AGENDA ITEM F-3

CITY OF LODI
COUNCIL COMMUNICATION

TM

AGENDA TITLE: Conduct Public Hearing to consider approving the Countywide Master Annexation Agreement with San Joaquin County and adoption of the County Facility Fee Program

MEETING DATE: March 16, 2005

PREPARED BY: Community Development Director

RECOMMENDED ACTION: That the City Council approve the Agreement for Property Tax Allocation Upon Annexation. Introduce the ordinance establishing the County Facilities Fee Program, adopt the Resolution setting the County Facility Fee and approve the Administrative Agreement for the County Facilities Fee Program.

BACKGROUND INFORMATION: The City Council may recall that this item was discussed at your August 3, 2004 shirtsleeve meeting. The Property Tax Allocation Agreement pertains to the distribution of property tax revenue between the City and the County upon annexation of land. The most previous agreement expired on July 2003. This agreement would cover a period of seven (7) years.

The two significant differences between the agreement before the Council now and the prior agreement is a change in the percentage split and the County's request for the City to adopt and collect a facilities fee on their behalf.

Tax Split

The County is offering to give the City a larger share of property tax revenues in exchange for the facility fee. The prior agreement provided the City with ten (10) per cent of the County's share of property tax. This agreement provides for an increase to twenty (20) per cent. It should be noted that this percentage is contingent upon the detachment from whatever Fire District may have covered the affected territory.

Other notable provision include a provision for the regional cooperation , urban development cooperation, and the siting of community services facilities.

APPROVED: _____
Blair King, City Manager

County Facility Fee

As mentioned, the County is offering a larger percentage of property tax in exchange for the City's adoption of a new fee that would be charged on all development within the City. The fee would be transferred to the County in order to fund capital costs for various County facilities, such as:

General Government Facilities
County Jail
County Hospital
Metropolitan Airport

City staff has reviewed the required Fee Nexus Report (attached) and we feel it is technically complete. With this report, the County has met their obligation pursuant to AB1600 which requires that any fee levied have a direct relationship to the cost of the facility being provided. The City of Lodi's Impact Mitigation Fees have been adopted and implemented in the same fashion.

The ordinance before the City Council adopts the program and provides the findings necessary. The resolution provided establishes the actual fee amounts to be collected by the City. The fee schedule is as follows:

Residential	Per Unit
Single Family	$1,400
Multi-Family	$1,200

Non-Residential	Per Square Foot
Retail Commercial	$0.32
Commercial/Office	$0.28
Industrial	$0.16

Finally, an operation agreement is included for the Council's action. This agreement is the result of many discussions with the various cities regarding the administration of the program. The agreement provides for the ability for the City to recover the administration costs of collecting the fee and the remittance to the County. City staff is recommending that this be a flat $30.00 per fee transaction.

FISCAL IMPACT: The City stands to gain revenue with this agreement versus the prior agreement with the County. The Facility Fee has no fiscal impact to the City.

Konradt Bartlam
Community Development Director

KB/nme

Attachments
Property Tax Allocation Agreement
San Joaquin County Facility Fee Nexus Report
Ordinance establishing the Facility Fee Program
Resolution setting the fee amount
Administrative Agreement

County of San Joaquin & City of _____
Agreement For Property Tax Allocation Upon Annexation
A-05- _____

AGREEMENT entered into this ___ day of ____, 2004 by and between the City of _____, hereinafter referred to as "CITY" and the County of San Joaquin, hereinafter referred to as "COUNTY";

PREAMBLE:

CITY and COUNTY acknowledge that both CITY and COUNTY have increasing service responsibilities with restrained revenue resources. There is no consensus between CITY and COUNTY regarding the analysis of local government funding issues arising from annexations. CITY and COUNTY each have their own distinctive and differing perspectives on costs and revenues generated by annexed areas. However, there is a statutory requirement for a Property Tax Allocation Agreement for the Local Agency Formation Commission to annex land.

WITNESSETH:

WHEREAS, Article 13A, Section 1 of the Constitution of the State of California limits ad valorem taxes on real property to one percent (1%) of full cash value; and

WHEREAS, Chapter 6 of Part 0.5 of Division 1 of the Revenue and Taxation Code (Sections 95 et. seq.) provides for the allocation of property tax revenues; and

WHEREAS, CITY and COUNTY must have an agreement for the allocation of property tax revenues upon annexation.

NOW, THEREFORE, in consideration of the premises and the following terms and conditions, the parties hereto agree as follows:

1. DEFINITIONS. The words and phrases in this Agreement shall have meanings as set forth below:

   A. "Annexation Property Tax Base" shall mean the Base Year sum of the ad valorem tax allocated to Detaching Special Districts, as defined herein, and to COUNTY within the area being annexed.

B. "Detaching Special Districts" shall mean those political subdivisions organized pursuant to the laws of the State of California whose functions within the area being annexed are terminated and/or assumed by CITY.

C. "Detachment" shall mean the removal from a special district of any portion of the territory of that special district.

D. "Base Year" shall mean the assessed valuation applicable to the property and improvements within the area being annexed at the time the application for annexation is submitted to the Local Agency Formation Commission (LAFCO).

E. "Incremental Growth" shall mean the total increase or decrease in the property tax base over the base year within the annexed area.

2. PROPERTY TAX ALLOCATION.

Upon each annexation, property tax allocation shall be determined pursuant to one of the following provisions:

A. Annexations that involve Detachment from a fire district. CITY and COUNTY shall, upon each annexation that, in whole or in part, involves Detachment from a fire district, share in the Annexation Property Tax Base and all Incremental Growth thereof pursuant to the ratio of 20% CITY and 80% COUNTY for all portions of the annexation that involve Detachment from a fire district.

B. Annexations that do not involve Detachment from a fire district. CITY and COUNTY shall, upon each annexation that, in whole or in part, does not involve Detachment from a fire district, share in the Annexation Property Tax Base and Incremental Growth thereof, for all portions of the annexation that do not involve Detachment from a fire district, as follows:

i. Consolidated fire districts established prior to June 15, 1996, pursuant to the ratio of 20% CITY and 80% COUNTY.

ii. Consolidated fire districts established between June 15, 1996 and June 15, 2003, pursuant to the ratio of 15% CITY and 85% COUNTY.

iii. Consolidated fire districts established subsequent to June 15, 2003, pursuant to the ratio of 10% CITY and 90% COUNTY.

3. APPLICATION OF AGREEMENT.

A. Term. The provisions of this Agreement shall apply to all pending and future annexations as of October 1, 2004 and for a period of seven (7) years from the date of execution.

B. Effective date. The effective date of property tax allocation for each annexation shall be determined in accordance with Government Code Section 54902 and any succeeding statutory provisions. Currently, statements of boundary change must be filed with the State Board of Equalization on or before December 1 of the year immediately preceding the year in which property taxes are to be shared.

C. Future property taxes. The provisions of this Agreement would also apply to any property exempt from ad valorem taxes which subsequently became taxable within the area to be annexed.

D. Terms of subsequent agreements. Should County execute an agreement with another city, with terms more favorable than those contained in Section 2, Property Tax Allocation, or Section 7, County Capital Facilities Fees, County shall negotiate comparable terms with City and execute an amendment to this agreement.

4. JOINT REVIEW.

CITY and COUNTY may jointly review COUNTY property tax records from time to time or as requested by CITY to verify accurate distribution under the Agreement.

5. EXCLUSIONS.

A. The Agreement shall not apply to proposed annexations areas where the COUNTY is currently receiving transient occupancy tax revenues. Annexation agreements for areas where the COUNTY is currently receiving TOT revenues will be individually negotiated between the COUNTY and CITY to address the potential TOT loss to the COUNTY.

B. The Agreement shall not apply to proposed annexation areas where gross taxable

sales, subject to sales and use taxes, exceed $1 million in the most recent year that taxable sales data is available from the State Board of Equalization or any other State successor organization that may provide taxable sales information. Annexation agreements for areas containing over $1 million in taxable sales will be individually negotiated between the COUNTY and CITY to address the potential sales and use tax loss to the COUNTY.

C. The Agreement shall not apply to annexations that, in whole or in part, include more than 50 acres of COUNTY owned property. Such annexations will be considered under separately negotiated and mutually beneficial annexation and development agreements.

6. REGIONAL COOPERATION.

In consideration of the unique and mutual funding difficulties of both CITY and COUNTY, CITY and COUNTY will jointly develop and seek to implement changes in their activities which will improve the cost effectiveness of service delivery by both CITY and COUNTY, including but not limited to consolidation of services between governmental agencies and inter-agency contracting for services.

7. COUNTY CAPITAL FACILITIES FUNDING.

CITY recognizes the importance of regional services and facilities provided by the COUNTY for all residents of the entire COUNTY.

A. CITY shall contribute to COUNTY's funding for regional facilities by adopting a County facilities fee ordinance and resolution enacting and implementing the County Capital Facilities Fee (CCFF) Program. CITY shall adopt this ordinance and resolution prior to or concurrent with execution of this Agreement.

8. URBAN DEVELOPMENT COOPERATION

A rational pattern of urban land uses is a common goal of CITY and COUNTY, as expressed in their respective General Plans. The efficient construction of urban infrastructure and the delivery of municipal services requires cooperation between COUNTY and CITY within areas designated for urban development, specifically CITY'S Sphere of Influence.

A. County General Plan Policy. COUNTY affirms the policies expressed in its General Plan that support concentration of additional major urban development within urban centers.

B. Urban Planning and Development Cooperation. The preparation of land use and infrastructure plans within CITY'S Sphere of Influence, consistent with statutory guidelines, is encouraged. COUNTY shall refer all land use applications requiring discretionary approval within CITY'S Sphere of Influence to CITY for review and comment.

C. Capital Facilities Funding and Cooperation. CITY and COUNTY will cooperate in the development of infrastructure plans within CITY'S Sphere of Influence. Relative to areas for which CITY and COUNTY have jointly adopted master plans for infrastructure and, upon request by CITY, COUNTY will schedule an Area Development Impact Fee (ADIF) for public hearing. This ADIF will incorporate CITY development impact fees that are specifically required to support jointly planned infrastructure. COUNTY shall cooperate in the construction of capital facilities thus funded.

9. COMMUNITY SERVICE FACILITIES

A. Siting of Community Facilities. CITY and COUNTY recognize the importance of community services provided by COUNTY and other providers and also the importance of these services being convenient to residents of COUNTY making use of these services. Accordingly, as a part of the land use planning and pre-zoning for proposed municipal annexations, CITY will cooperate with COUNTY to identify community service needs of the local community and, where appropriate, work with COUNTY to locate potential sites for these community services facilities.

B. CITY may elect to adopt or add to existing development impact fees in lieu of providing community service facility sites. Such fees may be administered within CITY or may be included as a component of the above-mentioned County Capital Facilities Fee.

10. TERMINATION.

This Agreement may be terminated, by any party hereto, upon 6 months written notice which termination shall terminate the agreement for each and every party. Said termination shall not affect annexations for which the LAFCo Executive Officer has issued a certificate of filing prior to the end of the 6 month termination period.

11. GOVERNING LAW AND ATTORNEYS' FEES.

This Agreement shall be construed and enforced in accordance with the laws of the State of California. Should any legal action be brought by either party because of any default under this Agreement or to enforce any provision of this Agreement, or to obtain a declaration of rights hereunder, the prevailing party shall be entitled to reasonable attorneys' fees, court costs and such other costs as may be fixed by the Court. The standard of review for determining whether a default has occurred under this Agreement shall be the standard generally applicable to contractual obligations in California.

12. NOTICES.

Any notice of communication required hereunder among CITY and COUNTY must be in writing, and may be given either personally, by telefacsimile (with original forwarded by regular U.S. Mail) or by Federal Express or other similar courier promising overnight delivery. If personally delivered, a notice or communication shall be deemed to have been given and received when delivered to the party to whom it is addressed. If given by facsimile transmission, a notice or communication shall be deemed to have been given and received upon actual physical receipt of the entire document by the receiving party's facsimile machine. Notices transmitted by facsimile after 5:00 p.m. on a normal business day or on a Saturday, Sunday, or holiday shall be deemed to have been given and received on the next normal business day. If given by Federal Express or similar courier, a notice or communication shall be deemed to have been given and received on the date delivered as shown on a receipt issued by the courier. Such notices or communications shall be given to the parties at their addresses set forth below:

To CITY (City Manager):

City of _____
_____
_____
_____
_____
Telefacsimile: (209) ___–____

With Copies To (City Attorney):

City of _____
_____
_____
_____
_____
Telefacsimile: (209) ___–____

To COUNTY (County Administrator):

Manuel Lopez
Courthouse, Room 707
222 E. Weber Avenue
Stockton, California 95202
Telefacsimile: (209) 468–2875

With Copies To (County Counsel):

Terrence R. Dermody
Courthouse, Room 711
222 E. Weber Avenue
Stockton, California 95202
Telefacsimile: (209) 468–2875

Any party hereto may at any time, by giving ten (10) days written notice to the other parties, designate any other address or facsimile number in substitution of the address or facsimile number to which such notice or communication shall be given.

13. SEVERABILITY.

If any provision of this Agreement is held invalid, void, or unenforceable but the remainder of this Agreement can be enforced without failure of material consideration to any party, then this Agreement shall not be affected and it shall remain in full force and effect, unless amended by mutual consent of the parties. Notwithstanding this severability clause, each subsection of Section 2. Property Tax Allocation and Section 5. Exclusions, is material and substantial and the failure of said subsection is the failure of material consideration, causing the agreement to be void from the date that the subsection is held invalid.

14. FURTHER ASSURANCES.

Each party shall execute and deliver to the other party or parties all such other further instruments and documents and take all such further actions as may be reasonably necessary to carry out this Agreement and to provide and secure to the other party or par-

ties the full and complete enjoyment of its rights and privileges hereunder.

15. CONSTRUCTION.

All parties have been represented by counsel in the preparation of this Agreement and no presumption or rule that ambiguity shall be construed against a drafting party shall apply to interpretation or enforcement hereof. Captions on sections and subsections are provided for convenience only and shall not be deemed to limit, amend, or affect the meaning of the provision to which they pertain.

16. OTHER MISCELLANEOUS TERMS.

The singular includes the plural; the masculine gender includes the feminine, "shall" is mandatory; "may" is permissive.

17. TIME.

Time is of the essence of each and every provision hereof.

18. COUNTERPART.

This agreement may be executed in counterpart agreements, binding each executing party as if said parties executed the same agreement.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

RECOMMENDED FOR APPROVAL:

_____	_____
_____	Manuel Lopez
City Manager	County Administrator
CITY OF _____	COUNTY OF SAN JOAQUIN
_____	_____
_____, Mayor	Steven Gutierrez, Chairman
	Board of Supervisors
Approved as to Form	Approved as to Form
	Terrence R. Dermody
	County Counsel
_____	_____
_____	By David Wooten,
City Attorney	Assistant County Counsel
ATTEST:_____	ATTEST: Lois M. Sahyoun
City Clerk	Clerk of the Board of Supervisors
_____	_____

Economic & Planning Systems

Public Finance
Real Estate Economics
Regional Economics
Land Use Policy

PUBLIC REVIEW DRAFT

SAN JOAQUIN COUNTY FACILITIES FEE NEXUS REPORT

Prepared for:

San Joaquin County

Prepared by:

Economic & Planning Systems, Inc.

