ACTION REPORT
December 10, 2019

FROM: Development Services

SUBJECT: Update of Development Impact Fees

RECOMMENDATION:

1. Determine the Development Impact Fee Study for future capital facilities is not a project subject to the California Environmental Quality Act (CEQA) pursuant to Public Resources Code section 21065, CEQA Guidelines section 15378(a) and (b)(4), and section 10.59 of the City's 2019 Local CEQA Guidelines. It has no potential to result in a physical change to the environment or a reasonably foreseeable indirect change to the environment, and it does not commit the City to any project that could have a significant effect on the environment. Even if it is a project subject to CEQA, it is exempt pursuant to sections 15273 and 15061(b)(3) of the CEQA Guidelines and sections 3.10(d) and 3.07 of the City's 2019 Local CEQA Guidelines because it is a funding mechanism intended to obtain "funds for capital projects, necessary to maintain service within existing service areas. . . ." and because it can be seen with absolute certainty that there is no possibility that the activity in question may have a significant effect on the environment.

2. Adopt **Resolution No. 2019-____**, a Resolution of the City Council of the City of Fontana updating certain development impact fees, introducing three (3) new development impact fees for future capital facilities, and reducing the impact fees for senior housing (55+), one-story single-family homes, and multi-family housing (0-2 bedrooms) projects that include 20% affordable units.

COUNCIL GOALS:

* To create a team by working together to provide stability and consistent policy direction.
* To create a team by communicating Goals and Objectives to all sectors of the community.
* To practice sound fiscal management by emphasizing capital formation.
* To practice sound fiscal management by fully funding liabilities and reserves.

DISCUSSION:

The City of Fontana has adopted development impact fees for certain capital facilities that satisfy all legal requirements of the U.S. Constitution, the California Constitution and the California Mitigation Fee Act (Government Code Section 66000 et. seq.). The purpose is to ensure that all new development pays its "fair share" of the cost of new infrastructure through a development fee program.

2006 Fee Update:

The last Development Impact Fee (DIF) update took place in 2006. The City Council approved Resolution No. 2006-46 on May 7, 2006 and updated the following fees:

- Sewer
- Storm Drain
- Public Facilities
- Library
- Police
- Circulation (arterial streets, interchanges and median landscaping)

For various reasons, Park Fees and Fire Fees were not updated at that time. Therefore, **Park Fees have not been updated since 2003** and **Fire Fees have not been updated since 1992.**

2019 DIF Study:

With the adoption of the new 2018 General Plan, the City decided to initiate an update to the DIF program to accommodate new planned growth within the community. In September 2018, the City Council approved a contract with David Taussig & Associates (DTA) for the purpose of preparing a Development Impact Fee (DIF) update to the existing fee program by preparing a new AB 1600 Fee Justification Study. The need for the fee study is driven by changes in demographics, facility requirements and time inflated facility costs. The following fees were analyzed:

- Parks
- Public Facilities
- Fire
- Library
- Police
- Landscape Median
- Storm Drain
- Sewer

There are three (3) development impact fees not included in the DTA Study:

Circulation - Pursuant to the County-wide Measure I Nexus Study and Fee Program, each agency charges a development mitigation fee to pay for the construction of transportation infrastructure, including major arterials and freeway

interchanges, with the program administered by the San Bernardino County Transportation Authority (SBCTA). This fee is typically required to be reviewed biannually. The City recently received a letter in September 2019 requesting that each jurisdiction conduct a review of its Nexus Study project costs for both arterials and freeway interchanges. Therefore, staff will be conducting a separate review for this fee and if there is a change, will bring it back to the City Council for review.

Inclusionary Housing- The Inclusionary Housing Fee was adopted in 2012 and staff is not recommending an update at this time**.**

North Fontana Conservation Program - This fee program is currently being studied by consultants currently under contract and staff anticipates the update to be brought to the City Council some time in 2020.

There are two (2) fees remaining the same:

Storm Drain and Sewer Fees - After further review, both the consultant and staff agreed that the Storm Drain and Sewer fees be maintained at their current level as it was determined that the revenue generated by the current fees was sufficient to fund the developer required fair share cost of the infrastructure through the build-out period. It was further recommended that the fees be reviewed and adjusted each year by the California Construction Cost Index (CCCI).

Finally, staff is recommending **three (3) new fees be approved for "Local Transportation Facilities"** that are not included in the Measure I regional circulation fee program. These proposed fees are as follows:

- Local Transportation
- Local Arterials
- Traffic Signals

Assumptions:

The following assumptions were made when calculating the new fees:

- All future units that are subject to a Development Agreement (Monarch Hills, Arboretum, and Summit at Rosena Specific Plans) are not included in this study;

- All revenues related to the existing fees listed above were included as of May 1, 2019;

- Statistics:

    - The 2019 population figure of 212,000

- The build-out population figure of 261,465 consistent with the new General Plan
- 4.0 persons per household for single family
- 3.8 persons per household for multi-family
- Employees per 1,000 sf for commercial = 2.19
- Employees per 1,000 sf for industrial - .64

- Included land in the City's Sphere of Influence consistent with the General Plan

- The new transportation fees are eligible for fee credits similar to the City's current policy.

Methodology:

The methodology used by DTA to establish the development impact fees used in the study is based on a "Plan", such as a Master Plan of Facilities, Capital Improvement Plan or City General Plan. These facility plans identify a finite set of facilities needed by the City and are developed according to assessments of facilities needs. Using this Plan-Based approach, specific costs can be projected and assigned to all land uses planned. Facilities costs can then be allocated in proportion to the demand caused by each type of future development. This Plan-based approach is used for all of the fees generated in the report.

DTA worked closely with staff to develop the list of facilities to be included in the fee study. This "Needs List" is intended to be the document which identifies the facilities eligible to be financed through the levy of the development impact fee on new development.

Stakeholder Outreach:

On September 26, 2019, a draft copy of the Development Impact Fee Justification Study prepared by DTA was mailed to a list of interested parties (see attached letter). The City has had several discussions and correspondence with the BIA and NAIOP and has received responses from both organizations (see attached). Both organizations were supportive of the fee changes and staff incorporated several suggestions from the BIA that helped clarify the new fees.

The following is a summary of the results of the study:

Park Development Fees:

The Fee Study includes a component for the development of new park and recreation facilities to serve new residential development for the City through 2035.

The fee amount for park facilities is calculated for both new and existing development for the eight (8) park facilities on the needs list consistent with the proposed Park Master Plan. The facilities include: a new community center in South Fontana and the core of the City, new parks in underserved areas, a new park in North Fontana, the 210 Sports Park, a Downtown linear park on the PE Trail, and additional parks and trail improvements (see Pages 60-63 of study). The following table shows the results:

Parks	PROPOSED FEES	EXISTING FEES	CHANGE IN FEE
SINGLE-FAMILY $ per UNIT	$6,633	$6,500	$133
MULTI-FAMILY $ per UNIT 0-2 BEDROOMS	$6,301		$1,161.63
MULTI-FAMILY $ per UNIT 3+ BEDROOMS	$6,633		$651.30
TOWNHOME/CONDO		$5,981.70	
APARTMENTS		$5,139.37	
MOBILE HOMES		$5,476.44	

Fire Fees:

Pursuant to the 2018 Fontana Fire Protection District Strategic Plan approved by City Council on January 22, 2019 (FFD 2019-02), the Fire Department has identified the need for additional fire protection facilities and equipment including a station training tower, a fire station relocation, and additional vehicle acquisitions (see Pages 45-48 of study). The results are as follows:

Fire Facilities	PROPOSED FEES	EXISTING FEES	CHANGE IN FEE
SINGLE-FAMILY $ per UNIT	$369	$164	$205
MULTI-FAMILY $ per UNIT 0-2 BEDROOMS	$350	$164	$186
MULTI-FAMILY $ per UNIT 3+ BEDROOMS	$369	$164	$205
COMMERCIAL			

($ per SF)	**$0.101**	**$0.250**	**$ (.149)**
INDUSTRIAL ($ per SF)	**$0.029**	**$0.100**	**$ (.071)**

Police Facilities Fees:

In order to serve new development through the year 2035, the Police Department has identified the need to continue the Civic Center Station buildout (40,000 sf), lease a new 1,200 sf Sub-Station, purchase of additional vehicles and equipment, and acquire land for additional parking (see Pages 49-52 of study). The following are the proposed fees:

Police Facilities	**PROPOSED FEES**	**EXISTING FEES**	**CHANGE IN FEE**
SINGLE-FAMILY $ per UNIT	**$472**	**$526.52**	**$ (54.52)**
MULTI-FAMILY $ per UNIT 0-2 BEDROOMS	**$448**	**$710.80**	**$(262.80)**
MULTI-FAMILY $ per UNIT 3+ BEDROOMS	**$472**	**$710.80**	**$(238.80)**
COMMERCIAL ($ per SF)	**$0.129**	**$0.526**	**$ (.397)**
INDUSTRIAL ($ per SF)	**$0.038**	**$0.131**	**$ (.093)**

***Public Facilities*:**

In order to serve future development through General Plan build-out, staff has identified the need for new public works and government facilities, specifically a proposed 20,000 sf corporate yard expansion with land acquisition totaling 15 parcels, and a downtown parking structure with a 130-space capacity (see Pages 53-55 of study). The results of this analysis are as follows:

Public Facilities	PROPOSED FEES	EXISTING FEES	CHANGE IN FEE
SINGLE-FAMILY $ per UNIT	$445	$796.26	$(351.26)
MULTI-FAMILY $ per UNIT 0-2 BEDROOMS	$423	$358.32	$64.68
MULTI-FAMILY $ per UNIT 3+ BEDROOMS	$445	$358.32	$86.68
COMMERCIAL ($ per SF)	$0.122	$0.398	$ (.276)
INDUSTRIAL ($ per SF)	$0.036	$0.398	$ (.362)

Library Facilities Fees:

Development Fees collected from new development will be used for the acquisition of books and materials, required replacement and remodeling and capital improvements with a life exceeding 5 years (see Pages 56-59 of study). The fees are as follows:

Library	PROPOSED FEES	EXISTING FEES	CHANGE IN FEE
SINGLE-FAMILY $ per UNIT	$99	$533.30	$(434.30)
MULTI-FAMILY $ per UNIT 0-2 BEDROOMS	$94	$239.99	$(145.99)
MULTI-FAMILY $ per UNIT 3+ BEDROOMS	$99	$239.99	$(140.99)
COMMERCIAL ($ per SF)	$0.027	$0.042	$ (.015)
INDUSTRIAL	$0.008	$0.042	$ (.034)

($ per SF)			

Landscape Median Fees:

Landscape Medians serve the residents and employees of Fontana by providing attractive roadway planters and tree-lined streets which are central to a community's character and help to maintain and increase property value throughout the City. The study identifies a list of the remaining medians needed in the City (see Pages 33-37 of study). The fee proposed is as follows:

Landscape Median	PROPOSED FEES	EXISTING FEES	CHANGE IN FEE
SINGLE-FAMILY $ per UNIT	**$279**	**$573.20**	**$(294.20)**
MULTI-FAMILY $ per UNIT 0-2 BEDROOMS	**$265**	**$348.51**	**$ (83.51)**
MULTI-FAMILY $ per UNIT 3+ BEDROOMS	**$279**	**$348.51**	**$ (69.51)**
COMMERCIAL ($ per SF)	**$0.076**	**$0.872**	**$ (.796)**
INDUSTRIAL ($ per SF)	**$0.022**	**$0.348**	**$ (.326)**
OFFICE ($ per SF)	**$0.076**	**$0.698**	**$ (.622)**

Local Transportation Fee (New):

The new Local Transportation Facilities Fee will include infrastructure necessary for safe and efficient pedestrian and bicyclist friendly environments including street, sidewalks, and pathways that are attractive, convenient and safe for active transportation modes and which embodies the Healthy Fontana model. The needs list reflects those improvements listed in the City's Active Transportation Plan approved by the City Council in November 2017, and which are not a part of the Measure I regional Circulation Fees (see Pages 29-33 of study). The new proposed Local Transportation Fee is as follows:

FACILITY	RESIDENTIAL			NON-RESIDENTIAL	
	SINGLE-FAMILY $ per UNIT	MULTI-FAMILY $ per UNIT 0-2 BEDROOMS	MULTI-FAMILY $ per UNIT 3+ BEDROOMS	COMMERCIAL ($ per SF)	INDUSTRIAL ($ per SF)
Local Transportation	$792	$752	$792	$0.217	$0.063

Local Arterials Fee (New):

The new Local Arterials fee includes the infrastructure necessary to improve local four-lane arterials due to new development. This fee will cover areas not covered by the regional Measure I Nexus list and will include street widening and the construction and expansion of curbs/gutters, sidewalks, streetlights and other improvements (see Pages 37-41 of study). The new Local Arterial fee is as follows:

FACILITY	RESIDENTIAL			NON-RESIDENTIAL	
	SINGLE-FAMILY $ per UNIT	MULTI-FAMILY $ per UNIT 0-2 BEDROOMS	MULTI-FAMILY $ per UNIT 3+ BEDROOMS	COMMERCIAL ($ per SF)	INDUSTRIAL ($ per SF)
Local Arterials	$443	$421	$443	$0.121	$0.035

Traffic Signal Fee (New):

Traffic signals benefit existing residents and employees by providing safe and efficient access at intersections to roads and highways. City engineering staff have identified 26 local traffic signals to be funded with the fees collected and that are not included in the Measure I Nexus list (see Pages 42-44 of study). The new Traffic Signal fee is as follows:

FACILITY	RESIDENTIAL			NON-RESIDENTIAL	
	SINGLE-FAMILY $ per UNIT	MULTI-FAMILY $ per UNIT 0-2 BEDROOMS	MULTI-FAMILY $ per UNIT 3+ BEDROOMS	COMMERCIAL ($ per SF)	INDUSTRIAL ($ per SF)
Traffic Signals	$137	$131	$137	$0.038	$0.011

Workshop Comments on October 22, 2019:

On October 22, 2019, staff conducted a workshop with the City Council to discuss the DIF study and to receive comments regarding existing and proposed fee policies. The results were as follows:

Infill Development

On September 13, 2016 the City Council adopted Ordinance No. 1748 and Resolution No. 2016-81 amending the definition of "Infill" as it applies to the reduction of specific development impact fees. The following language was adopted:

"***Infill*** **means all parcels located south of Baseline Avenue, north of the I-10 Freeway, east of Etiwanda Avenue, and west of Maple Avenue *or* any lot or parcel within any area of the city, where the lot is five (5) gross acres or less, where at least 80% of the land within a 300 foot radius of the site has been developed, and where water, sewer, streets, schools, and fire protection have already been developed are provided. This includes all residential, commercial and industrial parcels with the exception of those parcels that have a previously approved Fee Agreement or Development Agreement with the City of Fontana."**

Projects that meet this criteria receive a 50% reduction of all development impact fees with the exception of pass-thru fees, sewer master connection fees, Measure I Circulation Fees and Inclusionary/Affordable housing fees. The "infill" program has been in place for over 12 years and has been very successful in assisting development in the core of the City. Therefore**, staff recommended this policy remain in place and the City Council agreed**.

Accessory Dwelling Units (ADUs)

Due to the volume of legislation recently approved regarding the city's ability to regulate size, location, and impact fees for ADU's, the City's ordinance and fee schedule will need to be amended. Therefore, staff informed the Council that **this item would be brought back at a future date for City Council review.**

Fee Reductions for non-profits (e.g. churches, public schools, service organizations)

Staff inquired as to whether the City Council wanted to provide a fee reduction or exemption for churches, non-profits, service organizations, etc. **There was no support from the Council to provide such reduction or exemption.**

Fee Incentives for Downtown

Staff inquired about possible fee incentives for projects in the downtown area. However, staff also indicated that this could be considered next year after the SB 2 Planning Grant recently awarded by the State is received by the City. At that time the City Council can consider any incentives for housing in the downtown.

Multi-Family (0-2 Bedrooms) /Senior Housing/One-Story SFR Incentives

There was a concern raised at the workshop about the increase in the multi-family fees for 0-2 bedrooms by approximately $2,200 per unit. The Council asked staff to reach out to representatives/developers in the apartment industry to get their feedback. Those representatives had the following comments:

"You cannot pencil the cost of the land, buildings and fees against the amount of rent collected...losing proposition".

"In apartments the cost to break even is derived from the debt you carry and rents you collect. Much harder in this environment to build anything affordable in the Market Rate Community".

It was suggested that these types of projects be provided an incentive to build, similar to the 50% infill development fee reduction. A fee reduction would also be consistent with Municipal Code Section 14-70(E) which "encourages the construction and availability of affordable housing by providing incentives" and by providing "incentives...to promote a variety of housing options..." as outlined in the City's approved Housing Element and recently adopted General Plan.

It has also been a goal of the City to provide housing for the 55+ senior community that could also include one-story homes. Therefore, staff is recommending the following:

A 50% fee reduction for senior (55+) housing;

A 50% fee reduction for one-story single-family homes;

A 50% reduction for multi-family (0-2 units) projects that provide 20% affordable units.

Effective Date/Grandfathered Projects:

If the City Council approves the proposed resolution at tonight's meeting, the new

fees will go into effect **February 8, 2020**. Staff is recommending the following policy to address projects currently in process with the City:

"If an entitlement application is approved by the Planning Commission and/or City Council or the Director of Community Development after the February 8, 2020 effective date but prior to July 1, 2020, that project may choose to pay either the existing development fees or the updated fees. If the project application is disapproved by the Planning Commission and/or City Council or Director of Community Development, or expires after approval by the Planning Commission and/or City Council or Director of Community Development but before a building permit has been issued for the project, any new application submittal of the project will be subject to the new fees."

This will give developers time to get their entitlements in place pursuant to their pro formas and other financial arrangements. Also, since some of the fees were reduced it provides the option for a developer to schedule a project approval to take advantage of a possible fee reduction.

FISCAL IMPACT:

Revenue generated by development impact fees pays for millions of dollars of infrastructure each year.

MOTION:

Approve staff recommendation.

SUBMITTED BY:

Debbie M. Brazill
Deputy City Manager

APPROVED BY:

G. Michael Milhiser
Interim City Manager

ATTACHMENTS:

Description:	Type:
Resolution No. 2019-____	Backup Material
Exhibit "A" - Development Impact Fees	Backup Material

Exhibit "B" - Development Impact Fee Justification Study dated December 10, 2019	Backup Material
Ltr to Stakeholders dated September 26, 2019	Backup Material
BIA support email dated October 22, 2019	Backup Material
NAIOP support letter dated October 16, 2019	Backup Material

ITEM: PH-D

RESOLUTION NO. 2019-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FONTANA, CALIFORNIA UPDATING CERTAIN DEVELOPMENT IMPACT FEES, INTRODUCING THREE (3) NEW DEVELOPMENT IMPACT FEES FOR FUTURE CAPITAL FACILITIES, AND REDUCING THE IMPACT FEES FOR SENIOR HOUSING (55+), ONE-STORY SINGLE-FAMILY HOMES, AND MULTI-FAMILY HOUSING (0-2 BEDROOMS) PROJECTS THAT INCLUDE 20% AFFORDABLE UNITS

WHEREAS, the City of Fontana has conducted an extensive analysis of its capital facilities, the costs reasonably borne of constructing those facilities, the beneficiaries of these services, and the revenues produced by those paying fees and charges for capital facilities; and

WHEREAS, certain current fees charged for capital facilities provided by the City do not fully recover the actual costs of providing such facilities; and

WHEREAS, pursuant to Government Code Sections 66016 and 66018, the specific fees charged must be adopted by the City Council by Resolution, after providing notice and holding a public hearing; and

WHEREAS, the City Council has determined that incentives are needed to address the shortage of affordable housing in the City and the region. Pursuant to Municipal Code Section 14-70 (E) “the City Council shall encourage the construction and availability of affordable housing in multi-family rental projects by providing incentives”, and has determined that a reduction in development impact fees for multi-family rental 0-2 bedrooms that includes 20% affordable units, senior (55+) projects/units, and one-story single-family homes, is appropriate to provide that incentive; and

WHEREAS, the City Council has duly noticed and conducted a public hearing on December 10, 2019 concerning the adoption of certain fees.

NOW, THEREFORE, BE IT RESOLVED, determined, and ordered by the City Council of the City of Fontana that:

Section 1. The update of certain Development Impact Fees and the introduction of three (3) new Development Impact Fees for various City capital facilities is hereby approved and adopted as set forth in Exhibit “A” and more fully described in the Development Impact Fee Justification Study set forth in Exhibit “B” to this resolution.

Section 2. The development impact fees for senior housing (55+) one-story single-family homes shall be reduced by 50%. This reduction shall not include pass-thru fees, sewer master connection fees, Measure I circulation fees, or Inclusionary Housing fees.

Resolution No. 2019-_____

Section 3. The development impact fees for Multi-Family 0-2 bedroom units shall be reduced by 50% if the project includes at least 20% of the total units in the development affordable to low-income residents pursuant to the requirements of Article IV of the Municipal Code. This reduction shall not include pass-thru fees, sewer master connection fees or Measure I circulation fees. The Inclusionary Housing fee will be waived with the inclusion of the 20% affordable units.

Section 4. Henceforth, Development Impact Fees may be revised from time to time by resolution of the City Council, in accordance with state law. The fee schedule may be adjusted by Resolution on January 1 of each year (or sooner as directed by City Council) by a percentage equal to the California Construction Cost Index (CCCI) for the preceding 12 months. This section of the Resolution being considered as enabling and directive in compliance with the Mitigation Fee Act, Government Code Section 66000 et seq.

Section 5. Upon the effective date of the adoption of a specific fee set forth in this Resolution, that portion of any prior Resolution, which pertains to and is inconsistent with the adoption of such fee, shall no longer be in effect. Development fees, as listed in Exhibit "A", in accordance with Government Code Section 66000 et al shall be in effect as of **February 8, 2020** (60-day minimum).

Section 6. If an entitlement application is approved by the Planning Commission and/or City Council or Director of Community Development after the February 8, 2020 effective date but prior to July 1, 2020 that project may choose to pay either the existing development fees or the updated fees. If the project application is disapproved by the Planning Commission and/or City Council or Director of Community Development, or expires after approval by the Planning Commission and/or City Council or Director of Community Development but before a building permit has been issued for the project, any new application submittal of the project will be subject to the new fees.

APPROVED AND ADOPTED this 10th day of December, 2019.

