

For each of these service population estimates, **Table 2-3** includes the percentage of the total service population at buildout that is attributable to existing and future development. In both cases, approximately 75 percent of the buildout service population is attributable to existing development, and 25 percent is attributable to future development.

Table 2-3
Roseville Public Facilities Fee Program Nexus Study Update
Estimated Persons Served

Item	Persons Served Factor [1]	Persons Served		
		Existing	Future	Buildout
Population/Employees				
Residential Population		138,796	43,768	182,564
Nonresidential Employees		84,302	37,790	122,092
Persons Served - General City and Public Safety Facilities				
Residential	1.00	138,796	43,768	182,564
Nonresidential	0.27	22,762	10,203	32,965
Total		161,558	53,971	215,529
Percentage of Total (Rounded)		75%	25%	100%
Persons Served - Parks, Recreation, and Libraries				
Residential	1.00	138,796	43,768	182,564
Nonresidential	0.13	10,959	4,913	15,872
Total		149,755	48,681	198,436
Percentage of Total (Rounded)		75%	25%	100%

ps

Source: City of Roseville and EPS

[1] Persons served are based on the relative amount of time spent in the City and relative benefit received by residents and employees from public facilities, as detailed below:

Potential Service Hours per Week

Residents	A	168	(24 hrs./day * 7 days/week)
Employees	B	45	(9 hrs./day * 5 days/week)

Employee Demand Relative to Resident

General City and Public Safety	C	1.00
Parks, Recreation, and Libraries	D	0.50

Employee Weighting Factor (Rounded)

General City and Public Safety	B/A*C	0.27
Parks, Recreation, and Libraries	B/A*D	0.13

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3. Planned Public Facilities

As summarized in the previous chapter, the PFF-funded public facilities are classified into two categories for the purposes of establishing the PFF, as summarized below:

- **General City and Public Safety Facilities**
 - General City Facilities such as civic centers, corporation yards, parking structures, and other basic infrastructure.
 - Police and Public Safety Facilities.
- **Parks, Recreation, and Library Facilities**

This chapter presents a list of City public facilities required to serve new development. Planned public facility needs were based on existing public facility LOS and City staff estimates of public facilities needed to serve projected new residents and employees.

Planned Public Facilities Costs and Funding

As the City continues to grow, City staff anticipates that additional public facilities will be required to serve new residents, businesses, and employees at similar LOS currently provided to existing residents and employees. The City provided an inventory of planned public facility amenities to be funded all or in part by the PFF Program.

Table 3-1 summarizes the net cost of the PFF-funded improvements by fee component. For each of the two fee components, the net cost is calculated as the PFF-funded improvement cost less the existing fund balance. The existing fund balance is distributed to each of the fee components based on the relative PFF-funded cost of each component. **Table 3-2** shows this distribution.

Table 3-3 identifies the total estimated cost of each public facility, new development's share of that cost included in the fee program, and other funding sources that have been identified either to fund existing development's share of the costs or to reduce future development's cost share.

The net cost of planned public facilities attributable to future development and included in the PFF Program total approximately \$65.9 million (see **Table 3-1**). This cost estimate takes into account existing development's share of total costs, other available funding sources, and application of the existing fund balance to offset PFF Program costs.

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**Table 3-1
Roseville Public Facilities Fee Program Nexus Study Update
PFFP Funded-Costs**

Item	PFFP-Funded Improvement Cost [1]	Fund Balance Adjustment [2]	Total
General City and Public Safety Facilities	\$40,049,150	(\$4,217,099)	\$35,832,052
PR&L Development Projects	\$33,570,101	(\$3,534,867)	\$30,035,234
Total PFFP Funded Cost	\$73,619,251	(\$7,751,966)	\$65,867,285

pffp cost

Source: City of Roseville and EPS

[1] See Table 3-3.

[2] Total fund balance as of Dec. 31, 2019 provided by City of Roseville; distribution to improvement categories based on percentage of total costs.

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Table 3-2
Roseville Public Facilities Fee Program Nexus Study Update
PFFP Fund Balance Distribution

Improvement Type	PFFP-Funded Cost	Percent of Total	Fund Balance
General City and Public Safety Facilities	\$40,049,150	54%	\$4,217,099
PR&L Development Projects	\$33,570,101	46%	\$3,534,867
Total Fund Balance [1]	\$73,619,251	100%	\$7,751,966

fund bal

Source: City of Roseville and EPS

[1] Total fund balance based on total available resources as of December 31, 2019. Fund balance distributed proportionately between PR&L projects and other projects based on PFF program costs.

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Table 3-3
Roseville Public Facilities Fee Program Nexus Study Update
Planned Public Facilities Costs and Funding Sources

