

MEMORANDUM
OFFICE OF THE
COUNTY EXECUTIVE
COUNTY OF PLACER

TO: Honorable Board of Supervisors
FROM: Thomas M. Miller, County Executive Officer *hlo*
By Linda Oakman, Budget and Fiscal Operations Manager
DATE: November 7, 2006
SUBJECT: Capital Facilities Impact Fee Annual Report

ACTION REQUESTED

Approve a resolution accepting the Placer County Capital Facilities Impact Fee Annual Report for fiscal year 2005-06.

BACKGROUND

The Capital Facilities Impact Fee was adopted in the unincorporated area on October 15, 1996, to mitigate the impacts of new development on County capital facilities. The fee was implemented at 50% beginning on February 1, 1997, and the full fee went into effect on January 1, 1998. Subsequently, the cities of Roseville, Rocklin, Lincoln, Auburn, and the Town of Loomis implemented collection in the incorporated areas.

The County Public Facilities Fee Ordinance (Chapter 15 of the County Code) and state law call for annual review of the fee program and a report identifying the balance of fees in the public facilities accounts, fees remaining unexpended or uncommitted in the account for more than five years, the facilities constructed and other pertinent information relative to the fee program. No revision of the fee is requested at this time. The only change to the fee is the automatic annual cost of living adjustment of 4.8%.

Your Board is aware that Placer County has worked with the cities to implement the Capital Facilities Impact Fee in each jurisdiction. Every effort has been made to maintain equitable application of the Fee. The County, has granted no waivers during the past year. The implementing ordinance provides for no exceptions except under very specific, limited, circumstances.

As provided for in County Code section 15.30.090(B), the fee schedule is automatically adjusted, annually, by a cost of living increase. The cost of living adjustment for 2006-07 is 4.8% and the updated fee schedule is included with this report. The total amount of fees collected and interest earned during FY 2005-06 was \$10,976,086. The fund's ending balance as of June 30, 2006 was \$50,428,102. There are no uncommitted funds remaining in the accounts for five years or more. The balance in the fund is committed for payments on facilities already constructed, facilities under construction, and future planned facilities.

FISCAL IMPACT

There is no fiscal impact associated with the acceptance of this report.

Before the Board of Supervisors County of Placer, State of California

In the matter of:

Resolution No: _____

Accepting the Placer County Capital Facilities Impact Fee Annual Report and making findings relative to the Capital Facilities Impact Fee Program, as provided by law.

The following resolution was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held on November 7, 2006 .

by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chairman, Board of Supervisors

Attest:
Clerk of said Board

WHEREAS, the County has undertaken studies and produced a report analyzing the impact of new development within the incorporated and unincorporated areas of the County; and

WHEREAS, on October 15, 1996, the Board of Supervisors in reliance upon public testimony and all reports submitted and staff presentations adopted the Capital Facility Impact Fee Ordinance set forth in Chapter 15 of the Placer County Code; and

WHEREAS, the County has adopted a Capital Improvement Plan that indicates the approximate location, size, proposed schedule for construction and estimates of costs for new facilities; and

WHEREAS, Section 15.30.090(B) provides for an automatic adjustment to the capital facilities impact fee in accordance with the change, if any, in the state of California,

Department of Industrial Relations Consumer Price Index (CPI)--California, for all urban consumers for the month of June of each year, effective on October first of each year, and

WHEREAS, the implementing resolution and ordinance, as well as Government Code Section 66006 require the County to submit an annual report to the Board of Supervisors for its review providing certain information pertaining to the fee program including:

- A. A brief description of the type of fee in the account or fund;
- B. The amount of the fee;
- C. The beginning and ending balance of the account or fund;
- D. Amount of fees collected and the interest earned;
- E. Identification of public improvements on which the fees were expended and percentage of the cost of the public improvement that was funded with fees;
- F. Identification of an approximate date by which the construction of the improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement;
- G. A description of each interfund transfer or loan made;
- H. Amount of refunds made pursuant Section 66001 subdivisions (e) and (f);
- I. Portion of fee remaining unexpended/uncommitted in fee account for 5 or more years;
- J. Balance of fees in Capital Facilities Impact Fee Account;
- K. Facilities to be constructed; and

WHEREAS, the County is required to provide, to all interested persons who file a request with the Clerk of the Board, a notice of the scheduled meeting not less than 15 days in advance of the meeting and said notice was provided; and

WHEREAS, the Board of Supervisors must make findings each year for any portion of a fee remaining unexpended or uncommitted in an account five or more years after deposit, identifying the purpose to which the existing fee balances are to be put and demonstrating a reasonable relationship between the fee and the purpose for which it is charged; and

WHEREAS, the County has made available to the public for more than fifteen (15) days the Capital Facilities Impact Fee Program Annual Report for the 2005-2006 fiscal year.