READ AND APPROVED AS TO LEGAL FORM:

_____
City Attorney

Resolution No. 2019-_____

I, Tonia Lewis, City Clerk of the City of Fontana, and Ex-Officio Clerk of the City Council do hereby certify that the foregoing resolution is the actual resolution duly and regularly adopted by the City Council at a regular meeting on the 10th day of December, 2019, by the following vote to-wit:

AYES:
NOES:
ABSENT:

_____
City Clerk of the City of Fontana

_____
Mayor of the City of Fontana

ATTEST:

_____
City Clerk

City of Fontana
Exhibit A
Development Impact Fees (Effective February 8, 2020)

FACILITY	RESIDENTIAL			NON-RESIDENTIAL	
	Single-Family $ per Unit	Multi-Family $ per unit 0-2 Bedrooms	Multi-Family $ per unit 3+ Bedrooms	Commercial ($ per SF)	Industrial ($ per SF)
A. Local Transportation	$792	$752	$792	$0.217	$0.063
B. Local Arterials	$443	$421	$443	$0.121	$0.035
C. Traffic Signals	$137	$131	$137	$0.038	$0.011
D. Landscape/Median	$279	$265	$279	$0.076	$0.022
E. Fire Facilities	$369	$350	$369	$0.101	$0.029
F. Police Facilities	$472	$448	$472	$0.129	$0.038
G. Public Facilities	$445	$423	$445	$0.122	$0.036
H. Library	$99	$94	$99	$0.027	$0.008
I. Parks	$6,633	$6,301	$6,633	-	-

dta

www.FinanceDTA.com

Exhibit "B"

DEVELOPMENT IMPACT FEE JUSTIFICATION STUDY

CITY OF FONTANA

Report Date: December 10, 2019

Public Finance
Public-Private Partnerships
Development Economics
Clean Energy Bonds

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CITY OF FONTANA

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DEVELOPMENT IMPACT FEE JUSTIFICATION STUDY

Prepared for:

City of Fontana

8353 Sierra Avenue

Fontana, CA 92335

Attention: Debbie Brazill, Deputy City Manager

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I EXECUTIVE SUMMARY

In order to adequately plan for new development and identify the public facilities and costs associated with mitigating the direct and cumulative impacts of new development, DTA (formerly David Taussig and Associates) was retained by City of Fontana (the "City") to update the existing impact fee program by preparing a new AB 1600 Fee Justification Study (the "Fee Study"). The Fee Study is intended to comply with Section 66000 *et. seq.* of the Government Code, which was enacted by the State of California in 1987, by identifying additional public facilities required by new development ("Future Facilities") and determining the level of fees that may be imposed to pay the costs of the Future Facilities. The Fee amounts to be determined will finance transportation, fire, law enforcement, public facilities, libraries and parks and recreation at levels identified by the various City departments as being necessary to meet the needs of new development through 2035. The Future Facilities and associated construction costs are identified in the Needs List, which is included in Section VI of the Fee study. A description of the methodology used to calculate the fees is included in Section VII. The purpose of this report it to ensure that all new development is required to pay its "fair share" of the cost of the new infrastructure through the development fee program.

A Organization of the Report

This Development Impact Fee report will be presented in the following seven (7) sections:

- Section I contains an Executive Summary and provides a brief introduction to the report and includes an overview of the proposed fees.
- Section II of this report introduces the study including a brief description of City surroundings, and background information on development fee financing.
- Section III provides an overview of the legal requirements for implementing and imposing the fee amounts identified in the Fee Study. Included is a discussion of the findings required under the Mitigation Fee Act and requirements necessary to be satisfied when establishing, increasing or imposing a fee as a condition of new development, and satisfies the nexus requirements for each facility included as part of this study.
- Section IV contains a summary of recommendations for the adoption and administration of the development impact fees presented in this report
- Section V includes a discussion of land use characteristics on projected new development and demand variables such as population, the number of housing units and non-residential building square feet assuming current growth trends in housing, commercial, and industrial development extrapolated through 2035. Projections of future development are based on data provided by the City, the City's 2018 General Plan, the City Parks Master Plan, various publications from the City, City officials and additional sources determined to be reliable by DTA.

- Section VI includes a description of the Needs List, which identifies the facilities needed to serve new development through General Plan build-out in 2035 that are eligible for funding by the impact fees. The Needs List provides the total estimated facilities costs, offsetting revenues, net costs to the City and costs allocated to new development for all facilities listed in the Needs List.
- Section VII contains the description of the methodology used to determine the fees for all facility types and presents the proposed fees for each of the land types.

This report will also include an appendix section presenting the calculations used to determine the findings presented in this report.

- Appendix A includes the Facilities Needs Lists.
- Appendix B includes the Calculations used to determine the various fee levels.
- Appendix C includes a Summary of Fee Comparisons.

B Impact Fee Summary

The total fee amounts required to finance new development's share of the facilities identified in the Needs List are summarized in Table ES-1 below. Fees presented in this study reflect the maximum fee levels that may be imposed on new development.

Table ES-1: Development Impact Fees Summary

FACILITY	RESIDENTIAL			NON-RESIDENTIAL	
	Single-Family $ per Unit	Multi-Family $ per unit 0-2 Bedrooms	Multi-Family $ per unit 3+ Bedrooms	Commercial ($ per SF)	Industrial ($ per SF)
A. Local Transportation	$792	$752	$792	$0.217	$0.063
B. Local Arterials	$443	$421	$443	$0.121	$0.035
C. Traffic Signals	$137	$131	$137	$0.038	$0.011
D. Landscape/Median	$279	$265	$279	$0.076	$0.022
E. Fire Facilities	$369	$350	$369	$0.101	$0.029
F. Police Facilities	$472	$448	$472	$0.129	$0.038
G. Public Facilities	$445	$423	$445	$0.122	$0.036
H. Library	$99	$94	$99	$0.027	$0.008
I. Parks	$6,633	$6,301	$6,633	-	-
Total Impact Fees	$9,669	$9,185	$9,669	$0.831	$0.243

II INTRODUCTION

Located in the County of San Bernardino, about 50 miles east of Los Angeles, the City of Fontana ("the City") and its Sphere of Influence ("SOI") encompasses an area approximately 52 square miles and is currently home to an estimated population of over 212,000 people. Originally a small agricultural town, Fontana has become one of the fastest growing cities in California. It is now the second-most populous city in San Bernardino County and the 21st largest city in the state.

The City understands the importance of future development and has thus placed a high priority on maintaining ample public services and facilities and updating financing methods to pay for such facilities. To adequately plan for new development through 2035 and to identify the public facilities and costs associated with mitigating the direct and cumulative impacts of new development in this large area, the City asked DTA (formerly David Taussig and Associates) to update the existing impact fee program by preparing a new AB 1600 Fee Justification Study (the "Fee Study"). The need for this Fee Study is driven by changes in demographics, facility requirements, and time inflated facility costs.

DTA is updating the Development Impact Fee ("DIF") study prepared in 2006 by Colgan Consulting Corporation. With the adoption of the new 2018 General plan, the City has decided to initiate a comprehensive update to the DIF program to accommodate new planned growth within the community. The City believes it is prudent to re-visit each previous study and examine whether its current impact fees are sufficient to meet the long-term needs for expected growth in development with a consideration to any possible incentives or disincentives which may be created by current impact fees or any new fees that are imposed.

Revised impact fees are calculated by using updated information on development and City facilities. Moreover, the methods used to calculate impact fees in this study are intended to satisfy all legal requirements governing such fees, including provisions of the U.S. Constitution, the California Constitution, and the California Mitigation Fee Act (Government Code Sections 66000 et. seq.). Impact fees calculated in this report are intended to replace the City's existing impact fees.

More specifically, the Fee Study is intended to comply with Section 66000 et. seq. of the Government Code, which was enacted by the State of California in 1987, by identifying additional public facilities required by new development ("Future Facilities") and determining the level of fees that may be imposed to pay the costs of the Future Facilities. Fee amounts have been determined that will finance facilities at levels identified by the various City departments as deemed necessary to meet the needs of new development. The Future Facilities and associated construction costs are identified in the Needs List, which is included in Section VI of the Fee Study. The purpose of this report it to ensure that all new development is required to pay its "fair share" of the cost of the new infrastructure through the development fee program

Fees are calculated to fund the cost of facilities needed to meet the needs of new development. The steps followed in order to present this fee study include.

1. **Demographic Assumptions**: Identify future growth that represents the increased demand for facilities.
2. **Facility Needs and Costs**: Identify the amount of public facilities required to support the new development and the costs of such facilities. Facilities costs and the Needs List are discussed in Section VI.
3. **Cost Allocation**: Allocate costs per equivalent dwelling unit.
4. **Fee Schedule**: Calculate the fee per residential unit or per non-residential square foot.

III LEGAL REQUIREMENTS TO JUSTIFY DEVELOPMENT IMPACT FEES

The levy of impact fees is one authorized method of financing the public facilities necessary to mitigate the impacts of new development. A fee is "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 public facilities related to the development project..." (California Government Code, Section 66000).

A fee may be levied for each type of capital improvement required for new development, with the payment of the fee typically occurring prior to the beginning of construction of a dwelling unit or non-residential building. Fees are often levied at final map recordation, issuance of a certificate of occupancy, or more commonly, at building permit issuance.

AB 1600, which created Section 66000 et. seq. of the Government Code was enacted by the State of California in 1987.

In 2006, Government Code Section 66001 was amended to clarify that a fee cannot include costs attributable to existing deficiencies but can fund costs used to maintain the existing level of service ("LOS") or meet an adopted level of service that is consistent with the general plan.

Section 66000 et seq. of the Government Code thus requires that all public agencies satisfy the following requirements when establishing, increasing, or imposing a fee as a condition of new development:

1. Identify the purpose of the fee. [Government Code Section 66001(a)(1)]
2. Identify the use to which the fee will be put. [Government Code Section 66001(a)(2)]
3. Determine that there is a reasonable relationship between the fee's use and the type of development on which the fee is to be imposed. [Government Code Section 66001(a)(3)]
4. Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is to be imposed. [Government Code Section 66001(a)(4)]
5. Discuss how there is a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed.

This section presents each of these items as they relate to the imposition of the proposed fees in the City.

A PURPOSE OF THE FEE [GOVERNMENT CODE SECTION 66001(A)(1)]

New residential and non-residential development within the City will generate additional residents and employees who will require additional public facilities. Land for these

facilities will have to be acquired and public facilities and equipment will have to be expanded, constructed, or purchased to meet the increased demand.

The Fee Study has been prepared in response to the projected direct and cumulative effect of future development. Each new development will contribute to the need for new public facilities. Without future development many of the new public facilities on the Needs List would not be necessary as the existing facilities are generally adequate for Fontana's present population. In instances where facilities would be built regardless of new development, the costs of such facilities have been allocated to new and existing development based on their respective level of benefit.

The proposed impact fee will be charged to all future development, irrespective of location, in the City. First, the property owners and/or the tenants associated with any new development in the City can be expected to place additional demands on the City facilities funded by the fee. Second, these property owners and tenants are dependent on and, in fact, may not have chosen to utilize their development, except for residential, retail, employment, and recreational opportunities located nearby on other existing and future development.

As a result, all development projects in the City contribute to the cumulative impacts of development.

The impact fees will be used for the acquisition, installation, and construction of public facilities identified on the Needs Lists to mitigate the direct and cumulative impacts of new development in the City.

B THE USE TO WHICH THE FEE IS TO BE PUT [GOVERNMENT CODE SECTION 66001(A)(2)]

The fee will be used for the acquisition, installation, and construction of the public facilities identified on the Needs Lists, included in Section IV of the Fee Study and other appropriate costs to mitigate the direct and cumulative impacts of new development in the City. The fee will provide a source of revenue to the City to allow for the acquisition, installation, and construction of public facilities, which in turn will both preserve the quality of life in the City and protect the health, safety, and welfare of the existing and future residents and employees.

C DETERMINE THAT THERE IS A REASONABLE RELATIONSHIP BETWEEN THE FEE'S USE AND THE TYPE OF DEVELOPMENT PROJECT UPON WHICH THE FEE IS IMPOSED (BENEFIT RELATIONSHIP) [GOVERNMENT CODE SECTION 66001(A)(3)]

As discussed in Section A above, it is the projected direct and cumulative effect of future development that has prompted the preparation of the Fee Study. Each development will contribute to the need for new public facilities. Without future development, the City would have no need to construct many of the public facilities on the Needs List. For all other facilities, the costs have been allocated to both existing and new development based on their level of benefit. Consequently, all new development within the City, irrespective of

location, contributes to the direct and cumulative impacts of development on public facilities and creates the need for new facilities to accommodate growth.

The fees will be expended for the acquisition, installation, and construction of the public facilities identified on the Needs List and other authorized uses, as that is the purpose for which the fee is collected. As previously stated, all new development creates either a direct impact on public facilities or contributes to the cumulative impact on public facilities. Moreover, this impact is generally equalized among all types of development because it is the increased demands for public facilities created by the future residents and employees that create the impact upon existing facilities.

For the aforementioned reasons, new development benefits from the acquisition, construction, and installation of the facilities on the Needs Lists.

D DETERMINE HOW THERE IS A REASONABLE RELATIONSHIP BETWEEN THE NEED FOR THE PUBLIC FACILITY AND THE TYPE OF DEVELOPMENT PROJECT UPON WHICH THE FEE IS IMPOSED (IMPACT RELATIONSHIP) [GOVERNMENT CODE SECTION 66001(A)(4)]

As previously stated, all new development within the City, irrespective of location, contributes to the direct and cumulative impacts of development on public facilities and creates the need for new facilities to accommodate growth. Without future development, many of the facilities on the Needs Lists would not be necessary. For certain other facilities, the costs have been allocated to both existing and new development based on their level of benefit.

For the reasons presented herein, there is a reasonable relationship between the need for the public facilities included on the Needs List and all new development within the City.

E THE RELATIONSHIP BETWEEN THE AMOUNT OF THE FEE AND THE COST OF THE PUBLIC FACILITIES ATTRIBUTABLE TO THE DEVELOPMENT UPON WHICH THE FEE IS IMPOSED ("ROUGH PROPORTIONALITY" RELATIONSHIP) [GOVERNMENT CODE 66001(A)]

As set forth above, all new development in the City impacts public facilities. Moreover, each individual development project and its related increase in population and/or employment, along with the cumulative impacts of all development in the City, will adversely impact existing facilities. Thus, imposition of the fee to finance the facilities on the Needs Lists is an efficient, practical, and equitable method of permitting development to proceed in a responsible manner.

New development impacts facilities directly and cumulatively. In fact, without any future development, the acquisition, construction, and/or installation of many of the facilities on the Needs Lists would not be necessary as existing City facilities are generally adequate. Even new development located adjacent to existing facilities will utilize and benefit from facilities on the Needs List.

The proposed fee amounts are roughly proportional to the impacts resulting from new development based on the analyses contained in **Section VII**. Thus, there is a reasonable relationship between the amount of the fee and the cost of the facilities.

IV IMPLEMENTATION

In addition to the legal requirements covered in the previous section, there are a number of recommendations for the adoption and administration of the development impact fees presented in this report. All recommendations presented in this section are based on the Mitigation Fee Act (Government Code § 66000 et seq.) which provides specific requirements for development impact fee programs. It also mandates procedures for administering the impact fee programs such as collection and accounting, refunds, updating and reporting.

At the time the city imposes an impact fee, Government Code 66020 requires that the city provide a written statement of the amount of the fee and a written notice of a 90-day period during which the imposition of the fee can be protested. Prior to 66020, a developer could not challenge the validity of fees imposed on a residential development without refusing to pay them. Under these circumstances, developers were required to pay disputed fees before they could be challenged. Section 66020 was drafted to correct that problem.

The various sub-parts of section 66020 allow for a procedure that permits a developer to pay the fees under protest, obtain the relevant building permit, and then proceed with the project while pursuing an action to challenge the fees. If the action is successful, the fees will be refunded with interest. However, failure to protest imposition of the fee during the allowed period may deprive the fee payer of the right to any subsequent legal challenges. Any challenges to be filed, must be submitted within 120 days of enactment.

A.1 The Collection of Development Impact Fees.

According to Section 66007, any local agency that imposes any fees or charges on a residential development for the construction of public improvements or facilities shall not require the payment of those fees or charges, notwithstanding any other provision of law, until the date of the final inspection, or the date the certificate of occupancy is issued, whichever occurs first.

However, utility service fees may be collected at the time an application for utility service is received. If the residential development contains more than one dwelling, the local agency may determine whether the fees or charges shall be paid on a pro rata basis for each dwelling when it receives its final inspection or certificate of occupancy, whichever occurs first; on a pro rata basis when a certain percentage of the dwellings have received their final inspection or certificate of occupancy, whichever occurs first; or on a lump-sum basis when the first dwelling in the development receives its final inspection or certificate of occupancy, whichever occurs first.

An exception allows the development impact fees to be collected by the city at an earlier time if they will be used to reimburse the agency for expenditures previously made, or for improvements or facilities for which money has been appropriated. If any fee or charge specified is not fully paid prior to issuance of a building permit for construction, the local agency issuing the building permit may require the property

owner, or lessee if the lessee's interest appears of record, as a condition of issuance of the building permit, to execute a contract to pay the fee or charge, or applicable portion.

A.2 The Assignment and Expenditure of Fee Revenue.

According to section 66006, if a local agency requires the payment of a fee specified in connection with the approval of a development project, the local agency receiving the fee shall deposit it with the other fees for the improvement in a separate capital facilities account or fund in a manner to avoid any commingling of the fees with other revenues and funds of the local agency, except for temporary investments, and expend those fees solely for the purpose for which the fee was collected.

Any interest income earned in the capital facilities account or fund shall also be deposited in that account or fund and shall be expended only for the purpose for which the fee was originally collected.

The previous 2006 Development Impact Fee Study commissioned by the City stated that "The language of the law is not clear as to whether depositing fees with other fees for the improvement refers to a specific capital improvement or a class of improvements (e.g. street improvements). We are not aware of any city that has interrupted that language to mean that funds must be segregated by individual projects. As a practical matter, that approach is unworkable because it would mean that pay-as-you-go project could not be constructed until all benefiting development had paid the fees. Common practice is to maintain separate funds or accounts for impact fee revenues by facility category (i.e. streets, park improvements, but not for individual projects ". DTA recommends that the City maintain that approach.

A.3 Exemptions, Reductions and Waivers.

If a project has characteristics that indicate its impacts on a particular public facility or infrastructure system will be significantly and permanently smaller than the average impact used to calculate impact fees in this study, the fees should be reduced accordingly. The City may decide to voluntarily waive or reduce the fees that would otherwise apply to a project to promote goals such as affordable housing for economic development. However, the implementation of this policy may not result in increased costs to other development projects and are allowed only if the City offsets such costs from other revenue sources.

A.4 Developer Improvement Credits

The City shall maintain its policy that requires a developer, as a condition of project approval, to construct facilities or improvements outside the required conditions of approval, for which impact fees have been or will be charged. Furthermore, the impact fee imposed on that development project by the City for that type of facility must be adjusted to reflect a credit for the cost of the facilities or improvements

constructed by the developer. If circumstances allow a developer to dedicate land, buildings, or other valuable considerations in lieu of paying fees, the City maintains the discretion to accept or reject such offers and may negotiate the terms under which an offer would be accepted.

A.5 Existing Development Credit.

The City's 2006 Impact Development Study stated, "If a project involves replacement, redevelopment or intensification of previously existing development , impact fees should be applied only to the portion of the project which represents a net increase in demand for relevant City facilities, applying the measure of demand used in this study to calculate that particular fee. Since residential service demand is normally estimated on the basis of demand per dwelling unit, an addition to a single-family dwelling unit typically would not be subject to an impact fee if it does not increase the number of dwelling units in the structure. In any project that results in a net increase in the number of dwelling units, the added units would normally be subjected to impact fees. A similar analysis can be applied to non-residential development, using a measure of demand on which impact fees are based". DTA maintains that this analysis is still sound subject to any recently adopted legislation.

A.6 Annual Reporting and Accounting of Fees.

AB 1600 requires that both general law and charter cities account for every fee that they collect under its terms. Funds collected for each capital facility or service shall be deposited in separate accounts and not commingled with any other funds for other impact fees. While funds are accruing for individual capital facilities, the city must keep track of each fund and provide an annual report. Section 66006 requires that for each separate account or fund established, the local agency shall within 180 days after the last day of each fiscal year, make available to the public the following information for the fiscal year:

1. A brief description of the type of fee in the account or fund.
2. The amount of the fee.
3. The beginning and ending balance of the account or fund.
4. The amount of the fees collected, and the interest earned.
5. An identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees.
6. An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement, as identified in paragraph (2) of subdivision (a) of Section 66001, and the public improvement remains incomplete.

7. A description of each interfund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and, in the case of an interfund loan, the date on which the loan will be repaid, and the rate of interest that the account or fund will receive on the loan.
8. The amount of refunds made pursuant to subdivision (e) of Section 66001 and any allocations pursuant to subdivision (f) of Section 66001.

The City must review the information made available at the next regularly scheduled public meeting not less than 15 days after this information is made available to the public. Notice of the time and place of the meeting, including the address where this information may be reviewed, shall be mailed, at least 15 days prior to the meeting, to any interested party who files a written request with the local agency for mailed notice of the meeting.

A.7 Refunding Policy.

Under the Mitigation Fee Act, Gov't. Code §§ 66000 et seq., each development fee must be deposited in a separate capital facilities account and may be expended only for the purposes for which it was collected. For all unexpended fees, the agency must make findings every five years that:

1. Demonstrate a reasonable relationship between the unexpended balance and the purpose for which the fee was charged;
2. Identify the sources and funding for any as-yet uncompleted public improvements; and
3. Designate the approximate date the agency expects the funding for uncompleted improvements to be deposited in the account. § 66001(d)(1) The Act provides that "if the findings are not made as required by [the Act], the local agency shall refund the moneys in the account" to the current owners of the properties for which the fees were paid. § 66001(d)(2).

Failure to make findings specified in Mitigation Fee Act requires a refund of all unexpected Development Impact fees. When sufficient funds have been collected to complete financing of the public improvements contained in the Capital Improvement Plan (CIP), the public agency within 180 days of collection of the required funds shall identify "an approximate date by which the construction of the public improvement will be commenced." (Gov. Code § 66001(e).) Failure to comply with this requirement also mandates return of the collected funds, as stated above.

A.8 Annual Update of the Capital Improvement Plan.