October 23, 2003

EPS #12542

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fax: 916-649-2070

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fax: 303-623-9049

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San Joaquin County Facilities Master Plan, The SGS Group, January 14, 2003.

San Joaquin County Jail Needs Assessment Update 1987, The Criminal Justice Research Foundation.

San Joaquin County Trauma System Plan 2002/03.

Stockton Metropolitan Airport Capital Improvement Program 2002/03.

I. INTRODUCTION

PURPOSE OF REPORT

The purpose of this report is to document the nexus between new development in the County of San Joaquin (County) and the need for the county regional and unincorporated area improvements and facilities. Other than the Traffic Mitigation Impact Fee, the County currently does not charge a county facilities development impact fee for new residential and non-residential development. As a result, the County requested that a nexus report be completed and development impact fees be recommended that will adequately fund the required county regional and unincorporated area capital facilities in the County.

As proposed, the Countywide Facilities Fee (CFF) will contribute to the development of critical countywide facilities related to growth in cities and the unincorporated county. The unincorporated facilities surcharge will contribute the development of vital County facilities serving the needs of the unincorporated area only.

After establishing the nexus, this report calculates the CFF, including the unincorporated facilities surcharge, to be levied for each land use based upon the estimated proportionate share of the total facility use for each land use. Although annual reports will be prepared on the status of the County Facilities Fee program, it is anticipated that comprehensive updates of the Nexus Report will not be conducted any more frequently than once every five years.

AUTHORITY

The CFF, including the unincorporated facilities surcharge, has been developed in accordance with the procedural guidelines established in A.B. 1600 which is codified in the California Government Code.

Title 7, Division 1, Chapter 1, Section 66000 *et seq.* provides that Capital Facilities Fees maybe enacted and imposed on development projects. This code section 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." Specifically, each local agency imposing a fee must:

- 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; and
- demonstrate a reasonable relationship between the amount of the fee and the cost of public facility or portion of the public facility attributable to the development on which the fee is imposed.

CFF findings and recommendations for this Nexus Report are presented in **Chapter IV and Chapter VI.**

PRINCIPLES FOR ESTABLISHING THE CFF

The following principles were used to guide the development of the CFF:

- **Reasonable Amount of Regional Facilities Constructed**. The CFF will fund the initial construction of core regional county facilities to serve new development. An effort was made to target only major Countywide facilities that are central to the health and well-being of all County residents. Eligible countywide regional facilities are determined by deducting the existing space deficiencies and increases to the service levels.
- **Required Regional Facilities Benefit Residents and Employees Living and Working in San Joaquin County.** Residential and commercial development should therefore contribute funding based on relative benefit received.
- **Regional Facilities Funded are Comparable to those Funded in Other Jurisdictions**. Fee Funding of regional county improvements is consistent with the level of development funded by other jurisdictions, such as Stanislaus County. Stanislaus County recently increased the Title 23, Public Facilities Fee, for the typical single-family house located in the City of Modesto from approximately $2,600 to approximately $5,400.
- **Maintain Development Feasibility in the County.** The level of the CFF has been considered in the context of all applicable fees in the County to ensure that overall fee levels do not impinge upon development feasibility.

PROPOSED COUNTYWIDE FACILITIES AND UNINCORPORATED FACILITIES DEVELOPMENT IMPACT FEE

The costs of major facilities, discussed further in **Chapters II** and **VI**, are allocated to new development in the County, with the resulting CFF varying by land use as shown in **Figure 1**.

The CFF is proposed for adoption in 2003. Fees are payable at the time of building permit. No fee is to be collected from existing development unless the existing development was subject to prior agreements requiring fee funding for future improvements.

The County and developers may agree to have certain developers build certain facilities contained in the fee program or to fund County facilities through financing districts. In the case of an agreement to construct facilities, the County will require and must approve a specific cost estimate based on the approved design standards for the facilities proposed to be constructed by the developer. The developer may receive a fee credit or reimbursement based upon the portion of their fee obligation that is met through the direct construction of facilities or through financing districts. Developers may or may not receive fee credits or reimbursements for constructing improvements that are beyond the required standards.

The CFF, including the unincorporated facilities surcharge, is based on the best available cost estimates and land use information at this time. If costs change significantly, or if other funding to construct the facilities identified in the study become available, the fees would be adjusted accordingly. The County will periodically conduct a review of facility costs and building trends in the County. Based on these reviews, the County (and respective cities) should make necessary adjustments to their fee programs.

Figure 1
County of San Joaquin
Countywide Facilities Development Impact Fee Nexus Study
Summary of Proposed CFF Fees

Land Use	Proposed Countywide Facilities Fee	Proposed Unincorporated Facilities Surcharge	Total Proposed Unincorporated County Facilities Fee
Residential	*Per Unit*	*Per Unit*	*Per Unit*
Single Family	$1,400	$360	$1,760
Multifamily	$1,200	$310	$1,510
Non-residential	*Per SqFt*	*Per SqFt*	*Per SqFt*
Retail Commercial	$0.32	$0.08	$0.40
Commercial/Office	$0.28	$0.07	$0.35
Industrial	$0.16	$0.04	$0.20

LOCAL IMPLEMENTATION

The CFF would be implemented through concurrent adoption of the "model" ordinance and related resolutions by the individual city councils and the County Board of Supervisors. The CFF surcharge for the unincorporated facilities would be implemented as a subsection of the "model" CFF ordinance and related resolutions by the County Board of Supervisors.

STRUCTURE OF THE REPORT

The nexus study was prepared by Economic & Planning Systems, Inc. in conjunction with the staff from the County Administrator's Office and the County Facilities Management Division. The report is divided into seven chapters including this introduction and these:

- **Chapter II** provides an overview on the countywide facilities development program as well as the estimated new population to be served by future facilities development.
- **Chapter III** discusses the countywide regional facilities needed to serve new development and provides a cost estimate for those facilities.

- **Chapter IV** shows the methodology used in calculating the CFF, presents the required AB 1600 findings; specifically 1) the purpose of the fee, 2) the use of the fee, 3) the relationship between the use of the fee and type of development, 4) relationship between need for the facility and the type of project, and 5) the relationship between the amount of fee and the cost portion attributed to new development; and shows the fee calculation.
- **Chapter V** discusses implementation issues.
- **Chapter VI** discusses the facilities needed to serve new development that will occur in the unincorporated area of the County and the resulting development impact fee surcharge.

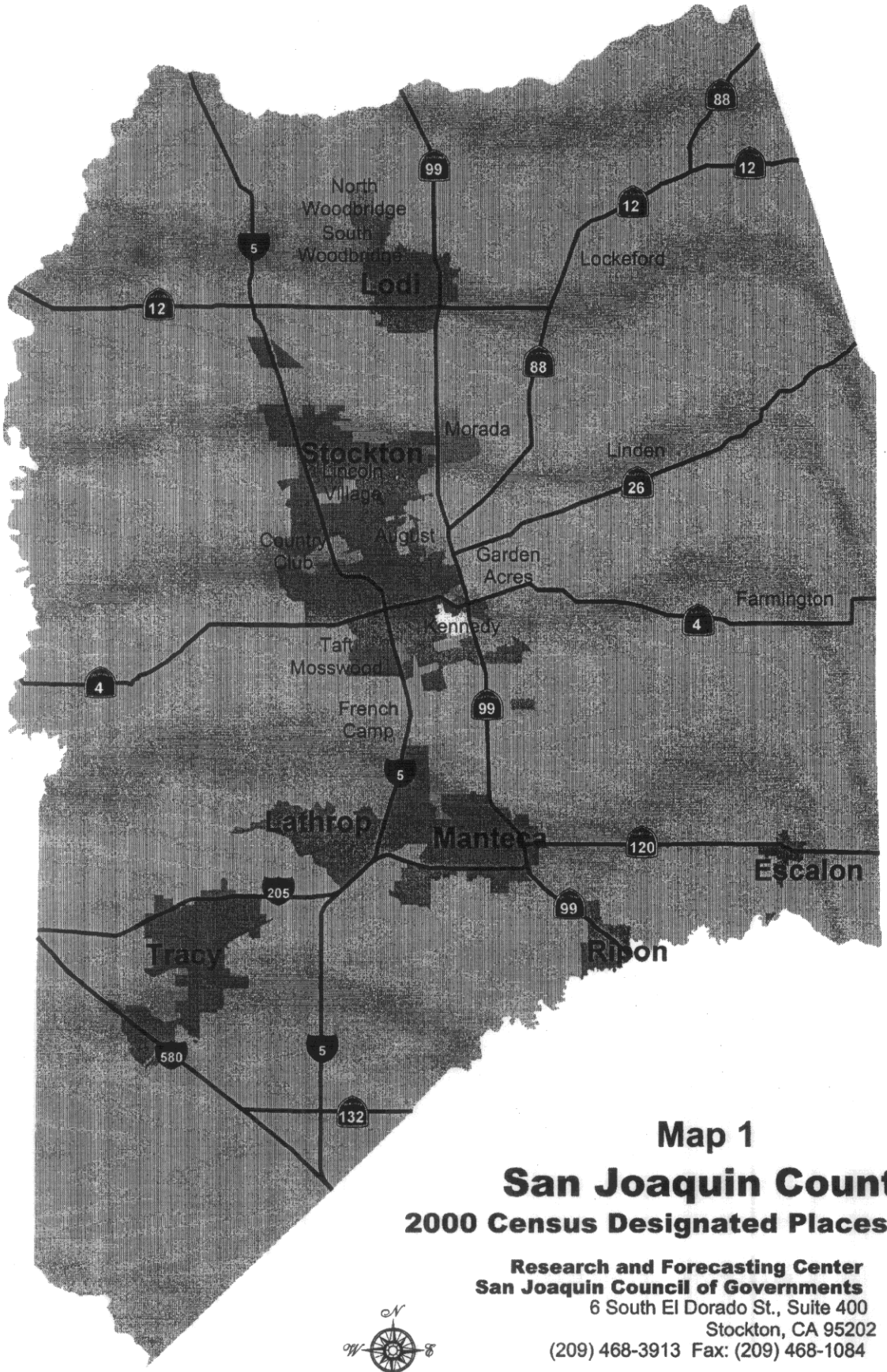
II. OVERVIEW: COUNTY FACILITIES DEVELOPMENT PROGRAM

The County has been providing countywide regional services to its citizens since 1850. The County covers an area of 1,400 square miles and 921,600 acres. The County is the 15th largest county in California, with a May 2002 population estimate of 596,000 residents. The County is governed by a five-member Board of Supervisors that sets policy, enacts ordinances and regulations, and oversees activities of county departments. The role of county government, as a political subdivision of the state, is to deliver the services mandated by the State and federal governments. County government consists of about 30 departments or major divisions, from the Sheriff's Office to Public Works, and approximately 7,000 employees.

The County is organized into the unincorporated region and seven incorporated cities as shown in **Map 1**. Substantial population and employment growth will occur throughout the unincorporated County and the incorporated cities over the 25-year period of 2000 to 2025. Population growth is forecasted to grow from 580,000 to approximately 976,500, representing an increase of approximately 68 percent. Employment growth is forecasted to grow from approximately 202,000 to approximately 299,300, representing an increase of 48 percent.

The County provides the following primary regional governmental services equally to all residents and employees of the county, regardless of whether they are located either in the seven incorporated cities or in the unincorporated county region:

- Health Services
- Human Services
- County General Hospital
- Public Assistance
- Trial Courts
- District Attorney
- Public Defender
- Adult Detention
- Juvenile Detention
- Probation Services
- General Government Services (regional benefit share)
- Stockton Metropolitan Airport



Map 1

San Joaquin County

2000 Census Designated Places (CDPs)

Research and Forecasting Center
San Joaquin Council of Governments
6 South El Dorado St., Suite 400
Stockton, CA 95202
(209) 468-3913 Fax: (209) 468-1084

0 2 4 8 12 16 Miles

Unofficial Document For Reference Only

The County also provides the following primary governmental services to all residents and employees of the unincorporated county region:

- Sheriff Department
- Community Development and Code Enforcement
- Public Works
- Motor Pool
- General Government Services (unincorporated benefit share)

Given the level of expected population and employment growth over the next 22 years, the County level of regional and unincorporated service requirements cannot be fully funded by a combination of the existing general purpose County revenues and other outside funding sources. The CFF must be established to enable the County to develop the required regional and unincorporated facilities to serve new development, while helping to minimize future funding shortfalls.

The nexus findings for the CFF Development Impact Fee, including the unincorporated facilities surcharge, are based on the direct benefit new development receives from the new countywide regional facilities and the unincorporated area facilities from 2003 to 2025 (a 22-year time horizon).

COUNTY MASTER PLAN FOR DOWNTOWN STOCKTON FACILITIES SERVICES UPDATE

The County updated its Downtown Stockton Facilities Master Plan (2001 Master Plan) in 2001. The 2001 Master Plan addresses the County's vision for the all-county departments in the downtown area including the Superior and Municipal Courts and court-related agencies, and identifies the specific needs of the County in these areas going forward. The consolidation of the Superior and Municipal Courts under State direction and projections of very significant Court growth have placed pressure on the County to identify solutions to the future space shortage problem. In addition, the County Facilities Management Division completed separate Needs Assessments for the County Jail, the County Probation/Juvenile Hall and the County General Hospital.

Based on the population projections contained in the 2001 Master Plan, the County is expected to grow by approximately 396,500 persons during the twenty-five year period of 2000 to 2025. The increase in population will require the development of new regional government service facilities and improvements in order to service the demand stemming from new growth.

The CFF can only be used to fund facilities and improvements that will serve new development. The CFF cannot be used to improve existing service standards or meet any existing deficiencies in countywide regional facilities.

CAPITAL FACILITY IMPROVEMENTS

Development of regional facilities and improvements includes various components, from basic renovation and remodeling to more intense regional services development, such as the conceptual South County Regional Center (with five criminal courts). The County Facilities Management staff has assigned capital facility improvements to two categories, as shown below in **Figure 2**.

The CFF will fund Category I facilities serving new population and employment growth in the County. Funding for Category II facilities and improvements will need to come from other sources such as grants, Enterprise Fund revenues, or the County's general purpose revenues.

