DEVELOPMENT IMPACT FEE PROGRAM UPDATE

FINAL REPORT

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City of Goleta

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EXECUTIVE SUMMARY

Development impact fees provide a mechanism for new development projects to contribute financially to the one-time cost of improving and expanding the infrastructure and facilities needed to accommodate those projects. The City of Goleta (City) adopted the County of Santa Barbara's impact fees for the Goleta Planning Area when the City incorporated in 2002. The City has been updating the fees for inflation using the Construction Cost Index published by the Engineering News Record.

This report provides the supporting analysis for the City to update five existing impact fees, adopt one new fee, and leave one fee charged for a separate special district (fire) unchanged:

- Public administration facilities impact fee (update existing fee and integrate police facilities impact fee)
- Fire facilities impact fee (no change)
- Library facilities impact fee (update existing fee)
- Parks and recreation facilities impact fee and park dedication in-lieu (Quimby) fee (update existing fees)
- Transportation facilities impact fee (update existing fee)
- Bicycle and pedestrian facilities impact fee (new fee)
- Storm drain facilities impact fee (update existing flood control fee)

This update will also result in the following changes to the City's impact fee program (see **Table 1.1**):

- The existing police facilities impact fee is based on a County nexus study and will be rescinded. Any existing fund balance will be used to fund a police substation as part of the new civic center. Going forward, development impacts on police facilities are funded through the updated public administration facilities impact fee.
- The Santa Barbara County Fire Protection District provides fire services to the City and the existing fire development impact fee was developed by the District. The City is using fee revenues to construct Station No. 10. Once the station is completed, the City could consider rescinding the fee and revising the public administration facilities impact fee to fund additional impacts on fire facilities.
- The existing transportation impact fee that includes limited funding for bicycle and pedestrian facilities is being separated into a transportation

impact fee dedicated to vehicle traffic-related improvements and a bicycle and pedestrian impact fee for bicycle and pedestrian facilities.

- The existing flood control fee will be rescinded and replaced with a new storm drain fee to fund expanded storm drain capacity to accommodate development.

Table E.1: Revisions to Impact Fee Program

Current Fee	Proposed Fee	Notes
Public Administration	Public Administration	Public administration fee updated and integrates police facilities
Police		
Fire	Fire	Special district fee not updated; could integrate into public administration fee once Station No. 10 completed
Library	Library	Fee updated
Parks and Recreation[1]	Parks and recreation	Fee updated
Transportation	Transportation	Transportation fee updated; bike and pedestrian facilities funded by new fee
	Bicycle and Pedestrian	
Flood Control	Storm Drain	Fee updated to focus on need for expanded storm drain facilities

[1] Includes Quimby Act parkland dedication in-lieu fee.

Impact fees reflect existing levels of service (facility standards) and the cost of maintaining those standards as growth occurs. Levels of existing development and forecast growth used in this study are shown **Table E.2**.

The cost per resident and per worker to maintain existing facility standards as growth occurs are shown in **Table E.3**. Parks represent the highest per capita cost for residential development and transportation is the highest cost for non-residential development.

The updated fee schedules based on the per capita costs from **Table E.3** are shown below in **Table E.4**. The table also includes a comparison with the City's existing fee schedule. The summary section "Transportation + Bike & Ped." provides a better comparison with the existing transportation fee that also funded some bicycle and pedestrian improvements.

Table E.2: Goleta Growth Forecast, 2018-Buildout

Land Use	Existing *(2018)*[1]	Buildout	Growth *(% Buildout)*	
Residential (residents & dwelling units)				
Residents	31,664	40,574	8,910	*22%*
Single Family Detached	5,439	6,106	667	*11%*
All Other Residential	6,582	9,826	3,244	*33%*
Total Dwelling Units	12,021	15,932	3,911	*25%*
Non-residential (workers & 1,000 bldg. sq. ft.)				
Workers	24,410	35,035	10,625	*30%*
Retail / Commercial	3,212	4,570	1,358	*30%*
Office & Medical	2,959	4,989	2,030	*41%*
Industrial	6,607	7,561	954	*13%*
Total Bldg. Sq. Ft. *(1,000s)*	37,188	52,155	14,967	*29%*

Sources: Tables 2.1 and 2.3.

Table E.3: Existing Facility Standard Costs

Facility	Cost to Maintain Existing Facility Standard: Per Resident	Per Worker
Public Administration	$ 1,046	$ 209
Library	$ 325	$ 65
Parks	$ 4,034	$ 807
Transportation	$ 2,909	$ 5,690
Bicycle & Pedestrian	$ 1,048	$ 210
Storm Drain	$ 1,219	$ 853

Notes: Transportation costs based on "all other residential" (all but detached single family) and "general office" land use categories.
Sources: Tables 2.2, 2.4, 3.2, 4.2, 5.3, 6.1, 6.2, 6.4, 7.2, and 8.2.

Table E.4: Existing and Proposed Fee Schedule

Land Use Category	Units	Existing Fee (FY 2018-19)	Proposed Maximum Justified Fee	Difference (Proposed vs. Existing) Amount	Percent
Public Administration					
Single Family Detached	per DU	$ 2,254	$ 3,086	$ 832	37%
All Other Residential[1]	per DU	1,672	2,238	566	34%
Retail & Commercial	per KSF	791	487	(304)	(38%)
Office & Medical	per KSF	1,111	655	(456)	(41%)
Industrial	per KSF	1,111	243	(868)	(78%)
Police					
Single Family Detached	per DU	$ 581	$ -	$ (581)	(100%)
All Other Residential[1]	per DU	429	-	(429)	(100%)
Retail & Commercial	per KSF	405	-	(405)	(100%)
Office & Medical	per KSF	574	-	(574)	(100%)
Industrial	per KSF	574	-	(574)	(100%)
Library					
Single Family Detached	per DU	$ 508	$ 959	$ 451	89%
All Other Residential[1]	per DU	379	696	317	84%
Retail & Commercial	per KSF	180	151	(29)	(16%)
Office & Medical	per KSF	252	203	(49)	(19%)
Industrial	per KSF	252	75	(177)	(70%)
Parks & Recreation					
Residential Subdivisions (Quimby Act)					
Single Family Detached	per DU	$ 11,555	$ 14,998	$ 3,443	30%
All Other Residential[1]	per DU	11,555	10,880	(675)	(6%)
All Other Development (Mitigation Fee Act)					
Single Family Detached	per DU	$ 11,848	$ 11,900	$ 52	0%
Duplex/Triplex/4-plex	per DU	10,189	9,843	(346)	(3%)
Apartment	per DU	8,412	7,947	(465)	(6%)
Mobile Home	per DU	7,702	7,947	245	3%
Accessory Dwelling Unit	per DU	4,265	7,947	3,682	86%
Retail & Commercial	per KSF	1,832	1,880	48	3%
Office & Medical	per KSF	2,582	2,525	(57)	(2%)
Industrial	per KSF	2,582	936	(1,646)	(64%)
Storm Drain					
Single Family Detached	per DU	$ -	$ 3,596	$ 3,596	NA
All Other Residential[1]	per DU	-	2,609	2,609	NA
Retail & Commercial	per KSF	-	1,988	1,988	NA
Office & Medical	per KSF	-	2,671	2,671	NA
Industrial	per KSF	-	990	990	NA

Table E.4: Existing and Proposed Fee Schedule (continued)

Land Use Category	Units	Existing Fee (FY 2019-19)	Proposed Maximum Justified Fee	Difference (Proposed vs. Existing) Amount	Percent
Transportation (sample of land uses)					
Single Family Detached	per DU	$ 17,699	$ 12,077	$ (5,623)	(32%)
Apartment	per DU	10,948	7,487	(3,461)	(32%)
Hotel	per room	10,583	7,171	(3,412)	(32%)
Supermarket	per KSF	103,820	70,816	(33,004)	(32%)
General Office	per KSF	26,092	17,808	(8,284)	(32%)
General Light Industrial	per KSF	17,334	11,835	(5,499)	(32%)
Bicycle & Pedestrian					
Single Family Detached	per DU	$ -	$ 3,092	$ 3,092	NA
All Other Residential[1]	per DU	-	2,243	2,243	NA
Retail & Commercial	per KSF	-	488	488	NA
Office & Medical	per KSF	-	656	656	NA
Industrial	per KSF	-	243	243	NA
Transportation + Bike & Ped. Fees Combined (not an additional fee; for information only)					
Single Family Detached	per DU	$ 17,699	$ 15,169	$ (2,531)	(14%)
All Other Residential[1,3]	per DU	10,948	9,730	(1,218)	(11%)
Retail & Commercial[4]	per KSF	103,820	71,304	(32,516)	(31%)
Office & Medical[5]	per KSF	26,092	18,464	(7,628)	(29%)
Industrial[6]	per KSF	17,334	12,078	(5,256)	(30%)
All Updated Fees					
Single Family Detached	**per DU**	**$ 32,890**	**$ 34,710**	**$ 1,820**	**6%**
All Other Residential[1,3]	**per DU**	**23,617**	**25,116**	**1,499**	**6%**
Retail & Commercial[4]	**per KSF**	**107,028**	**75,810**	**(31,218)**	**(29%)**
Office & Medical[5]	**per KSF**	**30,611**	**24,518**	**(6,093)**	**(20%)**
Industrial[6]	**per KSF**	**21,853**	**14,322**	**(7,531)**	**(34%)**

Notes: "DU" = dwelling unit; "KSF" = thousand building square feet.
The fire impact fee collected for a separate special district is not included in this update.

[1] Includes detached and attached accessory dwelling units.

[2] Existing flood control fee not included because the fee has not been applied to development projects to date.

[3] Parks and transportation fees based on "Apartment" category.

[4] For transportation fee, based on supermarket category.

[5] For transportation fee, based on general office category.

[6] For transportation fee, based on general light industrial category.

Sources: City of Goleta Fee Schedule, FY 2018-19; Tables 3.3, 4.3, 5.4, 6.1, 6.2, 6.4, 7.3, and 8.2.

1. INTRODUCTION

Background

Development impact fees provide a mechanism for new development projects to contribute financially to the one-time cost of improving and expanding the infrastructure and facilities needed to accommodate that development. Impact fees are commonly used by local agencies throughout California and in many other states as one of many funding sources for capital improvement programs. Fees are a one-time, non-recurring revenue source paid at the time of development impact, typically at issuance. certificate of occupancy.[1]

The City adopted the County of Santa Barbara's impact fees for the Goleta Planning Area when the City incorporated in 2002. The City has been updating the fees for inflation using the Construction Cost Index published by the Engineering News Record.

This report provides the supporting analysis for the City to update five existing impact fees, adopt one new fee, and leave one fee charged for a separate special district (fire) unchanged:

- Public administration facilities impact fee (update existing fee and integrate police facilities impact fee)
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This update will also result in the following changes to the City's impact fee program (see **Table 1.1**):

- The existing police facilities impact fee is based on a County nexus study and will be rescinded. Any existing fund balance will be used to fund a police substation as part of the new civic center. Going forward,

[1] If there is no certificate of occupancy, such a change of use that does not require a building permit, the fee would be paid prior to the land use permit. Quimby fees are due at the time of map recordation according to the Quimby Act.

development impacts on police facilities are funded through the updated public administration facilities impact fee.