It's common for jurisdictions to prepare a capital improvements plan ("CIP") in conjunction with a fee program. In fact, AB 1600 encourages the use of a CIP to assist in scheduling and implementing the services and improvements funded through

impact fees. (Gov. Code § 66002.) A good CIP establishes a schedule of improvements necessary to accommodate the projected growth. The CIP must indicate the approximate size, location, time of availability, and estimated costs of all improvements to be financed through fees. (Gov. Code § 66002(a).) In order to create a usable CIP, a city must have an accurate understanding of its current service baseline and its projected growth. This requires an understanding of when, where, and how growth may occur within the city. The more information the city can collect about future growth, the more comprehensive and accurate the CIP will be. A CIP can also help a city determine when new public improvements or expansion of existing public improvements need to be constructed in relation to the timing of new development. [1]

If the public agency adopts a CIP, it must be updated annually. (Gov. Code § 66002(b).) Ten days' published notice is provided pursuant to Government Code § 65090 and is also provided to any city or county that may be significantly affected by the capital improvement plan. If the City adopts a capital improvement plan and uses it as a basis for identifying the use of impact fees, the CIP must be adopted and updated annually by a resolution of the governing body at a public hearing. In the absence of a CIP, an alternative is to identify improvements in other public documents such as general plans, land studies and other documents.

A.9 Administration Costs of Fee Implementation.

The cost of implementing the development impact fees is not included in the fees themselves and must be determined by the City. Specific implementation costs typically include the staff time involved in applying fee revenues to specific projects, maintain the accounting records for each of the fee accounts, preparing all of the required annual accounts, updating the fees and preparing forms and information handouts. DTA recommends that the City handle these fee expenses administratively and pass the costs on to user fees charged to applicants for processing fee applications.

A.10 Indexing of Impact Fee Rates.

The development impact fees presented in this report are based on current facility costs provided by the City and should be adjusted annually to account for inflation. The purpose of the adjustment is to account for future escalation in costs for land and construction. DTA recommends that after adoption, the fee should be reviewed each year and adjusted by the California Construction Cost Index ("CCI"). This construction cost index is based upon the Building Cost Index ("BCI") cost indices average for San Francisco and Los Angeles as produced by Engineering News Record ("ENR").

[1] A Short overview of Development Impact Fees, Cities Attorneys Department league of California Cities February 2003.

A.11 Updating the Impact Fee Study.

Although the Mitigation Fee Act does not include any specific requirements on how often impact fee calculations are updated, the act does require updating findings to reaffirm the validity of the fees whenever they are imposed. DTA concurs with the generally accepted policy that five years is a good rule-of-thumb time period for impact fee updates. In some instances fees may remain valid for longer period of time if the City's land use and facility plans do not change, a case in point is a city at or near full build-out capacity, However, a dynamic growing city facing significant changes in land use, would do itself a disservice if it maintained the current fee structure for too long without a fee study to update the current rates.

A.12 Administering an Impact Fee Program.

Creating and administering an impact fee program can be a labor-intensive process requiring considerable preparation and training and that should not be undertaken more often than necessary. A well-planned fee program can generate sufficient funds to allow the city to adequately mitigate impacts created by new development. Conversely, a poorly planned fee can result in the city either collecting too little money and being forced to pay for new development through its general fund or collecting too much money based on an unsupported fee program, thus exposing the city to a fee challenge or a requirement to refund unexpected proceeds.

All City personnel involved in the process including accounting, capital budgeting, project management of any other area must be made fully aware of the difference between impact fees and other fees such as user fees and of the guidelines and restrictions placed on the expenditure of impact fee revenues. The building impact fees generated in this report are tied to specific facility improvements and cost estimates provided by the city. The fees must be expended accordingly, and the City must be able to withstand any challenges and show that the funds have been properly directed in accordance with proper AB1600 guidelines.

V DEMOGRAPHICS

In order to determine the public facilities needed to serve new development as well as establish fee amounts to fund such facilities, the City provided DTA with material containing projections of future population and development within the City and its SOI through 2035. For the purpose of this study, DTA categorized developable residential land uses as single-family and multi-family residences. (Multi-family was further categorized between those with 0-2 bedrooms and those with 3+ bedrooms). Developable non-residential land uses within the City's commercial and industrial zones are categorized as Commercial and Industrial, respectively. Additional details are included in the table below. Based on these designations, DTA has established development impact fees for the following five (5) land use categories to acknowledge the difference in impacts resulting from various land uses and to make the resulting fee program implementable.

Table 1: Land Use Fee Classification

Land Use Categories for Fee Study	Definition
Single-Family Residence	Includes single-family detached homes and single-family detached condominiums. **[1]**
Multi-Family Residence (0-2 Bedrooms)	Includes buildings with attached residential units including apartments, town homes, attached condominiums, and all other residential units not classified as Single-Family (with 0-2 bedrooms).
Multi-Family Residence (3+ Bedrooms)	Includes buildings with attached residential units including apartments, town homes, attached condominiums, and all other residential units not classified as Single-Family (with 3+ bedrooms).
Commercial	Includes but is not limited to buildings used as the following: ▪ Retail; ▪ Service-oriented business activities; ▪ Department stores, discount stores, furniture/appliance outlets, home improvement centers; ▪ Entertainment centers; ▪ Sub-regional and regional shopping centers; and ▪ Business/professional offices.
Industrial	Includes but is not limited to buildings used as the following: ▪ Light manufacturing, warehouse/distribution, logistics wholesaling; ▪ Wholesale and warehouse retail; ▪ Service-oriented commercial activities; ▪ Automotive dealerships; and ▪ Support commercial services.

[1] The City may impose Development Impact Fees on Accessory Dwelling Units (ADUs) greater than 750 square feet at their discretion.

Demographics from the City's 2018 General Plan (the "General Plan") were used as estimates for the number of housing units and non-residential building square feet to be developed within the City. In addition, the General Plan was used to project the additional population generated from new development. Notably, DTA attempted to utilize metrics (e.g., average household size) that standardize existing demographics with the projections found in the General Plan.

Future residents and employees are projected to create additional demand for facilities that existing public facilities cannot adequately provide services for. In order to accommodate new development in an orderly manner, while maintaining the level of service in the City of Fontana, the facilities on the Needs List (Section VI), as reviewed and approved by the City staff, was constructed. For those facilities that are needed to mitigate demand from new development, facility costs have been allocated to new development only. In those instances when it has been determined that the new facilities will serve both existing and new development, facility costs have been allocated based on proportionate benefit (see Equivalent Dwelling Unit discussion in Section V and VI).

The following sections summarize the existing and future development figures that were used in calculating the impact fees.

A Existing Population for Land Use Categories

A.1 Existing Residential Land Use

According to the City's General Plan, since 2000, Fontana's growth in residential population has outpaced the growth in population by nearby communities and San Bernardino County. In fact, between 2000 and 2015, Fontana's residential population increased by 58%, exceeding the overall growth of 23% for the entire County of San Bernardino. In addition, the City is expected to continue to see significant growth over the projected build-out period covered in this study. The Southern California Association of Governments ("SCAG") 2016-2040 Regional Transportation Plan states that by 2040, the City is projected to have a population in excess of 280,000 with over 74,000 households.

As stated in the Introduction, the City is expected to see significant population growth over the build-out period through 2035 and the projected Land Use numbers are expected to reflect that growth. Using the following demographic information provided by the City General Plan and confirmed using CoStar Real Estate software and other sources, DTA has assigned a City resident-per-unit factor of 4.0 for both Single-Family and Multi-Family (3+) residential units. DTA has also determined a multi-family resident-per-unit factor of 3.8 for the multi-family residences with 1-2 bedrooms. Combined, As of January 1st, 2019, per the California Department of Finance, the current City population is comprised of 212,000 current residents living in 53,528 single-family and multi-family homes.

A.2 Adjusted Existing Residential Land Use

In order to accurately calculate the City's development fees, DTA had to adjust the population demographics to account for several existing residential development agreements. These agreements generated a large number of pre-paid building development fees. Per the City, as of March 2019, a total of 4,853 residential units representing three (3) Specific Plan areas: (i) the Arboretum Specific Plan, (ii) the Monarch Hills Specific Plan and the (iii) Summit at Rosena Specific Plan have had their future development fees locked in and as a result, these fees could not be included in future fee development calculations. To account for the number of pre-paid building development fees, DTA had to adjust the existing and projected population numbers and housing units accordingly.

To do this, single-family and multi-family units included in the development agreements (and their respective population totals) were removed from the Projected Land Use category over the build-out period and directed into the Existing Residential Land Use category. These adjustments allow a more accurate calculation of future development fees, as development fees are generated for the actual number and type of residential housing unit totals, and not population figures. The resulting adjusted existing residential land use figures used in this report are summarized in Table 2 below.

As expected, after the adjustments are made, the number of existing residents and housing units in the existing Land Use category increased. As seen in the table below, for the purpose of accurately calculating development fees, there are 172,608 existing residents residing in 43,152 single-family housing units, 50,047 residents (in units with 0-2 bedrooms) residing in 13,170 multi-family housing units and 8,234 residents (in units with 3+ bedrooms) residing in 2,059 units within the City. Combined, for the purpose of calculating development impact fees, the adjusted current City population, as of March 2019, is comprised of 230,889 residents living in 58,381 single-family and multi-family homes.

Table 2: Adjusted Existing Residential Land Use Development[1]

Residential Land Use	Existing Residents	Existing Housing Units	Average Household Size [2]
Single-Family Residence [3]	172,608	43,152	4.00
Multi-Family Residences (0-2 Bedrooms)	50,047	13,170	3.80
Multi-Family Residences (3+ Bedrooms)	8,234	2,059	4.00
Total	**230,889**	**58,381**	

A.3 Existing Non-Residential Land Use

In terms of the City's non-residential property, using CoStar Real Estate Software, as of June 2019, there are estimated to be approximately 10.9 million square feet of existing commercial development and 54.3 million square feet of existing industrial development within the City.

In order to determine how many employees that the City has in these categories, DTA utilized an employee's-per-thousand square-foot factor of 2.19 for the Commercial Sector and .64 for the Industrial Sector. These numbers are not derived but are estimates based on the employee's-per thousand square-foot-factors published in The U.S. Energy Information Administration's "Commercial Buildings Energy Consumption Survey (CBECS) released in December of 2016.

These calculations resulted in 24,033 existing commercial employees and 34,720 existing industrial employees within the City and its SOI as shown below in **Table 3 below**.

The 54.3 million square feet of existing industrial space is based on the figures in the City's General Plan and the 10.9 million square feet of commercial space is based on information provided by both the City and DTA's research using CoStar software as well as other information sources. Using these figures and standard employment generation rates for industrial and commercial square footage, DTA has estimated that as of June 2019, the potential employee capacity (for both industrial and commercial) available in the City.

Note that the actual total employee figures for both commercial and industrial space will likely vary somewhat from DTA estimates because of vacancies, property utilizations, etc. However, for purposes of the fee calculation, the City is interested in the total number of employees that could be generated by the identified square

[1] Table 2 includes the City of Fontana and its Sphere of Influence. Also includes the three Specific Plan Areas.
[2] SFR Household size per the California Department of Finance as of January 2019, MFR per DTA calculation.
[3] Reliable information on the number of Accessory Dwelling units (ADUs) is not available.

footage for a particular land use. The same logic is applied to future non-residential space and associated employee estimates.

For many of the facilities considered in this Fee Study, Equivalent Dwelling Unit ("EDU") calculations are based on the number of residents or employees ("Persons Served") generated by each land use class. (Equivalent Dwelling Units are covered in additional detail in the following sections). Based on years of performing a variety of fiscal and economic impact studies and with experience in a variety of areas both public and private, DTA has determined that utilizing a service population, or Persons Served population, comprised of all residents and 50% of employees is common fiscal practice in quantifying the impact of a new development in a given service area. This number suggests that a resident generally has twice the fiscal impact of an employee. For existing Persons Served estimates for non-residential development, please reference Table 3.

Table 3: Estimated Existing Non-Residential Development

Non-Residential Land Use	Existing Building Square Feet	Employees per 1,000	Existing Employees	Persons Served per 1,000*	Existing Persons Served
Commercial	10,974,122	2.19	24,033	1.10	12,017
Industrial	54,250,693	0.64	34,720	0.32	17,360

*Note: Persons served equal residents plus 50% of employees.

Figure 1: Existing Residential Land Use Development
(Existing Units)

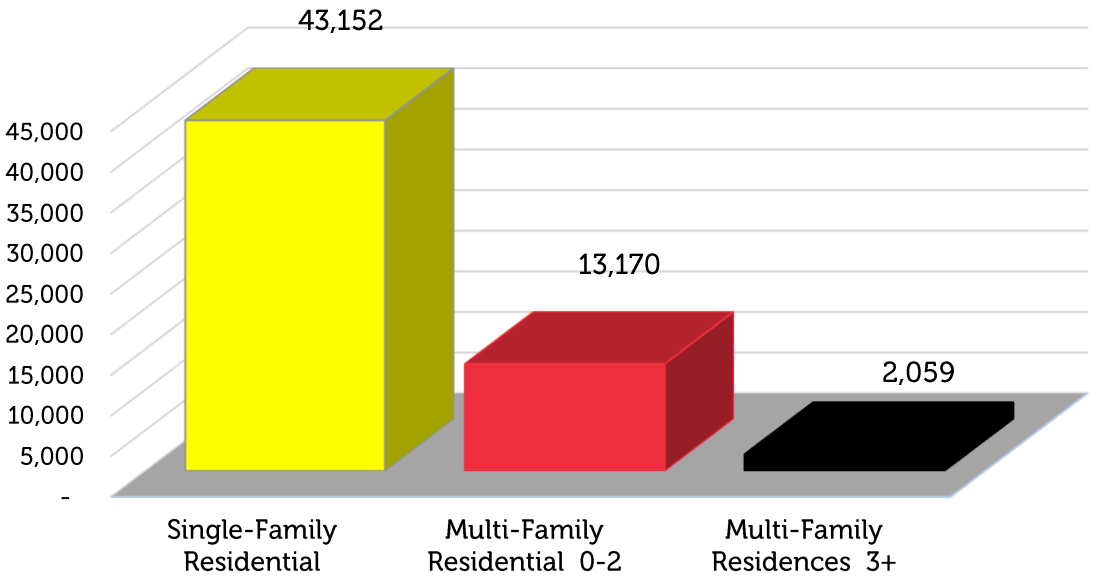
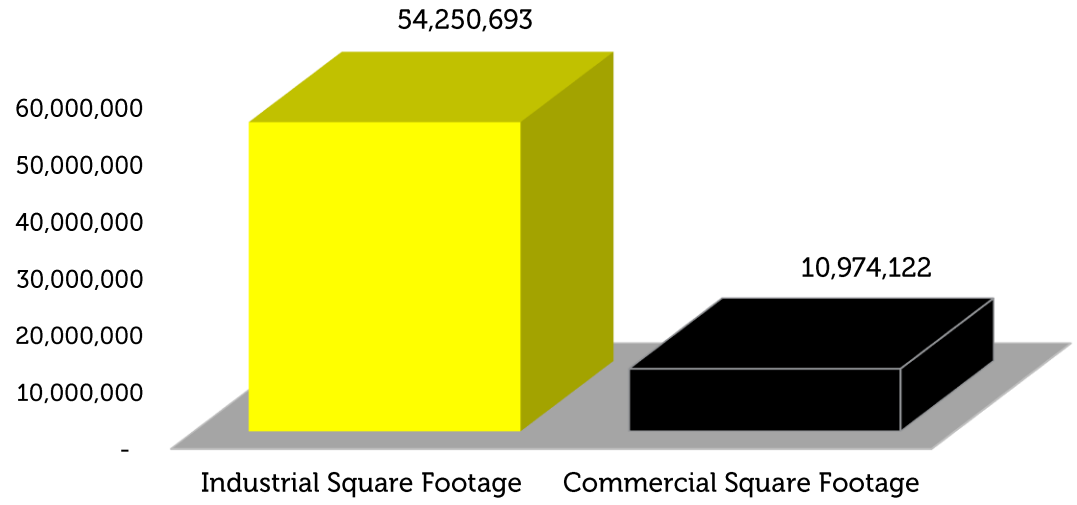


Figure 2: Existing Non-Residential Land Use Development
(Projected Square Footage)



B Future Population for New Land Use Categories (2035)

B.1 Adjusted Future Residential Land Use

According to information provided by the City through their General Plan, and after accounting for the pre-paid development fees generated by the three Specific Plan areas, there are projected to be 844 single-family housing units, 5,906 Multi-family housing units (with 0-2 bedrooms) and 1,179 multi-family housing units (with 3+ bedrooms) built in the City and its SOI through 2035, the time horizon utilized for this fee study.

For the purpose of this study, DTA will maintain the City resident-per-unit factor of 4.0 for both single-family and multi-family (3+) units and a multi-family resident-per-unit factor of 3.8 for residences with 1-2 bedrooms. This results in 30,530 additional residents living in 7,929 single-family and multi-family homes Citywide through the 2035 build-out period. Table 4 presented below summarizes the projected future demographics for the residential land uses over the build-out period.

Table 4: Estimated Future Residential Land Use Development through 2035

Residential Land Use	Future Residents	Future Housing Units	Average Household Size
Single-Family Residence	3,374	844	4.00
Multi-Family Residences (0-2 Bedrooms)	22,442	5,906	3.80
Multi-Family Residences (3+ Bedrooms)	4,714	1,179	4.00
Total	**30,530**	**7,929**	

The City's General Plan states that the majority of land occupied or used in Fontana is residential and the vast majority of residential land is in the form of single-family homes. However, multi-family residences are expected to make up most of the projected development over the build-out period. Currently, multi-family development is predominantly located between Foothill Blvd. and I-10, and especially clustered in the older part of the city, in a rectangle formed by Sierra Avenue to the east, Arrow Blvd. to the north, Citrus to the west and San Bernardino to the south.

B.2 Future Non-Residential Land Use

In terms of non-residential property, the City expects the development of approximately 1,767,178 square feet of future commercial space and 30,902,249 square feet of future industrial space to be built in the City through 2035. These figures were derived from projected acres at buildout and density ranges taken from

the updated 2018 Fontana General Plan. Using the same source, the (CBECS), presented in the previous section, and in order to determine how many employees that the City has in these categories, DTA has maintained the same employee's-per-thousand square-foot factor of 2.19 for the commercial sector and .64 for the industrial sector over the build-out period. These calculations result in 3,870 future commercial employees and 19,777 future industrial employees within the City as shown below in **Table 5**.

Table 5: Estimated Future Non-Residential Land Use Development 2035

Non-Residential Land Use	Future Building Square Feet	Employees per 1,000	Future Employees	Persons Served per 1,000	Future Persons Served
Commercial	1,767,178	2.19	3,870	1.10	1,935
Industrial	30,902,249	0.64	19,777	0.32	9,889

Again, for many of the facilities considered in this Fee Study, EDU calculations are based on the number of residents or employees ("Persons Served") generated by each land use class. "Persons Served" equal Residents plus 50% of Employees and is a customary industry practice designed to capture the reduced levels of service demanded by employees.

C EDU and EBU Projections

EDU and Equivalent Benefit Units ("EBU") are a means of quantifying different land uses in terms of their equivalence to a residential dwelling unit, where equivalence is measured in terms of potential infrastructure use or benefit for each type of public facility. Since generally all of the facilities proposed to be financed by the levy of impact fees will serve both residential and non-residential property, DTA projected the number of future EDUs or EBUs based on the number of residents or employees generated by each land use class. The EDU projections for each facility are shown in the fee derivation worksheets presented in the Appendix to this report.

Figure 3: Estimated Future Residential Land Use Development through 2035 (Projected Units)

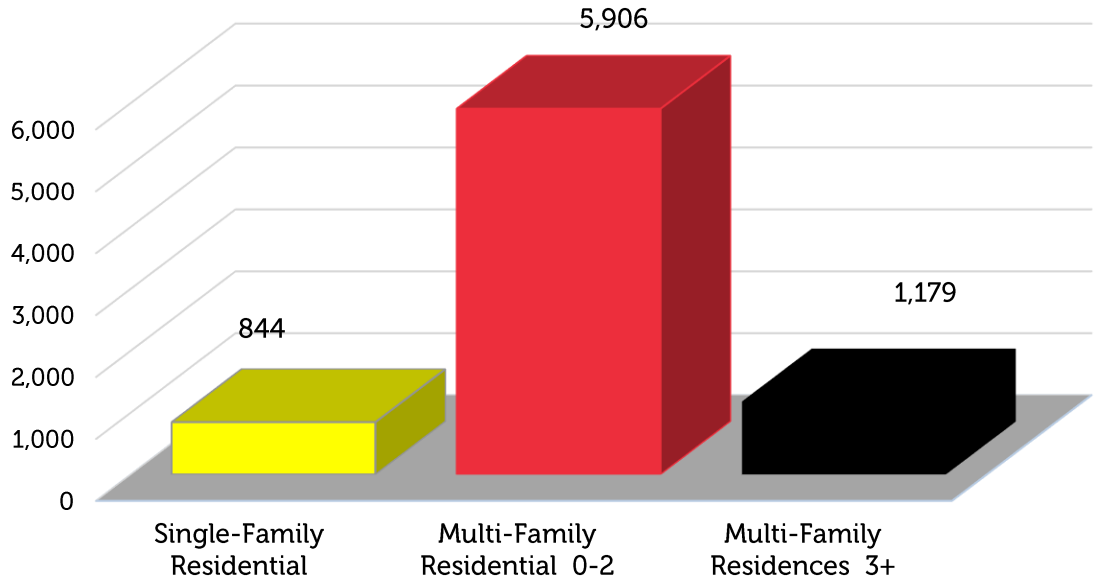
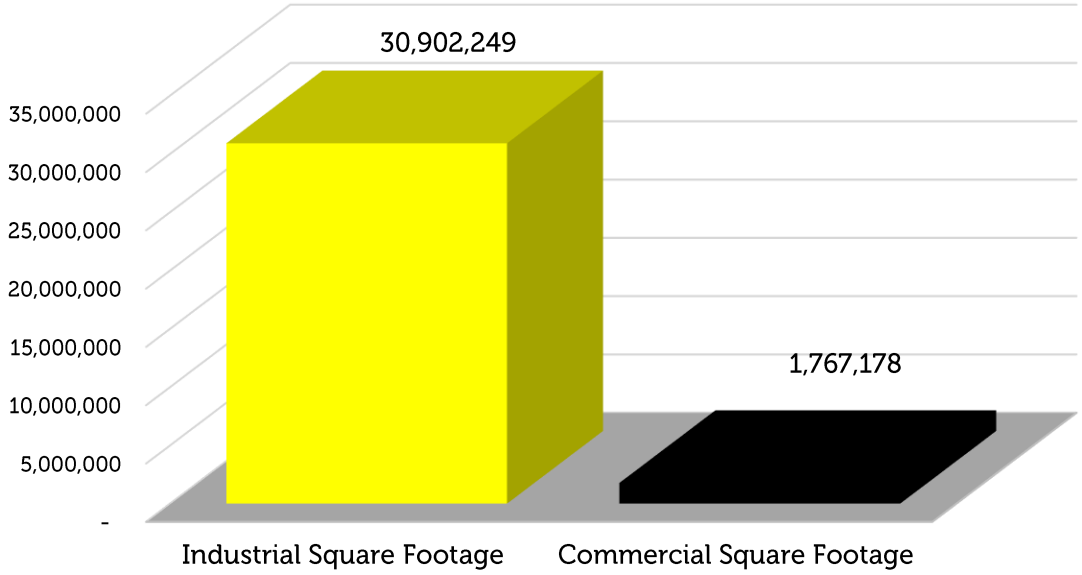


Figure 4: Estimated Future Non-Residential Land Use Development through 2035 (Projected Square Footage)



VI THE NEEDS LIST

Identification of the facilities to be financed is a critical component of any development impact fee program. In the broadest sense, the purpose of impact fees is to protect the public health, safety, and general welfare by providing for adequate public facilities. "Public Facilities" per Government Code Section 66000 includes "public improvements, public services, and community amenities."