Facility	Improvement Cost				Funding Sources							
	PFF Funding Percent	Total Cost	PFF Funded	Other Funding	PFF	Citywide Park Fee	In-Lieu Parking Fees	PCTPA Congestion Mgmt. Fund	City Congestion Mgmt. Fund	Strategic Improvement Fund	Other	Total
General City and Public Safety Facilities												
Downtown Development Projects												
316 Vernon Street - interfund loan repayment [1]	100.0%	\$3,135,083	\$3,135,083	\$0	\$3,135,083	-	-	-	-	-	-	\$3,135,083
316 Vernon Street - Debt Service [1]	100.0%	\$5,175,174	\$5,175,174	\$0	\$5,175,174	-	-	-	-	-	-	\$5,175,174
Oak Street Parking Garage - interfund loan repayment [1]	100.0%	\$501,894	\$501,894	\$0	\$501,894	-	-	-	-	-	-	\$501,894
Civic Center Council Chambers Expansion	100.0%	\$2,034,000	\$2,034,000	\$0	\$2,034,000	-	-	-	-	-	-	\$2,034,000
Church Street Parking Structure	54.1%	\$8,775,000	\$4,750,000	\$4,025,000	\$4,750,000	-	\$25,000	\$3,000,000	\$1,000,000	-	-	\$8,775,000
Historic Old Town Parking Structure	82.9%	\$11,700,000	\$9,700,000	\$2,000,000	\$9,700,000	-	-	-	\$2,000,000	-	-	\$11,700,000
Subtotal		\$31,321,150	\$25,296,150	\$6,025,000	\$25,296,150	\$0	\$25,000	\$3,000,000	\$3,000,000	\$0	\$0	\$31,321,150
Public Safety Facilities												
Public Safety Expansion	100.0%	\$12,000,000	\$12,000,000	\$0	\$12,000,000	-	-	-	-	-	-	\$12,000,000
Animal Control Facility Phase 2	50.0%	\$3,000,000	\$1,500,000	\$1,500,000	\$1,500,000	-	-	-	-	\$1,500,000	-	\$3,000,000
Subtotal		\$15,000,000	\$13,500,000	\$1,500,000	\$13,500,000	\$0	\$0	\$0	\$0	\$1,500,000	\$0	\$15,000,000
IT Projects												
East Site Communication Tower [2]	14.5%	\$1,750,000	\$253,000	\$1,497,000	\$253,000	-	-	-	-	\$1,497,000	-	\$1,750,000
Communication Infrastructure	100.0%	\$1,000,000	\$1,000,000	\$0	\$1,000,000	-	-	-	-	-	-	\$1,000,000
Subtotal		\$2,750,000	\$1,253,000	\$1,497,000	\$1,253,000	\$0	\$0	\$0	\$0	\$1,497,000	\$0	\$2,750,000
Total Planned General City and Public Safety Facilities		\$49,071,150	\$40,049,150	\$9,022,000	\$40,049,150	\$0	\$25,000	\$3,000,000	\$3,000,000	\$2,997,000	\$0	\$49,071,150
PR&L Development Projects												
Citywide Park Improvements [3]	35.0%	\$51,900,000	\$18,165,000	\$33,735,000	\$18,165,000	-	-	-	-	-	\$33,735,000	\$51,900,000
Central Park - Phase III [4]	29.6%	\$5,924,000	\$1,753,101	\$4,170,899	\$1,753,101	\$4,170,899	-	-	-	-	-	\$5,924,000
Sports Complex	41.0%	\$20,000,000	\$8,200,000	\$11,800,000	\$8,200,000	\$11,800,000	-	-	-	-	-	\$20,000,000
Citywide Park (Parcel KT-50)	30.3%	\$18,000,000	\$5,452,000	\$12,548,000	\$5,452,000	\$12,548,000	-	-	-	-	-	\$18,000,000
Total PR&L Development Projects		\$95,824,000	\$33,570,101	\$62,253,899	\$33,570,101	\$28,518,899	\$0	\$0	\$0	\$0	\$33,735,000	\$95,824,000
Total Planned Public Facilities		\$144,895,150	\$73,619,251	\$71,275,899	\$73,619,251	\$28,518,899	\$25,000	\$3,000,000	\$3,000,000	\$2,997,000	\$33,735,000	\$144,895,150

Source: City of Roseville and EPS

planned

[1] Costs reflect net present value of outstanding interfund loan repayments and outstanding debt service. See Table 3-4.

[2] Costs for land acquisition and construction.

[3] Future development cost percentage based on future persons served as percentage of total persons served. See Table 2-3.

[4] Future development costs based on amount in current fund balance that is dedicated for Central Park.

Planned Public Facilities Descriptions

Each improvement included in **Table 3-3** is described below.

Downtown Development Projects

Civic Center Expansion—316 Vernon Street

The 316 Vernon Street project consists of an approximately 80,000-square-foot 4-story building on the site of the existing City Hall Annex. The project has been completed and provides downtown office space necessary to house City staff and administration functions through 2035. The building also provides short-term instructional space for Sierra College, which will be converted to additional City office space in the future. Ground-floor retail also will be provided, as required by the Downtown Code, but the cost to construct this portion of the project is not included in the PFF Program.

The total remaining PFF-funded cost reflects the net present value of the remaining payments on an interfund loan from the Strategic Improvement Fund and a portion of the debt service on the bonds that were issued to fund the project. The scheduled loan and debt service payments are detailed in **Table 3-4** and have a total estimated net present value of \$8.3 million.

Oak Street Parking Garage

The Oak Street Parking Garage is a seven-story, 429-space parking garage located between Oak Street and the 200-block of Vernon Street. The project has been completed and provides free public parking for the downtown community. The PFF-eligible improvements include pedestrian connections between the parking garage and Oak, Lincoln, and Vernon Streets.

The total remaining PFF-funded cost reflects the net present value of the remaining payments on an interfund loan from the Automobile Replacement Fund. The scheduled payments are detailed in **Table 3-4** and have a total estimated net present value of \$500,000.

Civic Center Council Chambers Expansion

Based on a 2015 space needs assessment, the City proposes to expand the Civic Center Council Chambers and ancillary areas by 2,233 square feet. After the proposed expansion, there will be a total of 5,439 square feet. The planned expansion includes the following components:

- Enlarge the Council Chambers by approximately 500 square feet to accommodate large meetings.
- Expand the news media area by approximately 200 square feet.
- Increase the staff meeting room size to accommodate at least 20 people.
- Increase the square footage of the Council Chambers and surrounding areas as required to be ADA compliant.

Table 3-4
Roseville Public Facilities Fee Program Nexus Study Update
Interfund Loan Repayments and Bond Debt Service

Fiscal Year	Interfund Loan and Debt Service Payment Schedules		
	Oak Street Parking Garage [1]	316 Vernon Street [2]	316 Vernon Street Debt Svc.[3]
2020	\$42,895	\$451,255	\$400,000
2021	\$42,299	\$445,978	\$400,000
2022	\$41,702	\$440,701	\$400,000
2023	\$41,105	\$435,425	\$400,000
2024	\$40,508	\$430,148	\$400,000
2025	\$39,911	\$424,871	\$400,000
2026	\$39,314	\$419,595	\$400,000
2027	\$38,717	\$414,318	\$400,000
2028	\$38,120	-	\$400,000
2029	\$37,524	-	\$400,000
2030	\$36,927	-	\$400,000
2031	\$36,330	-	\$400,000
2032	\$35,733	-	\$400,000
2033	\$35,136	-	\$400,000
2034	\$34,539	-	\$400,000
2035	\$33,942	-	\$400,000
Total	\$614,702	\$3,462,291	\$6,400,000
NPV of Loan Repayments (@3%)	\$501,894	\$3,135,083	\$5,175,174

npv

Source: City of Roseville and EPS

[1] Interfund loan from Automobile Replacement Fund.