Figure 2
County of San Joaquin
Range of Facility Improvements by Category

Funded through County Facilities Fees	**Funded through Other Funding Sources**
Category I Components	Category II Components
General Government Facilities	County Court Facilities
County Jail Expansion	Existing Space Deficiencies
Probation/Juvenile Hall Expansion	County Hospital seismic replacement
County General Hospital Expansion	Miscellaneous Remodeling
Metropolitan Airport Expansion	Other Improvements

- **General Government Facilities**—This CFF category I component provides for the construction of approximately 282,000 square feet of building space. The additional space is needed to accommodate the additional staff needed by the Assessor's Office, Clerk/Recorder, District Attorney, Family Support, Human Services Agency, Information Systems, Public Defender, Environmental Health, Public Health Services, Office of Substance Abuse, Child Support Services, General Government Services and other various countywide regional services. Of this needed building space, approximately 54,120 square feet is needed for existing deficiencies and 228,055 square feet is needed to accommodate service demands of projected new development in the County through 2025. The estimated construction cost of $299 per net square foot is the average of the costs listed in the San Joaquin County Facilities Master Plan.

- **San Joaquin County Jail**—This CFF category I component consists of four prisoner housing units, two prisoner intake units and corresponding medical facilities. This expansion of the jail facilities provides for the construction of approximately 1,300 additional jail "beds.[1]" Of this needed building space, 540 jail beds are needed for existing deficiencies and 760 jail beds are needed to accommodate service demands of projected new development in the County through 2025. The estimated construction cost of $100,500 per bed is based on the State of California Board of Corrections standard construction cost allowance.
- **San Joaquin County Probation / Juvenile Hall**—This CFF category I component consists of the construction of four housing units that add approximately 270 additional juvenile hall beds.[1] Of this needed building space, approximately 100 beds are needed for existing deficiencies and 170 beds are needed to accommodate service demands of projected new development in the County through 2025. The estimated construction cost of $100,500 per bed is based on the State of California Board of Corrections standard construction cost allowance.
- **San Joaquin County General Hospital**—This CFF category I component provides for the construction of approximately 250 hospital beds. Of this needed building space, approximately 70 beds are to either meet existing deficiencies or increase service levels to the State hospital bed standard. Approximately 180 new hospital beds are needed to accommodate service demands of projected new development in the County through 2025. The estimated $350,000 cost per licensed bed was calculated based on the Phase II Hospital Replacement Project cost estimate of January 2003 and includes the cost of furnishings and equipment.
- **Metropolitan Airport**—This CFF category I component provides for the construction of approximately $70.8 million dollars in improvements to the Metropolitan Airport. Of the needed improvements, approximately $7.2 million are to either meet existing deficiencies or increase service levels. The remaining $63.6 million in improvements are needed to accommodate service demands of projected new development in the County through 2025. The local matching fund requirements for these improvements amount to approximately 10 percent or $7.1 million dollars. All but $2.2 million or 30 percent of the local matching fund requirements will be funded through the existing County resources including possible enterprise funds and County general purpose revenues.

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[1] Please note that a "bed" represents facilities required to house one prisoner.

POPULATION AND EMPLOYMENT GROWTH ESTIMATES

According to the State Department of Finance, in 2002 there were an estimated 596,000 persons residing in the County. This population is estimated to increase by 380,500 persons by 2025 for an estimated total population of 976,500.

As one of the San Joaquin Valley's important regional centers for employment, employees also are significant users of the County's regional facilities. As a result, the Nexus Study allocates a portion of the costs of future development to new employees projected over the next 22 years. It is estimated that in 2002, approximately 213,700 persons were employed in the County. This number is projected to reach 299,200 by 2025, representing an increase of approximately 85,500 employees.

Population and employment growth in San Joaquin County will translate into residential and non-residential development. **Figure 3** identifies the projected housing units, as well as retail, commercial, and industrial space projected for the County by 2025.

Figure 3
San Joaquin County
Countywide Regional Facilities Development Impact Fee
Projected New Development to 2025

Land Use	2003	2025	Total Estimated Growth	Estimated Persons Per Household or Emp. Per 1,000 Sqft	Estimated Total New Residents or Employees
Residential Development					
Single Family Residential Units	140,542	226,590	86,048	3.14	270,191
Mult-Family Residential Units	79,121	120,252	41,131	2.68	110,232
Totals - New Residential Development	219,663	346,842	127,179	- -	380,423
Non-residential Development					
Retail Commercial Sqft (1,000s) [1]	12,917	17,900	4,983	2.86	13,240
Commercial / Industrial Sqft (1,000s) [2]	133,994	188,386	54,392	1.43	72,264
Total - New Non-residential Development	146,911	206,286	59,375	- -	85,504

"Growth_2025_Cntywide"

[1] Assumes 350 SF per Retail employee, and a 7.0% vacancy rate.
[2] Assumes 700 SF per Commercial / Industrial employee, and a 7.0% vacancy rate.

Sources: San Joaquin County Facilities Master Plan, California Department of Finance, San Joaquin County Council of Goverments, 2000 U.S. Census, and EPS

III. Regional Facilities Development and Cost Estimates

This chapter discusses the need for construction of regional facilities to meet the needs of new population and employee growth. It also discusses the estimated costs associated with the development of regional facilities and improvements.

The regional facilities development and costs of construction discussed below only pertain to funding of those regional facilities to serve new growth in population (residents and employees) in the County through 2025.

COUNTYWIDE REGIONAL FACILITIES SERVICE STANDARDS

EXISTING REGIONAL FACILITIES AND SERVICE LEVELS

Under the County's historical regional facility construction program, a service standard expressed as the total number of beds or square footage per 1,000 population has been set. Some of these service standards, such the Jail and the Juvenile Hall, have been further impacted by various forms of State and/or federal legislative reform since 1990. Therefore, the nexus standard proposed for the various regional service facilities is the equivalent number of beds or square footage that are required under the historical service standards per 1,000 population.

REGIONAL FACILITIES REQUIREMENTS TO SERVE GROWTH

Based on the projected population and employment growth covered in **Chapter II** of this report and historical service standards per 1,000 population, expansions of regional facilities are needed by 2025 as shown in **Figure 4**. **Figure 5** shows eligible countywide regional facilities, after deducting the existing space deficiencies and increases to the service levels, to be funded through the CFF. **Figure 6** shows estimated facility costs, after deducting the estimated funding available from other sources, of the county regional facilities needed to serve new development through 2025.

Figure 4
San Joaquin County Regional Facilities
Development Impact Fee Nexus Study
Summary of Countywide Regional Facilities Service Level Standards
To Serve New Development Through 2025

	2000	2005	2010	2015	2020	2025
County Population Estimates [1]	580,000	647,300	726,000	800,740	884,500	976,500
General Government Facilities						
Required Net Square Feet [1]	498,730	557,026	618,512	658,711	698,909	740,660
Ratio of Sq Ft per 1,000 population	860	861	852	823	790	758
Superior / Municipal Courts [3]						
Required Net Square Feet [1]	193,000	235,000	302,500	356,250	410,000	451,450
Ratio of Sq Ft per 1,000 population	333	363	417	445	464	462
an Joaquin County Jail [2]						
Required Beds	1,380	1,489	1,669	1,842	2,034	2,246
Ratio of Beds per 1,000 population	2.38	2.30	2.30	2.30	2.30	2.30
San Joaquin County Probation / Juvenile Hall [2]						
Required Beds	278	311	348	384	425	469
Ratio of Beds per 1,000 population	0.48	0.48	0.48	0.48	0.48	0.48
San Joaquin County General Hospital [2]						
Required Beds	267	298	334	368	407	449
Ratio of Beds per 1,000 population	0.46	0.46	0.46	0.46	0.46	0.46
Stockton Metropolitian Airport	see Note 4 - Airport Capital Improvement Program					

"Nexus_Facilities"

[1] San Joaquin County Facilities Master Plan.
[2] San Joaquin County Facilities Management Division Needs Assessments.
[3] The Lockyer-Isenburg Trial Court Fund Act of 1997 set the required service standard for local Superior / Municipal Courts.
[4] The 2002/03 Airport Capital Improvement Plan contains 22 individual projects serving the commercial aviation and general aviation needs of the County of San Joaquin. The projects range from terminal apron repairs to the construction of several additional taxiways, cross taxiways and required aircraft parking aprons.

Figure 5
San Joaquin County Regional Facilities
Development Impact Fee Nexus Study
Estimate of Eligible Countywide Regional Facilities To Serve New Development Through 2025

Facility Space Components	Total Space Requirements 2025	Existing Space	Total New Space	Existing Space Deficiency	Space to Increase Service Standards	Space to Service New Development
General Government Facilities (Square feet) [3]	740,660	461,380	279,280	54,285	- -	224,995
Superior / Municipal Courts (Square Feet) [2]	451,450	95,262	356,188	97,738	- -	258,450
San Joaquin County Jail (Beds)	2,246	840	1,406	540	- -	866
San Joaquin County Probation / Juvenile Hall (Beds)	469	180	289	98	- -	191
San Joaquin County General Hospital (Beds)	449	196	253	0	71	182
Stockton Metropolitian Airport [4]		See Note 4 - Airport Capital Improvement Program				

Facility Cost Components	Unit Cost [1]	Total Estimated Cost - New Space	Estimated Construction Cost		
General Government Facilities (Square feet) [3]	$299	$83,397,197	$16,210,208	- -	$67,186,989
Superior / Municipal Courts (Square Feet) [2]	$450	$160,227,610	$43,966,462	- -	$116,261,148
San Joaquin County Jail (Beds)	$100,500	$141,259,141	$54,270,000	- -	$86,989,141
San Joaquin County Probation / Juvenile Hall (Beds)	$100,500	$29,065,179	$9,849,000	- -	$19,216,179
San Joaquin County General Hospital (Beds)	$350,000	$88,616,500	$0	$24,780,000	$63,836,500
Stockton Metropolitian Airport [4]	- -	$70,857,444	$5,838,000	$1,380,000	$63,639,444
Total Estimated New Facility Construction Costs	- -	$573,423,072	$130,133,670	$26,160,000	$417,129,402
Allocation of the Estimated Benefits Received of New Regional Facilities	- -	100%	23%	5%	73%

"CFF_Facilities_1"

[1] The per unit cost estimates were furnished by the San Joaquin County Facilities Management Division.
[2] Under the Lockyer-Isenburg Trial Court Fund Act of 1997, the long-term construction of Court facilities is the responsibility of the State of California.
[3] San Joaquin County Facilities Management Division Needs Assessment identified required additional space for the Assessor, Clerk/Recorder, District Attorney, Family Support, Human Services Agency, Information Systems, Public Defender, Environmental Health, Public Health Services, Office of Substance Abuse, Child Support Services, General Government Services and other various countywide regional facilities.
[4] The 2002/03 Airport Capital Improvement Plan contains 22 individual projects serving the commercial aviation and general aviation needs of the County of San Joaquin. The projects range from terminal apron repairs to the construction of several additional taxiways, cross taxiways and required aircraft parking aprons.

Figure 6
San Joaquin County Regional Facilities
Development Impact Fee Nexus Study
Estimate of Regional Facility Development Costs by Category (Constant 2003 $'s)

Regional Facility Cost Components	Total Estimated Cost - New Space [1]	Estimated Offsetting Program Revenues and Other State / Federal Grants		Allocated Construction Cost		
		Percentage	Amount [4]	Existing Space Deficiency	Space to Increase Service Standards	Space to Service New Development
General Government Facilities [3]	$83,397,197	none	$0.00	$16,210,208	- -	$67,186,989
Superior / Municipal Courts [2]	$160,227,610	100%	$160,227,610	- -	- -	- -
San Joaquin County Jail	$141,259,141	46%	$64,343,540	$29,550,015	- -	$47,365,587
San Joaquin County Probation / Juvenile Hall	$29,065,179	46%	$13,240,640	$5,362,288	- -	$10,462,249
San Joaquin County General Hospital	$88,616,500	25%	$22,465,510	$0	$18,497,925	$47,653,060
Stockton Metropolitian Airport [5]	$70,857,444	96%	$67,908,264	$491,500	$53,000	$2,227,381
Total Estimated New Facility Construction Costs	$573,423,072	- -	$328,185,564	$51,614,011	$18,550,925	$174,895,266
Percentage Allocation of Net Cost of New Regional Facilities	100%	- -	57%	9%	3%	31%
Estimated Funding Sources						
County General Purpose Revenues	$70,164,936	- -	- -	$51,614,011	$18,550,925	- -
Development Impact Fees	$174,895,266	- -	- -	- -	- -	$174,895,266

"Nexus_Facilities_Cost"

[1] The per unit cost estimates were furnished by the San Joaquin County Facilities Management Division.
[2] Under the Lockyer-Isenburg Trial Court Fund Act of 1997, the long-term construction of Court facilities is the responsibility of the State of California.
[3] San Joaquin County Facilities Management Division Needs Assessment identified required additional space for the Assessor, Clerk/Recorder, District Attorney, Family Support, Human Services Agency, Information Systems, Public Defender, Environmental Health, Public Health Services, Office of Substance Abuse, Child Support Services, General Government Services and other various countywide facilities.
[4] The estimated program revenues include possible State and Federal Grants, Enterprise Funding, County General Purpose Revenues and other miscellaneous program funding.
[5] The estimated offsetting program revenue of the Airport improvements are from the FAA participation on each individual airport improvement project and possible enterprise funding.

IV. REGIONAL GOVERNMENT SERVICES FACILITY NEXUS

This chapter describes nexus methodologies and findings required to establish the CFF and calculate the fee by land use, building on the previous Regional Facilities Development discussion.

SUMMARY OF METHODOLOGY

The methodology used to determine the recommended Regional Facilities Development Impact Fee is described as follows:

- **Estimate New Development**. New development, residential and non-residential, to occur in the County in the next 22 years is estimated based on data provided by the County and San Joaquin Council Of Governments (SJCOG). New development projections were presented in **Chapter II** of this report.
- **Determine the Recommended Levels of Service for Regional Facilities Development**. The recommended levels of service are based on the historical service standards expressed as the total number of beds or square footage of countywide regional facilities per 1,000 population. Eligible countywide regional facilities are determined by deducting the existing space deficiencies and increases to the service levels. Levels of service for the countywide regional facilities in the County were discussed in **Chapter III** of this report.
- **Estimate Regional Facilities Development Costs**. Facilities included and costs of development are based on the information from the Facilities Management Division concerning the planned regional facilities in the County. Development costs were presented in **Chapter III** of this report.
- **Allocate Regional Facilities Development Cost to New Development**. Countywide regional facilities development costs are allocated to both residential and non-residential development. The costs are allocated on a per regional facility user basis (residents and employees). Costs for regional facilities are allocated to residential users and to employees based on the estimated amount of facility benefit received by an employee relative to a resident. The allocation of costs to new development is presented in this chapter.
- **Determine Regional Facilities Fee**. The cost per regional facility user for residents and employees is then multiplied by "common use factors" to determine the CFF. For residents, the common use factor is persons per household. For employees, the common use factor is building square footage per employee.