- The Santa Barbara County Fire Protection District provides fire services to the City and the existing fire development impact fee was developed by the District. The City is using fee revenues to construct Station No. 10. Once the station is completed, the City could consider rescinding the fee and revising the public administration facilities impact fee to fund additional impacts on fire facilities.
- The existing transportation impact fee that includes limited funding for bicycle and pedestrian facilities is being separated into a transportation impact fee dedicated to vehicle traffic-related improvements and a bicycle and pedestrian impact fee for bicycle and pedestrian facilities.
- The existing flood control fee will be rescinded and replaced with a new storm drain fee to fund expanded storm drain capacity to accommodate development.

Table 1.1: Revisions to Impact Fee Program

Current Fee	Proposed Fee	Notes
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Flood Control	Storm Drain	Fee updated to focus on need for expanded storm drain facilities

[1] Includes Quimby Act parkland dedication in-lieu fee.

Study Objectives

California local agencies may adopt impact fees under authority granted by the Mitigation Fee Act (the Act), contained in Sections 66000 et seq. of the

California Government Code. The primary purpose of this report is to substantiate the findings required by the Act for adopting or increasing an impact fee.

The Act requires the following key findings to be made before a local agency adopts or increases a fee imposed on a development project:

1. **Impact:** Reasonable relationship between new development and need for public facilities.[2] This finding demonstrates the impacts of new development on the demand for public facilities.
2. **Benefit:** Reasonable relationship between new development and the use of fee revenue for public facilities to accommodate that development.[3] This finding demonstrates how the use of fee revenues for public facilities benefits new development.
3. **Proportionality:** Reasonable relationship between the amount of the fee and the proportionate cost of public facilities attributable to new development.[4] This finding demonstrates how the fee on a development project is proportionate to the development project's impacts that create demand for the public facility.

Together these three key findings define the nexus among the impact of development, the amount of the fee, and the use of fee revenues.

Nexus Analysis Approach

The approach taken by this nexus analysis for all impact fees except the transportation impact fee includes the following steps:

1. Determine the population served by the facilities (service population).
2. Identify the existing facility standard to document the impact of new development on the need for additional facilities (finding #1, above).
3. Calculate the fee schedule necessary to maintain the facility standard (finding #3, above).
4. Describe the types of facilities eligible for funding with fee revenue (finding #2, above).

The basis for the service population are estimates of existing and buildout population and employment in the city and are provided in Chapter 2. The

[2] Government Code, section 66001(a)(3).

[3] Government Code, section 66001(a)(4).

[4] Government Code, section 66001(b).

following six chapters (Chapters 3 through 8) provide for each impact fee and analysis necessary to substantiate the findings described above.

For the transportation fee, a slightly different approach was employed with the use of travel demand modeling:

1. Use the same citywide growth forecast as the other five fees put in the context of a region-wide forecast.
2. Use the regional growth forecast in a regional travel demand model to identify the capital improvements necessary to maintain level of service on the city's roadways based on measures of vehicle congestion (finding #1, above).
3. Estimate the cost of needed capital improvements, and the share associated with growth within the city versus growth elsewhere in the region (finding #2, above).
4. Calculate the fee schedule necessary to fund that city's cost share (finding #3, above).

Each fee chapter includes a schedule of maximum justified fees by land use category. The City may adopt any fee up to the amount shown in each fee schedule for each land use category. Any fee below the maximum justified amount need not be consistent in absolute or percentage terms across land use categories for any given fee.

Finally, the Act also requires findings regarding (1) the purpose of the fee, and (2) a description of the public facilities to be funded by the fee.[5] The purpose of each impact fee is to accommodate the impacts of new development by funding the expansion of the City's existing facilities. The types of facilities funded by each fee are described in the respective chapter of this report and more detail is provided in the City's current five-year Capital Improvement Program (CIP). The transportation fee is based on a comprehensive long-range list of specific improvements that is included in Chapter 6.

[5] *Ibid.*, sections 66001(a)(1) and 66001(a)(2).

2. GROWTH FORECAST

This chapter describes the growth forecast and related assumptions used as a basis for measuring the impact of development on the need for public facilities, including:

- Estimates of existing land use in 2018 and for buildout of the city under the current General Plan in terms of dwelling units and nonresidential building square feet.
- Estimates of population and employment from growth based on occupant density assumptions (residents per dwelling unit and workers per thousand square feet) that translate dwelling units and building square feet to residents and workers.
- Estimates of the need for public facilities to accommodate growth based on growth in the population served ("service population") by the various public facilities included in this impact fee program update.

The nexus analysis for each fee presented in subsequent chapters uses these estimates to determine facility standards and estimate facility needs and fee revenues.

Growth Forecast

Existing land use and buildout of the City's current General Plan expressed in terms of housing units and building space are shown in in **Table 2.1**. Existing dwelling units by type are based on January 1, 2018 estimates from the California Department of Finance (DOF). Buildout dwelling units and existing and buildout workers by land use type are based on estimates used in the Goleta travel demand model. As shown in **Table 2.1**, the travel demand model uses very detailed estimates of employment by land use category, including 11 retail/commercial categories, three office/medical categories, and three industrial categories.

The nexus analysis uses occupant density assumptions (residents per dwelling unit and workers per thousand square feet of nonresidential building space) to establish the relationship between development projects and the demand for public facilities and services. Occupant density assumptions vary by land use category to differentiate the impact of development on the need for public facilities. Differentiating fees by land use assists in supporting a reasonable relationship between the amount of the fee and the proportionate cost of public facilities attributable to new development.

Table 2.1: Growth Forecast (dwelling units & building space)

Land Use	Existing (2018)[1]	Buildout	Growth	(% Buildout)
Residential (dwelling units)				
Single Family Detached	5,439	6,106	667	11%
All Other Residential	6,582	9,826	3,244	33%
Total Residential	**12,021**	**15,932**	**3,911**	**25%**
Retail / Commercial (1,000 sq. ft.)				
Auto Services	424	499	75	15%
Banks	23	28	5	18%
Fast Food Restaurants	35	35	-	0%
Hotels[2]	410	664	254	38%
Indoor Recreation	254	368	114	31%
Shopping Mall			-	NA
Neighborhood Commercial	1,084	1,810	726	40%
Regional Commercial	491	528	37	7%
Resort Hotel[3]	281	329	48	15%
Restaurants	210	244	34	14%
Theater	-	65	65	NA
Subtotal	3,212	4,570	1,358	30%
Office & Medical (1,000 sq. ft.)				
Hospitals	101	161	60	37%
Medical	70	156	86	55%
Office	2,788	4,672	1,884	40%
Subtotal	2,959	4,989	2,030	41%
Industrial (1,000 sq. ft.)				
Heavy Industrial	274	418	144	34%
Light Industrial	6,333	7,077	744	11%
Research & Development	-	66	66	NA
Subtotal	6,607	7,561	954	13%
Total Non-residential	**12,778**	**17,120**	**4,342**	**25%**

[1] Nonresidential estimates for 2018 based on travel demand model data for 2013. The amount of subsequent development would not materially affect the nexus analysis in this report.

[2] Land use data for hotel rooms (630 existing, 1,022 buildout, and 392 growth) converted to building square feet at 650 square feet per room.

[3] Land use data for resort hotel rooms (360 existing, 422 buildout, and 62 growth) converted to building square feet at 780 square feet per room.

Sources: State of California, Department of Finance, *E-5 Population and Housing Estimates for Cities, Counties and the State — January 1, 2011- 2018*, Sacramento, California, May 2018; Goleta Traffic Model land use scenarios (2013 and General Plan buildout); Jan A. DeRoos, *Planning and Programming a Hotel*, Cornell University, 2011.

The occupant density assumptions used in this nexus analysis are based on the latest citywide population and housing estimates prepared by the U.S. Census Bureau, and surveys of nonresidential land uses in the Los Angeles metropolitan area. These assumptions are shown in **Table 2.2**. The occupant density assumption for the All Other Residential category is the weighted average of the four sub-categories shown below it.

Table 2.2: Occupant Density

Land Use				
Residential				
Single Family Detached	2.95	persons / DU		
All Other Residential	2.14	persons / DU		
Duplex/Triplex/4-plex	2.44	persons / DU		
Apartment	1.97	persons / DU		
Mobile Home	1.97	persons / DU		
Accessory Dwelling Unit[1]	1.97	persons / DU		
Nonresidential				
Retail & Commercial	430	sq. ft. / worker	2.33	worker / KSF
Office & Medical	320	sq. ft. / worker	3.13	worker / KSF
Industrial	861	sq. ft. / worker	1.16	worker / KSF

Notes: "DU" is dwelling units and "KSF" is thousand square feet.

[1] Includes detached and attached accessory dwelling units. Estimated at same occupant density as Apartment category.

Sources: U.S. Census Bureau, 2012-2016 American Community Survey 5-Year Estimates, Tables B25033 and DP04; The Natelson Company, *Employment Density Survey Summary Report,* prepared for Southern California Association of Governments, October 31, 2001; Urban Economics

Existing land use and buildout of the City's current General Plan expressed in terms of residents and workers is shown in in **Table 2.3**. Total existing population is consistent with January 1, 2018 estimates by the California Department of Finance. Existing and buildout population by dwelling unit type, and existing and buildout workers by land use type, are based on the occupant density assumptions shown in **Table 2.2**.

New Development and Facilities Demand

Service population is a measure of the number of users or beneficiaries of a public service and the related public facilities required to deliver that service. Vehicle trip generation is the common measure of demand for transportation facilities. Service population and trip generation are commonly used and reasonable indicators of the impact of new development on the need for new or expanded facilities.

Table 2.3: Growth Forecast (residents & workers)

Land Use	Existing (2018)	Buildout	Growth	(% Buildout)
Residents[1]				
Single Family Detached	16,045	18,013	1,968	*11%*
All Other Residential	15,619	22,561	6,942	*31%*
Total	31,664	40,574	8,910	*22%*
Workers				
Retail & Commercial	7,484	10,648	3,164	*30%*
Office & Medical	9,262	15,616	6,354	*41%*
Industrial	7,664	8,771	1,107	*13%*
Total	24,410	35,035	10,625	*30%*

[1] Excludes group quarters population, e.g. assisted care facilities and dormitories.

Sources: State of California, Department of Finance, *E-5 Population and Housing Estimates for Cities, Counties and the State — January 1, 2011- 2018*, Sacramento, California, May 2018; Tables 2.1 and 2.2.

Service population is typically composed of residents plus workers. To equate residents and workers in a single measure of service population, workers are weighted by a factor to reflect the potential demand for public facilities from businesses and their workers relative to demand from residents.