WHEREAS, the Board of Supervisors intends to adopt the findings of the report,

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of Placer County that:

- 1) The Board accepts the 2005-2006 Capital Facilities Impact Fee Annual Report attached hereto as being in accordance with County Code Chapter 15 and applicable State law.

CAPITAL FACILITIES IMPACT FEE PROGRAM ANNUAL REPORT



**SUBMITTED BY:
THE COUNTY EXECUTIVE OFFICE
NOVEMBER 7, 2006**

Placer County
CAPITAL FACILITIES IMPACT FEE PROGRAM
Annual Report

Submitted by
The Placer County Executive Office

2006

The Capital Facilities Impact Fee was adopted in the unincorporated area on October 15, 1996, to mitigate the impacts of new development on county capital facilities. The fee was implemented at 50% beginning on February 1, 1997, and the full fee went into effect on January 1, 1998. Adoption of the fee by the cities of Rocklin and Roseville became effective July 2000, the City of Lincoln effective April 25, 2001, the Town of Loomis, effective March 10, 2001, and the City of Auburn effective January 28, 2002, with fee collection at 100% for residential development. Fee collection in each of these cities for non-residential development commences at 50% effective January 1, 2002, then at 100% effective January 1, 2004. However, collection of fees at 100% for residential and non-residential development from the city of Lincoln in the annexed areas began October 1, 1999.

The ordinance and resolution implementing the fee program call for annual review of the fee program and reports from the County Executive Office and the Office of the Auditor-Controller identifying the balance of fees in the public facilities accounts, fees remaining unexpended or uncommitted in the account for more than five years, the facilities constructed and the capital facilities to be constructed. In addition, Government Code 66006 (b) requires that within 180 days after the last day of the fiscal year that the county will make available to the public certain information for the prior fiscal year. Consistent with the government code, this report was made available to the public 15 days in advance of this meeting. The following is submitted to the Board of Supervisors relative to these requirements.

A. The type of fee in the account or fund:

The impact fee is used only for expansion of facilities to accommodate growth, not for operating or maintenance costs. Revenues will be used to maintain per capita facility standards for General Government, Libraries, Public Protection, Courts¹, Health and Human Services, Sheriff's Patrol and Investigation.

Facilities to be funded under the fee program include expansion and construction of office space, libraries, adult and juvenile detention facilities, clinics and laboratory space, social service facilities, communications/dispatch equipment, warehouse, vehicles and related furnishings and equipment.

¹ Collection of the portion of the fee for funding of court facilities was suspended by Board action on August 10, 1999.

B. Fees Charged

The fee schedule for fiscal year 2006-2007 reflects an automatic increase of 4.8% based on the change in the California CPI for all urban consumers between July 2005 and July 2006. The new fee schedule took effect October 1, 2006 and is shown in attachment A.

C. Beginning and ending balance of the fund

Beginning Balance (As of July 1, 2005)	\$43,662,919
Ending Balance (June 30, 2006)	\$50,428,102

D. Fees collected and the interest earned

Total Collected during Fiscal Year:	\$9,315,467
Interest Earned:	\$1,660,619

E. Identification of public improvements on which the fees were expended and percentage of the cost of the public improvement that was funded with fees:

To date, a total of \$2,712,616 was committed to provide for a 32% share of the cost of construction of the new Juvenile Detention Facility completed in fiscal year 1999/2000. Payments are to be made over a period of nine years ending with fiscal year 2007-08. A payment in the amount of \$301,402 was made for the juvenile hall during fiscal year 2005-2006.

During fiscal year 2005-2006 \$1,750,000 was expended for the Auburn Justice Center, representing 5% of the estimated cost of the project, and \$2,159,501 for the Community Development Resource Center, representing 7% of the estimated cost of the project..

Please refer to Attachment B, Expenditure Summary, for a history of prior fund expenditures.

F. Identification of an approximate date by which the construction of the improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement:

N/A

G. A description of each inter fund transfer or loan made

There have been no inter fund transfers or loans from these funds.

H. Amount of refunds made pursuant Section 66001 subdivisions (e) and (f):

There were no refunds made pursuant to Section 66001 during the fiscal year 2005-2006.

I. Portion of fee remaining unexpended/uncommitted in fee account for 5 or more years

Placer County began collecting a portion of the fee on February 1, 1997 and the full fee amount on January 1, 1998. There are no funds in the Capital Impact Facilities Fee account that have been unexpended or uncommitted for 5 or more years.

J. Balance of fees in Capital Facilities Impact Fee Account

As of September 30, 2006, the balance of the Capital Facilities Impact Fee Account was \$52,910,298. There were no expenditures from the account between the period July 1, 2006 and September 30, 2006.