[2] Interfund loan from Strategic Improvement Fund.

[3] Total debt service to be paid out of PFF = \$12 million. \$2,515,034.67 has been paid to date, leaving \$9,484,965 to be paid. Debt service payments will extend beyond 2035, but only payments through 2035 are included since the fee update is based on development through the General Plan timeframe of 2035.

The total cost of the Civic Center Council Chambers expansion project is estimated at \$2.0 million, with all of the costs to be funded by the PFF.

Church Street Parking Structure

The Church Street Parking Structure is planned to be a multi-story 190 space parking garage on the site of the existing train station parking lot along Church Street. The total estimated cost of the project is \$8.8 million, with PFF funding of \$4.8 million. The remainder of the costs will be funded by in-lieu parking fees, the Placer County Transportation Planning Agency Congestion Management Fund, and the City Congestion Management Fund.

Historic Old Town Parking Structure

The Historic Old Town Parking Structure is planned to be a multi-story 297 space parking garage located to the east of Lincoln Street, south of Sierra Boulevard, and west of and adjacent to the Union Pacific Railroad tracks. The total estimated cost of the project is \$11.7 million, with PFF funding of \$9.7 million. The remainder of the costs will be funded by in-lieu parking fees, the Placer County Transportation Planning Agency Congestion Management Fund, and the City Congestion Management Fund.

Public Safety Facilities

Public Safety Expansion

The Police Department has continued to grow and expand since moving in its current location in 1998. In addition, the Public Safety IT team was moved to the police department several years ago and that division also continues to grow. Existing facilities are near capacity, and as new public safety personnel are added to serve the resident and employee population generated by new development, existing facilities will require expansion. Although the Professional Standards Unit was relocated to the Civic Center, available space will not be sufficient to accommodate the personnel that will be needed to support projected growth.

The total cost to expand the public safety facilities is estimated at \$12 million. Because the need for public safety facility expansion is triggered by population and employment increases, 100 percent of these costs are allocated to future development and will be PFF-funded.

Animal Control Facility

Public safety facility needs include development of a new Domestic Animal Care Facility, which will be located on a 2.2-acre site located at the corner of Yosemite Street and Tahoe Avenue. Fee program-eligible costs include the following improvements:

- Renovation and conversion of an existing 15,818-square-foot 1-story building into a public-orientated Adoption Center and administrative area.
- Expansion of an existing 1,770-square-foot mezzanine to 4,370 square feet.

- Addition of a new 20,334-square-foot, 1-story building to house a Holding and Support Area, Educational Center, and a public Veterinary Clinic.

Phase 1 of this project has been completed, including the existing building renovation, the new Education Center, and the majority of the site work (parking, drive aisle, new underground utilities). Phase 2 is planned to include the Holding and Support Area, as well as the Veterinary Clinic. Total remaining costs of the new Domestic Animal Care Facility are estimated at \$3.0 million, with half of the cost (\$1.5 million) to be PFF-funded and the remaining half planned to be funded by the Strategic Improvement Fund.

Information Technology Projects

East Site Communication Tower

Because of the current East site limitations and resulting lack of standards to meet Public Safety needs, a new communications site is needed in East Roseville. The project requires property acquisition and a 180-foot tower along with a shelter, generator and fuel tank to meet the City's short and long-term needs. The existing East site has limitations including lack of:

- Radio coverage
- Emergency power
- Capacity for growth both within the electrical closet and on top of the building
- City control resulting in operational and financial risk

The new communications site is estimated to cost approximately \$1.75 million. Approximately \$400,000 is allocated for land acquisition of the still undetermined site, and the remainder is for construction. The City Strategic Improvement Fund will provide funding for approximately \$1.5 million of the tower, with the remaining \$250,000 to be funded by the PFF.

Communication Infrastructure

Due to advancements in VHF technology, and the age of the City's VHF radio platform, the VHF radio system has become difficult and costly to support. A patchwork of components replaced over the years has created a multi-vendor support environment that impacts system reliability. For the most flexibility in the future, the City plans to replace VHF infrastructure, at a total estimated cost of \$1.0 million, all to be funded by the PFF.

Parks, Recreation, and Library Development Projects

Citywide Park and Community Facilities

The City has plans to construct a variety of park and community facilities. A portion of these facilities will be funded by the PFF. Potential Citywide park and community facilities are listed below:

- West Roseville Community Center and Library
- Nature Center
- Cultural Arts Center/Venue/Amphitheater
- Outdoor Swimming Pool
- West Roseville Specific Plan Skate Park
- Universally Accessible and Destination Playgrounds
- Fitness Amenities
- Water/Splash Pad

Table 3-5 summarizes the costs of each of these facilities. The total cost is estimated at \$51.9 million with 35 percent of the costs, or approximately \$18.2 million, to be funded by the PFF.

Central Park Phase III

Central Park is a 20-acre citywide park site located on Fairway Drive and Central Park Drive in the Highland Reserve North Specific Plan Area. Plans for this park include installation of two softball fields, sports field lighting, basketball courts, a swing area, two tennis courts, tennis court lighting, basketball court and soccer field lighting, a picnic area, landscaping and irrigation, a shade structure, on-street parking, a parking lot, and security lighting.

Phases I and II have been completed. The total cost of the Central Park Phase III project is estimated at \$5.9 million. Approximately \$1.7 million of the current PFF fund balance has been dedicated for this project, with the remaining \$4.2 million to be funded by the Citywide Park Fee.

Sports Complex

Located in the West Roseville Specific Plan, the Roseville Sports Complex is envisioned as a regional multiple-field, long-field tournament facility with a total estimated cost of \$20.0 million. Partial funding of approximately \$11.8 million is provided from the Citywide park fund. Additional funding of \$8.2 million is included in the PFF Program.

Citywide Park Parcel KT-50

Located in the Sierra Vista Specific Plan, KT-50 is envisioned as a regional multiple-field baseball facility, including a stadium. Total costs are anticipated to be approximately \$18.0 million, with partial funding of approximately \$12.5 million provided from the Citywide park fund. The PFF Program will fund the support structures and indoor court space at an estimated cost of \$5.5 million.