ALLOCATION OF COUNTYWIDE REGIONAL FACILITIES DEVELOPMENT COSTS

ESTIMATE OF COUNTYWIDE FACILITIES USERS

Countywide facility development costs are allocated to land uses based on their projected use of the facilities. While residents are the primary beneficiaries of the countywide regional facilities, businesses also benefit from the use of the regional facilities.

The County is a regional center for employment. As such, there is significant use of regional facilities by employees. For example, employees in the County benefit from the regional facilities when an employee is injured on the job and seeks medical treatment and/or rehabilitation at the San Joaquin General Hospital. The number of employees of each non-residential land use is as a measurement tool to estimate the approximate level of benefits received by businesses from the countywide facilities.

Since detailed service records associated with regional facilities were not available to guide the cost allocations among new residential and non-residential uses, the relative time an employee is present at the work-site is applied as a proxy to estimate benefits received by businesses. Specifically, this methodology assumes a typical employee work week: five days out of seven and 8.5 hours[1] out of 24: (5/7)*(8.5/24) = 0.25. Using this logic, each worker receives approximately 25 percent of the benefit received by a resident. This weighting factor of 25 percent is applied to the total new employment projection of 85,500 through 2025 to produce a pro-rata allocation of benefits to 21,380 employees during the period. This figure is used alongside total population to allocate costs between population- and employment-generated land uses, as shown below:

Land Use Classification	Countywide Facility Users	Basis
Residential	380,420	New Residents
Non-Residential	21,230	25% of New Employees
Total Equivalent Users	**401,800**	

COMMON USE FACTORS

Once the countywide regional facilities development cost per user is determined, it is applied to the appropriate common use factor to determine the CFF Fee by land use. For residential land uses the common use factor is the number of persons per household unit

[1] The estimated employee hours at the work site includes a factor for break-time and/or lunch.

for each household type—single-family and multifamily (also applies to duplexes and mobile homes). The estimated persons per household unit are based on the data from the 2000 US Census. The applied persons per household factors are 3.14 persons per household (PPH) for new single-family uses and 2.68 PPH for new multifamily uses.

For non-residential development, the common use factor is based on the estimated average building square feet per employee. These factors are also based on the assumptions used in the Regional Traffic Impact Fee study of the SJCOG for employment to building square foot for the following specified land uses:

- Retail Commercial: 350 square feet per employee
- Office: 400 square feet per employee
- Industrial: 700 square feet per employee

FINDINGS FOR COUNTYWIDE REGIONAL FACILITIES FEE

This section of the report presents the findings necessary to establish the CFF in accordance with A.B. 1600. The findings state 1) the purpose of the fee, 2) the use of the fee, 3) the relationship between the use of the fee and type of development, 4) relationship between need for the facility and the type of project, and 5) the relationship between the amount of fee and the cost portion attributed to new development.

The nexus study provides a basis for CFF funding of both regional facilities and program administration costs, including the expenses associated with Nexus Study preparation. Specific findings are as follows:

- **Purpose of Fee:** Develop countywide regional facilities to meet the needs of the new residential and employee population in the County.
- **Use of Fee:** The fee will be used to construct various eligible countywide regional facilities as shown in **Figure 5**. The fee will also fund the studies and administration to support the development of countywide regional facilities.
- **Relationship between Use of Fee and Type of Development:** The development of new residential and non-residential land uses in the County will generate additional need for countywide regional facilities. The fees will be used to develop the user capacity for countywide regional facilities to serve new residential and commercial development.
- **Relationship between Need for Facility and Type of Project:** Each new residential and non-residential development project will generate additional demand for countywide regional facilities. Under the County's historical countywide regional facilities construction program, a service standard

expressed as the total number of beds or square footage per 1,000 population has been set. Some of these service standards, such the County Jail, the County Juvenile Hall, and the County General Hospital, have been further impacted by various forms of state and/or federal legislative reform since 1990.

- **Relationship between Amount of Fee and Cost of Portion of Facility Attributed to New Development:** This criterion requires that the fee amount be charged to new development be proportional to the cost of facilities needed to maintain service standards and avoid adverse impacts. Fees cannot be used to improve existing service standards or meet current service deficiencies.

FEE CALCULATION

Based on the findings, costs, and calculations discussed in this study, the CFF has been calculated for each land use using the methodology described above.

Figure 7 summarizes the countywide regional facilities development cost per regional facility user and **Figure 8** calculates the CFF per land use. The CFF for a single-family residential unit is $1,400 per unit and $1,200 for a multifamily unit.

The non-residential CFF land use categories are based on the County Zoning Code for commercial and industrial land uses. Commercial zoning is separated into two categories: 1) commercial—retail; and 2) commercial—office /service/other. This reflects the fact that retail uses typically a higher employment density than other commercial land uses. As shown in **Figure 8**, the CFF is $0.32 per building square foot for retail commercial, $0.28 per building square foot for commercial—office/service/other, and $0.16 per building square foot for industrial development. If a building has more than one land use, such as retail and commercial-service, the CFF will be pro-rated based on the building square footage of each land use.

The development impact fee program includes the cost of preparing the Nexus Study along with periodic updates as well as funding of the administrative costs related to the development impact fee program such as the costs of accounting and audits, investing, and planning. The administrative component of the CFF is calculated at 2.5 percent of eligible CFF facility costs.

The fees are payable at time of building permit for new development. No fees are to be collected from existing development unless the existing development was subject to prior agreements requiring fee funding for future improvements.

Figure 7
San Joaquin County Regional Facilities
Development Impact Fee Nexus Study
Countywide Regional Facilities Development Cost per Facility User (Constant 2003 $'s)

Item	Amount
Estimated Total Eligible Regional Facilities Development Cost	$174,895,270
Estimated Total New Regional Facilities Users	
New Residents	380,420
25% of New Employees	21,380
Total Equivalent Countywide Regional Facilities users	401,800
Category I Development Cost per Equivalent Facility User	$435

"Nexus_User_Fee"

Figure 8
San Joaquin County Regional Facilities
Development Impact Fee Nexus Study
CFF Development Impact Fee By Land Use (Constant 2003 $'s)

CFF Fee Program	Persons Per Unit or 1,000 SqFt	Cost Per Equivalent Facility User [1]	Facilities Cost per Unit or 1,000 SqFt	Admin. Cost Per Unit or 1,000 SqFt [2]	CFF Impact Fee per Unit or Per Square Foot
Residential Units					
Single Family Residential	3.14	$435	$1,367	$34	$1,400
Multi-Family Residential	2.68	$435	$1,167	$29	$1,200
Non-residential Units					
Retail	2.86	$109	$311	$8	$0.32
Commercial - Service / Other	2.50	$109	$272	$7	$0.28
Industrial	1.43	$109	$155	$4	$0.16

"Nexus_Fee"

[1] Employees are weighted at 25% of the resident "equivalent facility user" amount.
[2] The administrative cost is 2.5% of the facilities cost per unit or per 1,000 square feet.

V. IMPLEMENTATION

ADJUSTMENTS TO COUNTYWIDE REGIONAL FACILITIES FEE PROGRAM

The CFF is based on the best development cost estimate and land use information available at this time. If costs change significantly in either direction, or if other funding becomes available, the fees should be adjusted accordingly.

After the CFF is established, the County should conduct periodic reviews of facility costs and building trends. Based on these reviews, the County and individual cities should make necessary adjustments to the fee program.

The cost estimates presented in this report are in 2003 dollars. Each year the County should apply an appropriate inflation adjustment factor, such as the Engineering News Record (ENR) Construction Cost Index for San Francisco, to the fees to reflect changes in construction costs.

FEE REIMBURSEMENTS AND FEE CREDITS

The County and developers may agree to have certain developers build certain facilities contained in the fee program or to fund County facilities through financing districts. In the case of an agreement to construct facilities, the County will require and must approve a specific cost estimate based on the approved design standards for the facilities proposed to be constructed by the developer. The developer may receive a fee credit or reimbursement based upon the portion of their fee obligation that is met through the direct construction of facilities or through financing districts. Developers may or may not receive fee credits or reimbursements for constructing improvements that are beyond the required standards.

LOCAL IMPLEMENTATION

The CFF would be implemented through concurrent adoption of the "model" ordinance and related resolutions by the individual city councils and the County Board of Supervisors.

ONGOING ADMINISTRATION OF THE CFF PROGRAM

The County would be responsible for ongoing administration of the CFF Program including annual appropriation of fees, maintaining the countywide regional facilities

model and preparing annual reviews and periodic updates. An administrative charge is included in the fee amount to fund this ongoing administrative activity.

VI. UNINCORPORATED FACILITIES DEVELOPMENT SURCHARGE

There are several required County facilities that are needed solely to service unincorporated growth in San Joaquin County. To assist in funding these facilities, a surcharge will be administered to new development in the County. This chapter provides an overview of the facilities in this category, nexus findings, and the resulting surcharge to the CFF to be paid by unincorporated development. Unless otherwise specified, the principles and methodologies applied in this section are the same as those described in the preceding sections.

CAPITAL FACILITY IMPROVEMENT FOR THE UNINCORPORATED AREA

The CFF collected in the unincorporated area will fund the following county facilities serving new population and employment growth:

- **Sheriff Department Facilities**—This unincorporated CFF component provides for the construction of approximately 8,180 square feet of building space to accommodate service demands of projected new development in the unincorporated area of the County through 2025. The additional space is needed to accommodate the estimated 170 new staff positions needed by the Patrol, Communications, Detectives, Records, and Hiring and Training Pool functions of the Sheriff Department to 2025. The estimated construction cost of $299 per net square foot is the average of the costs listed in the San Joaquin County Facilities Master plan.
- **Community Development**—This unincorporated CFF component provides for the construction of approximately 3,040 square feet of building space to accommodate service demands of projected new development in the unincorporated area of the County through 2025. The additional space is needed to accommodate the estimated 38 new staff positions needed by the Building Inspection, Planning, Community Revitalization, Code Enforcement, Uniform Fire Code Inspection, Countywide Geographic Information System, and General Plan Implementation functions of the Community Development Department to 2025. The estimated construction cost of $299 per net square foot is the average of the costs listed in the San Joaquin County Facilities Master plan.
- **Public Works**—This unincorporated CFF component provides for the construction of approximately 6,900 square feet of building space to accommodate service demands of projected new development in the

unincorporated area of the County through 2025. The additional space is needed to accommodate the estimated 130 new staff positions needed by the Administration, Engineering, Heavy Equipment Maintenance, Road Maintenance, Development Services, Water Resources, Motor Pool Store Room, and Flood Control and Water Conservation functions of the Public Works Department to 2025. The estimated construction cost of $299 per net square foot is the average of the costs listed in the San Joaquin County Facilities Master plan.

- **Motor Pool**—This unincorporated CFF component provides for the construction of approximately 860 square feet of building space to accommodate service demands of projected new development in the unincorporated area of the County through 2025. The additional space is needed to accommodate the estimated 11 new staff positions needed by the Fleet Management, Vehicle Repairs, Preventive and Quality Control Inspection functions of the Motor Pool Department to 2025. The estimated construction cost of $299 per net square foot is the average of the costs listed in the San Joaquin County Facilities Master plan.
- **General Government Services**—This unincorporated CFF component provides for the construction of approximately 11,616 square feet of building space to accommodate service demands of projected new development in the unincorporated area of the County through 2025. The additional space is needed to accommodate the estimated 22 new staff positions and support space need by the several different County functions including the Office of Emergency Services, Facility Management—Administration, Purchasing—Surplus Property, Department of Aging—Commodities, and Government Buildings program areas to 2025. The estimated construction cost of $299 per net square foot is the average of the costs listed in the San Joaquin County Facilities Master Plan.

SUMMARY OF METHODOLOGY

The methodology used to determine the recommended Unincorporated Facilities Development Impact Fee is described as follows:

- **Estimate New Development**. New development, residential and non-residential, to occur in the County in the next 22 years is estimated based on data provided by the County and San Joaquin Council Of Governments (SJCOG). New development projections for the unincorporated area of the County are shown in **Figure 9**.
- **Determine the Recommended Levels of Service for Unincorporated Facilities Development**. The recommended levels of service are based on the historical 1.8 percent average annual growth rate of general government employees reported in the San Joaquin County Facilities Master Plan. This average annual growth

rate in general government employees is applied to the County services that are provided solely to the unincorporated area of San Joaquin County. Needed unincorporated facilities are shown on **Figure 10** and are determined by applying the estimated average space allocation per employee for the projected new employees.

- **Estimate Unincorporated Facilities Development Costs.** Facilities included and costs of development are based on the information from the Facilities Management Division concerning the planned regional facilities in the County. Development costs are presented in **Figure 11** and existing space deficiencies and increases to the service levels are deducted to determine the net eligible space to serve new development.
- **Allocate Unincorporated Facilities Development Cost to New Development.** Countywide unincorporated facilities development costs are allocated to both residential and non-residential development. The costs are allocated on a per unincorporated facility user basis (residents and employees). Costs for unincorporated facilities are allocated to residential users and to employees based on the estimated amount of facility benefit received by an employee relative to a resident. The allocation of costs to new development is presented in this chapter.
- **Determine Unincorporated Facilities Fee.** The cost per unincorporated facility user for residents and employees is then multiplied by "common use factors" to determine the CFF. For residents, the common use factor is persons per household. For employees, the common use factor is building square footage per employee.

UNINCORPORATED POPULATION AND EMPLOYMENT GROWTH ESTIMATE

According to the State Department of Finance, in 2002 there were an estimated 596,000 persons residing in the County. This population is estimated to increase by 380,500 persons by 2025 for an estimated total population of 976,500. The SJCOG estimates that 21 percent of the housing units will be constructed in the unincorporated area of the County as shown in **Figure 9**.

It is estimated that in 2002 approximately 213,700 persons were employed in the County. This number is projected to reach 299,200 by 2025, representing an increase of approximately 85,500 employees. The SJCOG estimates that 20 percent of the new employees will be located in the unincorporated area of the County, as shown in **Figure 9**.