Government Code Section 66000 requires the identification of those facilities for which impact fees are going to be used as the key financing mechanism. Identification of the facilities may be made in an applicable general or specific plan, other public documents, or by reference to a Capital Improvement Program ("CIP").

DTA has worked closely with the City staff to develop the list of facilities to be included in the Fee Study ("the Needs List".) For purposes of the City's fee program, the Needs List is intended to be the official public document identifying the facilities eligible to be financed, in whole or in part, through the levy of a development impact fee on new development within the City. The Needs List is organized by facility element (or type) and includes a cost section consisting of

In order to prepare this analysis, DTA surveyed the City staff on required facilities needed to serve new development as a starting point for its fee calculations. The survey included the project description, justification, public benefit, estimated costs, and project financing for each proposed facility. Through discussions between DTA and City staff, the Needs List has gone through a series of revisions to fine-tune the needs, costs, and methodologies used in allocating the costs for each facility.

Table 6 on the following page outlines the process used in putting the Needs List together. The facilities included on the list are provided by the City and reflect either the City's goals of maintaining and improving a specific area or objective or are part of a more formal policy document such as a General Plan, Active Transportation plan, Capital Improvement Plan, etc. Specific estimated facility costs are provided by the City and are used as a basis for determining the allocation of revenues between new and existing development.

Table 6: City of Fontana Needs List Explanation of Costs Section

Column Title	Contents	Source
Total Cost for Facility	The total estimated facility cost including engineering, design, construction, land acquisition, and equipment (as applicable)	City
Offsetting Revenues to New and Existing Development	Share of Total Offsetting Revenues allocated to new and existing development	City
Net Cost to City	The difference between the Total Cost and the Offsetting Revenues (column 1 plus column 2)	Calculated by DTA
Percent of Cost Allocated to New Development	Net Cost Allocated to New Development based on New Development's Share of Facilities	Calculated by DTA and City
Net Cost Allocated to New Development	The Net Cost to City Multiplied by the Percentage Cost Allocated to New Development	Calculated by DTA
Policy Background or Objective	Identifies policy source or rationale for facility need	City General Plan

The Summary of the final Needs List is presented on the following page. (The entire detailed Needs list is presented in full in Appendix A at the end of this report.)

Figure 5: DIF Program for the City of Fontana Public Facilities Needs List through 2035
(Needs List Summary)

Facility Name		Total Cost for Facility
A. Traffic Facilities		
Active Transportation Plan	$	59,919,310
Landscaped Median	$	25,812,822
Local Streets (Arterials not on Measure I)	$	33,509,659
Traffic Signals	$	10,400,000
Existing / Offsetting Revenues	$	4,696,256
Total Traffic Facilities	$	124,945,535
B. Park Development		
Parks Development Facilities	$	186,000,000
Existing / Offsetting Revenues	$	2,204,022
Total Parks and Recreation	$	183,795,978
C. Public Facilities		
Public Facilities	$	42,100,000
Existing / Offsetting Revenues	$	8,424,378
Total Public Facilities	$	33,675,623
E. Fire		
Fire Facilities	$	28,600,000
Existing / Offsetting Revenues	$	702,280
Total Fire	$	27,897,720
F. Library		
Library Facilities	$	7,579,750
Existing / Offsetting Revenues	$	125,291
Total Library Total	$	7,454,459
G. Police		
Police Facilities	$	37,114,430
Existing / Offsetting Revenues	$	1,401,386
Total Police	$	35,713,044
Grand Total	$	413,482,359

VII METHODOLOGY USED FOR CALCULATING IMPACT FEES

There are many methods or ways of calculating fees, but they are all based on determining the cost of needed improvements and assigning those costs equitably to various types of development. Each of the fee calculations employs the concept of an Equivalent Dwelling Unit (EDU) or Equivalent Benefit Units (EBU) to allocate benefit among the five land use classes introduced in the previous sections. EDUs are a means of quantifying different land uses in terms of their equivalence to a residential dwelling unit, where equivalence is measured in terms of potential infrastructure use or benefit for each type of public facility. For the facilities considered in this Fee Study, EDU calculations are based on the number of residents or employees ("Persons Served") generated by each land use class. When persons served for a specific facility cannot be accurately quantified, alternative measures, such as number of trips, or specific standards per unit more accurately represent the benefit provided to each land use class.

Table 7 below shows total existing and projected EDUs or EBUs by facility type. Notably, "Persons Served" equal Residents plus 50% of Employees and is a customary industry practice designed to capture the reduced levels of service demanded by employees.

Table 7: City of Fontana Equivalent Dwelling units (By Facility Type)

Facility Type	Service Factor [1]	Existing EDUs/EBUs [2]	Projected EDUs/EBUs [3]	Total
Traffic Facilities	Persons Served and/or Usage Factor	65,066	10,588	75,655
Public Facilities				
Fire Facilities				
Library Facilities				
Police Facilities				
Parks Development [3]		57,722	7,633	65,355

Notes:

1. Persons Served and/or Usage Factor is Determined by DTA and is specific to the Facility Type.
2. Existing and Projected EDUs/EBUs are derived by DTA and are explained in detail in Section V.
3. Parks Development Facilities fee calculations do not include non-residential land uses and as a result generate a lower EDU and EBU total.

Plan-Based Fee Methodology

The fee methodologies used by DTA to establish the development impact fees used in this report are based on a "Plan," such as a Master Plan of Facilities, Capital Improvement Plan or City General Plan, which identifies a finite set of improvements. These facility plans generally identify a finite set of facilities needed by the public agency and are developed according to assessments of facilities needs prepared by staff and/or outside consultants and adopted by the public agency's legislative body. Using this Plan-Based approach,

specific costs can be projected and assigned to all land uses planned, often with a specific time period in mind that reflects new development projections. By using population and commercial/industrial square footage numbers provided by the City and other sources, it is possible to assign development impact fee levels by percentage between new and existing development. In preparing an impact fee analysis, facilities costs can be allocated in proportion to the demand caused by each type of future development. As indicated in the table below, this Plan-based approach is used for all of the fees generated in this report including Traffic Facilities, Park Development, Public Facilities, Fire Facilities, Library Facilities and Police Facilities.

Table 8: City of Fontana Methodology (By Facility Type)

Facility Type	Methodology	Sources of Apportioning Costs	Units of Measure
Traffic Facilities	Plan-Based Fee	Existing Infrastructure Plan	Persons Served
Park Development	Plan-Based Fee	Existing Infrastructure Plan	Persons Served
Public Facilities	Plan-Based Fee	Existing Infrastructure Plan	Persons Served
Fire Facilities	Plan-Based Fee	Existing Infrastructure Plan	Persons Served
Library Facilities	Plan-Based Fee	Existing Infrastructure Plan	Persons Served
Police Facilities	Plan-Based Fee	Existing Infrastructure Plan	Persons Served

A Transportation Facilities Fee

Transportation facilities include infrastructure such as roads, medians, road markings, safety barriers, traffic signals and the additional infrastructure support necessary to provide safe and efficient vehicular and pedestrian access throughout the City and its SOI. The City identified four areas to actively collect Transportation facilities fees: (1) Active Transportation, (2) Landscaped Medians, (3) Local Arterials (not covered under Measure I) and (4) Traffic Signals. Separate fee calculations for each of these areas are presented in the following pages and summarized in the Total Transportation Facilities fee table at the end of the section.

A.1.i Active Transportation Facilities

The Active Transportation Facilities Fee will include infrastructure necessary for safe and efficient pedestrian and bicyclist friendly environments including street, sidewalks, and pathways that are attractive, convenient, and safe for active transportation modes and embody the Healthy Fontana model by improving personal health, environmental health, and elevating quality of life. These improvements are listed in the City's Active Transportation Plan which is referenced in the City's General Plan. In order to meet the needs and offer alternative and safer options for pedestrians and bicyclists of new development through the year 2035, the City's Transportation Engineering Department identified projects in the Active

Transportation Plan which are not included within the Measure I Nexus list of projects for improvements as shown in the following Needs List.

Table 9: Active Transportation Facilities Nexus Requirement

Identify the Purpose of the Fee	Active Transportation Plan Facilities
Identify Use of Fee	Construction of bike lanes, bike trails, pedestrian improvements and transit opportunities to connect people to City destinations.
Demonstrate how there is a reasonable relationship between the need for the public facility, the use of the fee, and the type of development project on which the fee is imposed.	New residential and non-residential development will generate additional residents and employees who will create additional non-vehicular traffic. Streets, sidewalks and trails will have to be improved meet the increased demand. Thus, there is a relationship between new development and the need for new Active Transportation facilities. Fees collected from the new development will be used exclusively for Active Transportation facilities on the Needs List.

Table 10 presented below identifies the proposed areas where facilities and other projects to be funded in whole or in part with the fees collected for Active Transportation improvements. (Specific project detail is presented in Appendix A) The facility costs presented are based on estimates provided by the City.

A.1.ii Calculation Methodology

Active Transportation improvements benefit residents and employees throughout the City and its SOI. The Active Transportation fee is calculated for both residential and non-residential land uses and is detailed in Appendix A. City Transportation Engineers evaluated the required Active Transportation improvements and subsequently provided estimates as to the levels of construction and developed costs for future development.

Each of the Active Transportation improvements listed in the preceding table benefit both residents and employees by providing safe and efficient transportation options throughout the City. Using the Plan-based approach introduced in Table 8, the Active Transportation fee was calculated for both residential and non-residential land uses as detailed in Appendix A.

Each land use classification was assigned an EDU factor, based on population, which was derived from the number of persons served, defined as the persons per household (for residential units) and 50% of the number of employees per 1,000 building square feet of each category of non-residential development.

Table 10: Active Transportation Facilities Costs

Active Transportation Plan Facilities	Facility Cost
Cypress- Highland Ave to Valencia Ave. - Construct Class II Bike Lanes	$42,400
Alder Ave- Baseline Ave to Randall Ave. - Construct Class II Bike Lanes	$297,360
Mangoe Ave- Foothill Blvd to Merrill Ave. - Construct Class II Bike Lanes	$118,000
Sierra Ave- Slover Ave to Jurupa Ave. Construct Class IV Bike Lanes	$140,390
Juniper Ave- Baseline Ave to Foothill Blvd. Construct Class III Bike Lanes	$16,000
Juniper Ave- Foothill Blvd to Merrill Ave. - Construct Class II Bikes Lanes	$118,000
Miller Ave- Beech Ave to Maple Ave. - Construct Class II Bike Lanes	$444,860
Merrill Ave - Citrus Ave to Mango Ave. - Construct Class II Bike Lanes	$149,860
Merrill Ave - Mango Ave to Alder Ave. Construct Class II Bike Lanes	$88,500
Merrill Ave- Alder Ave to Maple Ave. - Construct Class II Bike Lanes	$88,500
San Bernardino Ave- Fontana Ave to Alder Ave. - Construct Class II Bike Lanes	$328,040
Foothill Blvd- Hemlock Ave to Sultana Ave. - Construct Class II Bike Lanes	$49,560
Foothill Blvd- Almeria Ave to Citrus Ave. - Construct Class II Bike Lanes	$44,840
Citrus Ave- Foothill Blvd to Valley Blvd. - Construct Class II Bike Lanes	$295,000
Arrow Blvd- Palmetto Ave to Almeria Ave. - Construct Class IV Bike Lanes	$278,000
SCE Corridor- Riverside Ave to Mango Ave. - Construct Class I Bike Lanes	$6,820,000
SCE Corridor- Bridlepath to Parkside Way. - Construct Class I Bike Lanes	$3,520,000
City Boundary- SCE to Wilson Rd. - Construct Class I Bike Lanes	$1,100,000
SCE Corridor- Sierra Ave to East Ave. - Construct Class I Bike Lanes	$14,300,000
Highland Channel (North)- San Sevaine Rd to Knox Ave. - Construct Class I Bike Lanes	$2,200,000
Highland Channel (South)- Knox Ave to Victoria Ave. - Construct Class I Bike Lanes	$5,500,000
San Sevaine Channel- Victoria Ave to PE Trail. - Construct Class I Bike Lanes	$1,100,000
San Sevaine Channel- I-10 to Philadelphia Ave.- Construct Class I Bike Lanes	$5,500,000
SCE South- San Sevaine Channel to Rancherias Dr. - Construct Class I Bike Lanes	$1,760,000
SCE South- Live Oak Ave to Poplar Ave.- Construct Class I Bike Lanes	$2,420,000
SCE South- Catawba Park to Locust Ave. - Construct Class I Bike Lanes	$6,600,000
Metrolink Trail Extension- Catawba Ave to Maple Ave. - Construct Class I Bike Lanes	$6,600,000
Active Transportation Plan Facilities Total	**$59,919,310**

All of the transportation facilities listed in this section were sized to meet the needs of both existing and future residents and employees. Each land use classification was considered by City Transportation Engineers who evaluated the required transportation and roadway improvements. Therefore, the costs of these facilities have been allocated between existing development and new development based on their percentage of build-out EDUs.

As illustrated in **Table 11** below, using this methodology, DTA has determined that 86.0% of the costs of the new facilities will be allocated to existing development and must be funded by other means such as taxes, grants, other fees, etc. while 14.0% of the costs will be allocated to new development.

As illustrated in Appendix B at the end of this report, the total number of EDUs calculated for both residential and non-residential development equals 75,655 (Total EDUs), with 65,066 (Existing EDUs) assigned to existing development and 10,588 (New EDUs) assigned to new development.

In order to calculate the Facility Cost Allocation percentage of new development shown in the table below, the number of EDUs assigned to new development is divided by the overall total number of EDUs and is illustrated with the following equation: New **EDUs / Total EDUs = 14.0%.** As indicated below, 14.0% of the $59,919,310 in total facilities costs equals $8,386,135. So, in total, $8,386,135 out of $59,919,310 in Active Transportation Facilities costs would be covered by impact fees on new development.

Table 11: Active Transportation Facilities Cost Allocation Summary

Development Type	Percentage Allocated to New Development	Facility Cost Allocation
Existing Development	86.0%	$51,533,175
New Development	14.0%	$8,386,135
Total	**100.0%**	**$59,919,310**

A.1.iii Fee Derivation

The fee amounts required by each land use type to finance new development on the Needs List are presented below in **Table 12.** The single-family and multi-family residential fees are calculated per housing unit and the commercial and industrial development fees are calculated per square feet. All of the calculations are based on costs per EDUs generated by dividing the cost to new development of $8,386,135 / New EDUs resulting in a $792 cost per EDU.

As shown on the following page, the building development impact fee is $792 per unit for a single-family and multi-family (3+) residence, which is the same as the cost per EDU as described above: $792 per unit (a ratio of 1.0). Since a multi-family (0-2) unit generates approximately 0.95 EDUs, the fee for a multi-family residence is given by the cost allocation per unit, i.e., 0.95 times the single-family fee, or $752 per unit.

Similarly, the proposed non-residential fees are equal to the cost allocation by square footage for each land use category. The commercial sector generates approximately .27 EDUs; thus, the fee for commercial development is given by the cost allocation per unit, i.e. 0.27 times the single-family fee / 1,000 feet, or $0.217 per square foot. This same methodology (0.08 EDUs times the single-family fee / 1,000) is used to

calculate a fee of $0.063 per square foot for industrial development

DTA further recommends that after adoption, the fee should be reviewed each year and adjusted by the California Construction Cost Index ("CCI"). This construction cost index is based upon the Building Cost Index ("BCI") cost indices average for San Francisco and Los Angeles as produced by Engineering News Record ("ENR").

Table 12: Active Transportation Facilities Fee Derivation

Land Use Type	Development Impact Fee Per Unit	Development Impact Fee Per Square Feet	Transportation Facilities Costs Financed by Fees
Single-Family Residential	$792		$668,059
Multi-Family Residential (0-2)	$752		$4,443,562
Multi-Family Residential (3+)	$792		$933,382
Commercial		$0.217	$383,146
Industrial		$0.063	$1,957,987
		Total	**$8,386,135**
		Gross Costs Allocated to Other Sources	$51,533,175
		Total Gross Active Transportation Costs	**$59,919,310**

A.2 Landscaped Median

A.2.i Landscaped Median Facilities (Nexus Requirement of AB 1600)

The Landscaped Medians element will serve the residents and employees of Fontana by providing attractive roadway planters, tree-lined streets and landscaped medians which are central to a community's character and help to maintain and increase property value throughout the City.

Table 13: Landscaped Median Facilities Nexus Requirement

Identify the Purpose of the Fee	Landscaped Median Plan Facilities
Identify Use of Fee	Construction/extension of Landscaped medians
Demonstrate how there is a reasonable relationship between the need for the public facility, the use of the fee, and the type of development project on which the fee is imposed.	New residential and non-residential development will generate additional residents and employees who will increase the demand for roads and also for landscaped medians. Medians will have to be constructed or extended to meet this increased demand. Thus, there is a relationship between new development and the need for traffic landscaped medians. Fees collected from new development will be used exclusively for landscaped medians.

Table 14: Landscaped Median Facilities Costs

Landscaped Median Plan Facilities	Facility Cost
Slover Avenue Ave - Jasmine Ave to Sierra Ave	$8,610,000
Merrill Ave - Oleander Ave to Sierra Ave	$1,354,500
Arrow Blvd - Citrus Ave to Juniper Ave	$1,424,500
Arrow Blvd - Palmetto Ave to Alder Ave	$910,000
South Highland Ave - Citrus Ave to Sierra Ave	$1,393,000
Beech Ave - Cherry Ave to I-15 NB On-Ramp	$1,050,000
Beech Ave - Baseline Ave to Miller Ave	$855,750
Beech Ave - Slover Ave to Jurupa Ave	$1,604,400
Etiwanda Ave - Slover Ave to Philadelphia Ave	$5,392,380
Mulberry Ave - Slover Ave to Santa Ana Ave	$896,000
Citrus Ave - Sierra Lakes Pkwy to the 210 On/Off Ramps	$259,000
Armstrong Rd - Jurupa Ave to Riverside County Limits	$1,971,900
Walnut Ave - Missing Gap Between Helen Wy and Almeria Ave.	$91,392
Existing/Offsetting Revenues *	$4,696,256
Traffic Landscaped Median Facilities Total	**$21,116,566**

*** Existing/Offsetting Revenue balance as of May 2019 per the City of Fontana.**

Table 14 presented above, identifies the proposed Landscaped median facilities to be funded in whole or in part with the fees collected for Landscaped Median improvements. (Specific facilities detail for each project is presented in Appendix A) Costs are based on estimates provided by the City.

A.2.ii Calculation Methodology

The amounts presented for this fee category are based on figures provided by the City's Transportation Engineering Department and are calculated for both residential and non-residential development. As stated in the previous section, the Landscaped Median Facilities use classification was assigned an EDU factor which was derived from the number of Persons Served, which is defined as the persons per household (for residential units) and 50% of the number of employees per 1,000 building square feet of each category of non-residential development.

The proportion of fees required by new development for planned Landscaped Medians is presented in the table below. Using the Plan-based approach and given the information provided by the City, DTA has determined that 86.0% of the costs will be allocated to existing development and 14.0% of the costs will be allocated to new development.

As illustrated in Appendix B at the end of this report, the total number of EDUs calculated for both residential and non-residential development equals 75,655 (Total

EDUs), with 65,066 (Existing EDUs) assigned to existing development and 10,588 (New EDUs) assigned to new development.

In order to calculate the Facility Cost Allocation percentage of new development shown in the table below, the number of EDUs assigned to new development is divided by the overall total number of EDUs and is illustrated with the following equation: New **EDUs / Total EDUs = 14.0%.** As indicated below, 14.0% of the $21,116,566 in total facilities costs equals $2,955,414.

After taking $4,696.255 in existing/offsetting revenues set aside for landscaped median facilities into consideration; in total, $2,955,414 out of $21,116,566 in Gross landscaped median costs would be covered by development impact fees on new development.

Table 15: Landscaped Median Facilities Cost Allocation Summary

Development Type	Percentage Allocated to New Development	Facility Cost Allocation
Existing Development	86.0%	$18,161,152
New Development	14.0%	$2,955,414
Total	**100.0%**	**$21,116,566**

A.2.iii Fee Derivation

The fee amounts required by each land use type to finance new development on the Needs List are presented below in **Table 16**. The single-family and multi-family residential fees are calculated per housing unit and the commercial and industrial development fees are calculated per square feet. All of the calculations are based on costs per EDUs generated by dividing the cost to new development of $2,955,414 / New EDUs resulting in a $279 cost per EDU.

As shown on the following page, the building development impact fee is $279 per unit for a single-family and multi-family (3+) residence, which is the same as the cost per EDU: $279 per unit (a ratio of 1.0). Since a multi-family (0-2) unit generates approximately 0.95 EDUs, the fee for a multi-family residence is given by the cost allocation per unit, i.e., 0.95 times the single-family fee, or $265 per unit.

Similarly, the proposed non-residential fees are equal to the cost allocation by square footage for each land use category. The commercial sector generates approximately .27 EDUs; thus, the fee for commercial development is given by the cost allocation per unit, i.e. 0.27 times the single-family fee / 1,000 feet, or $0.076 per square foot. This same methodology (0.08 EDUs times the single-family fee / 1,000 feet) is used to calculate a fee of $0.022 per square foot for industrial development

Once the fees have been implemented, DTA further recommends that they be reviewed by the City and adjusted annually by the California CCI.