Table 3-5
Roseville Public Facilities Fee Program Nexus Study Update
Planned Citywide Park Improvements

Improvement	Total
West Roseville Community Center and Library	\$10,000,000
Nature Center	\$3,000,000
Cultural Arts Center/Venue/Amphitheater	\$15,000,000
Outdoor Swimming Pool	\$15,000,000
West Roseville Specific Plan Skate Park	\$1,500,000
Universally Accessible and Destination Playgrounds	\$3,400,000
Fitness Amenities	\$1,000,000
Water/Splash Pad	\$3,000,000
Total	\$51,900,000

parks

Source: City of Roseville

4. Cost Allocation and Fee Calculation

Having established the costs of planned public facilities needed to serve new development, those costs need to be distributed equitably over various anticipated land uses in the form of a maximum justifiable fee per unit for residential development, and a fee per square foot for nonresidential development. This section describes the methodology used to allocate the cost of future development's share of planned public facility costs to residential and nonresidential land uses. These calculations result in a maximum justifiable fee per residential unit and per nonresidential square foot.

The purpose of allocating certain improvement costs among the various land uses is to provide an equitable method to fund required facilities. The keys to apportioning the cost of citywide improvements to different land uses are the assumptions that the demands placed on public facilities are related to land use type and that such demands can be stated in relative terms for all land uses. It is by relating demand for facilities to land use types that a nexus, or reasonable relationship, can be established to apportion the fair share costs to that land use.

This study uses a common-use factor to relate the demand for public facilities generated by residents and employees. Public facility costs are allocated to residential and nonresidential land uses on a "persons-served basis," whereby costs are attributed to both future residents and employees. The common-use factor for residential land uses is the number of persons per household for each residential land use category.

The common-use factor for nonresidential land uses is based on the number of employees generated per 1,000 square feet for commercial, office, and industrial development. For purposes of the facility cost allocation, the total number of projected employees is adjusted to reflect the demand for public facilities by an employee as it relates to the demand for the facilities generated by a resident. For purposes of cost allocation, the employee adjustment factor varies depending on the type of facility:

- **General City and Public Safety Facilities.** The relative demand of an employee for all public facilities excluding parks, recreation, and library facilities is calculated based on time spent in the jurisdiction as compared to that of a resident. Assuming one employee spends 45 hours per week in the jurisdiction, one employee is assumed to equal 0.27 residents (45 hours per week divided by 168 hours per week).
- **Parks, Recreation, and Library Facilities.** This study is based on the assumption that the benefit an employee derives from parks, recreation, and library facilities will be substantially lower than that derived from other public facilities. For cost allocation purposes, therefore, the employee adjustment factor is reduced by 50 percent, and one employee is assumed to equal 0.13 residents.

Tables 4-1 and **4-2** detail the allocation of costs for each category of public facilities. The total service population generated by each land use category is estimated based on the total number of future residential units or nonresidential square feet and the corresponding resident or employee density. The appropriate adjustment factor is applied to the number of employees generated by each land use category to derive the total service population. Public facility costs then are distributed to each land use category based on that land use category's percentage share of the total service population. Dividing by the total number of projected future units or nonresidential square footage generates the total public facility cost per residential unit or nonresidential square foot. Addition of a 2-percent administration charge generates the total maximum justifiable fee for each land use category.

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Table 4-1
Roseville Public Facilities Fee Program Nexus Study Update
Cost Allocation for General City and Public Safety Facilities

Land Use	Remaining Development [1]	PPH/ Sq. Ft. per Emp.	Persons Served				Cost Allocation	
			Remaining Population/ Employees [2]	Weighting Factor [2]	Persons Served	Pct. of Total	Allocated Costs [3]	Cost Per Unit/ Bldg. Sq. Ft.
Residential	<u>dwelling units</u>	<u>PPH</u>	<u>Population</u>					<u>per unit</u>
Single-Family								
LDR	5,856	2.70	15,811	1.00	15,811	29.3%	\$10,496,935	\$1,793
MDR	5,134	2.50	12,835	1.00	12,835	23.8%	\$8,521,166	\$1,660
Single-Family Age-Restricted	0	1.80	0	1.00	0	0.0%	\$0	\$1,195
Subtotal Single-Family	10,990		28,646		28,646	53.1%	\$19,018,101	
Multifamily								
HDR	8,401	1.80	15,122	1.00	15,122	28.0%	\$10,039,507	\$1,195
HDR Age-Restricted	0	1.50	0	1.00	0	0.0%	\$0	\$996
Subtotal Multifamily	8,401		15,122	1.00	15,122	28.0%	\$10,039,507	
Subtotal Residential	19,391		43,768		43,768	81.1%	\$29,057,608	
Nonresidential	<u>bldg. sq. ft.</u>	<u>Sq. Ft. per Emp.</u>	<u>Employees</u>					<u>per bldg. sq. ft.</u>
Commercial								
Neighborhood Commercial	179,084	400	448	0.27	121	0.2%	\$80,332	\$0.45
Community Commercial	3,761,106	400	9,403	0.27	2,539	4.7%	\$1,685,644	\$0.45
Regional Commercial	554,711	400	1,387	0.27	374	0.7%	\$248,299	\$0.45
Business Professional	3,069,952	300	10,233	0.27	2,763	5.1%	\$1,834,358	\$0.60
Central Business District	1,307,435	300	4,358	0.27	1,177	2.2%	\$781,411	\$0.60
Subtotal Commercial	8,872,288		25,829		6,974	12.9%	\$4,630,044	
Industrial								
Light Industrial	4,314,613	600	7,191	0.27	1,942	3.6%	\$1,289,295	\$0.30
General Industrial	4,769,914	1,000	4,770	0.27	1,288	2.4%	\$855,104	\$0.18
Subtotal Industrial	9,084,526		11,961		3,230	6.0%	\$2,144,399	
Subtotal Nonresidential	17,956,814		37,790		10,204	18.9%	\$6,774,443	
Total All Land Uses	17,976,205		81,558		53,972	100%	\$35,832,052	

Source: City of Roseville and EPS

other alloc

[1] See Table 2-1.

[2] See Table 2-3.