Figure 9
San Joaquin County
Unincorportated Area Facilities Development Impact Fee
Projected New Development to 2025

Land Use	2003 [3]	2025 [3]	Total Estimated Growth Units or 1,000 SqFt	Estimated Persons Per Household or Emp. Per 1,000 Sqft	Estimated Total New Residents or Employees
Residential Development					
Single Family Residential Units	29,074	46,875	17,801	3.14	55,895
Mult-Family Residential Units	16,368	24,877	8,509	2.68	22,804
Total - New Residential Development	45,442	71,752	26,310	- -	78,699
Non-residential Development					
Retail Commercial Sqft (1,000s) [1]	2,600	3,603	1,003	2.86	2,665
Commercial / Industrial Sqft (1,000s) [2]	26,970	37,917	10,948	1.43	14,545
Total - New Non-residential Development	29,569	41,520	11,951	- -	17,210

"Growth_2025_Unincorp"

[1] Assumes 350 SF per Retail employee, and a 7.0% vacancy rate.
[2] Assumes 700 SF per Commercial / Industrial employee, and a 7.0% vacancy rate.
[3] According to the San Joaquin Council of Governments (SJCOG) forecasts, 21% of the housing units and 20% of the employment growth through 2025 will occur in the unincorporated area of San Joaquin County

UNINCORPORATED FACILITIES DEVELOPMENT AND COST ESTIMATES

COUNTY UNINCORPORATED FACILITIES SERVICE STANDARDS

Current and projected County staff growth developed by County general government agencies for the San Joaquin County Facilities Master Plan indicates staff growth from 2,301 current employees in 2002 to 3,168 in 2020. This is an annual growth rate of approximately 1.8 percent. The most frequently cited reasons for projected growth include increasing workload resulting from new and/or expanded services, regulations mandated by the State legislature and increasing demand for services paralleling population growth. Therefore, the nexus standard proposed for the various unincorporated service facilities is the equivalent annual growth rate of 1.8 percent in the number of full-time employees the serve the needs of the unincorporated area of the County that are required to 2025 under the historical service standards.

UNINCORPORATED FACILITY REQUIREMENTS TO SERVE NEW GROWTH

Based on the projected staff growth of 345 positions to serve unincorporated growth between 2002 and 2025, several expansions of the various unincorporated facilities are needed by 2025 as shown in **Figure 10**.

Figure 11 shows the estimated eligible county unincorporated facilities, after deducting the existing space deficiencies and increases to the service levels, to be funded through the unincorporated facilities fee surcharge component of the CFF development impact fee program.

ALLOCATION TO RESIDENTIAL AND NON-RESIDENTIAL DEVELOPMENT

The number of equivalent users of the county unincorporated facilities is as follows:

Land Use Classification	County Unincorporated Facility Users	Basis
Residential	78,699	New Residents
Non-Residential	4,300	25% of New Employees
Total Equivalent Users	**82,999**	

FEE CALCULATION

Based on the findings, costs, and calculations discussed in this study, the unincorporated CFF Development Impact Fee surcharge for each land use in the County has been calculated using the methodology described at the beginning of this chapter.

Figure 10
San Joaquin County
Unincoporated Services and Facilities
Summary of Space Needed to Serve New Development

Departments	Full Time Positions Actual FY 2002 - 03	Full Time Positions Estimated FY 2024 - 25 [1]	Projected Staff Increase	Estimated Average Space Allocation Per Position [2]	Estimated Total Additional Space Required [2]	Estimated Construction Cost [5]
Sheriff Department						
Patrol [3]	160	246	86	80	2,282	$682,234
Communications [3]	44	68	24	80	627	$187,614
Detectives	46	71	25	108	2,657	$794,376
Records	49	75	26	80	2,096	$626,802
Hiring and Training Pool	20	31	11	48	513	$153,503
Sub-total Sheriff	319	490	171	50	8,176	$2,444,530
Community Development	71	109	38	80	3,038	$908,220
Public Works						
Administration	28	43	15	96	1,437	$429,807
Engineering	56	86	30	80	2,396	$716,346
Equipment Maintenance	13	20	7	80	556	$166,295
Road Maintenance [4]	106	163	57	80	1,134	$338,985
Development Services	18	28	10	80	770	$230,254
Flood Control & Water Conservation	5	8	3	80	214	$63,959
Water Resources	5	8	3	80	214	$63,959
Motorpool Store Room	4	6	2	80	171	$51,168
Sub-Total Public Works	235	361	126	50	6,892	$2,060,770
Motorpool	20	31	11	80	856	$255,840
General Government Services [6]	- -	- -	- -	- -	11,616	$3,473,180
Total - All Positions	645	990	345	90	30,577	$9,142,540

"Unincorp_Facilities"

[1] The estimated average annual growth in staff positions of 1.88% per year is based on the County Facilities Master Plan Study.
[2] Space Allocation in net square feet (NSF) is based on the space standards from the County Facilities Master Plan Study.
[3] New positions are allocated over a 3 shift basis to provide 24 hour coverage.
[4] The road maintenance crew is estimated to require office space for 25% of the total number of positions
[5] The construction cost of the additional required office space is estimated at $299 per NSF.
[6] Resolution No. B - 1 - 648 includes "growth square footage" for general government services including the Office of Emergency Services, Department of Aging - Commodities, Facilities Management, Government Buildings, and Purchasing & Support Services.

Sources: San Joaquin County 2002 - 03 Budget, County Facilities Master Plan, and EPS

Figure 11
San Joaquin County
Development Impact Fee Nexus Study
Estimate of Unincorporated Facility Development Costs by Category (Constant 2003 $'s)

		Allocated Construction Cost		
Unincorporated Facility Cost Components	Total Estimated Cost - New Space [1]	Existing Space Deficiency	Space to Increase Service Standards	Space to Sevice New Development
Sheriff Department	$2,444,530	$0	$0	$2,444,530
Community Development	$908,220	$0	$0	$908,220
Public Works	$2,060,770	$0	$0	$2,060,770
Motorpool	$255,840	$0	$0	$255,840
General Government Services	$3,473,180	$0	$0	$3,473,180
Total Estimated New Facility Construction Costs	$9,142,540	$0	$0	$9,142,540
Percentage Allocation of Net Cost of New Regional Facilities	100%	$0	$0	100%
Estimated Funding Sources				
County General Purpose Revenues	$0	$0	$0	- -
Development Impact Fees	$9,142,540	- -	- -	$9,142,540

"Unincorp_Nexus_Facilities_Cost"

[1] The per unit cost estimates were based on the San Joaquin County Facilities Master Plan.

Figure 12 summarizes the county unincorporated facilities development cost per equivalent facility user and **Figure 13** calculates the unincorporated CFF Development Impact Fee surcharge per land use. The unincorporated CFF Development Impact Fee surcharge for a single-family residential unit is $360 per unit and $310 for a multifamily unit. The fees shown include a 2.5 percent allowance for the cost of administering the fee program.

As shown in **Figure 13**, the unincorporated CFF Development Impact Fee surcharge is $0.08 per building square foot for retail commercial, $.07 per building square foot for commercial—office/service/other development and $0.04 per building square foot for industrial development.

Figure 12 summarizes the county unincorporated facilities development cost per equivalent facility user and **Figure 13** calculates the unincorporated CFF Development Impact Fee surcharge per land use. The unincorporated CFF Development Impact Fee surcharge for a single-family residential unit is $360 per unit and $310 for a multifamily unit. The fees shown include a 2.5 percent allowance for the cost of administering the fee program.

As shown in **Figure 13**, the unincorporated CFF Development Impact Fee surcharge is $0.08 per building square foot for retail commercial, $.07 per building square foot for commercial—office/service/other development and $0.04 per building square foot for industrial development.

Figure 12
San Joaquin County
Development Impact Fee Nexus Study
Unincorporated Facilities Development Cost per Facility User (Constant 2003 $'s)

Item	Amount
Estimated Total Eligible Unincorporated Facilities Development Cost	$9,142,540
Estimated Total New Unincorporated Facilities Users	
New Residents	78,699
25% of New Employees	4,300
Total Equivalent Unincorporated Facilities users	82,999
Development Cost per Equivalent Facility User	$110

"Unincorp_Nexus_User_Fee"

Figure 12
San Joaquin County
Development Impact Fee Nexus Study
Unincorporated Facilities Development Cost per Facility User (Constant 2003 $'s)

Item	Amount
Estimated Total Eligible Unincorporated Facilities Development Cost	$9,142,540
Estimated Total New Unincorporated Facilities Users	
New Residents	78,699
25% of New Employees	4,300
Total Equivalent Unincorporated Facilities users	82,999
Development Cost per Equivalent Facility User	$110

"Unincorp_Nexus_User_Fee"

Figure 13
San Joaquin County
Development Impact Fee Nexus Study
CFF Unincorporated Development Impact Fee By Land Use (Constant 2003 $'s)

CFF Unincorporated Fee Program	Persons Per Unit or 1,000 SqFt	Cost Per Equivalent Facility User [1]	Facilities Cost per Unit or 1,000 SqFt	Admin. Cost Per Unit or 1,000 SqFt [2]	CFF Impact Fee per Unit or Per Square Foot
Residential Units					
Single Family Residential	3.14	$110	$350	$9	$360
Multi-Family Residential	2.68	$110	$300	$8	$310
Non-residential Units					
Retail	2.86	$28	$80	$2	$0.08
Commercial - Service / Other	2.50	$28	$70	$2	$0.07
Industrial	1.43	$28	$40	$1	$0.04

"Unincorp_Nexus_Fee"

[1] Employees are weighted at 25% of the resident "equivalent facility user" amount.
[2] The admistrative cost is 2.5% of the base facilites cost per unit or per 1,000 square feet.

BEFORE THE CITY COUNCIL OF THE CITY OF _____
STATE OF CALIFORNIA
ORDINANCE NO. _____

ORDINANCE ESTABLISHING COUNTY FACILITIES FEE PROGRAM

The City Council of the City of _____ ordains that Section _____ of the City of _____ Municipal Code is hereby adopted to read as follows:

Section [1] PURPOSE, FINDINGS, AND DECLARATION OF INTENT

(a) In order to implement the goals and objectives of the General Plan and to mitigate impacts caused by new development within the County of San Joaquin, a County Facilities Fee Program is necessary. The program is needed to finance region-serving Capital Facilities located throughout the County that are used by the residents and businesses within the City and to assure that new development pays its proportional share for these improvements.

(b) Fee revenue collected pursuant to this ordinance shall be remitted to the County of San Joaquin who shall be responsible for administering the fee funds and constructing the Capital Facilities.

(c) Title 7, Division 1, Chapter 5, Section 66000 et seq. of the California Government Code provides that Capital Facilities Fees may be enacted and imposed on development projects. The City Council finds and determines that:

(1) New development projects cause the need for construction, expansion, or improvement of Capital Facilities within the County of San Joaquin.

(2) Funds for construction, expansion, or improvement of Capital Facilities are not available to accommodate demand for service caused by development projects; which results in inadequate Capital Facilities within San Joaquin County.

(d) The City Council finds that the health, safety, peace, morals, convenience, comfort, prosperity, and general welfare of the residents and businesses within the City will be promoted by the adoption of County Facilities Fees for construction, expansion, or improvement of region-serving Capital Facilities.

Section [2] COLLECTION OF CAPITAL FACILITY FEE

The Capital Facility Fee enacted pursuant to this Chapter are to be collected by the City before the issuance of building permits, or at approval of any discretionary permit if no building permit is required.

Section [3] AUTHORITY FOR ADOPTION

This Chapter is adopted under the authority of Title 7, Division 1, Chapter 5 of the California Government Code Sections 66000 et seq.

Section [4] DEFINITIONS

Words when used in this Chapter, and in resolutions adopted thereto, shall have the following meanings:

(a) "Board of Supervisors" means the Board of Supervisors of the County of San Joaquin.

(b) "Capital Facility" includes region-serving public improvements and community amenities normally provided by the County of San Joaquin.

(c) "City" means the City of _____, a general law [charter] city organized and existing under the Constitution and laws of the State of California.

(d) "City Council" means the City Council of the City of _____.

(e) "County" means the County of San Joaquin, a political subdivision of the State of California.

(f) "Development Project" means any project undertaken for the purpose of development. "Development Project" includes a project involving the issuance of a permit for construction or reconstruction, but not a permit to operate.

(g) "Fee" means a monetary exaction, other than a tax or special assessment, which is charged by a local agency to the applicant in connection with approval of a development project for the purpose of defraying all or a portion of the cost of Capital Facilities related to the development project.

(h) "Nexus Report" means the San Joaquin County Facility Fee Nexus Report originally prepared in September 2003, as may be amended from time-to-time.

Section [5] CONDITIONS FOR COLLECTION

(a) In establishing and imposing a fee as a condition of approval of a development project, the following shall be done:

(1) Identify the purpose of the fee;

(2) Identify the use to which the fee is to be put;

(3) Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed; and,

(4) Determine that there is a reasonable relationship between the need for the Capital Facility and the impacts caused by the type of development project on which the fee is imposed.

(b) The City, before establishing a Capital Facility Fee as a condition of approval of development projects, shall determine that there is a reasonable relationship between the amount of the fee and the cost of the Capital Facility or portion of the Capital Facility attributable to the development on which the fee is imposed as documented in the Nexus Report.

(c) Upon receipt of funds from the City, derived through this Chapter, the County shall deposit, invest, account for, and expend the funds pursuant to California Government Code Section 66006.

Section [6] CONDITIONS FOR REIMBURSEMENT

(a) The County shall report to the City Council once each fiscal year concerning the fees and accounts, including any portions of fees remaining unexpended or uncommitted five (5) or more years after deposit. The Board of Supervisors shall make findings once each fiscal year with respect to any portion of the fee remaining unexpended or uncommitted in its account five (5) or more years after deposit of the fee, to identify the purpose to which the fee is put, and to demonstrate a reasonable relationship between the fee and the purpose for which it was charged.

(b) A refund of unexpended or uncommitted fee revenue for which a need cannot be demonstrated, along with accrued interest may be made to the current owner(s) of the development project(s) on a prorated basis. The County may refund

unexpended and uncommitted fee revenue that have been found by the Board of Supervisors to be no longer needed, by direct payment or by off-setting other obligations owed to the County by the current owner(s) of the development projects(s).

(c) If the administrative costs of refunding unexpended and uncommitted revenues collected pursuant to this Section exceed the amount to be refunded, County, after a Capital hearing, for which notice has been published pursuant to Government Code Section 6061 and posted in three prominent places within the area of the development project, may determine that the revenues shall be allocated for some other purpose for which the fee is collected subject to this Title that serves the project on which the fee was originally imposed.

Section [7] FEE PAYMENT

(a) Prior to the issuance of any building permit, the applicant shall pay to the City the fee as established by resolution of the City Council.

(b) The fee shall be determined by the fee schedule in effect on the date the vesting tentative map or vesting parcel map is approved, or the date a permit is issued.

(c) If a development has multiple types of uses, the fee will be collected proportionately on each use.

(d) When application is made for a new building permit following the expiration of a previously issued building permit for which the fee was paid, the fee payment shall not be required, unless the fee schedule has been amended during the interim, in this event, the appropriate increase or decrease shall be imposed.

(e) In the event that subsequent development occurs with respect to property for which the fee has been paid, an additional fee shall be required only for additional square footage of development that was not included in computing the prior fee.

(f) When a fee is paid for a development project and that project is subsequently reduced so that it is entitled to a lower fee, the County shall issue a partial refund of the fee.

(g) When a fee is paid for a development project and the project is subsequently abandoned without any further action beyond the obtaining of a building permit the payor shall be entitled to a refund of the fee paid, less the administrative portion of the fee.

(h) If a development is converted to a more intense use, a fee shall be required which shall be the difference between the current fee for the original use and the current fee for the more intense use.