Table 16: Landscaped Median Facilities Fee Derivation

Land Use Type	Development Impact Fee Per Unit	Development Impact Fee Per Square Feet	Transportation Facilities Costs Financed by Fees
Single Family Residential	$279		$235,435
Multi-Family Residential (0-2)	$265		$1,565,985
Multi-Family Residential (3+)	$279		$328,939
Commercial		$0.076	$135,027
Industrial		$0.022	$690,027
		Total	$2,955,414
		Gross Costs Allocated to Other Sources	$18,161,152
		Total Gross Landscape Median Costs	$21,116,566

A.3 Local Arterials

A.3.i Local Arterial Facilities (Nexus Requirement of AB 1600)

The Local Arterials fee includes the infrastructure necessary to improve local four-lane arterials due to new development. This fee will cover areas not covered by Measure I and will include street widening and the construction and expansion of curbs, sidewalks, streetlights and gutters and other improvements. This is part of the City's goal to maintain and improve the City's traffic infrastructure. In order to meet the local arterials facilities demand for new development through the year 2035, the City's Transportation Engineering Department identified the need for road construction and equipment as shown in the Needs List.

Table 17: Local Arterials Facilities Nexus Requirement

Identify the Purpose of the Fee	Traffic Local Arterials Facilities
Identify Use of Fee	Improvements to local arterials
Demonstrate how there is a reasonable relationship between the need for the public facility, the use of the fee, and the type of development project on which the fee is imposed.	New residential and non-residential development will generate additional residents and employees who will create additional vehicular and non-vehicular traffic. Streets will have to be widened, sidewalks will have to be laid out and curbs and gutters will have to be constructed. Thus, there is a relationship between new development and the need for improvements to local traffic arterials. Fees collected will be used exclusively for local traffic arterials.

SECTION VII
METHODOLOGY USED FOR CALCULATING IMPACT FEES

The tables presented in the following pages identify the proposed local arterials facilities to be funded in whole or in part with the fees collected for transportation improvements. The costs for these facilities are based on estimates from the City's Active Transportation Plan.

Table 18: Local Arterials Facilities Costs

Traffic Local Arterials	Description	Facility Cost
Alder Ave.	Needs Interchange (Complete)	$689,394
Alder Ave.	Curb, gutter and sidewalk, add lanes	$157,197
Alder Ave.	Curb, gutter and sidewalk, add lanes	$318,182
Armstrong Road	Add two lanes, curb gutter, sidewalk, 1 multi-purpose trail	$1,047,348
Beech Ave.	Improved to accommodate 4 lanes in each direction	$268,939
Beech Ave.	Improved to accommodate 4 lanes in each direction	$125,000
Beech Ave.	Improved to accommodate 4 lanes in each direction	$738,636
Ceres Ave.	Improved to accommodate 4 lanes in each direction	$1,001,894
Coyote Canyon Road	Improved to accommodate 4 lanes in each direction	$2,424,242
Cypress Ave.	Saw-tooth project add sidewalk	$1,018,939
Cypress Ave.	Saw-tooth project add sidewalk	$1,969,697
East Street	Minor widening, add sidewalk	$491,477
Etiwanda Ave.	Add north bound lane, curb gutter and sidewalk.	$2,759,848
Etiwanda Ave.	Minor improvements, add sidewalk	$930,114
Juniper Ave.	Curb and Sidewalk	$145,833
Juniper Ave.	Curb and Sidewalk	$379,167
Juniper Ave.	Widen north bound lane along a few segments	$1,003,788
Knox Ave	To allow for two additional lanes	$698,864
Locust Ave.	Minor widening, curb gutter sidewalk additions	$2,204,545
Locust Ave.	Minor widening, curb gutter sidewalk additions	$53,977
Locust Ave.	Minor widening, curb gutter sidewalk additions	$150,758
Locust Ave.	Minor widening, curb gutter sidewalk additions	$63,826
Locust Ave.	Minor widening, curb gutter sidewalk additions	$211,553
Locust Ave.	Minor widening, curb gutter sidewalk additions	$194,697
Locust Ave.	Minor widening, curb gutter sidewalk additions	$62,500
Locust Ave.	Minor widening, curb gutter sidewalk additions	$66,288
Locust Ave.	Minor widening, curb gutter sidewalk additions	$100,379
Locust Ave.	Minor widening, curb gutter sidewalk additions	$104,167
Locust Ave.	Minor widening, curb gutter sidewalk additions	$250,000
Locust Ave.	Minor widening, curb gutter sidewalk additions	$992,424
Locust Ave.	Minor widening, curb gutter sidewalk additions	$558,333

Traffic Local Arterials	Description	Facility Cost
Locust Ave.	Minor widening, curb gutter sidewalk additions	$549,242
Miller Ave.	Sidewalk gap closure	$120,644
Miller Ave.	Sidewalk gap closure	$249,242
Miller Ave.	Sidewalk gap closure	$494,318
Miller Ave.	Sidewalk gap closure	$507,576
Mulberry Ave.	Sidewalk	$125,000
Orange Way	Sawtooth project	$498,864
Orange Way	Sawtooth project	$995,076
Philadelphia Ave.	Crosses R/R Tracks	$312,500
Philadelphia Ave.	Crosses San Sevaine Channel	$113,636
Poplar	Minor widening, curb gutter and sidewalk	$1,376,515
Poplar	Minor widening, curb gutter and sidewalk	$70,076
Poplar	Minor widening, curb gutter and sidewalk	$248,106
Production Ave.	Sidewalk Fully Improved	$243,750
Production Ave.	Fully Developed	$495,833
Randall Ave.	Minor widening, curb gutter and sidewalk	$250,379
Randall Ave.	Minor widening, curb gutter and sidewalk	$124,811
Randall Ave.	Minor widening, curb gutter and sidewalk	$123,106
Randall Ave.	Minor widening, curb gutter and sidewalk	$183,523
Riverside Ave.	Street widening and full improvements	$1,250,000
Sierra Ave.	Sawtooth project	$198,864
Summit Ave.	Full Street improvements. Lane addition	$486,742
Summit Ave.	Full Street improvements. Lane addition	$1,003,788
Summit Ave.	Full Street improvements. Lane addition	$1,318,182
Valley Blvd.	Sawtooth, add sidewalk curb and gutter	$987,879
	Traffic Local Arterials Facilities Total	**$33,509,659**

A.3.ii Calculation Methodology

The cost estimates presented for this category are based on figures provided by the City's Transportation Engineering Department and fees are calculated for both residential and non-residential development. The proportion of fees required by new development for planned Local Arterial facilities are presented in the table below. Using the Plan-based approach and given the information provided by the City, DTA has determined that 86.0% of the costs will be allocated to existing development and must be funded by other means, while 14.0% of the costs will be allocated to new development.

As illustrated in Appendix B at the end of this report, the total number of EDUs calculated for both residential and non-residential development equals 75,655 (Total EDUs), with 65,066 (Existing EDUs) assigned to existing development and 10,588 (New EDUs) assigned to new development.

In order to calculate the Facility Cost Allocation percentage of new development shown in the table below, the number of EDUs assigned to new development is divided by the overall total number of EDUs and is illustrated with the following equation: New **EDUs / Total EDUs = 14.0%.** As indicated below, 14.0% of the $33,509,659 in total facilities costs equals $4,689,916. So, in total, $4,689,916 out of $33,509,659 in Gross Local Arterials Facilities costs would be covered by impact fees on new development.

Table 19: Local Arterials Facilities Cost Allocation Summary

Development Type	Percentage Allocated to New Development	Facility Cost Allocation
Existing Development	86.0%	$28,819,743
New Development	14.0%	$4,689,916
Total	**100.0%**	**$33,509,659**

A.3.iii Fee Derivation

The fee amounts required by each land use type to finance new development on the Needs List are presented below in **Table 20**. The single-family and multi-family residential fees are calculated per housing unit and the commercial and industrial development fees are calculated per square feet. All of the calculations are based on costs per EDUs generated by dividing the cost to new development of $4,689,916 / New EDUs = resulting in a $443 cost per EDU.

As shown on the following page, the building development impact fee is $443 per unit for a single-family and multi-family (3+) residence and is the same as the cost per EDU: $443 per unit (a ratio of 1.0). Since a multi-family (0-2) unit generates approximately 0.95 EDUs, the fee for a multi-family residence is given by the cost allocation per unit, i.e., 0.95 times the single-family fee, or $421 per unit.

Similarly, the proposed non-residential fees are equal to the cost allocation by square footage for each land use category. The commercial sector generates approximately .27 EDUs; thus, the fee for commercial development is given by the cost allocation per unit, i.e. 0.27 times the single-family fee / 1,000 feet, or $0.121 per square feet. This same methodology (0.08 EDUs times the single-family fee / 1,000 feet) is used to calculate a fee of $0.035 per square feet for industrial development

DTA further recommends that each year, the fee should be reviewed and adjusted by the California CCI.

Table 20: Local Arterials Facilities Fee Derivation

Land Use Type	Development Impact Fee Per Unit	Development Impact Fee Per Square Feet	Transportation Facilities Costs Financed by Fees
Single-Family Residential	$443		$373,610
Multi-Family Residential (0-2)	$421		$2,485,046
Multi-Family Residential (3+)	$443		$521,990
Commercial		$0.121	$214,273
Industrial		$0.035	$1,094,997
		Total	**$4,689,916**
		Gross Costs Allocated to Other Sources	**$28,819,743**
		Total Gross Local Arterials Costs	**$33,509,659**

A.4 Traffic Signals

A.4.i Traffic Signals Facilities (Nexus Requirement of AB 1600)

Traffic Signals will benefit existing residents and employees by providing safe and efficient access at intersections to roads and highways. Fees for new traffic signals were calculated for each of the five land uses based on the number of EDUs for each land use. As stated earlier, using demographic estimations and projections and following the Plan-based approach, each land use classification was assigned an EDU factor which was derived from the number of Persons Served, which is defined as the persons per household (for residential units) and 50% of the number of employees per 1,000 building square feet of each category of non-residential development.

Table 21: Traffic Facilities Nexus Requirement

Identify the Purpose of the Fee	Traffic Signals Plan Facilities
Identify Use of Fee	Construction of new Traffic Signals and related facilities necessary to serve new development.
Demonstrate how there is a reasonable relationship between the need for the public facility, the use of the fee, and the type of development project on which the fee is imposed.	New residential and non-residential development will generate additional residents and employees who will create additional vehicular and non-vehicular traffic. Streets will have to be improved an additional traffic signals will be added to meet the increased demand and improve safety. Traffic signals will have to be installed to efficiently direct increased traffic flow. Thus, there is a relationship between new development and the need for new Traffic Signals. Fees collected from new development will be used exclusively for roadway facilities on the Needs List.

The table presented below identifies the proposed local Traffic Signals facilities to be funded in whole or in part with the fees collected for Transportation improvements. The costs for these facilities are based on estimates provided by the City.

Table 22: Traffic Signals Facilities Cost Breakdown

Traffic Signals	Facility Cost
Traffic Signals (26 Units) *	$10,400,000
Traffic Signals Total	**$10,400,000**

* Detailed traffic signal locations and facilities description presented in Appendix A.

A.4.ii Calculation Methodology

The proportion of fees required by new development for Traffic Signals are presented in the table below. Given the information provided by the City, DTA has determined that 86.0% of the costs will be allocated to existing development and 14.0% of the costs will be allocated to new development.

As illustrated in Appendix B at the end of this report, the total number of EDUs calculated for both residential and non-residential development equals 75,655 (Total EDUs), with 65,066 (Existing EDUs) assigned to existing development and 10,588 (New EDUs) assigned to new development.

In order to calculate the Facility Cost Allocation percentage of new development shown in the table below, the number of EDUs assigned to new development is divided by the overall total number of EDUs and is shown in the following equation: New **EDUs / Total EDUs = 14.0%.** As illustrated below, 14.0% of the $10,400,000 in total facilities costs equals $1,455,554. In total, $1,455,554 out of $10,400,000 in Traffic Signals Facilities costs would be covered by impact fees on new development.

Table 23: Traffic Signals Cost Allocation Summary

Development Type	Percentage Allocated to New Development	Facility Cost Allocation
Existing Development	86.0%	$8,944,446
New Development	14.0%	$1,455,554
Total	**100.0%**	**$10,400,000**

A.4.iii Fee Derivation

The fee amounts required by each land use type to finance new development on the Needs List are presented below in **Table 24.** The single-family and multi-family residential fees are calculated per housing unit and the commercial and industrial development fees are calculated per square feet. All of the calculations are based on costs per EDUs generated by dividing the cost to new development of $1,455,554 / New EDUs resulting in a $137 cost per EDU.

As shown in the following page, the building development impact fee is $137 per unit for a single-family and multi-family (3+) residence, which s the same as the cost per EDU: $137 per unit (a ratio of 1.0). Since a multi-family (0-2) unit generates approximately 0.95 EDUs, the fee for a multi-family residence is given by the cost allocation per unit, i.e., 0.95 times the single-family fee, or $131 per unit.

Similarly, the proposed non-residential fees are equal to the cost allocation by square footage for each land use category. The commercial sector generates approximately .27 EDUs; thus, the fee for commercial development is given by the cost allocation per unit, i.e. 0.27 times the single-family fee/1,000 feet, or $0.038 per square foot. This same methodology (0.08 EDUs times the single-family fee/1,000 feet) is used to calculate a fee of $0.011 per square foot for industrial development. DTA further recommends that each year, the fee should be reviewed and adjusted by the California CCI.

Table 24: Traffic Signals Facilities Fee Derivation

Land Use Type	Development Impact Fee Per Unit	Development Impact Fee Per Square Feet	Transportation Facilities Costs Financed by Fees
Single-Family Residential	$137		$115,953
Multi-Family Residential (0-2)	$131		$771,255
Multi-Family Residential (3+)	$137		$162,004
Commercial		$0.038	$66,501
Industrial		$0.011	$339,841
		Total	**$1,455,554**
		Gross Costs Allocated to Other Sources	**$8,944,446**
		Total Gross Traffic Signals Costs	**$10,400,000**

A.5 Transportation Summary

The following table presents a summary of Fee amounts and the costs financed by fees for Active Transportation facilities, Landscaped Median facilities, Local Arterials facilities and Traffic Signals. Transportation summary results indicate that in total, $17,487,018 out of $124,945,535 in overall Transportation Facilities costs would be covered by development impact fees on new residential and non-residential development.

Table 25: Transportation Facilities Fee Summary[2]

Land Use Type[1]	Transportation	Landscaped Medians	Local Arterials	Traffic Signals	Cost Financed by Fees	Transportation Facilities Costs Financed by Fees
Single-Family Residential	$792	$279	$443	$137	**$1,652**	$1,393,056
Multi-Family Residential (0-2 Bedrooms)	$752	$265	$421	$131	**$1,569**	$9,265,848
Multi-Family Residential (3+ Bedrooms)	$792	$279	$443	$137	**$1,652**	$1,946,315
Commercial	$0.217	$0.076	$0.121	$0.038	**$0.452**	$798,947
Industrial	$0.063	$0.022	$0.035	$0.011	**$0.132**	$4,082,852
					Total	**$17,487,018**
					Net Costs Allocated to Existing Development	$107,458,517
					Total Net Cost of Transportation Facilities	**$124,945,535**

[2] Single-family and multi-family residential fees are calculated per housing unit and commercial and industrial development fees are calculated per square feet.

B Fire Facilities

B.1 Fire Facilities (Nexus Requirements AB 1600)

The Fire Facilities element includes those facilities used by the City Fire Department to protect life and property. The Fontana Fire Department has identified the need for additional fire protection facilities and equipment including a station training tower, a fire station relocation, additional equipment and additional vehicle acquisitions. In order to meet the fire facilities demand of new development through the year 2035, the City's Fire Department identified the need for the vehicles and equipment shown in the Needs List.

Table 26: Fire Department Facilities Nexus Requirement

Identify the Purpose of the Fee	Fire Department Facilities
Identify Use of Fee	Construction of new fire facilities, a fire training facility, dorm and apparatus bay, a fire training tower and vehicle and equipment acquisition and replacement
Demonstrate how there is a reasonable relationship between the need for the public facility, the use of the fee, and the type of development project on which the fee is imposed.	New residential and non-residential development will generate additional residents and employees who will require additional service calls increasing the need for trained fire protection personnel. Equipment and vehicles used to provide these services will have to be purchased or replaced and facilities will need to be constructed to meet this increased demand. Thus, a reasonable relationship exists between the need for fire services facilities and the impact of residential and non-residential development. The Fire Services Facility fees collected from new development will be used exclusively for fire protection purposes.

The table presented on the following page identifies the proposed facilities, equipment and vehicles acquisition costs to be funded in whole or in part with the fees collected for Fire Department improvements. Costs are based on estimates provided by the City Fire Department.

Table 27: Fire Facilities Costs

Fire Department Facilities	Facility Cost
Station 80 with BC dorm and apparatus bay (Cherry-South Highland)	$6,500,000
Station 80 Training Tower/Facility	$5,000,000
Station 81 with 80' deep apparatus bay	$6,500,000
Station 77 Re-location	$6,500,000
Medic Engine 80	$1,000,000
Medic Truck 80	$1,700,000
Medic Engine 81	$1,000,000
Medic Squad 81	$250,000
Utility Truck 80	$75,000
Utility Truck 81 (Casa Grande)	$75,000
Existing/Offsetting Revenues *	$702,280
Fire Facilities Total	**$27,897,720**

*** Existing/Offsetting Revenue balance as of May 2019 per the City of Fontana.**

B.2 Calculation Methodology

The vehicles, equipment and facility costs presented in this fee category are based on figures provided by the city's Fire Department and the fees are calculated for both residential and non-residential development. According to the City, it has been determined that these facilities are needed to serve new development. Currently, these facilities are generally operating at an appropriate and acceptable level of service; therefore, the costs of facilities have been allocated to both new development and existing development based on their expected usage at build-out.

Consequently, given the information provided by the City, DTA has determined that after taking into consideration $702,280 in existing and offsetting revenues, 86.0% of the remaining costs will be allocated to existing development and must be funded by other means, while 14.0% of the costs will be allocated to new development.

As illustrated in Appendix B at the end of this report, the total number of EDUs calculated for both residential and non-residential development equals 75,655 (Total EDUs), with 65,066 (Existing EDUs) assigned to existing development and 10,588 (New EDUs) assigned to new development.

In order to calculate the Facility Cost Allocation percentage of new development shown in the table below, the number of EDUs assigned to new development is divided by the overall total number of EDUs and is illustrated with the following equation: New **EDUs / Total EDUs = 14.0%.** As shown below, 14.0% of the $27,897,720 in total facilities costs equals $3,904,485. In total, $3,904,485 out of $27,897,720 in Gross Fire Facilities costs would be covered by building development impact fees on new development

Table 28: Fire Facilities Cost Allocation Summary

Development Type	Percentage Allocated to New Development	Facility Cost Allocation
Existing Development	86.0%	$23,993,235
New Development	14.0%	$3,904,485
Total	**100.0%**	**$27,897,720**

B.3 Fee Derivation

The fee amounts required by each land use type to finance new development on the Needs List are presented below in **Table 29**. The single-family and multi-family residential fees are calculated per housing unit and the commercial and industrial development fees are calculated per square feet. All of the calculations are based on costs per EDUs generated by dividing the cost to new development of $3,904,485 / New EDUs resulting in a $369 cost per EDU.

As shown on the following page, the building development impact fee is $369 per unit for a single-family and multi-family (3+) residence and is the same as the cost per EDU: $369 per unit (a ratio of 1.0). Since a multi-family (0-2) unit generates approximately 0.95 EDUs, the fee for a multi-family residence is given by the cost allocation per unit, i.e., 0.95 times the single-family fee, or $350 per unit.

Similarly, the proposed non-residential fees are equal to the cost allocation by square footage for each land use category. The commercial sector generates approximately .27 EDUs; thus, the fee for commercial development is given by the cost allocation per unit, i.e. 0.27 times the single-family fee / 1,000 feet, or $0.101 per square foot. This same methodology (0.08 EDUs times the single-family fee / 1,000 feet) is used to calculate a fee of $0.029 per square foot for industrial development.

DTA further recommends that each year, the fee should be reviewed and adjusted by the California CCI.

Table 29: Fire Facilities Fee Derivation

Land Use Type	Development Impact Fee Per Unit	Development Impact Fee Per Square Feet	Transportation Facilities Costs Financed by Fees
Single-Family Residential	$369		$311,040
Multi-Family Residential (0-2)	$350		$2,068,870
Multi-Family Residential (3+)	$369		$434,571
Commercial		$0.101	$178,388
Industrial		$0.029	$911,615
		Total	**$3,904,485**
		Gross Costs Allocated to Other Sources	$23,993,235
		Total Fire Facilities Costs	**$27,897,720**

C Police Facilities

C.1 Police Facilities (Nexus Requirement of AB1600)

The Police Facilities element includes those facilities used by the Fontana Police Department to maintain Police Services. In order to serve new development through the year 2035, the Fontana Police Department has identified the need to continue the Civic Center Station (40,000 sq. ft.) build-out and Sub-Station (1,200 sq. ft.) acquisition, purchase additional vehicles and equipment, acquire land for additional parking, purchase additional General and Staff equipment. In order to meet the Police Department demand of new development through the year 2035, the City's Police Department identified the need for buildings, equipment and staff as shown in the Needs List.

Table 30: Police Facilities Nexus Requirement

Identify the Purpose of the Fee	Police Department Facilities
Identify Use of Fee	The build-out and improvement of existing facilities along with Vehicle and Equipment replacement
Demonstrate how there is a reasonable relationship between the need for the public facility, the use of the fee, and the type of development project on which the fee is imposed.	New residential and non-residential development will generate additional residents and employees who will require additional service calls increasing the need for trained law enforcement personnel. Equipment and vehicles used to provide these services will have to be purchased or replaced to meet this increased demand. Thus, a reasonable relationship exists between the need for law enforcement facilities and the impact of residential and non-residential development. The Law Enforcement Facility fees collected from new development will be used exclusively for law enforcement purposes.

The table presented on the following page identifies the proposed facilities, equipment, vehicles and property acquisition costs to be funded in whole or in part with the fees collected for Law Enforcement improvements. Costs are based on estimates provided by the City Police Department.