This nexus analysis uses three separate approaches to measure the impacts of growth on public facilities:

1. The types of facilities covered by the public administration, library, parks, and bicycle & pedestrian impact fees have reasonably similar service populations. All of these facilities are generally associated with recreational and some business uses, tend to be used during certain parts of the day, and face similar levels of demand from workers relative to residents. Therefore, the same service population is used for all four of these impact fees.
2. A separate service population is calculated for storm drain facilities because these facilities provide 24-hour protection to property. This characteristic results in a different ratio of demand from non-residential versus residential land uses than used for the public facilities covered in #1, above.
3. Demand for transportation facilities is based on trip generation rates applied to residential and non-residential land uses.

The approach summarized above reflects the same approach used in the County of Santa Barbara's fee program that the City adopted upon incorporation in 2002.

The next section describes the approach used in this study to measure service population for the public administration, library, parks, bicycle & pedestrian, and storm drain facilities. See Chapter 6 for further explanation of how transportation demand is measured for the nexus analysis.

Service Population

Household population is used to represent public facility demand for residential land uses. Household population excludes persons living in group quarters. Group quarters include, for example, dormitories, adult care facilities, and detention facilities. The population in group quarters is excluded from the calculation of service population because these uses tend to be non-residential. This nexus analysis uses the employment associated with these non-residential uses to reflect their relative level of public facility demand.

Workers are used to represent service demand from nonresidential land uses. Workers include employees, partners, and owners. The city's existing and buildout resident and worker populations are shown in **Table 2.3**, above.

Surveys by other local government agencies have indicated that the demand for public services from one worker is typically less than the demand from one resident. This result is reasonable because nonresidential buildings are typically occupied less intensively (fewer hours of the day) than housing units.

This nexus analysis assumes that a worker represents demand for public administration, library, park, and bicycle & pedestrian facilities at a ratio of 0.20 relative to a resident. The ratio of worker-to-resident demand for storm drain facilities is 0.70. These factors are based on the types of facilities funded by these impact fees, the demand for and benefit provided by these facilities to workers versus residents, and user surveys conducted in other cities. For residents that both live and work in the city, the demand for public facilities is reflected at both the residential and non-residential location because both those locations generate facility demand.

The service populations used in this impact fee update are shown in **Table 2.4**.

Table 2.4: Service Population

Land Use	Existing (2018)	Buildout	Growth (% Buildout)	
Public Administration, Library, Park & Bike/Ped. Facilities				
Residents *(a)*	31,664	40,574	8,910	
Workers *(b)*	24,410	35,035	10,625	
Relative Demand/Benefit *(c)*	0.20	0.20	0.20	
Service Population *(a + (b x c))*	36,546	47,581	11,035	*23%*
Storm Drain Facilities				
Residents *(d)*	31,664	40,574	8,910	
Workers *(e)*	24,410	35,035	10,625	
Relative Demand/Benefit *(f)*	0.70	0.70	0.70	
Service Population *(d + (e x f))*	48,751	65,099	16,348	*25%*

Sources: Urban Economics; Table 2.3.

3. PUBLIC ADMINISTRATION FACILITIES

This chapter provides the updated nexus analysis, fee schedule, and estimated revenue for the public administration facilities impact fee. Public administration facilities include all facilities not otherwise associated with the nexus analysis for any of the City's other impact fees. Therefore, public administration facilities include a range of facilities such as community centers, corporation yards, police substations, and recreation facilities not associated with typical park development costs (see Chapter 5, *Park and Recreation Facilities*).

Facility Standards

Nexus analyses for impact fees often use an existing capital asset facility standard ("facility standard") that is based on the ratio of a city's existing capital assets to the existing population served by those facilities. This approach is based solely on available data (existing inventory of capital assets and existing service population estimates). The facility standard also commonly referred to as a "level of service" standard is not based on adopted policy such as standards contained in a city's General Plan or state statute, nor is it based on recommendations from the professional literature.

The existing capital asset facility standard provides a reasonable relationship between new development and the need for additional public facilities. The resulting impact fee funds the expansion of public facilities at a rate sufficient to maintain the existing ratio of facilities to service population as growth occurs.

The advantage of using an existing capital asset facility standard is that by definition there is no existing deficiency. An existing deficiency exists when new development is funding, through an impact fee, a facility standard that is higher than the existing capital asset standard. Facility standards based on adopted level of service policies, such as those contained in a general plan, are often higher than existing standards. If an impact is designed to fund new development's share of that higher standard, then the local agency must use other funding sources for the share of improvements needed to correct the deficiency. If not, the agency risks new development partially funding the deficiency and overpaying for a higher standard that is

not achieved. The Mitigation Fee Act specifically prohibits the use of fees to correct existing deficiencies in public facilities.[6]

The use of existing capital assets to determine the facility standard is the approach used in all fees documented in this report except the transportation impact fee (see Chapter 6).

The City's existing capital asset inventory of public administration facilities and associated land is shown in **Table 3.1**. As mentioned above, this inventory includes all facilities not otherwise associated with the nexus analysis for any of the City's other impact fees.

The public administration facility standard and associated costs are shown in **Table 3.2**. Service population is from **Table 2.4**. Replacement costs are based on the average of values used in seven recent (since 2013) development impact fee nexus studies for jurisdictions in California. To be conservative, these values were not adjusted for cost inflation since the specific study was conducted. Land cost reflects a conservative estimate of $1,000,000 per acre based on a median sales price of $3,000,000 per acre for current vacant or mostly vacant properties listed for sale in and around the City at the time of this study. Total costs include a five percent charge for fee program administration based on typical charges by other jurisdictions in California.

As shown in the table, the City has an existing capital asset facility standard composed of 1.40 and 0.31 square feet per capita for civic and utility buildings, respectively, plus 14.67 square feet of land per capita. The total cost for new development to maintain this facility standard is $1,009 per capita including fee program administration costs.

Fee Schedule

The updated public administration facilities impact fee is in shown in **Table 3.3**. The fee is based on the cost per capita shown in **Table 3.2** necessary to maintain the City's existing capital asset facility standard.

Use of Fee Revenue

Estimated fee revenue through buildout based on the growth forecast presented in Chapter 2 is shown in **Table 3.4**.

[6] Government Code, section 66001(g).

Table 3.1: Existing Public Administration Facilities

Facility	Address	Use	Bldg. Type	Parcel *(acres)*	Building *(sq. ft.)*
Goleta Valley Community Center				9.84	
Main Bldg. / Goleta Community Center	5679 Hollister Ave.	Community center	Civic		19,607
Classroom Bldg. - North (site-built)	5689 Hollister Ave.	Youth services	Civic		6,851
Classroom Bldg. - North (pre-fabricated)	5689 Hollister Ave.	Youth services	Utility		3,884
Classroom Bldg. - South (pre-fabricated)	5717 Hollister Ave.	Youth services	Utility		2,970
Classroom Bldg. - West (site-built)	5681 Hollister Ave.	Youth services	Civic		5,376
Subtotal					38,688
Parking Lot	Orange Ave.	Parking lot	NA	0.15	-
Public Works Corporation Yard	6735 Hollister Ave.		Utility	2.32	4,000
Rancho La Patera & Stow House				Note 1	
Historic Train Depot	300 North Los Carneros Rd.	Museum, offices	Civic		5,000
Stow House	304 North Los Carneros Rd.	Museum	Civic		7,440
Caretaker's Residence	304 North Los Carneros Rd.	Residence	Civic		680
Garage	304 North Los Carneros Rd.	Visitor center	Civic		1,000
Bunk House	304 North Los Carneros Rd.	Administrative office	Civic		660
Packing Shed	304 North Los Carneros Rd.	Museum	Civic		3,180
Subtotal					17,960
Stow Grove Park				Note 1	
Caretaker's Residence & Garage	580 La Patera Lane		Civic		1,200
Restroom Building	580 La Patera Lane		Civic		200
Storage Shed	580 La Patera Lane		Utility		600
Subtotal					2,000
All Facilities					
Civic Buildings					51,194
Utility Buildings					11,454
Total				12.31	62,648

[1] Land included in parkland inventory.

Sources: Facility Reserve Studies (various), prepared by EMG for City of Goleta, 2010.

Table 3.2: Public Administration Facility Standard and Costs

Facility Type	Existing Facilities Inventory *(sq. ft.)*	Existing Service Population	Existing Facility Standard *(sq. ft. per capita)*	Average Replacement Cost *(per sq. ft.)*[1]	Total Cost *(per capita)*
Civic Buildings	51,194	36,546	1.40	$400	$ 560
Utility Buildings	11,454	36,546	0.31	200	62
Land	536,224	36,546	14.67	23	337
Subtotal					$ 959
Program Administration (5% of total)					50
Total					$ 1,009

[1] Building replacement costs based on values used in similar studies for jurisdictions in California. Land cost reflect recent land sales in and around the City.

Sources: Urban Economics; Tables 2.4 and 3.1.

Table 3.3: Public Administration Facilities Impact Fee

Land Use Category	Cost per Capita	Occupant Density	Relative Demand	Maximum Justified Fee
Residential				
Single Family Detached	$ 1,009	2.95 persons per DU	1.00	$2,977 per DU
All Other Residential[1]	1,009	2.14 persons per DU	1.00	2,159 per DU
Nonresidential				
Retail & Commercial	$ 1,009	2.33 workers per KSF	0.20	$ 470 per KSF
Office & Medical	1,009	3.13 workers per KSF	0.20	632 per KSF
Industrial	1,009	1.16 workers per KSF	0.20	234 per KSF

Notes: "DU" = dwelling unit; "KSF" = thousand building square feet.

[1] Includes attached and detached accessory dwelling units.

Sources: Tables 2.2, 2.4, and 3.2.

Table 3.4: Public Administration Facilities Impact Fee Revenue

Land Use Category	Growth *(2018-Buildout)*[1]	Maximum Justified Fee[2]	Revenue *(2017-Buildout)*
Residential			
Single Family Detached	667	$ 2,977	$ 2,000,000
All Other Residential	3,244	2,159	7,000,000
Subtotal	3,911		$ 9,000,000
Nonresidential			
Retail & Commercial	1,358	$ 470	$ 600,000
Office & Medical	2,030	632	1,300,000
Industrial	954	234	200,000
Subtotal	4,342		$ 2,100,000
Total			$11,100,000

[1] Dwelling units for residential and thousand building square feet for nonresidential land uses.

[2] Per dwelling unit for residential and per thousand building square foot for nonresidential land uses.

Sources: Table 2.1 and 3.3.

The need for expanded public facilities to accommodate new development is based on all facilities and related services not otherwise associated with the nexus analysis for any of the City's other impact fees. Thus, the City may use public administration facilities impact fee revenue to fund any capital project that (1) expands the ability of the City to deliver services and therefore accommodate new development, and (2) cannot otherwise be funded by any of the City's other development impact fees**.** Refer to the City's current Capital Improvement Program for the anticipated use of fee revenue to fund capital projects within the next five years.