Section [8] COUNTY FACILITIES FEE ACCOUNTS

(a) The City shall hold fee revenues collected under this ordinance in a separate County Facility Fee account. Fee revenues accruing in this account shall be remitted quarterly to the County of San Joaquin to be expended for the purpose for which they were collected.

(b) The County shall account for all fee revenues, including interest accrued, and allocate them for the purposes for which the original fee was imposed.

Section [9] NATURAL DISASTER FEE EXEMPTION

No fee may be applied by a local agency to the reconstruction of any residential, commercial, or industrial development project that is damaged or destroyed as a result of a natural disaster as declared by the Governor.

Section [10] COUNTY FACILITIES FEE PROGRAM

(a) The County has adopted a County Facilities Fee Nexus Report that indicates the approximate location, size, time of availability, and estimates of costs for region-serving Capital Facilities or improvements to be financed with County Facilities Fee funds.

(b) The County shall annually submit a report to the City Council regarding the proposed uses of County Facilities Fee funding.

(c) The County Facilities Fee schedule established by Resolution of the City Council shall annually be automatically adjusted by an amount determined by the increase in the Engineering Construction Cost Index for the previous year, as published by the Engineering News Record. The County shall provide the City with notice and documentation of the fee adjustments required, if any.

(d) The County Facilities Fee schedule adopted by the City Council shall be annually reviewed by the City for consistency with the County Facilities Fee Nexus Report, as it may be updated from time-to-time.

Section [11] ORDINANCE; PUBLIC HEARING

The adoption of County Facilities Fees is a legislative act and shall be enacted by resolution after a noticed public hearing before the City Council.

Section [12] CONSTRUCTION

The Chapter and any subsequent amendment to the County Facilities Fee Program shall be read together. With respect to any County Facilities Fee enacted by resolution under this Chapter, any provision of such a County Facilities Fee which is in conflict with this Chapter shall be void.

Section [13] SEVERABILITY CLAUSE

Should any provision of this Chapter or a subsequent amendment to the County Facilities Fee Program be held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this Chapter and the County Facilities Fee Program shall remain in full force and effect.

Section [14] FEE ADJUSTMENTS OR WAIVER

A developer of any project subject to the fee described in this Chapter may apply to the City Council for reduction or adjustment to that fee, or a waiver of that fee, based upon the absence of any reasonable relationship or nexus between the impacts of the development and either the amount of the fee charged or the type of facilities to be financed. The application shall be made in writing and filed with the City Clerk (1) 10 days prior to the public hearing on the development permit application for the project, or (2) if no development permit is required, at the time of the filing of the request for a building permit. The application shall state in detail the factual basis for the claim of waiver, reduction, or adjustment. The City Council shall consider the application at a public hearing held within sixty (60) days after the filling of the fee adjustment application. The City shall prepare a staff report and recommendation for City Council consideration. The decision of the City Council shall be final. If a reduction, adjustment, or waiver is granted, any change in use within the project shall invalidate the waiver, adjustment, or reduction of the fee.

SECTION [15] ENVIRONMENTAL EXEMPTION

Pursuant to Title 14 Code of Regulations sections 15061 and 15273(4), this ordinance is exempt from the California Environmental Quality Act.

SECTION [16] EFFECTIVE DATE

This ordinance shall take effect thirty (30) days from and after the date of its passage and before the expiration of fifteen (15) days after its passage, it shall be published once, with the names of the members voting for and against the same in _____, a newspaper published in _____, State of California.

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PASSED AND ADOPTED this _____ day of _____, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:

BEFORE THE CITY COUNCIL OF THE CITY OF _____
STATE OF CALIFORNIA
ORDINANCE NO. _____

ORDINANCE ESTABLISHING COUNTY FACILITIES FEE PROGRAM

The City Council of the City of _____ ordains that Section _____ of the City of _____ Municipal Code is hereby adopted to read as follows:

Section [1] PURPOSE, FINDINGS, AND DECLARATION OF INTENT

(a) In order to implement the goals and objectives of the General Plan and to mitigate impacts caused by new development within the County of San Joaquin, a County Facilities Fee Program is necessary. The program is needed to finance region-serving Capital Facilities located throughout the County that are used by the residents and businesses within the City and to assure that new development pays its proportional share for these improvements.

(b) Fee revenue collected pursuant to this ordinance shall be remitted to the County of San Joaquin who shall be responsible for administering the fee funds and constructing the Capital Facilities.

(c) Title 7, Division 1, Chapter 5, Section 66000 et seq. of the California Government Code provides that Capital Facilities Fees may be enacted and imposed on development projects. The City Council finds and determines that:

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(2) Funds for construction, expansion, or improvement of Capital Facilities are not available to accommodate demand for service caused by development projects; which results in inadequate Capital Facilities within San Joaquin County.

(d) The City Council finds that the health, safety, peace, morals, convenience, comfort, prosperity, and general welfare of the residents and businesses within the City will be promoted by the adoption of County Facilities Fees for construction, expansion, or improvement of region-serving Capital Facilities.

Section [2] COLLECTION OF CAPITAL FACILITY FEE

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Section [3] AUTHORITY FOR ADOPTION

This Chapter is adopted under the authority of Title 7, Division 1, Chapter 5 of the California Government Code Sections 66000 et seq.

Section [4] DEFINITIONS

Words when used in this Chapter, and in resolutions adopted thereto, shall have the following meanings:

(a) "Board of Supervisors" means the Board of Supervisors of the County of San Joaquin.

(b) "Capital Facility" includes region-serving public improvements and community amenities normally provided by the County of San Joaquin.

(c) "City" means the City of _____, a general law [charter] city organized and existing under the Constitution and laws of the State of California.

(d) "City Council" means the City Council of the City of _____.

(e) "County" means the County of San Joaquin, a political subdivision of the State of California.

(f) "Development Project" means any project undertaken for the purpose of development. "Development Project" includes a project involving the issuance of a permit for construction or reconstruction, but not a permit to operate.

(g) "Fee" means a monetary exaction, other than a tax or special assessment, which is charged by a local agency to the applicant in connection with approval of a development project for the purpose of defraying all or a portion of the cost of Capital Facilities related to the development project.

(h) "Nexus Report" means the San Joaquin County Facility Fee Nexus Report originally prepared in September 2003, as may be amended from time-to-time.

Section [5] CONDITIONS FOR COLLECTION

(a) In establishing and imposing a fee as a condition of approval of a development project, the following shall be done:

(1) Identify the purpose of the fee;

(2) Identify the use to which the fee is to be put;

(3) Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed; and,

(4) Determine that there is a reasonable relationship between the need for the Capital Facility and the impacts caused by the type of development project on which the fee is imposed.

(b) The City, before establishing a Capital Facility Fee as a condition of approval of development projects, shall determine that there is a reasonable relationship between the amount of the fee and the cost of the Capital Facility or portion of the Capital Facility attributable to the development on which the fee is imposed as documented in the Nexus Report.

(c) Upon receipt of funds from the City, derived through this Chapter, the County shall deposit, invest, account for, and expend the funds pursuant to California Government Code Section 66006.

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(a) The County shall report to the City Council once each fiscal year concerning the fees and accounts, including any portions of fees remaining unexpended or uncommitted five (5) or more years after deposit. The Board of Supervisors shall make findings once each fiscal year with respect to any portion of the fee remaining unexpended or uncommitted in its account five (5) or more years after deposit of the fee, to identify the purpose to which the fee is put, and to demonstrate a reasonable relationship between the fee and the purpose for which it was charged.

(b) A refund of unexpended or uncommitted fee revenue for which a need cannot be demonstrated, along with accrued interest may be made to the current owner(s) of the development project(s) on a prorated basis. The County may refund

unexpended and uncommitted fee revenue that have been found by the Board of Supervisors to be no longer needed, by direct payment or by off-setting other obligations owed to the County by the current owner(s) of the development projects(s).

(c) If the administrative costs of refunding unexpended and uncommitted revenues collected pursuant to this Section exceed the amount to be refunded, County, after a Capital hearing, for which notice has been published pursuant to Government Code Section 6061 and posted in three prominent places within the area of the development project, may determine that the revenues shall be allocated for some other purpose for which the fee is collected subject to this Title that serves the project on which the fee was originally imposed.

Section [7] FEE PAYMENT

(a) Prior to the issuance of any building permit, the applicant shall pay to the City the fee as established by resolution of the City Council.

(b) The fee shall be determined by the fee schedule in effect on the date the vesting tentative map or vesting parcel map is approved, or the date a permit is issued.

(c) If a development has multiple types of uses, the fee will be collected proportionately on each use.

(d) When application is made for a new building permit following the expiration of a previously issued building permit for which the fee was paid, the fee payment shall not be required, unless the fee schedule has been amended during the interim, in this event, the appropriate increase or decrease shall be imposed.

(e) In the event that subsequent development occurs with respect to property for which the fee has been paid, an additional fee shall be required only for additional square footage of development that was not included in computing the prior fee.

(f) When a fee is paid for a development project and that project is subsequently reduced so that it is entitled to a lower fee, the County shall issue a partial refund of the fee.

(g) When a fee is paid for a development project and the project is subsequently abandoned without any further action beyond the obtaining of a building permit the payor shall be entitled to a refund of the fee paid, less the administrative portion of the fee.

(h) If a development is converted to a more intense use, a fee shall be required which shall be the difference between the current fee for the original use and the current fee for the more intense use.

Section [8] COUNTY FACILITIES FEE ACCOUNTS

(a) The City shall hold fee revenues collected under this ordinance in a separate County Facility Fee account. Fee revenues accruing in this account shall be remitted quarterly to the County of San Joaquin to be expended for the purpose for which they were collected.

(b) The County shall account for all fee revenues, including interest accrued, and allocate them for the purposes for which the original fee was imposed.

Section [9] NATURAL DISASTER FEE EXEMPTION

No fee may be applied by a local agency to the reconstruction of any residential, commercial, or industrial development project that is damaged or destroyed as a result of a natural disaster as declared by the Governor.

Section [10] COUNTY FACILITIES FEE PROGRAM

(a) The County has adopted a County Facilities Fee Nexus Report that indicates the approximate location, size, time of availability, and estimates of costs for region-serving Capital Facilities or improvements to be financed with County Facilities Fee funds.

(b) The County shall annually submit a report to the City Council regarding the proposed uses of County Facilities Fee funding.

(c) The County Facilities Fee schedule established by Resolution of the City Council shall annually be automatically adjusted by an amount determined by the increase in the Engineering Construction Cost Index for the previous year, as published by the Engineering News Record. The County shall provide the City with notice and documentation of the fee adjustments required, if any.

(d) The County Facilities Fee schedule adopted by the City Council shall be annually reviewed by the City for consistency with the County Facilities Fee Nexus Report, as it may be updated from time-to-time.

Section [11] ORDINANCE; PUBLIC HEARING

The adoption of County Facilities Fees is a legislative act and shall be enacted by resolution after a noticed public hearing before the City Council.

Section [12] CONSTRUCTION

The Chapter and any subsequent amendment to the County Facilities Fee Program shall be read together. With respect to any County Facilities Fee enacted by resolution under this Chapter, any provision of such a County Facilities Fee which is in conflict with this Chapter shall be void.

Section [13] SEVERABILITY CLAUSE

Should any provision of this Chapter or a subsequent amendment to the County Facilities Fee Program be held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this Chapter and the County Facilities Fee Program shall remain in full force and effect.

Section [14] FEE ADJUSTMENTS OR WAIVER

A developer of any project subject to the fee described in this Chapter may apply to the City Council for reduction or adjustment to that fee, or a waiver of that fee, based upon the absence of any reasonable relationship or nexus between the impacts of the development and either the amount of the fee charged or the type of facilities to be financed. The application shall be made in writing and filed with the City Clerk (1) 10 days prior to the public hearing on the development permit application for the project, or (2) if no development permit is required, at the time of the filing of the request for a building permit. The application shall state in detail the factual basis for the claim of waiver, reduction, or adjustment. The City Council shall consider the application at a public hearing held within sixty (60) days after the filling of the fee adjustment application. The City shall prepare a staff report and recommendation for City Council consideration. The decision of the City Council shall be final. If a reduction, adjustment, or waiver is granted, any change in use within the project shall invalidate the waiver, adjustment, or reduction of the fee.

SECTION [15] ENVIRONMENTAL EXEMPTION

Pursuant to Title 14 Code of Regulations sections 15061 and 15273(4), this ordinance is exempt from the California Environmental Quality Act.

SECTION [16] EFFECTIVE DATE

This ordinance shall take effect thirty (30) days from and after the date of its passage and before the expiration of fifteen (15) days after its passage, it shall be published once, with the names of the members voting for and against the same in _____, a newspaper published in _____, State of California.

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PASSED AND ADOPTED this _____ day of _____, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:

BEFORE THE CITY COUNCIL OF THE CITY OF _____
STATE OF CALIFORNIA
RESOLUTION NO. _____

RESOLUTION ESTABLISHING COUNTY FACILITIES FEES

WHEREAS, on _____, 2004, the City Council adopted an Ordinance providing for, subject to adoption of an implementing Resolution, County Facilities Fees for all new development within the City of _____; and

WHEREAS, San Joaquin County has completed a report, entitled San Joaquin County Facilities Fees Nexus Report, dated October 23, 2003; and

WHEREAS, the San Joaquin County Facilities Fees Nexus Report was available for public inspection and review in the office of the City Clerk for more than 14 days prior to the date of this Public Hearing.

NOW THEREFORE, the City Council finds as follows:

A. The purpose of the County Facilities Fee Program is to finance the construction of region-serving capital facilities to reduce the impacts caused by future development in San Joaquin County.

B. The funds derived from County Facilities Fees shall be used to finance the facilities identified in the San Joaquin County Facilities Fees Nexus Report.

C. After considering the Nexus Report prepared by San Joaquin County and the testimony received at this public hearing, this City Council approves the Nexus Report and incorporates such herein; and further finds that new development will generate additional demands on the region-serving facilities provided by San Joaquin County.

D. The Nexus Report establishes that:

1. There is a reasonable relationship between the need for the region-serving facilities set out in the Nexus Report and the impacts of the types of the development for which the corresponding fee is to be charged.

2. There is a reasonable relationship between the fee's use and the type of development for which the fee is to be charged.

3. There is a reasonable relationship between the amount of the fee and the cost of the region-serving facilities or portion of the region-serving facilities attributable to the development on which the fee is to be imposed.

4. The cost estimates set forth in the Nexus Report are reasonable cost estimates for constructing these facilities and that fees expected to be generated by future developments will not exceed the total costs of constructing the region-serving facilities identified in the Nexus Report.

NOW, THEREFORE, BE IT RESOLVED that the following County Facilities Fee Schedule is approved and adopted:

COUNTY FACILITIES FEES SCHEDULE
Regional Facilities

Residential	Per Unit
Single-Family	$ 1,400
Multi-Family	1,200

Non-Residential	Per Sq. Ft.
Retail Commercial	$ 0.32
Commercial/Office	0.28
Industrial	0.16

The effective date of this Resolution shall be 60 days following the adoption of a comparable Resolution by the Board of Supervisors of the County of San Joaquin.