Table 31: Police Facilities Costs

Police Facilities	Facility Cost
Two-Story 40,000 sf structure @ 627/sq. ft. x 40,000	$25,080,000
Vehicles and Equipment - Patrol Units Black and White (33)	$2,459,160
Vehicles and Equipment - Command Staff (1)	$50,020
Vehicles and Equipment - MOU/Special Assignment (11)	$457,160
Vehicles and Equipment - Animal Service Truck (2)	$175,200
Vehicles and Equipment - Community Service Truck (2)	$111,340
Vehicles and Equipment - Code Inspector Truck (3)	$140,100
Vehicles and Equipment - Field Evidence Technician Truck (1)	$64,000
Vehicles and Equipment - Administration (1)	$41,560
Total Vehicle Annual Recurring O&M Costs and Capital Recovery	$1,467,531
Land - Parking Lot With 200 Marked Stalls (1) (Covers Construction Costs Only)	$1,000,000
General Office Equipment (Workstation, Computers, Etc.)	$594,200
Staff Equipment Startup (Gun, Camera, Safety Equipment)	$698,400
Property Acquisition to Expand (Existing Homes) Land Cost Only	$3,500,000
Establishment of a 1,200 Sq. Ft. Sub-Station/Building Lease Costs	$1,275,759
Existing/Offsetting Revenues *	$1,401,386
Police Facilities Total	**$35,713,044**

*** Existing/Offsetting Revenue balance as of May 2019 per the City of Fontana.**

C.2 Calculation Methodology

The facilities cost breakdown presented in the Needs List for this fee category was provided by the City's Police Department and is calculated for both residential and non-residential development. According to the City, it has been determined that these facilities are needed to serve new development. Currently, these facilities are generally operating at an appropriate and acceptable level of law enforcement service; therefore, the costs of facilities have been allocated to new development and existing development based on their expected usage at build-out.

Given the information provided by the City Police Department and using the Plan-based approach, DTA has determined that after taking into account $1,401,386 in existing/offsetting revenues currently in the existing law enforcement account, 86.0% of the costs will be allocated to existing development and 14.0% of the costs will be allocated to new development.

As illustrated in Appendix B at the end of this report, the total number of EDUs calculated for both residential and non-residential development equals 75,655 (Total EDUs), with 65,066 (Existing EDUs) assigned to existing development and 10,588

(New EDUs) assigned to new development.

In order to calculate the Facility Cost Allocation percentage of new development shown in the table below, the number of EDUs assigned to new development is divided by the overall total number of EDUs and is illustrated with the following equation: New **EDUs / Total EDUs = 14.0%.** As shown below, 14.0% of the $35,713,044 in total facilities costs equals $4,998,295. In total, $4,998,295 out of $35,713,044 in Gross Police Facilities costs would be covered by impact fees on new development.

Table 32: Police Department Facilities Cost Allocation Summary Fee Derivation

Development Type	Percentage Allocated to New Development	Facility Cost Allocation
Existing Development	86.00%	$30,714,749
New Development	14.00%	$4,998,295
Total	**100.00%**	**$35,713,044**

The fee amounts required by each land use type to finance new development on the Needs List are presented below in **Table 33**. The single-family and multi-family residential fees are calculated per housing unit and the commercial and industrial development fees are calculated per square feet. All of the calculations are based on costs per EDUs generated by dividing the cost to new development of $4,998,295 / New EDUs resulting in a $472 cost per EDU.

As shown on the following page, the building development impact fee is $472 per unit for a single-family and multi-family (3+) residence and is the same as the cost per EDU: $472 per unit (a ratio of 1.0). Since a multi-family (0-2) unit generates approximately 0.95 EDUs, the fee for a multi-family residence is given by the cost allocation per unit, i.e., 0.95 times the single-family fee, or $448 per unit.

Similarly, the proposed non-residential fees are equal to the cost allocation by square footage for each land use category. The commercial sector generates approximately .27 EDUs; thus, the fee for commercial development is given by the cost allocation per unit, i.e. 0.27 times the single-family fee / 1,000 feet, or $0.129 per square foot. This same methodology (0.08 EDUs times the single-family fee / 1,000 feet) is used to calculate a fee of $0.038 per square foot for industrial development

DTA further recommends that each year, the fee should be reviewed by the City and adjusted by the California CCI.

Table 33: Police Department Facilities Fee Derivation

Land Use Type	Development Impact Fee Per Unit	Development Impact Fee Per Square Feet	Transportation Facilities Costs Financed by Fees
Single-Family Residential	$472		$398,176
Multi-Family Residential (0-2)	$448		$2,648,447
Multi-Family Residential (3+)	$472		$556,313
Commercial		$0.129	$228,362
Industrial		$0.038	$1,166,997
		Total	**$4,998,295**
		Gross Costs Allocated to Other Sources	$30,714,749
		Total Police Facilities Costs	**$35,713,044**

D Public Facilities

D.1 Public Facilities (Nexus Requirement AB 1600)

The Public Facilities element includes facilities necessary to provide basic governmental services and public facilities maintenance services exclusive of public safety throughout the City. In order to serve future development through General Plan build-out, the City has identified the need for new public works and government facilities. Specifically, the City has identified a proposed corporate yard expansion, a land acquisition totaling 15 parcels, an additional 20,000 square foot building and a parking structure with a 130-space capacity.

Table 34: Public Facilities Nexus Requirement

Identify the Purpose of the Fee	Public Facilities
Identify Use of Fee	The includes the acquisition of land and the construction of public buildings as well as the expansion of county facilities.
Demonstrate how there is a reasonable relationship between the need for the public facility, the use of the fee, and the type of development project on which the fee is imposed.	New residential and non-residential development in the City will generate additional residents and employees who will increase the demand for Citywide services and general government functions. Population and growth have a direct impact on the need for government services and facilities, thus a reasonable relationship exists between new development and government facilities, which will have to be acquired to meet the increased demand. Fees collected from new development will be used exclusively for Public Facilities on the Needs List.

The table presented on the following page identifies all of the proposed facilities and land to be funded in whole or in part with the fees collected for Public Facilities improvements. All facilities costs are based on estimates provided by the City and are part of the City's effort to maintain and improve the City's Public Facilities.

D.2 Calculation Methodology

The cost estimates for the Public facilities category were provided by the City and fees are calculated for both residential and non-residential development. Each land use classification was assigned an EDU factor which was derived from the number of Persons Served, which is defined as the persons per household (for residential units) and 50% of the number of employees per 1,000 building square feet of each category of non-residential development.

Table 35: Public Facilities Costs

Public Facilities	Facility Cost
Corporate Yard Expansion (Three phases of expansion)	$37,200,000
Proposed Parking Structure 130 spaces (Downtown)	$4,900,000
Existing / Offsetting Revenues *	$8,424,378
Public Facilities Total	**$33,675,623**

*** Existing/Offsetting Revenue balance as of May 2019 per the City of Fontana.**

According to the City, it has been determined that these facilities are needed to serve new development. Currently, these facilities are generally operating at an appropriate and acceptable level of service; therefore, the costs of facilities have been allocated to new development and existing development based on their expected usage at build-out.

Consequently, given the information provided by the City, and using the Plan-based approach, DTA has determined that after taking into account $8,424,378 in existing/offsetting revenue, 86.0% of the costs will be allocated to existing development and 14,0% of the costs will be allocated to new development.

As illustrated in Appendix B at the end of this report, the total number of EDUs calculated for both residential and non-residential development equals 75,655 (Total EDUs), with 65,066 (Existing EDUs) assigned to existing development and 10,588 (New EDUs) assigned to new development.

In order to calculate the Facility Cost Allocation percentage of new development shown in the table below, the number of EDUs assigned to new development is divided by the overall total number of EDUs and is illustrated with the following equation: New **EDUs / Total EDUs = 14.0%.** As illustrated below, 14.0% of the $33,675,623 in total facilities costs equals $4,713,143. In total, $4,713,143 out of $33,675,623 in Gross Public Facilities costs would be covered by impact fees on new development.

Table 36: Public Facilities Cost Allocation Summary

Development Type	Percentage Allocated to New Development	Facility Cost Allocation
Existing Development	86.0%	$28,962,479
New Development	14.0%	$4,713,143
Total	**100.0%**	**$33,675,623**

D.3 Fee Methodology

The fee amounts required by each land use type to finance new development on the

Needs List are presented below in **Table 37**. The single-family and multi-family residential fees are calculated per housing unit and the commercial and industrial development fees are calculated per square feet. All of the calculations are based on costs per EDUs generated by dividing the cost to new development of $4,713,143 / New EDUs resulting in a $445 cost per EDU.

As shown on the following page, the building development impact fee is $445 per unit for a single-family and multi-family (3+) residence and is the same as the cost per EDU: $445 per unit (a ratio of 1.0). Since a multi-family (0-2) unit generates approximately 0.95 EDUs, the fee for a multi-family residence is given by the cost allocation per unit, i.e., 0.95 times the single-family fee, or $423 per unit.

Similarly, the proposed non-residential fees are equal to the cost allocation by square footage for each land use category. The commercial sector generates approximately .27 EDUs; thus, the fee for commercial development is given by the cost allocation per unit, i.e. 0.27 times the single-family fee / 1,000 feet, or $0.122 per square foot. This same methodology (0.08 EDUs times the single-family fee / 1,000 feet) is used to calculate a fee of $0.036 per square foot for industrial development

DTA further recommends that each year, the fee should be reviewed by the City and adjusted by the California CCI.

Table 37: Public Facilities Fee Derivation

Land Use Type	Development Impact Fee Per Unit	Development Impact Fee Per Square Feet	Transportation Facilities Costs Financed by Fees
Single-Family Residential	$445		$375,460
Multi-Family Residential (0-2)	$423		$2,497,354
Multi-Family Residential (3+)	$445		$524,576
Commercial		$0.122	$215,334
Industrial		$0.036	$1,100,420
		Total	**$4,713,143**
		Gross Costs Allocated to Other Sources	**$28,962,479**
		Total Public Facilities Costs	**$33,675,623**

E Library Facilities Fees

E.1 Library Facilities Fees (Nexus Requirement AB 1600)

The Library Facilities element will serve residents and the City by promoting literacy and learning, as well as an improved quality of life for both residents and visitors. This is to support the City's goal of maintaining and improving the City's Library facilities. Building Development fees collected from new development will be used for the acquisition of books and materials, required replacement and remodeling and capital improvements with a life exceeding 5 years.

Table 38: Library Facilities Nexus Requirement

Identify the Purpose of the Fee	Library Facilities
Identify Use of Fee	Expanding and remodeling of existing library facilities, including the acquisition of books, equipment and materials for these facilities.
Demonstrate how there is a reasonable relationship between the need for the public facility, the use of the fee, and the type of development project on which the fee is imposed.	New residential development will generate additional residents who will become library patrons that will demand increased library services, remodeling of the library and addition of a study center and branch library. Collections will have expanded, and additional volumes acquired to meet this increased demand. Fees collected from new development will be used for the acquisition of books and materials, required replacement and remodeling and capital improvements with a life exceeding 5 years.

The following table presents the proposed Library projects to be funded in whole or in part with the fees collected for Public Facilities improvements. The costs of facilities are based on estimates provided by the City.

Table 39: Library Facilities Costs

Library Facilities	Facility Cost
Roof Replacement	$630,000
Remodeling Projects	$500,000
Books	$750,000
Furniture Replacement	$450,000
Computer/Hardware Replacement	$230,000
Carpet Replacement	$260,000
Parking Lot Repairs	$64,750
HVAC Replacement	$4,500,000
Elevator Replacement	$195,000
Existing/Offsetting Revenues *	$125,291
Library Facilities Total	**$7,454,459**

*** Existing/Offsetting Revenue balance as of May 2019 per the City of Fontana.**

E.2 Calculation Methodology

The fee amounts for the Library facilities fee category were provided by the City and are calculated for both residential and non-residential development. Each land use classification was assigned an EDU factor which was derived from the number of Persons Served, which is defined as the persons per household (for residential units) and 50% of the number of employees per 1,000 building square feet of each category of non-residential development.

According to the City, it has been determined that these facilities are needed to serve new development. Currently, these facilities are generally operating at an appropriate and acceptable level of service; therefore, the costs of facilities have been allocated to new development and existing development based on their expected usage at build-out.

Consequently, given the information provided by the City and using the Plan-based fee approach, DTA has determined that after taking into account $125,291 in existing/offsetting revenue, 86.0% of the costs will be allocated to existing development and 14.0% of the costs will be allocated to new development.

As illustrated in Appendix B at the end of this report, the total number of EDUs calculated for both residential and non-residential development equals 75,655 (Total EDUs), with 65,066 (Existing EDUs) assigned to existing development and 10,588 (New EDUs) assigned to new development.

In order to calculate the Facility Cost Allocation percentage of new development shown in the table below, the number of EDUs assigned to new development is divided by the overall total number of EDUs and is illustrated with the following

equation: New **EDUs / Total EDUs = 14.0%.** As shown below, 14.0% of the $7,454,459 in total facilities costs equals $1,043,305. In total, $1,043,305 out of $7,454,459 in Gross Library Facilities costs would be covered by impact fees on new development.

Table 40: Library Facilities Cost Allocation Summary

Development Type	Percentage Allocated to New Development	Facility Cost Allocation
Existing Development	86.0%	$6,411,154
New Development	14.0%	$1,043,305
Total	**100.0%**	**$7,454,459**

E.3 Fee Derivation

The fee amounts required by each land use type to finance new development on the Needs List are presented below in **Table 41**. The single-family and multi-family residential fees are calculated per housing unit and the commercial and industrial development fees are calculated per square feet. All of the calculations are based on costs per EDUs generated by dividing the cost to new development of $1,043,305 / New EDUs resulting in a $99 cost per EDU.

As shown on the following page, the building development impact fee is $99 per unit for a single-family and multi-family (3+) residence, which is the same as the cost per EDU: $99 per unit (a ratio of 1.0). Since a multi-family (0-2) unit generates approximately 0.95 EDUs, the fee for a multi-family residence is given by the cost allocation per unit, i.e., 0.95 times the single-family fee, or $94 per unit.

Similarly, the proposed non-residential fees are equal to the cost allocation by square footage for each land use category. The commercial sector generates approximately .27 EDUs; thus, the fee for commercial development is given by the cost allocation per unit, i.e. 0.27 times the single-family fee/1,000 feet, or $0.027 per square foot. This same methodology (0.08 EDUs times the single-family fee/1,000 feet) is used to calculate a fee of $0.008 per square foot for industrial development

DTA further recommends that each year, the fee should be reviewed and adjusted by the California CCI.

Table 41: Library Facilities Fee Derivation

Land Use Type	Development Impact Fee Per Unit	Development Impact Fee Per Square Feet	Transportation Facilities Costs Financed by Fees
Single-Family Residential	$99		$83,112
Multi-Family Residential (0-2)	$94		$552,816
Multi-Family Residential (3+)	$99		$116,120
Commercial		$0.027	$47,667
Industrial		$0.008	$243,590
		Total	$1,043,305
		Gross Costs Allocated to Other Sources	$6,411,154
		Total Gross Library Costs	**$7,454,459**

F Park Development Fees

F.1 Park Development Fees (Nexus Requirement AB 1600)

The Parks Development Facilities element will serve the residents of Fontana by providing facilities for recreation while enhancing the community's appeal and quality of life. The Fee Study includes a component for the development of new park and recreation facilities to serve new residential development for the City through 2035.

According to the City's Master Plan, in addition to improving the overall quality of life for residents, excellent park and recreation programs are important for the well-being of a city's business community. Not only do they make the community more attractive to higher income residents (providing a stronger market base for local businesses), they can directly influence a city's ability to enhance its fiscal base by attracting commercial and industrial businesses.

Table 42: Parks and Recreation Facilities Nexus Requirement

Identify the Purpose of the Fee	Park Development Facilities
Identify Use of Fee	The construction of new parks, recreational facilities and trails.
Demonstrate how there is a reasonable relationship between the need for the public facility, the use of the fee, and the type of development project on which the fee is imposed.	New residential and non-residential development will generate an increased demand for Park and Recreational Facilities. Population and growth will have a direct impact on the need for Park and Recreation facilities. New development and the consequential increase in demand will necessitate the improvement/expansion of existing Park and Recreational facilities. Fees collected from new development will be used exclusively for the improvement of Park and Recreation Facilities on the Needs List.

The City has a number of different types of Parks and Recreation facilities. According to the City's Parks, Recreation and Trails Master Plan, they include (1) Regional Parks, which are 40 acres or more in size and provide a wide range of amenities to attract the greatest range of users and interests within and beyond the city; (2) Community Parks, usually between 10 and 40 acres, that are utilized for active and/or passive activities; (3) Neighborhood Parks – 1 to 2 acres, considered walk or bike-to parks and are located within the neighborhood they serve and include both active and passive designs; (4) Sub-Neighborhood Parks – typically less than 1 acre and often called pocket parks, which serve built-up, urbanized areas and are often developed in conjunction with specific plans; (5) Joint Use Parks – these are facilities that utilize existing school sports fields, gymnasiums, and other school amenities to provide

additional recreational opportunities for the community and (6) Trails – these facilities provide a network of corridors to link recreational and regional open space.

The City park system currently has 41 developed parks, containing a mix of both passive and active recreational amenities, totaling 1,042 acres and supported by a robust annual revenue stream including funds from Grants, Capital Improvement Funds and revenue from Community Facilities Districts (CFD's).

Table 43: Parks Development Facilities Costs

Parks Development Facilities	Facility Cost
New Parks in Underserved Areas (2) – 20 Acres Each	$34,000,000
New South Fontana Community Center	$25,000,000
Park Improvements	$30,000,000
Recreational Trails	$19,000,000
New Park in North Fontana (20 acres)	$20,000,000
210 Sports Park	$30,000,000
Downtown Linear Park on PE Trail	$3,000,000
New Community Center in Core of City	$25,000,000
Existing / Offsetting Revenues *	$2,204,022
Parks and Recreation Facilities Total	**$183,795,978**

*** Existing/Offsetting Revenue balance as of May 2019 per the City of Fontana.**

F.2 Calculation Methodology

The fee amount for Parks Development facilities is calculated for both new and existing development using the Plan-based approach discussed throughout this report. However, unlike the other development impact fees discussed in the report, parks fees are generated exclusively from residential development. (Non-residential development is excluded from fee calculations in this section).

Parks and recreational facilities often serve new and existing development at different levels of expansion depending on location, and in the interest of accessing accurate fees, those differences need to be considered in the fee methodology. As an example, a neighborhood or community park, built in the middle of an existing population area will serve both new and existing development, and the traditional Plan-based approach is used to calculate the development fee.

In contrast, a similar neighborhood or community park built in a previously undeveloped area that primarily benefits new development will result in a higher percentage of costs allocated to new development and the assumptions and costs associated with the traditional Plan approach must be adjusted accordingly.

In order to accurately calculate the Parks and Recreation fees, DTA employed the Plan-based approach for each of the eight park facilities on the Needs List (presented

in Table 43 above) on an individual basis and then aggregated the totals to determine the final development impact fee. (Fee calculations for each individual facility listed are presented in Appendix B).

Although the traditional Plan-based approach was used for each of these facilities; DTA determined in consultation with the City staff, that both the New Park in North Fontana and the 210 Sports Park would serve a higher portion of new development due to its location on the Northern area of the City. So, in consultation with the City, the total costs of these facilities allocated to new and existing development based on their expected usage at build-out was adjusted to reflect that difference. As a result, the percentage assigned to new development is higher at 27.5% vs. the 14.0% assigned to the other facilities presented in this study.

As illustrated in Appendix B at the end of this report, the total number of EDUs calculated for residential equals 65,355 (Total EDUs), with 57,722 (Existing EDUs) assigned to existing development and 7,633 (New EDUs) assigned to new development. The number of EDUs generated in this section is lower than in the other sections, because the non-residential sector is excluded from the calculation.

After making the adjustments and taking into consideration $2,204,022 in existing/offsetting revenue, using the same methodology as described in the previous sections, DTA has determined that 72.5% of the costs would be allocated to existing development and funded by other means, while 27.5% of the costs will be allocated exclusively to new development. As indicated in the table below, $50,625,625 out of $183,795,978 in Gross Parks and Recreation Facilities costs would be covered by impact fees on new development.

Table 44: Park Development Cost Allocation Summary

Development Type	Percentage Allocated to New Development	Facility Cost Allocation
Existing Development	72.5%	$133,170,522
New Development	27.5%	$50,625,457
Total	**100.0%**	**$183,795,978**

F.3 Fee Derivation

The fee amounts required by each land use type to finance new development on the Needs List are presented below in **Table 45**. The single-family and multi-family residential fees are calculated per housing unit and the commercial and industrial development fees are calculated per square feet. All of the calculations are based on costs per EDUs generated by dividing the cost to new development of $50,625,457 / New EDUs resulting in a cost per EDU of $6,633.

As shown on the following page, the building development impact fee is $6,633 per unit for a single-family and multi-family (3+) residence, which is the same as the cost

per EDU: $6,633 per unit (a ratio of 1.0). Since a multi-family (0-2) unit generates approximately 0.95 EDUs, the fee for a multi-family residence is given by the cost allocation per unit, i.e., 0.95 times the single-family fee, or $6,301 per unit.

DTA further recommends that each year, the City review the Development fee and adjust it by the California CCI.