If revenue is used to replace an existing facility without expanding capacity, the project provides a joint benefit to existing and new development. In this case then the fee can fund only 23 percent of project costs based on new development as a share of total development at buildout (see **Table 2.4**).

The City must allocate five percent of fee revenue to program administration. Administration costs include costs to collect and account for fee revenue, and costs to comply with the Mitigation Fee Act such as annual and five-year reporting requirements. The City should monitor its actual program administration costs and adjust this charge accordingly when the impact fee is updated in the future.

4. LIBRARY FACILITIES

This chapter provides the updated nexus analysis, fee schedule, and estimated revenue for the library facilities impact fee. Library facilities include the City's single library and its collection of materials.

Facility Standards

The library facilities impact fee uses the City's existing capital assets to determine the facility standard and provide a reasonable relationship between new development and the need for additional library facilities. The resulting impact fee would fund the expansion of library facilities at a rate sufficient to maintain the existing ratio of facilities to service population as growth occurs. See the *Facility Standard* section in Chapter 3 for more explanation of this approach.

The City's existing capital asset inventory of library facilities is shown in **Table 4.1**.

Table 4.1: Existing Library Facilities

Facility	Address	Building Type	Amount	
Building	500 North Fairview Ave.	Civic	15,773	square feet
Materials	500 North Fairview Ave.		97,000	volumes[1]
Land	500 North Fairview Ave.		2.07	acres

[1] Includes books, DVDs, etc.

Sources: Facility Reserve Study, prepared by EMG for City of Goleta, 2010.

The library facility standard and associated costs are shown in **Table 4.2**. Service population is from Table 2.4. Building and materials replacement costs are based on values used in similar studies for jurisdictions in California. Land cost reflect recent land sales in and around the City. Total costs include a five percent charge for fee program administration.

As shown in the table, the City has an existing capital asset facility standard composed of 0.43 square feet of library space and 2.65 volumes per 1,000 capita, plus 2.47 square feet of land per capita. The total cost for new development to maintain this facility standard is $325 per capita including fee program administration costs.

Table 4.2: Library Facility Standards and Costs

Facility Type	Existing Facilities Inventory (units)	Existing Service Population	Existing Facility Standard (units per capita)	Average Replacement Cost (per unit)[1]	Total Cost (per capita)
Building	15,773 sq. ft.	36,546	0.43	$ 400	$ 172
Materials	97,000 sq. ft.	36,546	2.65	30	80
Land	90,169 sq. ft.	36,546	2.47	23	57
Subtotal					$ 309
Program Administration (5% of total)					16
Total					$ 325

[1] Building and materials replacement costs based on values used in similar studies for jurisdictions in California. Land cost reflect recent land sales in and around the City.

Sources: Urban Economics; Tables 2.4 and 4.1.

Fee Schedule

The updated library facilities impact fee is shown in **Table 4.3**. The fee is based on the cost per capita shown in **Table 4.2** necessary to maintain the City's existing capital asset facility standard.

Table 4.3: Library Facilities Impact Fee Schedule

Land Use Category	Cost per Capita	Occupant Density	Relative Demand	Maximum Justified Fee
Residential				
Single Family Detached	$ 325	2.95 persons per DU	1.00	$959 per DU
All Other Residential[1]	325	2.14 persons per DU	1.00	696 per DU
Nonresidential				
Retail & Commercial	$ 325	2.33 workers per KSF	0.20	$151 per KSF
Office & Medical	325	3.13 workers per KSF	0.20	203 per KSF
Industrial	325	1.16 workers per KSF	0.20	75 per KSF

[1] Includes attached and detached accessory dwelling units.

Sources: Tables 2.2, 2.4, and 4.2.

Use of Fee Revenue

Estimated fee revenue through buildout based on the growth forecast presented in Chapter 2 is shown in **Table 4.4**.

Table 4.4: Library Facilities Impact Fee Revenue

Land Use Category	Growth (2018-Buildout)[1]	Maximum Justified Fee[2]	Revenue (2017-Buildout)
Residential			
Single Family Detached	667	$ 959	$ 600,000
All Other Residential	3,244	696	2,300,000
Subtotal	3,911		$ 2,900,000
Nonresidential			
Retail & Commercial	1,358	$ 151	$ 200,000
Office & Medical	2,030	203	400,000
Industrial	954	75	100,000
Subtotal	4,342		$ 700,000
Total			$ 3,600,000

[1] Dwelling units for residential and thousand building square feet for nonresidential land uses.

[2] Per dwelling unit for residential and per thousand building square foot for nonresidential land uses.

Sources: Table 2.1 and 4.3.

The City may use library facilities impact fee revenue to fund any capital project, or to purchase equipment or volumes, that expands the capacity of the City's library facilities. The Goleta Library currently is in need of additional space to accommodate its growing physical collection of materials.

The City's five-year Capital Improvement Program (CIP) may indicate the anticipated use of fee revenue. However, the current CIP does not have any library capital projects because fee revenue is likely to be dedicated to the expansion of the library's collection of materials such as books and DVDs, reflecting recent practice. These expenditures are programmed through the operating budget not the CIP.

Capital projects that address changing service demands, such as the reconfiguration of existing library space, as opposed to increasing service demands, benefit both existing and new development. Therefore, impact fee revenue for these types of projects must be combined with other funding sources so that new development only pays for a fair share of total capital costs. Service population from growth is forecast to be 23 percent of total service population at buildout (see **Table 2.4**), so the share of costs for joint benefit projects funded with the impact fee should be limited to 23 percent.

The City must also allocate five percent of fee revenue to program administration. Administration costs include costs to collect and account for fee revenue, and costs to comply with the Mitigation Fee Act such as annual

and five-year reporting requirements. The City should monitor its actual program administration costs and adjust this charge accordingly when the impact fee is updated in the future.

5. PARK & RECREATION FACILITIES

This chapter provides the updated nexus analysis, fee schedule, and estimated revenue for the park and recreation facilities impact fee. Park and recreation facilities include the City's developed and undeveloped parks plus the City's open space. The City also has a parkland dedication in-lieu fee that is governed by Government Code section 66477, also known as the Quimby Act. This chapter also explains the relationship between the impact fee and the Quimby in-lieu fee.

Facility Standards

This section explains both the existing capital asset facility standard and the Quimby Act standard for park facilities. These standards are both based on the City's existing inventory of improved parklands, unimproved parklands, and open space as shown in **Table 5.1**.

Existing Capital Asset Standard

The park and recreation facilities impact fee uses the City's existing capital assets to determine the facility standard and provide a reasonable relationship between new development and the need for additional park facilities. The resulting impact fee would fund the expansion of park facilities at a rate sufficient to maintain the existing ratio of facilities to service population as growth occurs. See the *Facility Standard* section in Chapter 3 for more explanation of this approach.

This fee program update calculates three components that combined represent the City's existing parkland standard:

- Improved parkland per capita
- Total parkland (improved and unimproved) per capita
- Open space per capita.

Table 5.1: Park Inventory (acres)

Park	Unimproved	Improved	Total Parkland	Open Space	Total
Andamar	0.82	1.63	2.45	-	2.45
Armitos	1.25	0.23	1.48	-	1.48
Armstrong	-	0.46	0.46	-	0.46
Bella Vista I & II	-	4.27	4.27	-	4.27
Berkeley/Emerald Terrace	-	4.20	4.20	-	4.20
Brandon	2.22	-	2.22	-	2.22
Campus Glen	6.31	-	6.31	-	6.31
Evergreen	22.32	6.40	28.72	-	28.72
Community Center Parcel	-	0.96	0.96	-	0.96
Koarts Apartments	6.60	-	6.60	-	6.60
La Goleta	6.06	-	6.06	-	6.06
Lake Los Carneros	-	5.53	5.53	134.46	139.99
Mathilda	-	0.16	0.16	-	0.16
Nectarine	-	0.13	0.13	-	0.13
Oro Verde	6.96	-	6.96	-	6.96
San Miguel	4.97	0.81	5.78	-	5.78
SB Shores	7.15	0.49	7.64	-	7.64
Sperling Preserve/Ellwood Mesa	-	0.86	0.86	217.82	218.68
Stonebridge	2.60	-	2.60	-	2.60
Stow Grove	-	11.10	11.10	-	11.10
Stow Tennis Courts	-	2.68	2.68	-	2.68
Winchester 1	3.04	0.32	3.36	-	3.36
Winchester 2	-	1.20	1.20	-	1.20
University Village Walkway	-	3.16	3.16	-	3.16
Covington Walkway	3.38	-	3.38	-	3.38
Hollister/Kellogg Park	3.98	-	3.98	-	3.98
Total	**77.66**	**44.59**	**122.25**	**352.28**	**474.53**

Notes: "Unimproved" reflects lands that could be improved given adequate funding. "Open Space" reflects lands that are planned as open space or would not be cost effective to improve due to topography.

Sources: City of Goleta.

Quimby Act Standard

The Quimby Act[7] allows local agencies to require certain residential projects to dedicate parkland or pay a fee in lieu of dedication. Compared to impact fees adopted pursuant to the Mitigation Fee Act, Quimby Act land dedication and in-lieu fees:

[7] Government Code, section 66477.

- Can only apply to residential projects that require a tentative or parcel map (typically any type of subdivision)
- Cannot be based on a service population that includes workers and therefore Quimby fees cannot apply to nonresidential development
- Cannot include park development costs
- Cannot include open space.

The Quimby Act allows a local agency to require dedication of three to five acres of unimproved parkland per 1,000 residents based on the development project's estimated residential population. A local agency may require a minimum of three acres of unimproved parkland per 1,000 residents regardless of the agency's existing parkland standard. This standard is the ratio of existing improved and unimproved neighborhood and community parkland to existing residents and excludes open space.

The agency may require dedication of up to five acres of unimproved parkland per 1,000 residents if the existing parkland standard supports that higher level. The agency may not require dedication at a standard greater than five acres per 1,000 residents regardless of the agency's existing parkland standard.

The local agency may allow payment of a fee in lieu of parkland dedication based on the cost of land acquisition but not the cost of park development. This in-lieu fee is exempt from the Mitigation Fee Act.[8] The Act contains no language that prohibits an agency from adopting an impact fee to fund park development costs and open space acquisition, in addition to the Quimby dedication requirement or in-lieu fee. Thus, the agency may adopt both approaches to ensure that the combined requirements address all development impacts.

Summary

The parkland standards applicable to the Mitigation Fee Act and the Quimby Act are shown in **Table 5.2**. Service population is from **Table 2.4**. Service population includes residents and workers for the Mitigation Fee Act standard but only residents for the Quimby Act standard.

As shown in the table, the City has an existing parkland standard under the Mitigation Fee Act composed of 1.22 acres of improved parkland, 3.35 acres of total parkland, and 9.64 acres of open space per 1,000 capita.