[3] See Table 3-1 for total cost.

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Table 4-2
Roseville Public Facilities Fee Program Nexus Study Update
Cost Allocation for Parks, Recreation, and Libraries

Land Use	Remaining Development [1]	PPH/ Sq. Ft. per Emp.	Persons Served				Cost Allocation	
			Remaining Population/ Employees [2]	Weighting Factor [2]	Persons Served	Pct. of Total	Allocated Costs [3]	Cost Per Unit/ Bldg. Sq. Ft.
Residential	<i>dwelling units</i>	<i>PPH</i>	<i>Population</i>					<i>per unit</i>
Single-Family								
LDR	5,856	2.70	15,811	1.00	15,811	32.5%	\$9,755,281	\$1,666
MDR	5,134	2.50	12,835	1.00	12,835	26.4%	\$7,919,109	\$1,542
Single-Family Age-Restricted	0	1.80	0	1.00	0	0.0%	\$0	\$1,111
Subtotal Single-Family	10,990		28,646		28,646	58.8%	\$17,674,390	
Multifamily								
HDR	8,401	1.80	15,122	1.00	15,122	31.1%	\$9,330,173	\$1,111
HDR Age-Restricted	0	1.50	0	1.00	0	0.0%	\$0	\$925
Subtotal Multifamily	8,401		15,122	1.00	15,122	31.1%	\$9,330,173	
Subtotal Residential	19,391		43,768		43,768	89.9%	\$27,004,563	
Nonresidential	<i>bldg. sq. ft.</i>	<i>Sq. Ft. per Emp.</i>	<i>Employees</i>					<i>per bldg. sq. ft.</i>
Commercial								
Neighborhood Commercial	179,084	400	448	0.13	58	0.1%	\$35,786	\$0.20
Community Commercial	3,761,106	400	9,403	0.13	1,222	2.5%	\$753,966	\$0.20
Regional Commercial	554,711	400	1,387	0.13	180	0.4%	\$111,059	\$0.20
Business Professional	3,069,952	300	10,233	0.13	1,330	2.7%	\$820,601	\$0.27
Central Business District	1,307,435	300	4,358	0.13	567	1.2%	\$349,835	\$0.27
Subtotal Commercial	8,872,288		25,829		3,357	6.9%	\$2,071,247	
Industrial								
Light Industrial	4,314,613	600	7,191	0.13	935	1.9%	\$576,889	\$0.13
General Industrial	4,769,914	1,000	4,770	0.13	620	1.3%	\$382,536	\$0.08
Subtotal Industrial	9,084,526		11,961		1,555	3.2%	\$959,425	
Subtotal Nonresidential	17,956,814		37,790		4,912	10.1%	\$3,030,671	
Total All Land Uses	17,976,205		81,558		48,680	100%	\$30,035,234	

Source: City of Roseville and EPS

pri alloc

[1] See Table 2-1.

[2] See Table 2-3.

[3] See Table 3-1 for total cost.

5. Implementation

The PFF presented in this report is based on the best facility improvement cost estimates, funding source information, administrative cost estimates, and land use information available at this time. If costs change significantly, if the type or amount of new development changes, if other assumptions significantly change, or if other funding becomes available (as a result of legislative action on state and local government finance, for example), the fee program should be updated accordingly.

After the fees presented in this report are established, the City should conduct periodic reviews of facility improvement costs and other assumptions used as the basis of this nexus study. Based on these reviews, the City may make necessary adjustments to the fee program through subsequent fee program updates.

The cost estimates presented in this report are in constant 2020 dollars. The City may automatically adjust the costs and fees for inflation each year as outlined in this chapter.

Implementing Ordinances/Resolutions

The proposed fee would be adopted by the City through one or more ordinances authorizing collection of the fee and through one or more fee resolutions establishing the fee. The fee will be effective 60 days following the City's final action on the ordinances authorizing collection of the fee and on the fee resolutions establishing the fee. The new ordinances or resolutions should reference the automatic inflation adjustment factor discussed in this chapter.

Fee Administration

The PFF will be collected from new development in areas subject to the fee at the time of the building permit issuance; use of these funds may need to wait until a sufficient fund balance can be accrued. According to Government Code Section 66000, the City is required to deposit, invest, account for, and expend the fees in a prescribed manner.

PFF Exemptions, Reimbursements, and Credits

Under certain and limited circumstances, as determined by the City, the Impact Fee Resolution could allow developers subject to the fee to obtain credits, reimbursements, or exemptions.

As more specifically set forth in the authorizing ordinance, projects that rebuild or remodel without increasing the square footage of the project will be exempt from the PFF, except under the following circumstances:

1. If the development or project changes to a different land use, it shall be charged the appropriate fee for the new land use category less any PFF amount previously paid.
2. Where the development or project expands or remodels the same land use, only the expanded square footage would be subject to the PFF.
3. Remodeling or expansion of an existing dwelling unit shall be exempt from fee payments, unless additional dwelling units are added.

All other fee credits, reimbursements, or exemptions should not be allowed by right but rather should be subject to review by City staff and the City Council to ensure that such credits or reimbursements are warranted and appropriate. Exemptions where the City elects not to impose fees for certain categories of development are an option, though alternative funding sources to offset a loss in fee revenue would need to be provided.

Furthermore, the developer of any project subject to the PFF may apply for a reduction or adjustment to the fee based upon the absence of any reasonable relationship or nexus between the impacts of the project and either the amount of the fee or the facilities to be financed by the fee. The City will consider any such applications in accordance with the implementing fee program ordinance.

Fee Program Update

The PFF is subject to automatic annual inflation adjustments, periodic updates, and a 5-year review requirement. The purpose of each update is described in this section.

Automatic Annual Inflation Adjustment

The proposed fee shall be automatically adjusted by the City annually to account for the inflation of construction, land acquisition, and environmental or design costs.

This 2020 Nexus Study recommends that in June of each calendar year, using the procedures set forth in California Government Code Section 66017, the PFF should be adjusted by the average of the change in the San Francisco Construction Cost Index (CCI) and the change in the 20-city CCI as reported in the Engineering News Record for the 12-month period ending May of each year.