Table 45: Park Development Facilities Fee Derivation

Land Use Type	Development Impact Fee Per Unit	Development Impact Fee Per Square Feet	Transportation Facilities Costs Financed by Fees
Single-Family Residential	$6,633		$5,594,834
Multi-Family Residential (0-2)	$6,301		$37,213,773
Multi-Family Residential (3+)	$6,633		$7,816,849
Commercial		-	-
Industrial		-	-
		Total	$50,625,457
		Gross Costs Allocated to Other Sources	$133,170,522
		Total Gross Parks and Recreation Costs	$183,795,978

APPENDIX A

City of Fontana
Development Impact Fee Justification Study

NEEDS LIST

DEVELOPMENT IMPACT FEE PROGRAM
PUBLIC FACILITIES NEEDS LIST

	Facility Name	Total Cost for Facility	Off-Setting Revenues	Net Cost to City	Percent of Cost Allocated to New Development	Cost Allocated to New Development	Policy Background or Objective
A. Traffic Facilities							
	Active Transportation Plan						
1	Cypress- Highland Ave to Valencia Ave. - Construct Class II Bike Lanes	$ 42,400	$ -	$ 42,400	14.00%	$5,934	Per the City Active Transportation
2	Alder Ave- Baseline Ave to Randall Ave. - Construct Class II Bike Lanes	$ 297,360	$ -	$ 297,360	14.00%	$41,618	Per the City Active Transportation
3	Mangoe Ave- Foothill Blvd to Merrill Ave. - Construct Class II Bike Lanes	$ 118,000	$ -	$ 118,000	14.00%	$16,515	Per the City Active Transportation
4	Sierra Ave- Slover Ave to Jurupa Ave. Construct Class IV Bike Lanes	$ 140,390	$ -	$ 140,390	14.00%	$19,649	Per the City Active Transportation
5	Juniper Ave- Baseline Ave to Foothill Blvd. Construct Class III Bike Lanes	$ 16,000	$ -	$ 16,000	14.00%	$2,239	Per the City Active Transportation
6	Juniper Ave- Foothill Blvd to Merrill Ave. - Construct Class II Bikes Lanes	$ 118,000	$ -	$ 118,000	14.00%	$16,515	Per the City Active Transportation
7	Miller Ave- Beech Ave to Maple Ave. - Construct Class II Bike Lanes	$ 444,860	$ -	$ 444,860	14.00%	$62,261	Per the City Active Transportation
8	Merrill Ave - Citrus Ave to Mango Ave. - Construct Class II Bike Lanes	$ 149,860	$ -	$ 149,860	14.00%	$20,974	Per the City Active Transportation
9	Merrill Ave - Mango Ave to Alder Ave. Construct Class II Bike Lanes	$ 88,500	$ -	$ 88,500	14.00%	$12,386	Per the City Active Transportation
10	Merrill Ave- Alder Ave to Maple Ave. - Construct Class II Bike Lanes	$ 88,500	$ -	$ 88,500	14.00%	$12,386	Per the City Active Transportation
11	San Bernardino Ave- Fontana Ave to Alder Ave. - Construct Class II Bike Lanes	$ 328,040	$ -	$ 328,040	14.00%	$45,912	Per the City Active Transportation
12	Foothill Blvd- Hemlock Ave to Sultana Ave. - Construct Class II Bike Lanes	$ 49,560	$ -	$ 49,560	14.00%	$6,936	Per the City Active Transportation
13	Foothill Blvd- Almeria Ave to Citrus Ave. - Construct Class II Bike Lanes	$ 44,840	$ -	$ 44,840	14.00%	$6,276	Per the City Active Transportation
14	Citrus Ave- Foothill Blvd to Valley Blvd. - Construct Class II Bike Lanes	$ 295,000	$ -	$ 295,000	14.00%	$41,287	Per the City Active Transportation
15	Arrow Blvd- Palmetto Ave to Almeria Ave. - Construct Class IV Bike Lanes	$ 278,000	$ -	$ 278,000	14.00%	$38,908	Per the City Active Transportation
16	SCE Coridor- Riverside Ave to Mange Ave. - Construct Class I Bike Lanes	$ 6,820,000	$ -	$ 6,820,000	14.00%	$954,508	Per the City Active Transportation
17	SCE Coridor- Bridlepath to Parkside Way. - Construct Class I Bike Lanes	$ 3,520,000	$ -	$ 3,520,000	14.00%	$492,649	Per the City Active Transportation
18	City Boundary- SCE to Wilson Rd. - Construct Class I Bike Lanes	$ 1,100,000	$ -	$ 1,100,000	14.00%	$153,953	Per the City Active Transportation
19	SCE Coridor- Sierra Ave to East Ave. - Construct Class I Bike Lanes	$ 14,300,000	$ -	$ 14,300,000	14.00%	$2,001,387	Per the City Active Transportation
20	Highland Channel (North)- San Sevaine Rd to Knox Ave. - Construct Class I Bike Lanes	$ 2,200,000	$ -	$ 2,200,000	14.00%	$307,906	Per the City Active Transportation
21	Highland Channel (South)- Knox Ave to Victoria Ave. - Construct Class I Bike Lanes	$ 5,500,000	$ -	$ 5,500,000	14.00%	$769,764	Per the City Active Transportation
22	San Sevaine Channel- Victoria Ave to PE Trail. - Construct Class I Bike Lanes	$ 1,100,000	$ -	$ 1,100,000	14.00%	$153,953	Per the City Active Transportation
23	San Sevaine Channel- I-10 to Philadelphia Ave.- Construct Class I Bike Lanes	$ 5,500,000	$ -	$ 5,500,000	14.00%	$769,764	Per the City Active Transportation
24	SCE South- San Sevaine Channel to Rancherias Dr. - Construct Class I Bike Lanes	$ 1,760,000	$ -	$ 1,760,000	14.00%	$246,325	Per the City Active Transportation
25	SCE South- Live Oak Ave to Poplar Ave.- Construct Class I Bike Lanes	$ 2,420,000	$ -	$ 2,420,000	14.00%	$338,696	Per the City Active Transportation
26	SCE South- Catawba Park to Locust Ave. - Construct Class I Bike Lanes	$ 6,600,000	$ -	$ 6,600,000	14.00%	$923,717	Per the City Active Transportation
27	Metrolink Trail Extension- Catawba Ave to Maple Ave. - Construct Class I Bike Lanes	$ 6,600,000	$ -	$ 6,600,000	14.00%	$923,717	Per the City Active Transportation
	Existing / Offsetting Revenues			$ -			
	Subtotal	**$ 59,919,310**	**$ -**	**$ 59,919,310**		**$8,386,135**	
	Landscaped Median						
1	Slover Avenue Ave - Jasmine Ave to Sierra Ave. - Construct Raised Landscaped Median	$ 8,610,000	$ -	$ 8,610,000	14.00%	$1,205,031	Per the City Active Transportation
2	Merrill Ave - Oleander Ave to Sierra Ave. - Construct Raised Landscaped Median Center	$ 1,354,500	$ -	$ 1,354,500	14.00%	$189,572	Per the City Active Transportation
3	Arrow Blvd - Citrus Ave to Juniper Ave. - Construct Raised Landscaped Median Center	$ 1,424,500	$ -	$ 1,424,500	14.00%	$199,369	Per the City Active Transportation
4	Arrow Blvd - Palmetto Ave to Alder Ave. - Construct Raised Landscaped Median Center	$ 910,000	$ -	$ 910,000	14.00%	$127,361	Per the City Active Transportation
5	South Highland Ave - Citrus Ave to Sierra Ave. - Construct Raised Landscaped Median (	$ 1,393,000	$ -	$ 1,393,000	14.00%	$194,960	Per the City Active Transportation
6	Beech Ave - Cherry Ave to I-15 NB On-Ramp. - Construct Raised Landscaped Median C	$ 1,050,000	$ -	$ 1,050,000	14.00%	$146,955	Per the City Active Transportation
7	Beech Ave - Baseline Ave to Miller Ave. - Construct Raised Landscaped Median Center	$ 855,750	$ -	$ 855,750	14.00%	$119,768	Per the City Active Transportation
8	Beech Ave - Slover Ave to Jurupa Ave. - Construct Raised Landscaped Median Center	$ 1,604,400	$ -	$ 1,604,400	14.00%	$224,547	Per the City Active Transportation
9	Etiwanda Ave - Slover Ave to Philadelphia Ave. - Construct Raised Landscaped Median	$ 5,392,380	$ -	$ 5,392,380	14.00%	$754,702	Per the City Active Transportation
10	Mulberry Ave - Slover Ave to Santa Ana Ave. - Construct Raised Landscaped Median Ce	$ 896,000	$ -	$ 896,000	14.00%	$125,402	Per the City Active Transportation
11	Citrus Ave - Sierra Lakes Pkwy to the 210 on/off Ramps. - Construct Raised Landscaped	$ 259,000	$ -	$ 259,000	14.00%	$36,249	Per the City Active Transportation
12	Armstrong Rd - Jurupa Ave to Riverside County Limits. - Construct Raised Landscaped	$ 1,971,900	$ -	$ 1,971,900	14.00%	$275,981	Per the City Active Transportation
13	Walnut Ave - missing gap between Helen Wy & Almeria Ave. - Construct Raised Landsc	$ 91,392	$ -	$ 91,392	14.00%	$12,791	Per the City Active Transportation
	Existing / Offsetting Revenues		**$ 4,696,256**	$ -			
	Subtotal	**$ 25,812,822**	**$ 4,696,256**	**$ 21,116,566**		**$2,956,319**	
	Local Streets (Arterials not on Measure I)						
1	Alder Ave. - Needs Interchange (Complete)	$ 689,394	$ -	$ 689,394	14.00%	$96,486	Per the City Active Transportation

2	Alder Ave. - Curb, gutter and sidewalk, add lanes	$ 157,197	$ -	$ 157,197	14.00%	$22,001	Per the City Active Transportation
3	Alder Ave. - Curb, gutter and sidewalk, add lanes	$ 318,182	$ -	$ 318,182	14.00%	$44,532	Per the City Active Transportation
4	Armstrong Road. - Add two lanes, curb gutter and sidewalk. Project to add Class 1 mul	$ 1,047,348	$ -	$ 1,047,348	14.00%	$146,584	Per the City Active Transportation
5	Beech Ave. - Improved to accommodate 4 lanes in each direction but is not at ultimate	$ 268,939	$ -	$ 268,939	14.00%	$37,640	Per the City Active Transportation
6	Beech Ave. - Improved to accommodate 4 lanes in each direction but is not at ultimate	$ 125,000	$ -	$ 125,000	14.00%	$17,495	Per the City Active Transportation
7	Beech Ave. - Improved to accommodate 4 lanes in each direction but is not at ultimate	$ 738,636	$ -	$ 738,636	14.00%	$103,377	Per the City Active Transportation
8	Ceres Ave. - Improved to accommodate 4 lanes in each direction but is not at ultimate	$ 1,001,894	$ -	$ 1,001,894	14.00%	$140,222	Per the City Active Transportation
9	Coyote Canyon Road. - Curb, gutter and sidewalk. Add Class 1 multi-purpose trail	$ 2,424,242	$ -	$ 2,424,242	14.00%	$339,290	Per the City Active Transportation
10	Cypress - Saw-tooth project add sidewalk	$ 1,018,939	$ -	$ 1,018,939	14.00%	$142,608	Per the City Active Transportation
11	Cypress - Saw-tooth project add sidewalk	$ 1,969,697	$ -	$ 1,969,697	14.00%	$275,673	Per the City Active Transportation
12	East Street. - Minor widening, add sidewalk	$ 491,477	$ -	$ 491,477	14.00%	$68,786	Per the City Active Transportation
13	Etiwanda. - Add north bound lane, curb gutter and sidewalk.	$ 2,759,848	$ -	$ 2,759,848	14.00%	$386,260	Per the City Active Transportation
14	Etawanda. - Minor improvements, add sidewalk	$ 930,114	$ -	$ 930,114	14.00%	$130,176	Per the City Active Transportation
15	Juniper. - Curb and Sidewalk	$ 145,833	$ -	$ 145,833	14.00%	$20,410	Per the City Active Transportation
16	Juniper. - Curb and Sidewalk	$ 379,167	$ -	$ 379,167	14.00%	$53,067	Per the City Active Transportation
17	Juniper. - Curb and Sidewalk	$ 1,003,788	$ -	$ 1,003,788	14.00%	$140,487	Per the City Active Transportation
18	Knox Ave. Underpass appears to be wide enough to allow for two additional lanes	$ 698,864	$ -	$ 698,864	14.00%	$97,811	Per the City Active Transportation
19	Locust Ave. - Minor widening, curb gutter sidewalk additions	$ 2,204,545	$ -	$ 2,204,545	14.00%	$308,542	Per the City Active Transportation
20	Locust Ave. - Minor widening, curb gutter sidewalk additions	$ 53,977	$ -	$ 53,977	14.00%	$7,555	Per the City Active Transportation
21	Locust Ave. - Minor widening, curb gutter sidewalk additions	$ 150,758	$ -	$ 150,758	14.00%	$21,100	Per the City Active Transportation
22	Locust Ave. - Minor widening, curb gutter sidewalk additions	$ 63,826	$ -	$ 63,826	14.00%	$8,933	Per the City Active Transportation
23	Locust Ave. - Minor widening, curb gutter sidewalk additions	$ 211,553	$ -	$ 211,553	14.00%	$29,608	Per the City Active Transportation
24	Locust Ave. - Minor widening, curb gutter sidewalk additions	$ 194,697	$ -	$ 194,697	14.00%	$27,249	Per the City Active Transportation
25	Locust Ave. - Minor widening, curb gutter sidewalk additions	$ 62,500	$ -	$ 62,500	14.00%	$8,747	Per the City Active Transportation
26	Locust Ave. - Minor widening, curb gutter sidewalk additions	$ 66,288	$ -	$ 66,288	14.00%	$9,277	Per the City Active Transportation
27	Locust Ave. - Minor widening, curb gutter sidewalk additions	$ 100,379	$ -	$ 100,379	14.00%	$14,049	Per the City Active Transportation
28	Locust Ave. - Minor widening, curb gutter sidewalk additions	$ 104,167	$ -	$ 104,167	14.00%	$14,579	Per the City Active Transportation
29	Locust Ave. - Minor widening, curb gutter sidewalk additions	$ 250,000	$ -	$ 250,000	14.00%	$34,989	Per the City Active Transportation
30	Locust Ave. - Minor widening, curb gutter sidewalk additions	$ 992,424	$ -	$ 992,424	14.00%	$138,897	Per the City Active Transportation
31	Locust Ave. - Minor widening, curb gutter sidewalk additions	$ 558,333	$ -	$ 558,333	14.00%	$78,143	Per the City Active Transportation
32	Locust Ave. - Minor widening, curb gutter sidewalk additions	$ 549,242	$ -	$ 549,242	14.00%	$76,870	Per the City Active Transportation
33	Miller Ave. - Sidewalk gap closure	$ 120,644	$ -	$ 120,644	14.00%	$16,885	Per the City Active Transportation
34	Miller - Sidewalk gap closure	$ 249,242	$ -	$ 249,242	14.00%	$34,883	Per the City Active Transportation
35	Miller - Sidewalk gap closure	$ 494,318	$ -	$ 494,318	14.00%	$69,183	Per the City Active Transportation
36	Miller - Sidewalk gap closure	$ 507,576	$ -	$ 507,576	14.00%	$71,039	Per the City Active Transportation
37	Mulberry - Sidewalk	$ 125,000	$ -	$ 125,000	14.00%	$17,495	Per the City Active Transportation
38	Orange Way. - Sawtooth project	$ 498,864	$ -	$ 498,864	14.00%	$69,820	Per the City Active Transportation
39	Orange Way. - Sawtooth project	$ 995,076	$ -	$ 995,076	14.00%	$139,268	Per the City Active Transportation
40	Philadelphia. - Crosses R/R Tracks	$ 312,500	$ -	$ 312,500	14.00%	$43,737	Per the City Active Transportation
41	Philadelphia. - Crosses San Sevaine Channel	$ 113,636	$ -	$ 113,636	14.00%	$15,904	Per the City Active Transportation
42	Poplar. - Minor widening, curb gutter and sidewalk	$ 1,376,515	$ -	$ 1,376,515	14.00%	$192,653	Per the City Active Transportation
43	Poplar. - Minor widening, curb gutter and sidewalk	$ 70,076	$ -	$ 70,076	14.00%	$9,808	Per the City Active Transportation
44	Poplar. - Minor widening, curb gutter and sidewalk	$ 248,106	$ -	$ 248,106	14.00%	$34,724	Per the City Active Transportation
45	Production Ave. - Sidewalk Fully Improved	$ 243,750	$ -	$ 243,750	14.00%	$34,115	Per the City Active Transportation
46	Prodection Ave. Fully Developed	$ 495,833	$ -	$ 495,833	14.00%	$69,395	Per the City Active Transportation
47	Randall Ave. - Minor widening, curb gutter and sidewalk	$ 250,379	$ -	$ 250,379	14.00%	$35,042	Per the City Active Transportation
48	Randall Ave. - Minor widening, curb gutter and sidewalk	$ 124,811	$ -	$ 124,811	14.00%	$17,468	Per the City Active Transportation
49	Randall Ave. - Minor widening, curb gutter and sidewalk	$ 123,106	$ -	$ 123,106	14.00%	$17,230	Per the City Active Transportation
50	Randall Ave. - Minor widening, curb gutter and sidewalk	$ 183,523	$ -	$ 183,523	14.00%	$25,685	Per the City Active Transportation
51	Riverside Ave. - Street widening and full improvements	$ 1,250,000	$ -	$ 1,250,000	14.00%	$174,946	Per the City Active Transportation
52	Sierra. - Sawtooth project	$ 198,864	$ -	$ 198,864	14.00%	$27,832	Per the City Active Transportation
53	Summit Ave. - Full Street improvements. Lane addition	$ 486,742	$ -	$ 486,742	14.00%	$68,123	Per the City Active Transportation
54	Summit Ave. - Full Street improvements. Lane addition	$ 1,003,788	$ -	$ 1,003,788	14.00%	$140,487	Per the City Active Transportation
55	Summit Ave. - Full Street improvements. Lane addition	$ 1,318,182	$ -	$ 1,318,182	14.00%	$184,489	Per the City Active Transportation
56	Valley Blvd. Sawtooth, add sidewalk curb and gutter	$ 987,879	$ -	$ 987,879	14.00%	$138,261	Per the City Active Transportation
	Existing / Offsetting Revenues						
	Subtotal	**$ 33,509,659**	**$ -**	**$ 33,509,659**		**$4,689,916**	

Traffic Signals (26)

1	Merrill Ave./Cypress Ave. - Replace 2 way stop with traffic signal - High Priority	$ 400,000	$ -	$ 400,000	14.00%	$55,983	Per the City
2	Arrow Blvd./Cypress Ave. - Replace 2 way stop with traffic signal - High Priority	$ 400,000	$ -	$ 400,000	14.00%	$55,983	Per the City
3	Live Oak Ave./Village Dr. - Replace 2 way stop with traffic signal - High Priority	$ 400,000	$ -	$ 400,000	14.00%	$55,983	Per the City
4	Cherry Ave./Banana Ave. - Replace All way stop with traffic signal - High Priority	$ 400,000	$ -	$ 400,000	14.00%	$55,983	Per the City
5	Slover Ave./Almond Ave. - Replace 2 way stop with traffic signal - High Priority	$ 400,000	$ -	$ 400,000	14.00%	$55,983	Per the City
6	Alder Ave./Marygold Ave. - Replace All way stop with traffic signal - High Priority	$ 400,000	$ -	$ 400,000	14.00%	$55,983	Per the City
7	San Bernardino/Catawaba Ave. - Replace All way stop with traffic signal - High Priority	$ 400,000	$ -	$ 400,000	14.00%	$55,983	Per the City
8	Slover Ave./Bananna Ave. - Replace 2 way stop with traffic signal - High Priority	$ 400,000	$ -	$ 400,000	14.00%	$55,983	Per the City
9	Randall Ave./Mango Ave. - Replace All way stop with traffic signal - High Priority	$ 400,000	$ -	$ 400,000	14.00%	$55,983	Per the City
10	San Bernardino/Oleander - Replace All way stop with traffic signal - High Priority	$ 400,000	$ -	$ 400,000	14.00%	$55,983	Per the City
11	Miller Ave./Locust Ave. - Replace All way stop with traffic signal - High Priority	$ 400,000	$ -	$ 400,000	14.00%	$55,983	Per the City
12	RandallAve./Cypress Ave. - Replace All way stop with traffic signal - High Priority	$ 400,000	$ -	$ 400,000	14.00%	$55,983	Per the City
13	Cherry Ave./Village Dr. - Replace All way stop with traffic signal - High Priority	$ 400,000	$ -	$ 400,000	14.00%	$55,983	Per the City
14	San Bernardino/Mango Ave. - Replace All way stop with traffic signal - High Priority	$ 400,000	$ -	$ 400,000	14.00%	$55,983	Per the City
15	Miller Ave./Juniper Ave. - Replace All way stop with traffic signal - High Priority	$ 400,000	$ -	$ 400,000	14.00%	$55,983	Per the City
16	Randall Ave./Oleander Ave. - Replace All way stop with traffic signal - High Priority	$ 400,000	$ -	$ 400,000	14.00%	$55,983	Per the City
17	Marley Ave./Pacific Ave. - Replace All way stop with traffic signal - High Priority	$ 400,000	$ -	$ 400,000	14.00%	$55,983	Per the City
18	South Highland./Juniper Ave. - Replace 2 way stop with traffic signal - High Priority	$ 400,000	$ -	$ 400,000	14.00%	$55,983	Per the City
19	Beech Ave./Walnut Ave. - Replace All way stop with traffic signal - High Priority	$ 400,000	$ -	$ 400,000	14.00%	$55,983	Per the City
20	Juniper Ave./Valencia Ave. - Replace 2 way stop with traffic signal - High Priority	$ 400,000	$ -	$ 400,000	14.00%	$55,983	Per the City
21	Walnut Ave./Juniper Ave. - Replace All way stop with traffic signal - High Priority	$ 400,000	$ -	$ 400,000	14.00%	$55,983	Per the City
22	West Liberty/Miller Ave. - Replace All way stop with traffic signal - High Priority	$ 400,000	$ -	$ 400,000	14.00%	$55,983	Per the City
23	Cypress Ave. /Walnut St. - Replace All way stop with traffic signal - High Priority	$ 400,000	$ -	$ 400,000	14.00%	$55,983	Per the City
24	Randall Ave. /Pepper Ave. - Replace 2 way stop with traffic signal - High Priority	$ 400,000	$ -	$ 400,000	14.00%	$55,983	Per the City
25	South Heritage /East Liberty Parkway - Replace 2 way stop with traffic signal - High Pri	$ 400,000	$ -	$ 400,000	14.00%	$55,983	Per the City
26	South Heritage /West Liberty Parkway - Replace 2 way stop with traffic signal - High Pr	$ 400,000	$ -	$ 400,000	14.00%	$55,983	Per the City
	Existing / Offsetting Revenues						
	Subtotal	**$ 10,400,000**	**$ -**	**$ 10,400,000**		**$ 1,455,554**	
	Total Traffic Facilities	**$ 129,641,791**	**$ 4,696,256**	**$ 124,945,535**		**$17,487,924**	