The Quimby Act standard based only on existing residents and parkland is 3.86 acres per 1,000 residents. The Quimby Act standard is slightly higher

[8] *Ibid.*, sections 66000(b)

than the comparable Mitigation Fee Act standard (3.86 versus 3.35 acres) for total parkland because the former is based on only residents and does not include workers. This approach results in a higher ratio of acres per capita. Because this standard is between the minimum and maximum Quimby Act standards (three to five acres per 1,000 residents), this standard is the maximum amount that the City can require in parkland dedication.

Table 5.2: Park Facility Standards

Facility Type	Existing Facilities Inventory *(units)*		Existing Service Population[1]	Existing Facility Standard	
Mitigation Fee Act Park Facilities Standard					
Improved Parkland	44.59	acres	36,546	1.22	*acres / 1,000 capita*
Total Parkland	122.25	acres	36,546	3.35	*acres / 1,000 capita*
Open Space	352.28	acres	36,546	9.64	*acres / 1,000 capita*
Quimby Act Parkland Dedication Standard					
Total Parkland	122.25	acres	31,664	3.86	*acres / 1,000 capita*

[1] Service population is based on residents and workers for the Mitigation Fee Act standard and only for the Quimby Act standard.

Sources: Tables 2.4 and 5.1.

Park facility costs based on the facility standards in **Table 5.2** are shown in **Table 5.3**. Land costs reflect recent land sales in and around the City. Park development costs based on recent park impact fee studies for jurisdictions in California. The table has two sections, depending on whether the project is subject to the Quimby Act:

- The "All Development Except Residential Subdivisions" section shows costs for development projects that would not be subject to the Quimby Act. Costs components include: (1) improved parkland (park development costs only excluding land acquisition), (2) total parkland (land acquisition costs only), and (3) open space (land acquisition costs only).
- The "Residential Subdivision" section shows costs for development projects that would be subject to the Quimby Act. Cost components include: (1) a Quimby park dedication in-lieu fee based on parkland acquisition, (2) an impact fee based on park improvements and open space acquisition.
- All costs include five percent for fee program administration.

Table 5.3: Existing Capital Asset Park Facility Standards

Facility Type	Existing Facility Standard *(acres per 1,000 capita)*	Average Replace-ment Cost *(per unit)*[1]	Total Cost *(per capita)*
All Development Except Residential Subdivisions			
Park Facilities Impact Fee (Mitigation Fee Act)			
Improved Parkland	1.22	400,000	488
Total Parkland	3.35	$1,000,000	$ 3,350
Open Space	9.64	50,000	482
Subtotal			$ 3,832
Program Administration (5% of total)			202
Total			**$ 4,034**
Residential Subdivisions			
Parkland Dedication In-lieu Fee (Quimby Act)			
Total Parkland	3.86	$1,000,000	$ 3,860
Program Administration (5% of total)			203
Subtotal			$ 4,063
Park Facilities Impact Fee (Mitigation Fee Act)			
Improved Parkland	1.22	400,000	488
Open Space	9.64	50,000	482
Subtotal			$ 970
Program Administration (5% of total)			51
Subtotal			$ 1,021
Total			**$ 5,084**

[1] Land costs reflect recent land sales in and around the City. Park development costs based on recent park impact fee studies for jurisdictions in California.

Sources: Urban Economics; Table 5.2.

The total cost for new development to maintain the existing parkland standard is $4,034 per capita if the project is not a residential subdivision subject to the Quimby Act. The total cost is $5,084 if the project is subject to the Quimby Act. The higher per capita cost for projects subject to the Quimby Act is due to the higher standard for parkland acquisition, as described above.

Fee Schedule

The updated park and recreation facilities impact fee and Quimby Act in-lieu fee are shown in **Table 5.4**. The fees are based on the costs per capita shown in **Table 5.3** necessary to maintain the City's existing park standards.

Table 5.4: Park & Recreation Facilities Impact and Park Dedication In-lieu Fees

Land Use Category	Cost per Capita	Occupant Density	Relative Demand	Maximum Justified Fee
All Development Except Residential Subdivisions (Mitigation Fee Act)				
Residential				
Single Family Detached	$4,034	2.95 persons per DU	1.00	$11,900 per DU
Duplex/Triplex/4-plex	4,034	2.44 persons per DU	1.00	9,843 per DU
Apartment	4,034	1.97 persons per DU	1.00	7,947 per DU
Mobile Home	4,034	1.97 persons per DU	1.00	7,947 per DU
Accessory Dwelling Unit	4,034	1.97 persons per DU	1.00	7,947 per DU
Nonresidential				
Retail & Commercial	$4,034	2.33 workers per KSF	0.20	$ 1,880 per KSF
Office & Medical	4,034	3.13 workers per KSF	0.20	2,525 per KSF
Industrial	4,034	1.16 workers per KSF	0.20	936 per KSF
Residential Subdivisions				
Parkland Dedication In-Lieu Fee (Quimby Act)				
Single Family Detached	$4,063	2.95 persons per DU	1.00	$11,986 per DU
All Other Residential	4,063	2.14 persons per DU	1.00	8,695 per DU
Park Development & Open Space Fee (Mitigation Fee Act)				
Single Family Detached	$1,021	2.95 persons per DU	1.00	$ 3,012 per DU
All Other Residential	1,021	2.14 persons per DU	1.00	2,185 per DU
Total Fee				
Single Family Detached	**$5,084**	**2.95 persons per DU**	**1.00**	**$14,998 per DU**
All Other Residential	**5,084**	**2.14 persons per DU**	**1.00**	**10,880 per DU**

Notes: "DU" = dwelling unit; "KSF" = thousand building square feet.

Sources: Tables 2.2, 2.4, and 5.3.

Use of Fee Revenue

Estimated fee revenue through buildout based on the growth forecast presented in Chapter 2 is shown in **Table 5.5**. This estimate assumes that all projects are subject to the Mitigation Fee Act only and would not pay a Quimby in-lieu fee. The fee for apartments is used to estimate revenue for the "All Other Residential" category. Fee revenue would be slightly higher to the extent growth includes single family detached housing and/or is subject to the Quimby Act.

Table 5.5: Park & Recreation Facilities Impact Fee Revenue

Land Use Category	Growth *(2018-Buildout)*[1]	Maximum Justified Fee[2]	Revenue *(2017-Buildout)*
Residential			
Single Family Detached	667	$ 11,900	$ 7,900,000
All Other Residential	3,244	7,947	25,800,000
Subtotal	3,911		$33,700,000
Nonresidential			
Retail & Commercial	1,358	$ 1,880	$ 2,600,000
Office & Medical	2,030	2,525	5,100,000
Industrial	954	936	900,000
Subtotal	4,342		$ 8,600,000
Total			$42,300,000

Notes: Revenue estimates assume all projects are subject only to the Mitigation Fee Act fees and not the Quimby Act in-lieu fee.

[1] Dwelling units for residential and thousand building square feet for nonresidential land uses.

[2] Per dwelling units for residential and per thousand building square foot for nonresidential land uses.

Sources: Table 2.1 and 5.4.

The City may use park and recreation facilities impact fee revenue for any capital project that expands the capacity of the City's park facilities.

If revenue is used to replace an existing facility without expanding capacity, the project provides a joint benefit to existing and new development. In this case then the fee can fund only 23 percent of project costs based on new development as a share of total development at buildout (see **Table 2.4**).

The City is largely built out and there are limited opportunities for to acquire additional parkland. Therefore, the City anticipates using fee revenue to further develop existing parks with expanded, improved, or enhanced recreational facilities and infrastructure. Refer to the City's current Capital Improvement Program for the anticipated use of fee revenue to fund capital projects within the next five years.

The City must also allocate five percent of fee revenue to program administration. Administration costs include costs to collect and account for fee revenue, and costs to comply with the Mitigation Fee Act such as annual and five-year reporting requirements. The City will monitor its actual program administration costs and adjust this charge accordingly when the impact fee is updated in the future.

6. TRANSPORTATION FACILITIES

This chapter provides the updated nexus analysis, fee schedule, and estimated revenue for the transportation impact fee. Transportation facilities include roadways, intersections, and transit infrastructure. Improvements specifically targeted to accommodate increased bicycle and pedestrian travel from new development are addressed in the following chapter.

Determining the impact of development on the need for expanded transportation facilities required a sophisticated technical analysis. That analysis is described in this chapter and supported by attachments to this report.

Transportation Demand Modeling

Planning for transportation improvements is typically addressed with the use of a travel demand model. Travel demand models estimate the effect of land use on the generation of vehicle trips and how those trips distribute across the transportation network. The Goleta Travel Model developed for the *Goleta General Plan* was updated in 2017 for this nexus analysis. The model encompasses 180 traffic analysis zones that aggregate the underlying land use based on 19 land use categories. The model covers an area that includes the city and surrounding portions of the Goleta Valley to analyze impacts on the City's transportation system from growth both in and around the city. The model is a single-mode (auto trips only) model and analyzes only evening (p.m.) peak-period travel.

The travel model was used to analyze the impacts of the city's buildout growth scenario described in Chapter 2, along with surrounding regional growth, on the city's transportation system. The results update the list of improvements described in the Transportation Element of 2006 *Goleta General Plan*.

Facility Standards

The travel model used facility standards to determine where transportation improvements are needed within the city (1) to correct existing deficiencies, and (2) address future deficiencies cause by new development. Facility standards for transportation analysis are based on policies in the

Transportation Element of the City's *General Plan*.[9] The City's primary policy for roadways and intersections is to maintain a level of service (LOS) "C" or better, representing restricted traffic flow that remains stable but without causing significant delay. In this instance LOS is a commonly used measure of congestion and delay based on the ratio of the number of vehicles using a roadway to the capacity of the roadway (vehicle-to-capacity ratio). The LOS policy for intersections is similar though the type of analysis varies. Certain roadways and intersections required more specialized analysis of their operation (operational analysis) to determine if a deficiency exists.

Capital Improvements and Fair Share Analysis

The results of the travel model and related transportation impact analysis generated a list of 42 capital improvement projects to address existing and future deficiencies on the City's transportation system.

Next, a fair share analysis was conducted so that the impact fee will fund only the portion of those improvements that are associated with growth within the city. The analysis uses model output to quantify the number of trips using each improvement and the origin and destination of those trips. The fair share analysis allocated the need for each improvement across three categories that summed to 100 percent:

1. Existing deficiency
2. New development outside Goleta
3. New development inside Goleta

Finally, cost estimates for each improvement were developed. The total cost for all 42 projects is $229 million.

Combining the fair share analysis with the improvement cost estimates resulted in a total cost to accommodate the impacts of new development within the city on the City's transportation system. See **Table 6.1** for a summary of these results for each improvement. As shown in the table, new development within the city is responsible for 69 percent of total project costs, or $158 million.

[9] City of Goleta, *Goleta General Plan/Coastal Land Use Plan*, Transportation Element, September 2006, pp. 7-16 to 7-17.