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PASSED AND ADOPTED this _____ day of _____ 2004, by the following vote of the City Council, to wit:

AYES:

NOES:

ABSENT:

County of San Joaquin & City of _____

AGREEMENT FOR THE ADMINISTRATION OF THE COUNTY FACILITIES FEE (CFF) PROGRAM

A-05-____

AGREEMENT entered into this ____ day of _____, 2005 by and between the County of San Joaquin, hereinafter referred to as "COUNTY" and the City of _____, hereinafter referred to as "CITY".

WHEREAS, COUNTY has prepared a Nexus Report dated September 2003 ("Nexus Report") that provides the details of the San Joaquin County Facilities Fee Program ("CFF"); and

WHEREAS, CITY has adopted an Ordinance Establishing County Facilities Fee Program and a Resolution Establishing County Facilities Fees; and

WHEREAS, COUNTY and CITY wish to specify certain technical procedures for the administration of the County Facilities Fee Program.

NOW, THEREFORE, in consideration of the premises and the following terms and conditions, the parties hereto agree as follows:

1. Annual Report. On or before December 31of each year, COUNTY shall submit an Annual Report regarding the CFF program to CITY. The Annual Report shall include the information and findings required by Government Code Section 66000 et seq.

2. Cost Index. The CFF program contains an annual cost index based on the Engineering News Record. COUNTY shall transmit documentation of any fee adjustment based on the indexing of costs and CITY shall adjust the CFF fee schedule accordingly.

3. Nexus Report. COUNTY may, at its own expense, conduct reviews of projects within the CFF program and prepare periodic updates of the Nexus Report. COUNTY will transmit such updates to CITY with reconciliation to the current fee schedules. If a higher or lower funding requirement is identified, COUNTY will formally request that CITY consider amendment of the fee schedule consistent with the Nexus Report.

4. Administrative Fee. CITY may impose an administrative fee in an amount not to exceed the actual costs of administering and collecting the CFF. Said administrative fee shall be in addition to the amount of the CFF as set forth in the Nexus Report. The provisions of paragraph 10 shall not apply to this administrative fee.

5. Collection of County Capital Facility Fee. CITY shall collect the County Capital Facility Fee in the amount as required pursuant to the Ordinance and Resolution adopted byCITY.

6. Remittance of Proceeds. CITY shall remit any CFF proceeds to COUNTY no less frequently than once each calendar quarter. COUNTY shall account for all program revenues and appropriations within CFF trust accounts.

7. Audits. COUNTY may conduct, at COUNTY's expense, audits of CFF Program funds collected by CITY. Audits shall be conducted at CITY and shall occur within 180 days of the date that CITY provides COUNTY with an annual statement of collections, in a form to be provided by the County Auditor-Controller. COUNTY shall provide at least ten (10) days' written notice of the date it wishes to schedule the audit.

8. Undercollection. If COUNTY determines, through an audit or otherwise, that CITY has undercollected fees with regard to a particular transaction, COUNTY may seek remediation only for those transactions, for which fees were undercollected, which occurred within the current fiscal year or the fiscal year immediately preceding the determination of undercollection. COUNTY shall provide written notice to CITY of each transaction for which undercollection is claimed, providing the date of the transaction, the parties to the transaction, and the amount of undercollection claimed. Once CITY receives written notice of the undercollection, CITY shall make a reasonable, good faith effort to recover the fees owed and, if successful, shall remit such fees to COUNTY. In no event shall CITY be liable to remit amounts owed due to undercollection unless and until CITY shall recover same against the entity who made the underpayment. Further, in no event shall CITY be liable to COUNTY for undercollected fees unless such undercollection occurs as a direct result of the gross or sole negligence or intentional acts of CITY, its officials, officers, employees, or agents.

9. Fee Credits. COUNTY must approve any fee credits or reimbursements to be granted to specific development projects. Such credits or reimbursements shall be limited to the portion of a project's fee obligation that is met through direct construction of facilities or through financing districts.

10. Defense and Indemnification. COUNTY shall defend (at its sole cost), indemnify and hold harmless the CITY, its officials, officers, employees and agents from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons, in any manner arising out of or incident to CITY's adoption, administration, and collection of the CFF, including without limitation the payment of all consequential damages and attorneys' fees and other related costs and expenses that are actually ordered to be paid to any plaintiff as part of a final judgment entered by a court, save and except those claims, demands, causes of action, costs, expenses, liability, loss, damage, or injury arising out of CITY's sole and exclusive negligence and/or for that portion of any active negligence attributable to CITY and/or for any claim arising out of CITY's intentional act. Furthermore, if any legal action is served upon the CITY arising out of or incident to the adoption, administration, and collection of the CFF, the CITY shall immediately tender the defense of said legal action to the COUNTY and CITY shall reasonably cooperate in good faith with COUNTY in the defense of the legal action.

11. Miscellaneous.

11.1 Counterparts. This Agreement may be executed in counterparts, and each of the counterparts may be considered an original document.

11.2 Partial Invalidity. If any term or provision of this Agreement shall be deemed to be invalid or unenforceable to any extent, the remainder of this Agreement will not be affected thereby, and each remaining term and provision of this Agreement will be valid and be enforced to the fullest extent permitted by law.

11.3 Waivers. No waiver of any breach of any covenant or provision contained herein will be deemed a waiver of any preceding or succeeding breach thereof, or of any other covenant or provision contained herein. No extension of time for performance of any obligation or act will be deemed an extension of the time for performance of any other obligation or act except those of the waiving party, which will be extended by a period of time equal to the period of the delay.

11.5 Entire Agreement. This Agreement (including all Exhibits attached hereto) constitutes the entire contract between the parties hereto with respect to the subject matter hereof and may not be modified except by an instrument in writing signed by the party to be charged.

11.6 Time of Essence. CITY and COUNTY hereby acknowledge and agree that time is strictly of the essence with respect to each and every term, condition, obligation and provision hereof.

11.7 Construction and Survival of Provisions. This Agreement has been prepared by the parties and their respective professional advisors. and reviewed by CITY and its professional advisers. Each party and their respective advisors believe that this Agreement is the product of all of their efforts, that it expresses their agreement and that it should not be interpreted in favor of or against any party. The parties further agree that this Agreement will be construed to effectuate the normal and reasonable expectations of sophisticated parties.

11.8 Governing Law. The parties hereto expressly agree that this Agreement will be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of California.

12. Continued Validity of the Master Tax Sharing Agreement. In the event that a court of competent jurisdiction shall declare the CFF invalid or otherwise unenforceable, the Master Tax Sharing Agreement shall remain valid and enforceable.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

RECOMMENDED FOR APPROVAL:

_____	_____
_____	Manuel Lopez
City Manager	County Administrator
CITY OF _____	COUNTY OF SAN JOAQUIN
_____	_____
_____, Mayor	Steven Guiterrez, Chairman
	Board of Supervisors
Approved as to Form	Approved as to Form
	Terrence R. Dermody
	County Counsel
_____	_____
_____	By David Wooten,
City Attorney	Assistant County Counsel
ATTEST:_____	ATTEST: Lois M. Sahyoun
City Clerk	Clerk of the Board of Supervisors
_____	_____

ORDINANCE NO.____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LODI
AMENDING TITLE 15, "BUILDINGS AND CONSTRUCTION," OF
THE LODI MUNICIPAL CODE BY ADDING CHAPTER 15.66
RELATING TO COUNTY FACILITIES FEES

==========

BE IT ORDAINED BY THE LODI CITY COUNCIL AS FOLLOWS:

SECTION 1. Title 15, "Buildings and Construction," of the Lodi Municipal Code is hereby amended by adding thereto Chapter 15.66 relating to the establishment of County Facilities Fees and shall read as follows:

CHAPTER 15.66 - COUNTY FACILITIES FEES

SECTIONS:

15.66.010 Purpose, Findings, and Declaration of Intent
15.66.020 Collection of Capital Facility Fee
15.66.030 Authority for Adoption
15.66.040 Definitions
15.66.050 Conditions for Collection
15.66.060 Conditions for Reimbursement
15.66.070 Fee Payment
15.66.080 County Facilities Fee Accounts
15.66.090 Natural Disaster Fee Exemption
15.66.100 County Facilities Fee Program
15.66.110 Ordinance; Public Hearing
15.66.120 Construction
15.66.130 Severability Clause
15.66.140 Fee Adjustments or Waiver
15.66.150 Environmental Exemption

15.66.010 PURPOSE, FINDINGS, AND DECLARATION OF INTENT

A. In order to implement the goals and objectives of the General Plan and to mitigate impacts caused by new development within the County of San Joaquin, a County Facilities Fee Program is necessary. The program is needed to finance region-serving Capital Facilities located throughout the County that are used by the residents and businesses within the City and to assure that new development pays its proportional share for these improvements.

B. Fee revenue collected pursuant to this ordinance shall be remitted to the County of San Joaquin who shall be responsible for administering the fee funds and constructing the Capital Facilities.

C. Title 7, Division 1, Chapter 5, Section 66000 et seq. of the California Government Code provides that Capital Facilities Fees may be enacted and imposed on development projects. The City Council finds and determines that:

(1) New development projects cause the need for construction, expansion, or improvement of Capital Facilities within the County of San Joaquin.

(2) Funds for construction, expansion, or improvement of Capital Facilities are not available to accommodate demand for service caused by development projects; which results in inadequate Capital Facilities within San Joaquin County.

D. The City Council finds that the health, safety, peace, morals, convenience, comfort, prosperity, and general welfare of the residents and businesses within the City will be promoted by the adoption of County Facilities Fees for construction, expansion, or improvement of region-serving Capital Facilities.

15.66.020 COLLECTION OF CAPITAL FACILITY FEE

The Capital Facility Fee enacted pursuant to this Chapter are to be collected by the City before the issuance of building permits, or at approval of any discretionary permit if no building permit is required.

15.66.030 AUTHORITY FOR ADOPTION

This Chapter is adopted under the authority of Title 7, Division 1, Chapter 5 of the California Government Code Sections 66000 et seq.

15.66.040 DEFINITIONS

Words when used in this Chapter, and in resolutions adopted thereto, shall have the following meanings:

A. "Board of Supervisors" means the Board of Supervisors of the County of San Joaquin.

B. "Capital Facility" and "Capital Facilities" includes region-serving public improvements and community amenities normally provided by the County of San Joaquin.

C. "City" means the City of Lodi, a general law city organized and existing under the Constitution and laws of the State of California.

D. "City Council" means the City Council of the City of Lodi.

E. "County" means the County of San Joaquin, a political subdivision of the State of California.

F. "Development Project" means any project undertaken for the purpose of development. "Development Project" includes a project involving the issuance of a permit for construction or reconstruction, but not a permit to operate.

G. "Fee" means a monetary exaction, other than a tax or special assessment, which is charged by a local agency to the applicant in

connection with approval of a development project for the purpose of defraying all or a portion of the cost of Capital Facilities related to the development project.

H. "Nexus Report" means the San Joaquin County Facility Fee Nexus Report originally prepared in September 2003, as may be amended from time-to-time.

15.66.050 CONDITIONS FOR COLLECTION

A. In establishing and imposing a fee as a condition of approval of a development project, the following shall be done:

(1) Identify the purpose of the fee;

(2) Identify the use to which the fee is to be put;

(3) Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed; and,

(4) Determine that there is a reasonable relationship between the need for the Capital Facility and the impacts caused by the type of development project on which the fee is imposed.

B. The City, before establishing a Capital Facility Fee as a condition of approval of development projects, shall determine that there is a reasonable relationship between the amount of the fee and the cost of the Capital Facility or portion of the Capital Facility attributable to the development on which the fee is imposed as documented in the Nexus Report.

C. Upon receipt of funds from the City, derived through this Chapter, the County shall deposit, invest, account for, and expend the funds pursuant to California Government Code Section 66006.

15.66.060 CONDITIONS FOR REIMBURSEMENT

A. The County shall report to the City Council once each fiscal year concerning the fees and accounts, including any portions of fees remaining unexpended or uncommitted five (5) or more years after deposit. The Board of Supervisors shall make findings once each fiscal year with respect to any portion of the fee remaining unexpended or uncommitted in its account five (5) or more years after deposit of the fee, to identify the purpose to which the fee is put, and to demonstrate a reasonable relationship between the fee and the purpose for which it was charged.

B. A refund of unexpended or uncommitted fee revenue for which a need cannot be demonstrated, along with accrued interest may be made to the current owner(s) of the development project(s) on a prorated basis. The County may refund unexpended and uncommitted fee revenue that have been found by the Board of Supervisors to be no longer needed, by direct

payment or by off-setting other obligations owed to the County by the current owner(s) of the development projects(s).

C. If the administrative costs of refunding unexpended and uncommitted revenues collected pursuant to this Chapter exceed the amount to be refunded, County, after a Capital hearing, for which notice has been published pursuant to Government Code Section 6061 and posted in three prominent places within the area of the development project, may determine that the revenues shall be allocated for some other purpose for which the fee is collected subject to this Chapter that serves the project on which the fee was originally imposed.

15.66.070 FEE PAYMENT

A. Prior to the issuance of any building permit, the applicant shall pay to the City the fee as established by resolution of the City Council.

B. The fee shall be determined by the fee schedule in effect on the date the vesting tentative map or vesting parcel map is approved, or the date a permit is issued.

C. If a development has multiple types of uses, the fee will be collected proportionately on each use.

D. When application is made for a new building permit following the expiration of a previously issued building permit for which the fee was paid, the fee payment shall not be required, unless the fee schedule has been amended during the interim, in this event, the appropriate increase or decrease shall be imposed.

E. In the event that subsequent development occurs with respect to property for which the fee has been paid, an additional fee shall be required only for additional square footage of development that was not included in computing the prior fee.

F. When a fee is paid for a development project and that project is subsequently reduced so that it is entitled to a lower fee, the County shall issue a partial refund of the fee.

G. When a fee is paid for a development project and the project is subsequently abandoned without any further action beyond the obtaining of a building permit the payor shall be entitled to a refund of the fee paid, less the administrative portion of the fee.

H. If a development is converted to a more intense use, a fee shall be required which shall be the difference between the current fee for the original use and the current fee for the more intense use.

15.66.080 COUNTY FACILITIES FEE ACCOUNTS

A. The City shall hold fee revenues collected under this ordinance in a separate County Facility Fee account. Fee revenues accruing in this

account shall be remitted quarterly to the County of San Joaquin to be expended for the purpose for which they were collected.

B. The County shall account for all fee revenues, including interest accrued, and allocate them for the purposes for which the original fee was imposed.

15.66.090 NATURAL DISASTER FEE EXEMPTION

No fee may be applied by a local agency to the reconstruction of any residential, commercial, or industrial development project that is damaged or destroyed as a result of a natural disaster as declared by the Governor.