Periodic Fee Updates

The proposed PFF is subject to periodic update based on changes in developable land, cost estimates, or outside funding sources. The City will periodically review the costs and fee to determine if any updates to the fee are warranted. During the periodic reviews, the City will analyze the following items:

- Changes to the required facilities listed in the 2020 Nexus Study.
- Changes in the cost to update or administer the fee.
- Changes in costs greater than inflation.
- Changes in assumed land uses.
- Changes in other funding sources.

Any changes to the fee based on the periodic update will be presented to the City Council for approval before an increase or decrease in the fee.

The City Council also may specify during a periodic update which improvements should receive funding from the PFF Program before other improvements. Based on facility LOS evaluations, the location of approved new development that will add significant housing or jobs, or other considerations, the City has the ability to spend the fee revenues on any of the projects identified in the PFF Capital Improvement Plan (CIP) regardless of project location and the location of collected fees.

Five-Year Review

Fees will be collected from new development in the City immediately; use of these funds, however, may need to wait until a sufficient fund balance can be accrued. According to Government Code Section 66006, the City is required to deposit, invest, account for, and expend the fees in a prescribed manner. The fifth fiscal year following the first deposit into the fee account or fund, and every 5 years thereafter, the City is required to make all of the following findings with respect to that portion of the account or fund remaining unexpended:

- Identify the purpose for which the fee is to be put.
- Demonstrate a reasonable relationship between the fee and the purpose for which it is charged.
- Identify all sources and amounts of funding anticipated to complete financing in incomplete plan area improvements.
- Designate the approximate dates the funding referred to in the above paragraph is expected to be deposited in the appropriate account or fund.

The City must refund the unexpended or uncommitted revenue portion of the fee for which a need could not be demonstrated in the above findings, unless the administrative costs exceed the amount of the refund.

Non-Fee Revenue Sources

The City has and will continue to rely on multiple funding sources, including the PFF, to fund development of public facilities. Costs attributable to existing development must be funded from non-fee program sources. This study identifies several revenue sources that, when combined with the proposed impact fees, result in a full funding for all CIP facilities with the exception of Citywide park improvements. For those improvements for which full funding has been identified, if the City were to increase the scope of planned improvements, it would be necessary to fund existing development's fair share of the additional costs with non-fee funding sources. Major sources of funding for existing development's share of public facilities costs may include the following mechanisms:

- **General Fund Revenue** is generated primarily by property taxes, sales taxes, and transient occupancy taxes and is used for operational and capital facility uses.
- **Development Exactions** are conditions imposed by land use jurisdictions on development to mitigate anticipated impacts on public facilities and infrastructure.
- **Other Fee Programs** (e.g., park development fee program) has been identified as funding a portion of the PFF Program costs.
- **General Obligation Bonds** are voter-approved bonds that are used for capital improvements and then repaid through property tax assessments. A two-thirds voter majority is required to approve General Obligation bonds.
- **Joint Use Facilities/Partnerships** can be an effective way to combine the resources of multiple agencies. For example, school districts frequently partner with park and recreation departments to maximize usage of ball fields, community centers, etc.
- **Grants** can be obtained from a variety of public and private sources.
- **Donations** can be made by philanthropic organizations and individuals.
- **Other sources** include public land trusts, property exchanges, exactions, and revenue bonds.

As is the case with all municipalities, the City does not control the future availability of funds for capital facility development from most sources. Grants are competitive, bonds require voter approval, and General Fund resources are used to meet a variety of operational and capital facility needs. The City will continue to seek and leverage all available funding mechanisms for public facility development. The City likely will rely on a combination of many funding sources to provide the desired LOS standards.

6. Nexus Findings

Government Code Section 66000 et seq. establishes specific requirements for the imposition of impact fee programs. To impose development impact fees, the local jurisdiction must establish the necessary “nexus” between new development and the proposed facilities funded by the fee program. Nexus findings address (1) the ***purpose*** of the fee and a related description of the facility for which fee revenue will be used, (2) the specific ***use*** of fee revenue, (3) the ***relationship*** between the facility and the type of development, (4) the relationship between the ***need*** for the facility and the type of development, and (5) the relationship between the amount of the fee and the ***proportionality*** of cost specifically attributable to new development.

This section describes these nexus findings as they relate to the PFF Program update, as derived from the preceding technical analysis.

Purpose of Fee

The PFF developed through this 2020 Nexus Study will fund the public facility improvements necessary to serve new residential and nonresidential development in the City. New development in the City will increase the service population and, therefore, the need for new public facilities.

Use of Fee

The PFF will fund expanded public facilities to serve new development. All planned facilities will be located in the City. Eligible costs include the following items:

- Land Acquisition.
- Planning, Engineering, and Design of Public Facilities.
- Infrastructure, Utilities, and Other Site Improvements.
- Vertical Construction of Public Facility Buildings and Improvements.
- Capital Equipment, Furnishings, Vehicles, and Services required to place public facilities into service.
- Financing Costs Associated with the Above (if applicable).

Relationship between Use of Fee and Type of Development

The development of new residential and nonresidential land uses in the City will generate the need for additional public facilities. The fee will be used to develop and expand the user capacity for public facilities to serve new users from residential and nonresidential development.

Relationship between Need for Facility and Type of Project

Each new residential and nonresidential development project will generate additional demand for various City services and personnel, as well as recreational opportunities. Planned public facilities will provide additional space for City personnel and equipment and will provide space for recreational pursuits to serve the demand generated by new development.

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

Public facility costs are allocated proportionately between new and existing development based on the relative share of demand for the facility generated by new versus existing development. Public facility costs attributable to new development are allocated between land use categories using common-use factors that measure the relative demand generated by each land use category. The common-use factor for residential land uses is the number of persons per household for each residential land use category.

The common-use factor for nonresidential land uses is based on the number of employees generated per 1,000 square feet for commercial, office, and industrial development, and on the ratio of public facility demand for an employee as compared to a resident.



APPENDIX A:

Land Use Assumptions

Table A-1	Existing Nonresidential Development	A-3
Table A-2	Buildout Nonresidential Development.....	A-4
Table A-3	Adjusted Buildout Nonresidential Development— Infill Area	A-5
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A. Land Use Assumptions

EPS worked with City Planning Department staff to develop the land use assumptions for purposes of the PFF Program. This appendix details the methodology EPS and the City used to arrive at updated existing, future, and buildout land use assumptions, which are discussed in summary form in **Chapter 2**.