K. Facilities to be constructed:

Capital facilities impact fees are used to construct a range of facilities including jails, office space, health labs, clinics etc. Specific facility needs by function and facility type due to growth are outlined in the 1994 study *County Facilities Needed to Serve Growth prepared by Recht Hausrath & Associates*.

It should be noted that only a portion of the facilities identified in the Capital Improvement Plan will be funded with Capital Facility Impact Fees. The amount to be funded by fees will depend upon overall funding available, the portion of the facility that will be needed due to growth and the total cost for construction of the facility.

L. Review of administrative charge

The cities levy a nominal charge of 2.5% for administration of the capital facilities impact fee program. This amount covers the cost for collection of the fee, accounting for and reporting the collections to the County, and administrative duties. The County does not charge an administrative fee.

{NOTE: As required by the Government Code, this information was made available to the public by posting of a copy of this Report. In addition, notification of the availability of the report was provided to anyone who had an information request on file with the Clerk of the Board.}

Placer County Capital Facilities Impact Fee Schedule Effective October 1, 2006			
Land Use Categories	Lincoln and Roseville (Cities without County Libraries)	Auburn, Colfax, Loomis & Rocklin (Cities with County Libraries)	Unincorporated
Single Family Dwelling	1,717.54	2,193.40	3,329.57
Multi Family Dwelling	1,251.71	1,597.32	2,426.56
Age Restricted Sr Citizens	1,129.24	1,442.12	2,189.13
Office Space/sq.ft.	0.42	0.42	0.74
Retail Space/sq.ft.	0.27	0.27	0.47
Industrial Space/sq.ft.	0.21	0.21	0.38
Warehouse Space/sq.ft.	0.06	0.06	0.11

Notes:

1. Fees include a 2.5% administrative charge.
2. Original Data Source: Table III-10, Hausrath and Associates Report (1994).
3. The Age-Restricted Senior Citizen occupancy level is based on an average of 1.67 persons per dwelling, compared to 2.54 persons per Single-Family dwelling and 1.85 persons per Multi-Family dwelling.
4. Fees include a CPI (Consumer Price Index) increase of 4.8% as of October 1, 2006.
5. Excludes court related space.
6. Fees may be adjusted from time to time according to Chapter 15 of the Placer County Code.

Prior Fiscal Year's Fees:

Placer County Capital Facilities Impact Fee Schedule Effective October 1, 2005			
Land Use Categories	Lincoln and Roseville (Cities without County Libraries)	Auburn, Colfax, Loomis & Rocklin (Cities with County Libraries)	Unincorporated
Single Family Dwelling	1,638.87	2,092.94	3,177.07
Multi Family Dwelling	1,194.38	1,524.16	2,315.42
Age Restricted Sr Citizens	1,077.51	1,376.07	2,088.86
Office Space/sq.ft.	0.40	0.40	0.71
Retail Space/sq.ft.	0.25	0.25	0.45
Industrial Space/sq.ft.	0.20	0.20	0.36
Warehouse Space/sq.ft.	0.05	0.05	0.11

Notes:

1. Fees include a 2.5% administrative charge.
2. Original Data Source: Table III-10, Hausrath and Associates Report (1994).
3. The Age-Restricted Senior Citizen occupancy level is based on an average of 1.67 persons per dwelling, compared to 2.54 persons per Single-Family dwelling and 1.85 persons per Multi-Family dwelling.
4. Fees include a Consumer Price Index (CPI) increase of 2.8% as of October 1, 2005.
5. Excludes court related space.
6. Fees may be adjusted from time to time according to Chapter 15 of the Placer County Code.

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**Placer County Capital Facilities Impact Fee Program
Summary of Capital Facility Impact Fee Expenditures as of September 30, 2006**

Description		Amount
Refunds for transfer of the Courts to the State. Total disbursed from fund. Reported in 1999/2000 Annual Report		\$95,647
Jail Housing Unit #4 (payment from various city subfunds by population) Reported 2002-2003 Annual Report		1,500,000
Juvenile Detention Facility	Reported	Amount
	1999/2000	\$301,402
	2000/2001	\$301,402
	2001/2002	\$301,402
	2002/2003	\$301,402
	2003/2004	\$301,402
	2004/2005	\$301,402
	2005/2006	\$301,402
		2,109,814
South Placer Justice Center Site acquisition (payment from various city subfunds by population) Reported 2004-2005 Annual Report		6,225,700
Auburn Justice Center (payment from various city subfunds by population)		1,750,000
Community Development Resource Center		2,159,501
Total Expenditures As of 9/20/2006		\$13,840,662

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