Table 6.1: Transportation Improvements and Costs

Map ID	Project Location	Total Cost ($1,000s)	Existing Deficiency		Total Growth[1]		Goleta Growth	
			Share	Cost ($1,000s)	Share	Cost ($1,000s)	Share	Cost ($1,000s)
	Existing Roadways							
R12	Storke Road Widening: Phelps Road to City Limits	2,350	65.83%	1,547	34.17%	803	13.64%	321
R2	Hollister Avenue Complete Streets Corridor Plan	5,050	0.00%	-	100.00%	5,050	75.02%	3,788
R10	US 101 NB Aux Lane Between Los Carneros Road and Storke Road	4,310	0.00%	-	100.00%	4,310	74.56%	3,214
R11	US 101 NB/SB Aux Lanes Between Fairview Avenue and Los Carneros Road	10,900	0.00%	-	100.00%	10,900	80.95%	8,824
R13	Los Carneros Way Realignment	3,890	0.00%	-	100.00%	3,890	86.61%	3,369
R14	South Fairview Avenue Widening	2,040	0.00%	-	100.00%	2,040	65.79%	1,342
R18	Los Carneros Road/Calle Koral Roadway Widening	1,580	0.00%	-	100.00%	1,580	88.27%	1,395
Subtotal		**30,120**	**5.14%**	**1,547**	**94.86%**	**28,573**	**73.88%**	**22,252**
	Existing Intersections							
I1	Fairview Avenue/Calle Real Intersection Improvements	1,990	0.00%	-	100.00%	1,990	70.24%	1,398
I2	Fairview Avenue at US101 SB On-Ramp Improvements	6,650	81.88%	5,445	18.12%	1,205	14.27%	949
I3	Fairview Avenue at US 101 NB On-Ramp Improvements	2,550	87.37%	2,228	12.63%	322	8.80%	224
I10	Hollister Avenue at Patterson Avenue	955	0.00%	-	100.00%	955	52.68%	503
I7	Hollister Widening - West of Storke Road	1,700	82.17%	1,397	17.83%	303	14.72%	250
I8	Patterson Avenue at US101 SB Ramp Improvements	12,300	79.86%	9,823	20.14%	2,477	11.18%	1,375
I9	Patterson Avenue at US 101 NB Ramp Improvements	1,620	0.00%	-	100.00%	1,620	53.89%	873
I13	Hollister Avenue at Kellogg Avenue	465	0.00%	-	100.00%	465	74.87%	348
I14	Hollister Avenue/Pacific Oaks Road Intersection Improvements	405	0.00%	-	100.00%	405	86.26%	349
I16	Glen Annie Road at US 101 NB Ramps	395	83.90%	331	16.10%	64	12.19%	48
I6	Los Carneros/Hollister	390	0.00%	-	100.00%	390	78.66%	307
R1a.1	Hollister Avenue at Route 217 Southbound Ramps (Roundabout)	6,700	0.00%	-	100.00%	6,700	64.99%	4,354
R1a.2	Hollister Avenue at Route 217 Northbound Ramps (Roundabout)	5,650	0.00%	-	100.00%	5,650	48.37%	2,733

Table 6.1: Transportation Improvements and Costs (continued)

Map ID	Project Location	Total Cost ($1,000s)	Existing Deficiency		Total Growth[1]		Goleta Growth	
			Share	Cost ($1,000s)	Share	Cost ($1,000s)	Share	Cost ($1,000s)
I12-2 (I4)	New Traffic Signal Installation - Cathedral Oaks Road/Hollister Avenue/US 101 NB Ramps	792	0.00%	-	100.00%	792	86.73%	687
I12-10	New Traffic Signal Installation - Hollister Avenue/Cannon Green Drive	792	0.00%	-	100.00%	792	88.99%	705
I12-3 (R4)	New Traffic Signal Installation - Calle Real/N La Patera Lane	792	0.00%	-	100.00%	792	67.58%	535
I12-5	New Traffic Signal Installation - Cathedral Oaks Road/Los Carneros Road	792	75.96%	602	24.04%	190	15.70%	124
I12-7	New Traffic Signal Installation - Fairview Avenue/Stow Canyon Road	792	82.13%	650	17.87%	142	16.00%	127
I12-2	New Traffic Signal Installation - Calle Real/Carlo Drive	792	50.87%	403	49.13%	389	28.00%	222
I12-8	New Traffic Signal Installation - Fairview Avenue/Berkeley Road	792	80.93%	641	19.07%	151	17.34%	137
I-18	Storke Road at US101 SB Ramps	4,380	0.00%	-	100.00%	4,380	74.87%	3,279
I-20	Los Carneros Road/US 101 SB On-Ramp Dual Right Turn Lanes	6,150	0.00%	-	100.00%	6,150	81.74%	5,027
I-21	Los Carneros Road at Hollister Avenue	1,620	0.00%	-	100.00%	1,620	80.28%	1,301
I-22	Hollister Avenue/Fairview Avenue Intersection Improvements	6,700	0.00%	-	100.00%	6,700	75.59%	5,065
I12-6	New Traffic Signal Installation - Cathedral Oaks Road/N La Patera Lane	792	65.07%	515	34.93%	277	24.71%	196
I12-1	New Traffic Signal Installation - Calle Real/Carlo Drive	792	59.13%	468	40.87%	324	22.66%	179
I12-9	New Traffic Signal Installation - Fairview Avenue/Shirrell Way	792	0.00%	-	100.00%	792	80.41%	637
I12-11	New Traffic Signal Installation - Hollister Avenue/Pebble Beach Drive	792	0.00%	-	100.00%	792	93.20%	738
I12-12	New Traffic Signal Installation - Hollister Avenue/St. Joseph's Street	792	0.00%	-	100.00%	792	46.74%	370
Subtotal		**70,124**	**32.09%**	**22,504**	**67.91%**	**47,620**	**47.12%**	**33,041**

Table 6.1: Transportation Improvements and Costs (continued)

Map ID	Project Location	Total Cost ($1,000s)	Existing Deficiency		Total Growth[1]		Goleta Growth	
			Share	Cost ($1,000s)	Share	Cost ($1,000s)	Share	Cost ($1,000s)
	New Roadways							
R4.2	La Patera Road/US 101 Crossing	60,600	0.00%	-	100.00%	60,600	71.58%	43,377
R5	Goleta US 101 Overcrossing	28,850	0.00%	-	100.00%	28,850	90.15%	26,008
R1c	Ekwill Street Extension	8,650	0.00%	-	100.00%	8,650	86.09%	7,447
R1b	Fowler Road Extension	6,050	0.00%	-	100.00%	6,050	68.17%	4,124
R9	Phelps Road Extension	4,650	0.00%	-	100.00%	4,650	52.16%	2,425
Subtotal		**108,800**	**0.00%**	**-**	**100.00%**	**108,800**	**76.64%**	**83,381**
	Transit							
T1	Goleta Train Depot and La Patera Lane Improvements	19,700	0.00%	-	100.00%	19,700	100.00%	19,700
Total		**228,744**	**10.51%**	**24,051**	**89.49%**	**204,693**	**69.24%**	**158,374**

[1] Total growth share includes Goleta growth share and excludes existing deficiency share.

Sources: Appendix A.

See **Appendix A:** *Traffic Needs Analysis* provided under separate cover for more detail on the travel forecast, deficiency assessment, and fair share analysis. See **Appendix B:** *Transportation Improvement Cost Opinions* provided under separate cover for more detail on the cost estimation work conducted for each improvement.

Fee Schedule

The transportation impact fee schedule is based on (1) trip generation rates, (2) total trips from new development, and (3) the overall cost per new trip associated with the improvements in **Table 6.1**. The methodology is explained in the sections that follow.

Trip Generation Rates

Demand for traffic facilities is based on vehicle trip generation rates. Trip rates measure the rate at which trips occur, either an origin or a destination (known as a "trip end"), from a specific type of land use. Thus, trip generation rates distribute the impact of growth equally between both ends of a trip.

Vehicle trip rates are based on the evening peak hour because this period generates the greatest demand on the roadway system. The use of evening peak hour trip rates for the fee calculation is consistent with the approach taken by the travel modeling and described above.

The transportation impact fee schedule is based on a "cost per trip" that represents the total improvement cost allocated to new development divided by total trips estimated to be generated by new development. The formula is:

$$\text{Cost per trip} = \frac{\text{Total trips (across all land use categories)}}{\text{Total improvement costs allocated to new development (see Table 6.1)}}$$

The formula for calculating trips from land use category[(a)] is shown below:

$$\text{Trips for land use category}^{(a)} = \text{Land use category}^{(a)} \text{ growth (in units)} \times \text{Land use category}^{(a)} \text{ trip rate (per unit)}$$

Total trips are calculated by summing up trips generated across all land use categories in the growth forecast.

Growth by land use category is expressed in dwelling units or 1,000 building square feet. Trip rates are expressed per dwelling unit or per 1,000 building square feet.

To calculate the fee on a development project, the appropriate land use category and related trip generation rate are identified from the *Trip Generation* manual published by the Institute of Transportation Engineers (ITE). The manual includes estimated trip rates for over 100 land use categories. The cost per trip is multiplied by the trip rate applicable to the development project and by the size of the development project to calculate the fee for that project, or:

Development project with land use category[(a)] fee =

Cost per trip x Trip rate for land use category[(a)] (per unit) x
Project size (in units)

Note that trip rates by land use category are used both in (1) calculation of total trips used to calculate the cost per trip, and (2) application of the fee to individual development projects. To ensure that the fee program generates total revenue equal to the cost of improvements allocated to new development, both calculations must use a consistent set of trip generation rates.

As shown in Chapter 2 (see **Table 2.1**) the growth forecast for this study and used in the travel model includes 19 land use categories. To maintain consistency between the calculation of total trips based on the growth forecast, and the ITE rates used to calculate individual project fees, growth in each of the forecast's 19 categories is allocated to the more detailed categories used by ITE. This effort ensures that the calculation of total trips from growth, and therefore the cost per trip used in the fee schedule, is as consistent as possible with the trip rates used to calculate the fee on each development project.

Table 6.2 shows how trip generation rates were developed for each of the growth forecast's 19 land use categories based on ITE rates. For each category, we estimated the amount of growth in land use sub-categories consistent with the ITE rates and calculated a weighted average trip rate for each category.