Residential Land Use Assumptions

The City provided existing and buildout single-family and multifamily dwelling units by unit type and plan area. The existing units are based on City building permits and records of residential development in each plan area. The buildout units are based on the number of units allocated to each plan area in the General Plan and on subsequent amendments to some plan area allocations. The future units by unit type are calculated as buildout units less existing units.

The residential units are summarized by land use type in **Table 2-1**. No backup tables are needed, so there are not further residential tables included in this appendix.

Nonresidential Land Use Assumptions

The existing and buildout nonresidential building square feet by nonresidential land use were derived from a variety of sources. The future building square feet by land use are calculated as buildout building square feet less existing building square feet. The tables in this appendix detail the existing and buildout building square feet estimates.

- **Table A-1** summarizes the existing nonresidential building square feet by land use. The existing building square feet are calculated as the sum of the following two components:
 - Building square feet as of June 30, 2014 from the 2015 Nexus Study.
 - Building square feet constructed from July 2014 through February 2020 based on City building permit records.
- **Table A-2** summarizes the buildout nonresidential building square feet by land use. The following steps are taken to estimate the buildout square feet.
 1. The 2015 Nexus Study floor area ratio (FAR) and base buildout acres and buildout square feet prior to any adjustments are obtained from the 2015 Nexus Study.
 2. The buildout acres are obtained from the City's General Plan. The General Plan categorizes the acres into Commercial, Business Professional, and Industrial land uses. The acres are distributed to the more detailed land uses in this Nexus Study based on the proportional distribution of the acres from the 2015 Nexus Study (discussed in Step 1).

3. The buildout square feet by land use are estimated by applying the FAR from Step 1 to the buildout acres.
 4. Adjustments are made to the buildout square feet to account for anticipated reduced levels of development in the Infill Area and the Downtown Specific Plan (DTSP). These adjustments are detailed in Table A-3, Table A-4, and Table A-5. The final buildout building square feet are estimated as the building square feet in Step 3 adjusted downward by the Infill Area and DTSP reductions.
- **Table A-3** details the Infill Area adjustment. The following steps are taken to estimate the Infill Area adjusted building square feet.
 1. The Infill Area building square feet by nonresidential land use at buildout are obtained from the 2015 Nexus Study.
 2. The existing building square feet by land use are deducted from the buildout building square feet to obtain the future building square feet by land use prior to an adjustment. Table A-4 details the calculation of the existing building square feet for the Infill Area.
 3. A 25 percent reduction is applied to the future building square feet to estimate the adjusted future building square feet for the Infill Area. This percentage reduction is consistent with the reduction established in the 2015 Nexus Study.
 - **Table A-4** summarizes the existing nonresidential building square feet by land use for the Infill Area. The existing building square feet are calculated as the sum of the following two components:
 - Building square feet in the Infill Area as of June 30, 2014 from the 2015 Nexus Study.
 - Building square feet constructed in the Infill Area from July 2014 through February 2020 based on City building permit records.
 - **Table A-5** details the DTSP adjustment. The following steps are taken to estimate the DTSP adjusted building square feet.
 1. The DTSP building square feet by nonresidential land use at buildout are obtained from the 2015 Nexus Study.
 2. The existing building square feet by land use are deducted from the buildout building square feet to obtain the future building square feet by land use prior to an adjustment. **Table A-6** details the calculation of the existing building square feet for the DTSP.
 3. A 75 percent reduction is applied to the future building square feet to estimate the adjusted future building square feet for the DTSP. This percentage reduction is consistent with the reduction established in the 2015 Nexus Study.

Table A-1
Roseville Public Facilities Fee Program Nexus Study Update
Existing Nonresidential Development

Land Use	Building Square Feet		Total
	Through 2014 Q2 [1]	July 2014 - Feb. 2020 [2]	
Commercial			
Neighborhood Commercial	152,365	1,570	153,935
Community Commercial	10,038,988	1,012,062	11,051,050
Regional Commercial	4,554,278	150,151	4,704,429
Business Professional	7,949,387	420,072	8,369,459
Central Business District	197,347	82,434	279,781
Subtotal Commercial	22,892,365	1,666,289	24,558,654
Industrial			
Light Industrial	6,200,800	777,257	6,978,057
General Industrial	4,040,692	26,016	4,066,708
Subtotal Industrial	10,241,492	803,273	11,044,765
Total Nonresidential	33,133,857	2,469,562	35,603,419

Source: City of Roseville and EPS

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[1] From Table 2-1 of 2015 Roseville PFF Nexus Study Update.

[2] From City building permit records.

Table A-2
Roseville Public Facilities Fee Program Nexus Study Update
Buildout Nonresidential Development

Land Use	FAR at Buildout [1]	Buildout Nonresidential Development							Adjusted Buildout Sq. Ft.
		2015 Nexus Study Prior to Adjustments		General Plan		Building Square Feet Adjustments			
		Acres	Sq. Ft.	Acres [2]	Sq. Ft.	Infill	DTSP	Total	
Source						Table A-3	Table A-5		
Formula	A=C/B/43,560	B	C	D	E=A*D*43,560	F	G	H=F+G	E+H
Commercial									
Neighborhood Commercial	0.37	22.50	365,720	23.18	373,533	(40,514)	0	(40,514)	333,019
Community Commercial	0.20	1,814.04	16,187,915	1,868.54	16,278,761	(116,944)	(1,349,662)	(1,466,605)	14,812,156
Regional Commercial	0.35	334.89	5,062,509	344.95	5,259,140	0	0	0	5,259,140
Central Business District [3]	2.59	38.18	4,305,998	39.33	4,436,906	(84,987)	(2,764,703)	(2,849,690)	1,587,216
Subtotal		2,209.61	25,922,142	2,276.00	26,348,340	(242,444)	(4,114,365)	(4,356,809)	21,991,531
Business Professional	0.34	785.67	11,527,491	792.00	11,729,837	(290,426)	-	(290,426)	11,439,411
Subtotal Commercial		2,995.28	37,449,633	3,068.00	38,078,177	(532,870)	(4,114,365)	(4,647,235)	33,430,942
Industrial									
Light Industrial	0.21	1,375	12,848,566	1,298	11,876,738	(584,068)	-	(584,068)	11,292,670
General Industrial	0.21	1,134	10,595,327	1,071	9,793,927	(931,060)	(26,245)	(957,305)	8,836,622
Subtotal Industrial		2,509	23,443,893	2,369	21,670,664	(1,515,128)	(26,245)	(1,541,373)	20,129,291
Total Nonresidential		5,504	60,893,526	5,437	59,748,841	(2,047,998)	(4,140,610)	(6,188,608)	53,560,233

Source: City of Roseville and EPS

bo

[1] FAR at buildout based on 2015 Nexus Study buildout acres and building square feet prior to adjustments. Rounded to nearest hundredth.