15.66.100 COUNTY FACILITIES FEE PROGRAM

A. The County has adopted a County Facilities Fee Nexus Report that indicates the approximate location, size, time of availability, and estimates of costs for region-serving Capital Facilities or improvements to be financed with County Facilities Fee funds.

B. The County shall annually submit a report to the City Council regarding the proposed uses of County Facilities Fee funding.

C. The County Facilities Fee schedule established by Resolution of the City Council shall annually be automatically adjusted by an amount determined by the increase in the Engineering Construction Cost Index for the previous year, as published by the Engineering News Record. The County shall provide the City with notice and documentation of the fee adjustments required, if any.

D. The County Facilities Fee schedule adopted by the City Council shall be annually reviewed by the City for consistency with the County Facilities Fee Nexus Report, as it may be updated from time-to-time.

15.66.110 ORDINANCE; PUBLIC HEARING

The adoption of County Facilities Fees is a legislative act and shall be enacted by resolution after a noticed public hearing before the City Council.

15.66.120 CONSTRUCTION

The Chapter and any subsequent amendment to the County Facilities Fee Program shall be read together. With respect to any County Facilities Fee enacted by resolution under this Chapter, any provision of such a County Facilities Fee which is in conflict with this Chapter shall be void.

15.66.130 SEVERABILITY CLAUSE

Should any provision of this Chapter or a subsequent amendment to the County Facilities Fee Program be held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this Chapter and the County Facilities Fee Program shall remain in full force and effect.

15.66.140 FEE ADJUSTMENTS OR WAIVER

A developer of any project subject to the fee described in this Chapter may apply to the City Council for reduction or adjustment to that fee, or a waiver of that fee, based upon the absence of any reasonable relationship or nexus between the impacts of the development and either the amount of the fee charged or the type of facilities to be financed. The application shall be made in writing and filed with the City Clerk (1) 10 days prior to the public hearing on the development permit application for the project, or (2) if no development permit is required, at the time of the filing of the request for a building permit. The application shall state in detail the factual basis for the claim of waiver, reduction, or adjustment. The City Council shall consider the application at a public hearing held within sixty (60) days after the filling of the fee adjustment application. The City shall prepare a staff report and recommendation for City Council consideration. The decision of the City Council shall be final. If a reduction, adjustment, or waiver is granted, any change in use within the project shall invalidate the waiver, adjustment, or reduction of the fee.

15.66.150 ENVIRONMENTAL EXEMPTION

Pursuant to Title 14 California Code of Regulations sections 15061 and 15273(4), this ordinance is exempt from the California Environmental Quality Act.

SECTION 2 - No Mandatory Duty of Care. This ordinance is not intended to and shall not be construed or given effect in a manner which imposes upon the City, or any officer or employee thereof, a mandatory duty of care towards persons or property within the City or outside of the City so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

SECTION 3. All ordinances and parts of ordinances in conflict herewith are repealed insofar as such conflict may exist.

SECTION 4. This ordinance shall be published one time in the "Lodi News Sentinel," a daily newspaper of general circulation printed and published in the City of Lodi and shall be in force and take effect thirty days from and after its passage and approval.

Approved this ___day of____, 2005.

_____
JOHN BECKMAN
Mayor

Attest:

SUSAN J. BLACKSTON
City Clerk

State of California
County of San Joaquin, ss.

I, Susan J. Blackston, City Clerk of the City of Lodi, do hereby certify that Ordinance No. ____ was introduced at a regular meeting of the City Council of the City of Lodi held March 16, 2005, and was thereafter passed, adopted, and ordered to print at a regular meeting of said Council held _____, 2005, by the following vote:

AYES: COUNCIL MEMBERS -

NOES: COUNCIL MEMBERS -

ABSENT: COUNCIL MEMBERS -

ABSTAIN: COUNCIL MEMBERS –

I further certify that Ordinance No. ____ was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.

SUSAN J. BLACKSTON
City Clerk

Approved as to Form:

D. STEPHEN SCHWABAUER
City Attorney

RESOLUTION NO. 2005-52

A RESOLUTION OF THE LODI CITY COUNCIL ESTABLISHING COUNTY FACILITIES FEES FOR ALL FUTURE DEVELOPMENT WITHIN THE CITY OF LODI

==========

WHEREAS, San Joaquin County has completed a report, entitled San Joaquin County Facilities Fees Nexus Report, dated October 23, 2003; and

WHEREAS, the San Joaquin County Facilities Fees Nexus Report was available for public inspection and review in the office of the City Clerk for more than 14 days prior to the date of this Public Hearing.

NOW, THEREFORE, the City Council finds as follows:

A. The purpose of the County Facilities Fee Program is to finance the construction of region-serving capital facilities to reduce the impacts caused by future development in San Joaquin County.

B. The funds derived from County Facilities Fees shall be used to finance the facilities identified in the San Joaquin County Facilities Fees Nexus Report.

C. After considering the Nexus Report prepared by San Joaquin County and the testimony received at this public hearing, this City Council approves the Nexus Report and incorporates such herein; and further finds that new development will generate additional demands on the region-serving facilities provided by San Joaquin County.

D. The Nexus Report establishes that:

1. There is a reasonable relationship between the need for the region-serving facilities set out in the Nexus Report and the impacts of the types of the development for which the corresponding fee is to be charged.

2. There is a reasonable relationship between the fee's use and the type of development for which the fee is to be charged.

3. There is a reasonable relationship between the amount of the fee and the cost of the region-serving facilities or portion of the region-serving facilities attributable to the development on which the fee is to be imposed.

4. The cost estimates set forth in the Nexus Report are reasonable cost estimates for constructing these facilities and that fees expected to be generated by future developments will not exceed the total costs of constructing the region-serving facilities identified in the Nexus Report.

E. The Agreement provides for the ability for the City of Lodi to recover the administration costs of collecting the fee and the remittance to the County, and staff recommends that this be a flat fee of $30.00 per fee transaction.

NOW, THEREFORE, BE IT RESOLVED that the following County Facilities Fee Schedule is hereby approved and adopted:

COUNTY FACILITIES FEES SCHEDULE
Regional Facilities

Residential	Per Unit
Single-Family	$ 1,400
Multi-Family	1,200

Non-Residential	Per Sq. Ft.
Retail Commercial	$ 0.32
Commercial/Office	0.28
Industrial	0.16

BE IT FURTHER RESOLVED, pursuant to the Agreement, the City of Lodi shall recover the administration costs of collecting the fee and the remittance to the County at a flat fee of $30.00 per fee transaction; and

BE IT FURTHER RESOLVED that this Resolution is contingent upon adoption of Ordinance No. 1758 which was introduced at the meeting of the Lodi City Council meeting held March 16, 2005; and

BE IT FURTHER RESOLVED that the effective date of this Resolution shall be sixty (60) days following the adoption of a comparable Resolution by the Board of Supervisors of the County of San Joaquin.

Dated: March 16, 2005

==========

I hereby certify that Resolution No. 2005-52 was passed and adopted by the City Council of the City of Lodi in a regular meeting held March 16, 2005, by the following vote:

AYES: COUNCIL MEMBERS – Hitchcock, Johnson, Mounce, and Mayor Beckman

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – Hansen

ABSTAIN: COUNCIL MEMBERS – None

SUSAN J. BLACKSTON
City Clerk

PROOF OF PUBLICATION

(2015.5 C.C.C.P.)

STATE OF CALIFORNIA

County of San Joaquin

I am a citizen of the United States and a resident of the County aforesaid: I am over the age of eighteen years and not a party to or interested in the above entitled matter. I am the principal clerk of the printer of the Lodi News-Sentinel, a newspaper of general circulation, printed and published daily except Sundays and holidays, in the City of Lodi, California, County of San Joaquin and which newspaper had been adjudicated a newspaper of general circulation by the Superior Court, Department 3, of the County of San Joaquin, State of California, under the date of May 26th, 1953. Case Number 65990; that the notice of which the annexed is a printed copy (set in type not smaller than non-pareil) has been published in each regular and entire issue of said newspaper and not in any supplement thereto on the following dates to-wit:

February 22nd, March 1st

all in the year 2005.

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Dated at Lodi, California, this 1st day of March, 2005

Signature

This space is for the County Clerk's Filing Stamp

Proof of Publication of

Notice of Public Hearing
City of Lodi, March 16th, 2005

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on Wednesday, March 16, 2005 at the hour of 7:00 p.m., or as soon thereafter as the matter may be heard, the City Council will conduct a Public Hearing at the Carnegie Forum, 305 West Pine Street, Lodi, to consider the following matter:

a) approving the Countywide Master Annexation Agreement with San Joaquin County and adoption of the County Facility Fee Program

Information regarding this item may be obtained in the office of the Community Development Department, 221 West Pine Street, Lodi, California. All interested persons are invited to present their views and comments on this matter. Written statements may be filed with the City Clerk at any time prior to the hearing scheduled herein, and oral statements may be made at said hearing.

If you challenge the subject matter in court, you may be limited to raising only those issues you or someone else raised at the Public Hearing described in this notice or in written correspondence delivered to the City Clerk, 221 West Pine Street, at or prior to the Public Hearing.

By Order of the Lodi City Council:
Susan J. Blackston
City Clerk

Dated: February 16, 2005
Approved as to form:
D. Stephen Schwabauer
City Attorney
February 22, Mar. 1, 2005
— 7552

8501492

7552

Please immediately confirm receipt of this fax by calling 333-6702

CITY OF LODI
P. O. BOX 3006
LODI, CALIFORNIA 95241-1910

ADVERTISING INSTRUCTIONS

SUBJECT: **SET PUBLIC HEARING FOR MARCH 16, 2005, TO CONSIDER APPROVING THE COUNTYWIDE MASTER ANNEXATION AGREEMENT WITH SAN JOAQUIN COUNTY AND ADOPTION OF THE COUNTY FACILITY FEE PROGRAM**

LEGAL AD

PUBLISH DATE: **TUESDAY, FEBRUARY 22, 2005 AND TUESDAY, MARCH 1, 2005**

TEAR SHEETS WANTED: **Three (3) please**

SEND AFFIDAVIT AND BILL TO:
SUSAN BLACKSTON, CITY CLERK
City of Lodi
P.O. Box 3006
Lodi, CA 95241-1910

DATED: THURSDAY, FEBRUARY 17, 2005

ORDERED BY:

Kari J. Chadwick
KARI J. CHADWICK
ADMINISTRATIVE CLERK

JACQUELINE L. TAYLOR, CMC
DEPUTY CITY CLERK

JENNIFER M. PERRIN, CMC
DEPUTY CITY CLERK

Verify Appearance of this Legal in the Newspaper – Copy to File

SEND PROOF OF ADVERTISEMENT. THANK YOU!!

Faxed to the Sentinel at 369-1084 at _____(time) on _____(date) _____(pages)
LNS _____ Phoned to confirm receipt of all pages at _____(time) ____Jac ___ KJC ___Jen (initials)

N:\Administration\CLERK\FORMS\Advins3.doc

CITY OF LODI

Carnegie Forum
305 West Pine Street, Lodi

NOTICE OF PUBLIC HEARING

Date: **March 16, 2005**

Time: **7:00 p.m.**

For information regarding this notice please contact:
Susan J. Blackston
City Clerk
Telephone: (209) 333-6702

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on **Wednesday, March 16, 2005** at the hour of 7:00 p.m., or as soon thereafter as the matter may be heard, the City Council will conduct a Public Hearing at the Carnegie Forum, 305 West Pine Street, Lodi, to consider the following matter:

a) approving the Countywide Master Annexation Agreement with San Joaquin County and adoption of the County Facility Fee Program

Information regarding this item may be obtained in the office of the Community Development Department, 221 West Pine Street, Lodi, California. All interested persons are invited to present their views and comments on this matter. Written statements may be filed with the City Clerk at any time prior to the hearing scheduled herein, and oral statements may be made at said hearing.

If you challenge the subject matter in court, you may be limited to raising only those issues you or someone else raised at the Public Hearing described in this notice or in written correspondence delivered to the City Clerk, 221 West Pine Street, at or prior to the Public Hearing.

By Order of the Lodi City Council:

Susan J. Blackston
City Clerk

Dated: **February 16, 2005**

Approved as to form:

D. Stephen Schwabauer
City Attorney

DECLARATION OF POSTING

SET PUBLIC HEARING FOR APPROVING THE COUNTYWIDE MASTER ANNEXATION AGREEMENT WITH SAN JOAQUIN COUNTY AND ADOPTION OF THE COUNTY FACILITY FEE PROGRAM

On Friday, February 18, 2005, in the City of Lodi, San Joaquin County, California, a copy of a Notice of Public Hearing to consider approving the Countywide Master Annexation Agreement with San Joaquin County and adoption of the County Facility Fee Program, (attached hereto, marked Exhibit "A"), was posted at the following four locations:

Lodi Public Library
Lodi City Clerk's Office
Lodi City Hall Lobby
Lodi Carnegie Forum

I declare under penalty of perjury that the foregoing is true and correct.

Executed on February 18, 2005, at Lodi, California

ORDERED BY:

SUSAN J. BLACKSTON
CITY CLERK

_____
Jacqueline L. Taylor, CMC
Deputy City Clerk

Kari J. Chadwick
Kari J. Chadwick
Administrative Clerk

_____
Jennifer M. Perrin, CMC
Deputy City Clerk

N:\Administration\CLERK\KJC\DECPOST3.DOC

DECLARATION OF MAILING

SET PUBLIC HEARING FOR MARCH 16, 2005, TO CONSIDER APPROVING THE COUNTYWIDE MASTER ANNEXATION AGREEMENT WITH SAN JOAQUIN COUNTY AND ADOPTION OF THE COUNTY FACILITY FEE PROGRAM

On February 18, 2005, in the City of Lodi, San Joaquin County, California, I deposited in the United States mail, envelopes with first-class postage prepaid thereon, containing a notice to set public hearing for March 16, 2005, to consider approving the Countywide Master Annexation Agreement with San Joaquin County and adoption of the County Facility Fee program, marked Exhibit "A"; said envelopes were addressed as is more particularly shown on Exhibit "B" attached hereto.

There is a regular daily communication by mail between the City of Lodi, California, and the places to which said envelopes were addressed.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on February 18, 2005, at Lodi, California.

ORDERED BY:

SUSAN BLACKSTON
CITY CLERK, CITY OF LODI

ORDERED BY:

JACQUELINE L. TAYLOR
DEPUTY CITY CLERK

JENNIFER M. PERRIN
DEPUTY CITY CLERK

Kari J. Chadwick
KARI J. CHADWICK
ADMINISTRATIVE CLERK

CITY OF LODI
CITY HALL, 221 W. PINE ST.
P. O. BOX 3006
LODI, CALIFORNIA 95241-1910

Kevin Sharrar
509 W. Weber Avenue, Suite 410
Stockton, CA 95203