Table 6.2: Vehicle Trip Rates

Travel Demand Model Land Use Category	ITE Trip Generation Manual			P.M. Peak Hour Trip Rate		
	Code	Land Use	Unit	ITE	Weight[1]	Avg.
Single Family Detached	210	Single Family Detached	DU	1.00	100%	1.00
All Other Residential	220	Apartment	DU	0.62	36%	
	230	Condominium / Townhouse	DU	0.52	53%	
	252	Senior Housing - Attached	DU	0.25	5%	
	255	Continuing Care	DU	0.16	5%	
		Weighted Average			100%	0.52
Auto Services	843	Automobile Parts Sales	KSF	5.98	*100%*	5.98
Banks	911	Walk-In Bank	KSF	12.13	*100%*	12.13
Fast Food Restaurants		[No growth forecast]				
Hotel	310	Hotel	room	0.60	*50%*	
	320	Motel	room	0.47	*50%*	
		Weighted Average			100%	0.54
Indoor Recreation	492	Health / Fitness Club	KSF	3.53	*50%*	
	493	Athletic Club	KSF	5.96	*50%*	
		Weighted Average			100%	4.75
Shopping Mall		[No growth forecast]				
Neighborhood Commercial	814	Variety Store	KSF	6.82	6%	
	816	Hardware / Paint Store	KSF	4.84	0%	
	817	Nursery / Garden Center	KSF	6.94	1%	
	850	Supermarket	KSF	9.48	55%	
	861	Sporting Goods Superstore	KSF	1.84	1%	
	863	Electronic Superstore	KSF	4.50	1%	
	875	Department Store	KSF	1.87	0%	
	876	Apparel Store	KSF	3.83	10%	
	880	Pharmacy / Drugstore	KSF	8.40	15%	
	890	Furniture Store	KSF	0.45	3%	
	925	Drinking Place	KSF	11.34	7%	
		Weighted Average			100%	8.30
Regional Commercial	814	Variety Store	KSF	6.82	6%	
	816	Hardware / Paint Store	KSF	4.84	7%	
	817	Nursery / Garden Center	KSF	6.94	1%	
	850	Supermarket	KSF	9.48	15%	
	861	Sporting Goods Superstore	KSF	1.84	3%	
	863	Electronic Superstore	KSF	4.50	6%	
	875	Department Store	KSF	1.87	32%	
	876	Apparel Store	KSF	3.83	12%	
	880	Pharmacy / Drugstore	KSF	8.40	4%	
	890	Furniture Store	KSF	0.45	11%	
	925	Drinking Place	KSF	11.34	2%	
		Weighted Average			100%	4.26
Resort Hotel	330	Resort Hotel	KSF	0.60	100%	0.60

Table 6.2: Vehicle Trip Rates (continued)

Travel Demand Model Land Use Category	ITE Trip Generation Manual			P.M. Peak Hour Trip Rate		
	Code	Land Use	Unit	ITE	Weight[1]	Avg.
Restaurants	931	Quality Restaurant	KSF	7.49	*25%*	
	932	High-turnover (sit-down)	KSF	9.85	*75%*	
		Weighted Average			100%	9.26
Theater	445	Multiplex Movie Theater	KSF	4.91	*100%*	4.91
Hospitals	610	Hospital		0.93	100%	0.93
Medical	630	Clinic	KSF	5.18	*50%*	
	720	Medical-Dental Office	KSF	3.57	*50%*	
		Weighted Average			100%	4.38
Office	710	General Office	KSF	1.49	*50%*	
	770	Business Park	KSF	1.26	*50%*	
		Weighted Average			100%	1.38
Heavy Industrial	130	Industrial Park	KSF	0.85	*100%*	0.85
Light Industrial	110	General Light Industrial	KSF	0.97	*100%*	0.97
Research & Development	760	Research & Development	KSF	1.07	*100%*	1.07

Notes: "DU" = dwelling unit; "KSF" = thousand building square feet.

[1] Weight reflects estimated share of new development by land use category. All Other Residential estimates from Goleta fiscal impact study (see sources). Commercial land use estimates based on Easton and Owen (see sources). Other estimates reflect current land use allocations within the City and input from City staff.

Sources: Institute of Transportation Engineers, *Trip Generation 10th Edition*, 2017; Economics Research Associates, *A Fiscal Impact Analysis of the Proposed General Plan for the City of Goleta*, Sept. 7, 2006, Table II-1; Gregory Easton and John Owen, *Creating Walkable Neighborhood Business Districts*, June 2009, Table 2.

Total Trips from Growth

Total trips from growth are based on the trip generation rates in **Table 6.2** and the growth forecast from **Table 2.1** in Chapter 2. Vehicle trip rates are adjusted to exclude pass-by trips. Pass-by trips reflect trip ends that are intermediate stops between an origin and destination and therefore place additional demand on the roadway network. Pass-by rates are based on surveys conducted by the San Diego Association of Governments and provide sufficient detail by land use category. The same pass-by rates will be used when applying the fee to individual development projects to maintain the necessary consistency discussed above. Total trips from growth are 11,508 as show in **Table 6.3**.

Table 6.3: New Development Vehicle Trip Generation

Travel Demand Model Land Use Category	Growth (2018-Buildout)[1] Amount	Units	P.M. Peak Hour Trip Rate Total Trips	Pass-by Trip Share	Primary/ Diverted Trip Rate	Primary P.M. Peak Hour Trips	Share
Single Family Detached	667	DU	1.00	3%	0.97	647	6%
All Other Residential	3,244	DU	0.52	3%	0.50	1,622	14%
Auto Services[1]	75	KSF	5.98	10%	5.38	404	4%
Banks[1]	5	KSF	12.13	25%	9.10	46	0%
Fast Food Restaurants[1]	-	KSF	NA	40%	NA	NA	NA
Hotels	454	rooms	0.54	4%	0.52	236	2%
Indoor Recreation	114	KSF	4.75	9%	4.32	492	4%
Shopping Mall	-	KSF	NA	NA	NA	NA	NA
Neighborhood Commercial[1]	726	KSF	8.30	40%	4.98	3,615	31%
Regional Commercial[1]	37	KSF	4.26	20%	3.41	126	1%
Resort Hotel	48	KSF	0.60	4%	0.58	28	0%
Restaurants[1]	34	KSF	9.26	20%	7.41	252	2%
Theater	65	KSF	4.91	17%	4.08	265	2%
Hospitals	60	KSF	0.93	2%	0.91	55	0%
Medical	86	KSF	4.38	10%	3.94	339	3%
Office	1,884	KSF	1.38	4%	1.32	2,487	22%
Heavy Industrial	144	KSF	0.85	3%	0.82	118	1%
Light Industrial	744	KSF	0.97	2%	0.95	707	6%
Research & Development	66	KSF	1.07	2%	1.05	69	1%
Total Trips						**11,508**	**100%**

Notes: "DU" = dwelling unit; "KSF" = thousand building square feet.

[1] Used specific rates for p.m. peak hour noted in footnote (S) of SANDAG (see sources). For Auto Services, used SANDAG rate for Special Retail/Strip Commercial (other) category. For Restaurants, used SANDAG rate for Sit Down/High Turnover Restaurant category.

Source: San Diego Association of Governments, *(Not So) Brief Guide of Vehicular Trip Generation Rates For The San Diego Region*, April 2002; Tables 2.1 and 6.2.

Cost per Trip

The cost per trip used to apply the fee to individual development projects is based on the total costs of capital improvements allocated to growth ($158 million) from **Table 6.1**, and total trips from growth (11,508) shown in **Table 6.3**. Total costs are reduced by the following two amounts that represent programmed funding from other sources reducing revenue needs:

- Awarded grant of $13 million for the Rail Depot project

- Existing transportation impact fee fund balance of $9,260,000 as of June 30, 2018.

In addition, five percent is added to the net cost for fee program administration. The total cost per trip is $12,450 as shown in **Table 6.4**.

Table 6.4: Transportation Fee Cost per Trip

Transportation Improvement Cost: Goleta Growth Share ($1,000s)	$ 158,374
Alternative Funding: Rail Depot Grant	(13,000)
Estimated Impact Fee Fund Balance (June 30, 2018)	(9,260)
Net Goleta Growth Share	$ 136,114
Program Administration (5% of total)	7,164
Total GTIF Program Cost	$ 143,278
P.M. Peak Hour Trips from Growth, 2017-Buildout	11,508
Proposed Fee per P.M. Peak Hour Trip	$ 12,450

Sources: Tables 6.1 and 6.3.

As described above, the fee for each development project will be calculated by multiplying the cost per trip from **Table 6.4** by the applicable ITE trip generation rate adjusted by the applicable SANDAG pass-by rate. Fees for a sample of land use categories are shown in **Table 6.5**.

Table 6.5: Transportation Impact Fee Schedule (sample)

Sample Land Use Category	Cost per Trip	ITE P.M. Peak Hour Trip Rate	SANDAG Pass-by Trip Share	Transportation Impact Fee	
Formula	*a*	*b*	*c*	*d = a x b x (1 - c)*	
Residential					
Single Family Detached	$12,450	1.00	3%	$12,077	per DU
Apartment	12,450	0.62	3%	7,487	per DU
Nonresidential					
Hotel	$12,450	0.60	4%	$ 7,171	per room
Supermarket	12,450	9.48	40%	70,816	per KSF
General Office	12,450	1.49	4%	17,808	per KSF
General Light Industrial	12,450	0.97	2%	11,835	per KSF

Notes: "DU" = dwelling unit; "KSF" = thousand building square feet.

Source: San Diego Association of Governments, *(Not So) Brief Guide of Vehicular Trip Generation Rates For The San Diego Region* (including footnote (s)), April 2002; Tables 6.2, 6.3, and 6.4.

Use of Fee Revenue

The City may use transportation impact fee revenue for any of the capital improvements listed in **Table 6.1**. Some of these projects overlap with the prior nexus study and are already programmed in the City's current (FY 2017-18 to FY 2021-22) Capital Improvement Plan. The City can revise the list of capital improvements to be funded by the fee based on updated travel demand modeling when it periodically updates the nexus analysis.

The City need not limit funding from fee revenue for each project to the fair share amounts shown in **Table 6.1**. The City can concentrate fee revenue on some projects in exchange for using alternative funding sources on other projects. Alternative funding sources includes state and federal transportation programs and grants. Through the planning horizon of this program (buildout), the City needs to identify approximately $70 million in alternative funding sources to fully fund all improvements ($228 million - $158 million). At a minimum the City needs to identify $24 million associated with correcting existing deficiencies noted in **Table 6.1**.

The City must allocate five percent of fee revenue to program administration. Administration costs included costs to collect and account for fee revenue, and costs to comply with the Mitigation Fee Act such as annual and five-year reporting requirements. The City will monitor its actual program administration costs and adjust this charge accordingly when the impact fee is updated in the future.

7. BICYCLE & PEDESTRIAN FACILITIES

This chapter provides a nexus analysis, fee schedule, and estimated revenue for a new impact fee to fund bicycle and pedestrian facilities. Bicycle and pedestrian facilities include sidewalks and related improvements, and bicycle paths and bike lanes whether within or outside of the street right of way.

Facility Standards

The bicycle and pedestrian facilities impact fee uses the City's existing capital assets to determine the facility standard and provide a reasonable relationship between new development and the need for additional facilities. The impact fee would fund the expansion of bicycle and pedestrian facilities at a rate sufficient to maintain the existing ratio of facilities to service population as growth occurs. See the *Facility Standard* section in Chapter 3 for more explanation of this approach.

The City's existing capital asset inventory of bicycle and pedestrian facilities and the associated facility standards is shown in **Table 7.1**. Service population is from **Table 2.4**.