Note that FARs shown in Table 2-1 and Table A-1 of the 2015 Nexus Study are based on existing development and differ in some cases from the FARs in this table.

[2] Acres from Land Use Element of Roseville General Plan (through 2035). General Plan acres categories are Commercial, Business Professional, and Industrial. Commercial and Industrial General Plan acres spread proportionately to subcategories based on the 2015 Nexus Study distribution

[3] 2015 Nexus Study acres and square feet are sum of infill and downtown square feet. Acres exclude approximately 20 acres of downtown multifamily development.

Table A-3
Roseville Public Facilities Fee Program Nexus Study Update
Adjusted Buildout Nonresidential Development - Infill Area

Land Use	Building Square Feet				Adjusted Future Sq. Ft.
	Buildout Sq. Ft. [1]	Less Existing Sq. Ft. [2]	Future Sq. Ft.	Less Reduction	
Percentage Adjustment [3]				25%	
Commercial					
Neighborhood Commercial	265,231	(103,175)	162,056	(40,514)	121,542
Community Commercial	5,243,248	(4,775,474)	467,774	(116,944)	350,831
Regional Commercial	6,300	(6,300)	-	-	-
Business Professional	2,329,351	(1,167,648)	1,161,703	(290,426)	871,277
Central Business District	537,293	(197,347)	339,946	(84,987)	254,960
Subtotal Commercial	8,381,423	(6,249,944)	2,131,479	(532,870)	1,598,609
Industrial					
Light Industrial	3,418,533	(1,082,262)	2,336,271	(584,068)	1,752,203
General Industrial	4,903,112	(1,178,871)	3,724,241	(931,060)	2,793,181
Subtotal Industrial	8,321,645	(2,261,133)	6,060,512	(1,515,128)	4,545,384
Total Nonresidential	16,703,068	(8,511,077)	8,191,991	(2,047,998)	6,143,993

Source: City of Roseville and EPS

infill

[1] From 2015 Roseville PFF Nexus Study Update (Table A-2).

[2] See Table A-4.

[3] Percentage adjustment from 2015 Roseville PFF Nexus Study Update for Infill Area development through 2025.

Table A-4
Roseville Public Facilities Fee Program Nexus Study Update
Existing Nonresidential Development - Infill Area

Land Use	Existing Building Square Feet		
	Through June 2014 [1]	July 2014 - Feb. 2020 [2]	Existing as of 3/1/20
Commercial			
Neighborhood Commercial	101,605	1,570	103,175
Community Commercial	4,377,420	398,054	4,775,474
Regional Commercial	6,300		6,300
Business Professional	1,154,982	12,666	1,167,648
Central Business District	197,347		197,347
Subtotal Commercial	5,837,654	412,290	6,249,944
Industrial			
Light Industrial	1,082,262	-	1,082,262
General Industrial	1,178,871	-	1,178,871
Subtotal Industrial	2,261,133	-	2,261,133
Total Nonresidential	8,098,787	412,290	8,511,077

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[1] From 2015 Roseville PFF Nexus Study Update (Table A-2 and Table A-6).

[2] From City building permit records.

Table A-5
Roseville Public Facilities Fee Program Nexus Study Update
Adjusted Buildout Nonresidential Development - Downtown Specific Plan

Land Use	Building Square Feet				
	Buildout Sq. Ft. [1]	Less Existing Sq. Ft. [2]	Future Sq. Ft.	Less Reduction	Adjusted Future Sq. Ft.
Commercial					
Percentage Adjustment [3]				75%	
Neighborhood Commercial	-	-	-	-	-
Community Commercial	1,799,549	-	1,799,549	(1,349,662)	449,887
Regional Commercial	-	-	-	-	-
Business Professional	-	-	-	-	-
Central Business District [4]	3,768,705	(82,434)	3,686,271	(2,764,703)	921,568
Subtotal Commercial	5,568,254	(82,434)	5,485,820	(4,114,365)	1,371,455
Industrial					
Percentage Adjustment [3]				50%	
Light Industrial	-	-	-	-	-
General Industrial	52,490	-	52,490	(26,245)	26,245
Subtotal Industrial	52,490	-	52,490	(26,245)	26,245
Total Nonresidential	5,620,744	(82,434)	5,538,310	(4,140,610)	1,397,700

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[1] From 2015 Roseville PFF Nexus Study Update (Table A-3).

[2] See Table A-6.

[3] Percentage adjustment from 2015 Roseville PFF Nexus Study Update for DTSP development through 2025.

[4] Excludes approximately 20 acres of CBD development that is planned for multifamily units.

Table A-6
Roseville Public Facilities Fee Program Nexus Study Update
Existing Nonresidential Development - Downtown Specific Plan

Land Use	Existing Building Square Feet		
	Through June 2014 [1]	July 2014 - Feb. 2020 [2]	Existing as of 3/1/20
Commercial			
Neighborhood Commercial	-	-	-
Community Commercial	-	-	-
Regional Commercial	-	-	-
Business Professional	-	-	-
Central Business District	-	82,434	82,434
Subtotal Commercial	-	82,434	82,434
Industrial			
Light Industrial	-	-	-
General Industrial	-	-	-
Subtotal Industrial	-	-	-
Total Nonresidential	-	82,434	82,434

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- [1] No existing development through 6/1/14 as the Downtown Specific Plan was a new plan area and all existing development was account for in other plan areas.
- [2] From City building permit records.