Table 7.1: Bicycle & Pedestrian Facilities Standard

	Existing Inventory					
Facility Type	Linear Feet	Average Width *(ft.)*	Total *(units)*		Existing Service Pop-ulation	Existing Facility Standard *(units per capita)*
Sidewalks	233,209	6	1,399,254	sq. ft.	36,546	38
Curb & Gutter	233,209	NA	233,209	ln, ft.	36,546	6
Class I Bike Paths	21,956	10	219,560	sq. ft.	36,546	6
Class II Bike Lanes	106,234	10	1,062,340	sq. ft.	36,546	29
Class III Bike Boulevards	40,990	24	983,760	sq. ft.	36,546	27

Sources: City of Goleta; Tables 2.4.

The bicycle and pedestrian facilities costs are shown in **Table 7.2**. Replacement costs are based on capital projects in Goleta and values used in similar studies for jurisdictions in California. The total cost for new development to maintain this facility standard is $1,048 per capita including fee program administration costs.

Table 7.2: Bicycle & Pedestrian Facilities Costs

Facility Type	Existing Facility Standard *(units per capita)*	Average Replace-ment Cost *(per unit)*	Total Cost *(per capita)*
Sidewalks	38 sq. ft.	$ 10.00	$380
Curb & Gutter	6 ln. ft.	25.00	150
Class I Bike Paths	6 sq. ft.	7.50	45
Class II Bike Lanes	29 sq. ft.	7.50	218
Class III Bike Boulevards	27 sq. ft.	7.50	203
Subtotal			$996
Program Administration (5% of total)			52
Total			$1,048

Sources: Table 7.1.

Fee Schedule

The bicycle and pedestrian facilities impact fee is shown in **Table 7.3**. The fee is based on the cost per capita shown in **Table 7.2** necessary to maintain the City's existing capital asset facility standard.

Table 7.3: Bicycle and Pedestrian Facilities Impact Fee

Land Use Category	Cost per Capita	Occupant Density	Relative Demand	Maximum Justified Fee
Residential				
Single Family Detached	$ 1,048	2.95 persons per DU	1.00	$3,092 per DU
All Other Residential[1]	1,048	2.14 persons per DU	1.00	2,243 per DU
Nonresidential				
Retail & Commercial	$ 1,048	2.33 workers per KSF	0.20	$ 488 per KSF
Office & Medical	1,048	3.13 workers per KSF	0.20	656 per KSF
Industrial	1,048	1.16 workers per KSF	0.20	243 per KSF

[1] Includes attached and detached accessory dwelling units.

Sources: Tables 2.2, 2.4, and 7.2.

Use of Fee Revenue

Estimated fee revenue through buildout based on the growth forecast presented in Chapter 2 is shown in **Table 7.4**.

Table 7.4: Bicycle & Pedestrian Facilities Impact Fee Revenue

Land Use Category	Growth *(2018-Buildout)*[1]	Maximum Justified Fee[2]	Revenue *(2017-Buildout)*
Residential			
Single Family Detached	667	$ 3,092	$ 2,100,000
All Other Residential	3,244	2,243	7,300,000
Subtotal	3,911		$ 9,400,000
Nonresidential			
Retail & Commercial	1,358	$ 488	$ 700,000
Office & Medical	2,030	656	1,300,000
Industrial	954	243	200,000
Subtotal	4,342		$ 2,200,000
Total			$11,600,000

[1] Dwelling units for residential and thousand building square feet for nonresidential land uses.

[2] Per dwelling unit for residential and per thousand building square foot for nonresidential land uses.

Sources: Table 2.1 and 7.3.

The City may use bicycle and pedestrian facilities impact fee revenue to fund any capital project that expands the capacity of the City's bicycle and/or pedestrian facilities. The City's current five-year Capital Improvement Program (CIP) includes a number of bicycle and pedestrian improvement projects indicating the anticipated use of fee revenue.

If revenue is used to replace an existing facility without expanding capacity, the project provides a joint benefit to existing and new development. In this case then the fee can fund only 23 percent of project costs based on new development as a share of total development at buildout (see **Table 2.4**). However, if the City raises other funds for facility expansion that would accommodate growth, then the impact fee revenue that would have been used for expansion projects could be re-programmed to joint benefit projects without adhering to the funding share noted here.

The City must also allocate five percent of fee revenue to program administration. Administration costs include costs to collect and account for

fee revenue, and costs to comply with the Mitigation Fee Act such as annual and five-year reporting requirements. The City will monitor its actual program administration costs and adjust this charge accordingly when the impact fee is updated in the future.

8. STORM DRAIN FACILITIES FEE

This chapter provides a nexus analysis, fee schedule, and estimated revenue for a new impact fee to fund storm drain facilities. Storm drain facilities include pipes, culverts, catch basins and related facilities used to convey surface storm water. The storm drain facilities fee would replace the existing flood control fee.

Facility Standards

The storm drain facilities impact fee uses the City's existing capital assets to determine the facility standard and provide a reasonable relationship between new development and the need for additional facilities. The impact fee would fund the expansion of storm drain facilities at a rate sufficient to maintain the existing ratio of facilities to service population as growth occurs. See the *Facility Standard* section in Chapter 3 for more explanation of this approach.

The City's existing inventory of storm drain facilities and associated replacement costs are shown in **Table 8.1**. Unit replacement costs (costs per linear foot of pipe) are based on engineering estimates from a recent (2016) impact fee nexus study for the City of Oakland prepared by BKF Engineers. These unit costs are generally applicable by type of pipe for local jurisdictions in California. The City has the equivalent of 97,000 linear feet of storm drain facilities at an average replacement cost of $582 per linear foot for a total replacement cost of $56 million.

Table 8.1: Existing Storm Drain Facilities & Costs

Pipe Diameter or Equivalent *(inches)*	**Total Assets** *(Linear Feet)*	**Replacement Cost** *(per Linear Foot)*	**Replacement Value**
8	89.4	$255	$ 22,792
12	1,615.5	$295	$ 476,568
15	219.7	$333	$ 73,160
18	15,844.4	$374	$ 5,925,800
19	94.1	$386	$ 36,339
20	142.6	$398	$ 56,762
21	5,189.9	$409	$ 2,122,686
24	13,329.8	$444	$ 5,918,431
26	81.9	$470	$ 38,495
27	7,993.1	$484	$ 3,868,656
30	18,625.9	$523	$ 9,741,368
33	3,037.0	$566	$ 1,718,944
36	6,374.7	$608	$ 3,875,843
38	57.5	$641	$ 36,885
39	1,322.5	$657	$ 868,863
40	54.2	$674	$ 36,532
42	4,799.3	$706	$ 3,388,281
45	2,178.2	$753	$ 1,640,220
48	3,733.9	$800	$ 2,987,156
54	2,254.6	$918	$ 2,069,759
60	3,642.9	$1,010	$ 3,679,299
64	159.5	$1,035	$ 165,033
66	642.1	$1,074	$ 689,568
72	3,799.7	$1,137	$ 4,320,294
84	494.0	$1,331	$ 657,553
90	40.3	$1,446	$ 58,203
96	946.2	$1,562	$ 1,477,990
120	168.2	$1,957	$ 329,220
144	70.5	$2,394	$ 168,858
Total	97,001.8	$582	$56,449,558

Notes: Replacement cost includes: open cut trenching, manhole, inlet, closed circuit television review, survey, traffic control, pavement, curb & gutter, striping, landscaping, and contingency, plus 35% for project delivery (administrative and engineering).

Sources: City of Oakland Impact Fee Nexus, memorandum to Robert D. Spencer, Urban Economics, from Ed Boscacci and Jake Taylor, BKF Engineers, March 4, 2016; Urban Economics.

The existing storm drain facilities standard and associated cost are shown in **Table 8.2**. See **Table 2.4** for the existing service population. The existing standard is 1.99 linear feet per capita. This total for new development to maintain this facility standard is $1,219 per capita including fee program administration costs.

Table 8.2: Storm Drain Facilities Standard & Costs

Storm Drain Facilities (ln. ft.)	97,002	
Existing Service Population	48,751	
Existing Facility Standard (ln ft. / capita)		1.99
Average Cost per Linear Foot		$ 582
Subtotal Cost per Capita		$1,158
Program Administration (5% of total)		61
Total Cost per Capita		$1,219

Sources: Tables 2.4 and 8.1.

Fee Schedule

The storm drain facilities impact fee is shown in **Table 8.3**. The fee is based on the cost per capita shown in **Table 8.2** necessary to maintain the City's existing capital asset facility standard.

Table 8.3: Storm Drain Facilities Impact Fee

Land Use Category	Cost per Capita	Occupant Density	Relative Demand	Maximum Justified Fee
Residential				
Single Family Detached	$ 1,219	2.95 persons per DU	1.00	$3,596 per DU
All Other Residential[1]	1,219	2.14 persons per DU	1.00	2,609 per DU
Nonresidential				
Retail & Commercial	$ 1,219	2.33 workers per KSF	0.70	$1,988 per KSF
Office & Medical	1,219	3.13 workers per KSF	0.70	2,671 per KSF
Industrial	1,219	1.16 workers per KSF	0.70	990 per KSF

[1] Includes attached and detached accessory dwelling units.

Sources: Tables 2.2, 2.4, and 8.2.

Use of Fee Revenue

Estimated fee revenue through buildout based on the growth forecast presented in Chapter 2 is shown in **Table 8.4**.

Table 8.4: Storm Drain Facilities Impact Fee Revenue

Land Use Category	Growth *(2018-Buildout)*[1]	Maximum Justified Fee[2]	Revenue *(2017-Buildout)*
Residential			
Single Family Detached	667	$ 3,596	$ 2,400,000
All Other Residential	3,244	2,609	8,500,000
Subtotal	3,911		$10,900,000
Nonresidential			
Retail & Commercial	1,358	$ 1,988	$ 2,700,000
Office & Medical	2,030	2,671	5,400,000
Industrial	954	990	900,000
Subtotal	4,342		$ 9,000,000
Total			$19,900,000

[1] Dwelling units for residential and thousand building square feet for nonresidential land uses.

[2] Per dwelling units for residential and per thousand building square foot for nonresidential land uses.

Sources: Table 2.1 and 8.3.

The City may use storm drain facilities impact fee revenue to fund any capital project that expands the capacity of the City's storm drain facilities.

If revenue is used to replace an existing facility without expanding capacity, the project provides a joint benefit to existing and new development. In this case then the fee can fund only 25 percent of project costs based on new development as a share of total development at buildout (see **Table 2.4**). However, if the City raises other funds for facility expansion that would accommodate growth, then the impact fee revenue that would have been used for expansion projects could be re-programmed to joint benefit projects without adhering to the funding share noted here.

The City's current five-year Capital Improvement Program (CIP) includes storm drain projects such as Covington and La Patera drainage system improvements. The CIP also includes funding for a storm drain master plan that will assist in prioritizing the use of fee revenue.

The City must allocate five percent of fee revenue to program administration. Administration costs include costs to collect and account for fee revenue, and costs to comply with the Mitigation Fee Act such as annual

and five-year reporting requirements. The City will monitor its actual program administration costs and adjust this charge accordingly when the impact fee is updated in the future.