B. Parks Facilities

1	New Parks in underserved areas (2) 20 Acres Each	$ 34,000,000	$ -	$ 34,000,000	11.68%	$3,970,714	Parks Master Plan
2	New South Fontana Community Center	$ 25,000,000	$ -	$ 25,000,000	11.68%	$2,919,642	Parks Master Plan
3	Park Improvements	$ 30,000,000	$ -	$ 30,000,000	11.68%	$3,503,571	Parks Master Plan
4	Recreational Trails	$ 19,000,000	$ -	$ 19,000,000	11.68%	$2,218,928	Parks Master Plan
5	New Park in North Fontana (20 acres)	$ 20,000,000	$ -	$ 20,000,000	70.00%	$14,000,000	CIP
6	210 Sports Park	$ 30,000,000	$ -	$ 30,000,000	70.00%	$21,000,000	CIP
7	Downtown Lineal Park on PE Trail	$ 3,000,000	$ -	$ 3,000,000	11.68%	$350,357	CIP
8	New Community Center in Core of City	$ 25,000,000	$ -	$ 25,000,000	11.68%	$2,919,642	CIP
	Existing / Offsetting Revenues		**$ 2,204,022**				
	Total Parks and Recreation Facilities	**$ 186,000,000**	**$ 2,204,022**	**$ 183,795,978**		**$50,882,855**	

C. Public Facilities

1	Corporate Yard Expansion (Three phases of expansion)	$ 37,200,000	$ -	$ 37,200,000	14.00%	$5,206,405	Maintain/improve the City's Public
4	Proposed Parking Structure 130 spaces (Downtown)	$ 4,900,000	$ -	$ 4,900,000	14.00%	$685,790	Maintain/improve the City's Public
	Existing / Offsetting Revenues		**$ 8,424,378**				
	Total Public Facilities	**$ 42,100,000**	**$ 8,424,378**	**$ 33,675,623**		**$ 5,892,195.13**	

D. Fire Facilties

1	Station 80 with BC dorm and apparatus bay (Cherry-South Highland)	$ 6,500,000	$ -	$ 6,500,000	14.00%	$909,721	Per the Fontana City Fire Departme
2	Station 80 Training Tower/Facility	$ 5,000,000	$ -	$ 5,000,000	14.00%	$699,786	Per the Fontana City Fire Departme
3	Station 81 with 80' deep apparatus bay	$ 6,500,000	$ -	$ 6,500,000	14.00%	$909,721	Per the Fontana City Fire Departme
4	Station 77 Re-location	$ 6,500,000	$ -	$ 6,500,000	14.00%	$909,721	Per the Fontana City Fire Departme
5	Medic Engine 80	$ 1,000,000	$ -	$ 1,000,000	14.00%	$139,957	Per the Fontana City Fire Departme
6	Medic Truck 80	$ 1,700,000	$ -	$ 1,700,000	14.00%	$237,927	Per the Fontana City Fire Departme
7	Medic Engine 81	$ 1,000,000	$ -	$ 1,000,000	14.00%	$139,957	Per the Fontana City Fire Departme
8	Medic Squad 81	$ 250,000	$ -	$ 250,000	14.00%	$34,989	Per the Fontana City Fire Departme
9	Utility Truck 80	$ 75,000	$ -	$ 75,000	14.00%	$10,497	Per the Fontana City Fire Departme
10	Utility Truck 81 (Casa Grande)	$ 75,000	$ -	$ 75,000	14.00%	$10,497	Per the Fontana City Fire Departme
	Existing / Offsetting Revenues		**$ 702,280**				
	Total Fire	**$ 28,600,000**	**$ 702,280**	**$ 27,897,720**		**$ 4,002,774**	

	E. Library Service						
1	Roof Replacement	$630,000	$ -	$630,000.00	14.00%	$88,173	Maintain/improve the City's Library
2	Remodeling Projects	$500,000	$ -	$500,000.00	14.00%	$69,979	Maintain/improve the City's Library
3	Books	$750,000	$ -	$750,000.00	14.00%	$104,968	Maintain/improve the City's Library
4	Furniture Replacement	$450,000	$ -	$450,000.00	14.00%	$62,981	Maintain/improve the City's Library
5	Computer/Hardware Replacement	$230,000	$ -	$230,000.00	14.00%	$32,190	Maintain/improve the City's Library
6	Carpet Replacement	$260,000	$ -	$260,000	14.00%	$36,389	Maintain/improve the City's Library
7	Parking Lot Repairs	$64,750	$ -	$64,750	14.00%	$9,062	Maintain/improve the City's Library
8	HVAC Replacement	$4,500,000	$ -	$4,500,000	14.00%	$629,807	Maintain/improve the City's Library
9	Elevator Replacement	$195,000	$ -	$195,000	14.00%	$27,292	Maintain/improve the City's Library
	Existing / Offsetting Revenues		**$ 125,291**				
	Total Library	**$7,579,750**	**$ 125,291**	**$7,454,459**		**$1,060,840**	

	F. Police Facilities						
1	Two (2) story 40,000 sf structure @ 627/sq. ft. x 40,000	$ 25,080,000	$ -	$ 25,080,000	14.00%	$3,510,125	Per the Fontana Police Departmen
2	Vehicles & Equipment - Patrol Units Black & White (33)	$ 2,459,160	$ -	$ 2,459,160	14.00%	$344,177	Per the Fontana Police Departmen
3	Vehicles & Equipment - Command Staff (1)	$ 50,020	$ -	$ 50,020	14.00%	$7,001	Per the Fontana Police Departmen
4	Vehicles & Equipment - MOU/Special Assignment (11)	$ 457,160	$ -	$ 457,160	14.00%	$63,983	Per the Fontana Police Departmen
5	Vehicles & Equipment - Animal Service Truck (2)	$ 175,200	$ -	$ 175,200	14.00%	$24,520	Per the Fontana Police Departmen
6	Vehicles & Equipment - Community Service Truck (2)	$ 111,340	$ -	$ 111,340	14.00%	$15,583	Per the Fontana Police Departmen
7	Vehicles & Equipment - Code Inspector Truck (3)	$ 140,100	$ -	$ 140,100	14.00%	$19,608	Per the Fontana Police Departmen
8	Vehicles & Equipment - Field Evidence Technician Truck (1)	$ 64,000	$ -	$ 64,000	14.00%	$8,957	Per the Fontana Police Departmen
9	Vehicles & Equipment - Administration (1)	$ 41,560	$ -	$ 41,560	14.00%	$5,817	Per the Fontana Police Departmen
10	Total Vehicle Annual Recurring O & M Costs & Capital Recovery	$ 1,467,531	$ -	$ 1,467,531	14.00%	$205,391	Per the Fontana Police Departmen
11	Land - Parking lot with 200 Marked Stalls [1] (Construction Costs only)	$ 1,000,000	$ -	$ 1,000,000	14.00%	$139,957	Per the Fontana Police Departmen
12	General Office Equipment (Workstation, Computers, etc.)	$ 594,200	$ -	$ 594,200	14.00%	$83,163	Per the Fontana Police Departmen
13	Staff Equipment start-up (gun, camera, safety equipment)	$ 698,400	$ -	$ 698,400	14.00%	$97,746	Per the Fontana Police Departmen
14	Property acquisition to expand (existing homes) Land Cost only	$ 3,500,000	$ -	$ 3,500,000			
15	Establishment of a 1,200 sq. ft. Sub-station / building lease costs	$ 1,275,759	$ -	$ 1,275,759			
	Existing / Offsetting Revenues		**$ 1,401,386**	$ -			
	Total Police Facilities Total	**$ 37,114,430**	**$ 1,401,386**	**$ 35,713,044**		**$4,526,028**	
	Grand Total	**$ 431,035,971**	**$ 17,553,612**	**$ 413,482,359**		**$ 83,852,615**	

APPENDIX B

City of Fontana
Development Impact Fee Justification Study

FEE DERIVATION WORKSHEETS

City of Fontana - Active Transportation

I. Existing EDU Calculation

Land Use Type	Number of Persons Served	Residents per Unit/ Persons Served per 1,000 Non-Res. SF	EDUs per Unit/ per 1,000 Non-Res. SF	Number of Units/ Non-Res. SF	Total Number of EDUs
Single Family Residential	172,608	4.000	1.00	43,152	43,152
Multi Family Residential 0-2	50,047	3.800	0.95	13,170	12,512
Multi Family Residential 3+	8,234	4.000	1.00	2,059	2,059
Commercial	12,017	1.095	0.27	10,974,122	3,004
Industrial	17,360	0.320	0.08	54,250,693	4,340
Total	**260,266**				**65,066**

II. Projected EDU Calculation

Land Use Type	Number of Persons Served	Residents per Unit/ Persons Served per 1,000 Non-Res. SF	EDUs per Unit/ per 1,000 Non-Res. SF	Number of Units/ Non-Res. SF	Total Number of EDUs
Single Family Residential	3,374	4.000	1.00	844	844
Multi Family Residential 0-2	22,442	3.800	0.95	5,906	5,611
Multi Family Residential 3+	4,714	4.000	1.00	1,179	1,179
Commercial	1,935	1.095	0.27	1,767,178	484
Industrial	9,889	0.320	0.08	30,902,249	2,472
Total	**42,354**				**10,588**

III. Projected Traffic Transportation Facilities Costs

Facility		Facility Cost
Active Traffic	$	59,919,310.00
Offsettting Revenues	$	-
Total Facilities Cost	**$**	**59,919,310.00**

IV. Allocation of New Development to New and Existing Facilities

Development	EDU's	Percentage of Cost Allocated		Percentage of Cost Allocated
Existing Development	65,066	86.00%	$	51,533,175
New Development	10,588	14.00%	$	8,386,135
	75,655	**100.00%**	**$**	**59,919,310**

V. Allocation of New Development

Facility	Number of Projected EDUs	Cost to New Development		Cost per EDU
Active Traffic	10,588	$	8,386,135	$ 792.01

VI. Development Impact Fee per Unit

Land Use Type	EDU's per Unit	Fee Per Unit/ Per 1,000 SF	Total Units/ Non-Res SF	Costs Financed by DIF
Single Family Residential	1.00	$792.01	844	$668,059
Multi Family Residential (0-2)	0.95	$752.41	5,906	$4,443,562
Multi Family Residential (3+)	1.00	$792.01	1,179	$933,382
Commercial	0.27	$216.81	1,767,178	$383,146
Industrial	0.08	$63.36	30,902,249	$1,957,987
				$8,386,135

City of Fontana - Landscape Medians

I. Existing EDU Calculation

Land Use Type	Number of Persons Served	Residents per Unit/ Persons Served per 1,000 Non-Res. SF	EDUs per Unit/ per 1,000 Non-Res. SF	Number of Units/ Non-Res. SF	Total Number of EDUs
Single Family Residential	172,608	4.000	1.00	43,152	43,152
Multi Family Residential 0-2	50,047	3.800	0.95	13,170	12,512
Multi Family Residential 3+	8,234	4.000	1.00	2,059	2,059
Commercial	12,017	1.095	0.27	10,974,122	3,004
Industrial	17,360	0.320	0.08	54,250,693	4,340
Total	**260,266**				**65,066**

II. Projected EDU Calculation

Land Use Type	Number of Persons Served	Residents per Unit/ Persons Served per 1,000 Non-Res. SF	EDUs per Unit/ per 1,000 Non-Res. SF	Number of Units/ Non-Res. SF	Total Number of EDUs
Single Family Residential	3,374	4.000	1.00	844	844
Multi Family Residential 0-2	22,442	3.800	0.95	5,906	5,611
Multi Family Residential 3+	4,714	4.000	1.00	1,179	1,179
Commercial	1,935	1.095	0.27	1,767,178	484
Industrial	9,889	0.320	0.08	30,902,249	2,472
Total	**42,354**				**10,588**

III. Projected Traffic Lanscape Facilities Costs

Facility		Facility Cost
Landscape Median	$	25,812,822.00
Offsettting Revenues	**$**	**4,696,255.61**
Total Facilities Cost	**$**	**21,116,566.39**

IV. Allocation of New Development to New and Existing Facilities

Development	EDU's	Percentage of Cost Allocated		Percentage of Cost Allocated
Existing Development	65,066	86.00%	$	18,161,152
New Development	10,588	14.00%	$	2,955,414
	75,655	**100.00%**	**$**	**21,116,566**

V. Allocation of New Development

Facility	Number of Projected EDUs	Cost to New Development		Cost per EDU
Landscape Median	10,588	$	2,955,414	$ 279.12

VI. Development Impact Fee per Unit

Land Use Type	EDU's per Unit	Fee Per Unit/ Per 1,000 SF	Total Units/ Non-Res SF	Costs Financed by DIF
Single Family Residential	1.00	$279	844	$235,435
Multi Family Residential (0-2)	0.95	$265	5,906	$1,565,985
Multi Family Residential (3+)	1.00	$279	1,179	$328,939
Commercial	0.27	$76	1,767,178	$135,027
Industrial	0.08	$22	30,902,249	$690,027
				$2,955,414

City of Fontana - Local Arterials

I. Existing EDU Calculation

Land Use Type	Number of Persons Served	Residents per Unit/ Persons Served per 1,000 Non-Res. SF	EDUs per Unit/ per 1,000 Non-Res. SF	Number of Units/ Non-Res. SF	Total Number of EDUs
Single Family Residential	172,608	4.000	1.00	43,152	43,152
Multi Family Residential 0-2	50,047	3.800	0.95	13,170	12,512
Multi Family Residential 3+	8,234	4.000	1.00	2,059	2,059
Commercial	12,017	1.095	0.27	10,974,122	3,004
Industrial	17,360	0.320	0.08	54,250,693	4,340
Total	**260,266**				**65,066**

II. Projected EDU Calculation

Land Use Type	Number of Persons Served	Residents per Unit/ Persons Served per 1,000 Non-Res. SF	EDUs per Unit/ per 1,000 Non-Res. SF	Number of Units/ Non-Res. SF	Total Number of EDUs
Single Family Residential	3,374	4.000	1.00	844	844
Multi Family Residential 0-2	22,442	3.800	0.95	5,906	5,611
Multi Family Residential 3+	4,714	4.000	1.00	1,179	1,179
Commercial	1,935	1.095	0.27	1,767,178	484
Industrial	9,889	0.320	0.08	30,902,249	2,472
Total	**42,354**				**10,588**

III. Projected Traffic Local Arterials Facilities Costs

Facility		Facility Cost
Local Arterials	$	33,509,659
Offsettting Revenues	$	-
Total Facilities Cost	**$**	**33,509,659**

IV. Allocation of New Development to New and Existing Facilities

Development	EDU's	Percentage of Cost Allocated		Percentage of Cost Allocated
Existing Development	65,066	86.00%	$	28,819,743
New Development	10,588	14.00%	$	4,689,916
	75,655	**100.00%**	**$**	**33,509,659**

V. Allocation of New Development

Facility	Number of Projected EDUs	Cost to New Development		Cost per EDU
Local Arterials	10,588	$	4,689,916	$ 442.93

VI. Development Impact Fee per Unit

Land Use Type	EDU's per Unit	Fee Per Unit/ Per 1,000 SF	Total Units/ Non-Res SF	Costs Financed by DIF
Single Family Residential	1.00	$442.93	844	$373,610
Multi Family Residential (0-2)	0.95	$420.78	5,906	$2,485,046
Multi Family Residential (3+)	1.00	$442.93	1,179	$521,990
Commercial	0.27	$121.25	1,767,178	$214,273
Industrial	0.08	$35.43	30,902,249	$1,094,997
				$4,689,916

City of Fontana - Traffic Signals

I. Existing EDU Calculation

Land Use Type	Number of Persons Served	Residents per Unit/ Persons Served per 1,000 Non-Res. SF	EDUs per Unit/ per 1,000 Non-Res. SF	Number of Units/ Non-Res. SF	Total Number of EDUs
Single Family Residential	172,608	4.000	1.00	43,152	43,152
Multi Family Residential 0-2	50,047	3.800	0.95	13,170	12,512
Multi Family Residential 3+	8,234	4.000	1.00	2,059	2,059
Commercial	12,017	1.095	0.27	10,974,122	3,004
Industrial	17,360	0.320	0.08	54,250,693	4,340
Total	**260,266**				**65,066**

II. Projected EDU Calculation

Land Use Type	Number of Persons Served	Residents per Unit/ Persons Served per 1,000 Non-Res. SF	EDUs per Unit/ per 1,000 Non-Res. SF	Number of Units/ Non-Res. SF	Total Number of EDUs
Single Family Residential	3,374	4.000	1.00	844	844
Multi Family Residential 0-2	22,442	3.800	0.95	5,906	5,611
Multi Family Residential 3+	4,714	4.000	1.00	1,179	1,179
Commercial	1,935	1.095	0.27	1,767,178	484
Industrial	9,889	0.320	0.08	30,902,249	2,472
Total	**42,354**				**10,588**

III. Projected Traffic Signals Facilities Costs

Facility		Facility Cost
Traffic Signals	$	10,400,000
Offsettting Revenues	$	-
Total Facilities Cost	**$**	**10,400,000**

IV. Allocation of New Development to New and Existing Facilities

Development	EDU's	Percentage of Cost Allocated		Percentage of Cost Allocated
Existing Development	65,066	86.00%	$	8,944,446
New Development	10,588	14.00%	$	1,455,554
	75,655	**100.00%**	**$**	**10,400,000**

V. Allocation of New Development

Facility	Number of Projected EDUs	Cost to New Developm		Cost per EDU
Traffic Signals	10,588	$ 1,455,554	$	137.47

VI. Development Impact Fee per Unit

Land Use Type	EDU's per Unit	Fee Per Unit/ Per 1,000 SF	Total Units/ Non-Res SF	Costs Financed by DIF
Single Family Residential	1.00	$137.47	844	$115,953
Multi Family Residential (0-2)	0.95	$130.59	5,906	$771,255
Multi Family Residential (3+)	1.00	$137.47	1,179	$162,004
Commercial	0.27	$37.63	1,767,178	$66,501
Industrial	0.08	$11.00	30,902,249	$339,841
				$1,455,554

City of Fontana - Fire Facilities

I. Existing EDU Calculation

Land Use Type	Number of Persons Served	Residents per Unit/ Persons Served per 1,000 Non-Res. SF	EDUs per Unit/ per 1,000 Non-Res. SF	Number of Units/ Non-Res. SF	Total Number of EDUs
Single Family Residential	172,608	4.000	1.00	43,152	43,152
Multi Family Residential 0-2	50,047	3.800	0.95	13,170	12,512
Multi Family Residential 3+	8,234	4.000	1.00	2,059	2,059
Commercial	12,017	1.095	0.27	10,974,122	3,004
Industrial	17,360	0.320	0.08	54,250,693	4,340
Total	**260,266**				**65,066**

II. Projected EDU Calculation

Land Use Type	Number of Persons Served	Residents per Unit/ Persons Served per 1,000 Non-Res. SF	EDUs per Unit/ per 1,000 Non-Res. SF	Number of Units/ Non-Res. SF	Total Number of EDUs
Single Family Residential	3,374	4.000	1.00	844	844
Multi Family Residential 0-2	22,442	3.800	0.95	5,906	5,611
Multi Family Residential 3+	4,714	4.000	1.00	1,179	1,179
Commercial	1,935	1.095	0.27	1,767,178	484
Industrial	9,889	0.320	0.08	30,902,249	2,472
Total	**42,354**				**10,588**

III. Projected Fire Facilities Costs

Facility		Facility Cost
Fire Facilities	$	28,600,000.00
Offsettting Revenues	**$**	**702,280**
Total Facilities Cost	**$**	**27,897,720**

IV. Allocation of New Development to New and Existing Facilities

Development	EDU's	Percentage of Cost Allocated		Percentage of Cost Allocated
Existing Development	65,066	86.00%	$	23,993,235
New Development	10,588	14.00%	$	3,904,485
	75,655	**100.00%**	**$**	**27,897,720**

V. Allocation of New Development

Facility	Number of Projected EDUs	Cost to New Development		Cost per EDU
Fire Facilities	10,588	$	3,904,485	$ 368.75

VI. Development Impact Fee per Unit

Land Use Type	EDU's per Unit	Fee Per Unit/ Per 1,000 SF	Total Units/ Non-Res SF	Costs Financed by DIF
Single Family Residential	1.00	$368.75	844	$311,040
Multi Family Residential 0-2	0.95	$350.31	5,906	$2,068,870
Multi Family Residential 3+	1.00	$368.75	1,179	$434,571
Commercial	0.27	$100.95	1,767,178	$178,388
Industrial	0.08	$29.50	30,902,249	$911,615
				$3,904,485

City of Fontana - Parks Development

I. Existing EDU Calculation

Land Use Type	Number of Persons Served	Residents per Unit/ Persons Served per 1,000 Non-Res. SF	EDUs per Unit/ per 1,000 Non-Res. SF	Number of Units/ Non-Res. SF	Total Number of EDUs
Single Family Residential	172,608	4.000	1.00	43,152	43,152
Multi Family Residential 0-2	50,047	3.800	0.95	13,170	12,512
Multi Family Residential 3+	8,234	4.000	1.00	2,059	2,059
Commercial	0	1.095	0.00	0	0
Industrial	0	0.320	0.08	0	0
Total	**230,889**				**57,722**

II. Projected EDU Calculation

Land Use Type	Number of Persons Served	Residents per Unit/ Persons Served per 1,000 Non-Res. SF	EDUs per Unit/ per 1,000 Non-Res. SF	Number of Units/ Non-Res. SF	Total Number of EDUs
Single Family Residential	3,374	4.000	1.00	844	844
Multi Family Residential 0-2	22,442	3.800	0.95	5,906	5,611
Multi Family Residential 3+	4,714	4.000	1.00	1,179	1,179
Commercial	0	0.000	0.00	0	0
Industrial	0	0.000	0.00	0	0
Total	**30,530**				**7,633**

III. Projected Parks Facilities Costs

Facility		Facility Cost
New Parks in underserved areas (2) 20 Acres Each	$	34,000,000.00
New South Fontana Community Center	$	25,000,000.00
Park Improvements	$	30,000,000.00
Recreational Trails	$	19,000,000.00
New Park in North Fontana (20 acres)	$	20,000,000.00
210 Sports Park	$	30,000,000.00
Downtown Lineal Park on PE Trail	$	3,000,000.00
New Community Center in Core of City	$	25,000,000.00
Offsettting Revenues	$	2,204,021.57
Total Facilities Cost	**$**	**183,795,978.43**

IV. Allocation of New Development to New and Existing Facilities

1) New Parks in underserved areas (2) 20 Acres Each

Development (includes off setting revenues)	EDU's	Percentage of Cost Allocated		Percentage of Cost Allocated
Existing Development	57,722	88.32%	$	28,082,663
New Development	7,633	11.68%	$	3,713,315
	65,355	**100.00%**	**$**	**31,795,978**

2) New South Fontana Community Center

Development	EDU's	Percentage of Cost Allocated		Percentage of Cost Allocated
Existing Development	57,722	88.32%	$	22,080,358
New Development	7,633	11.68%	$	2,919,642
	65,355	**100.00%**	**$**	**25,000,000**

3) Park Improvements

Development	EDU's	Percentage of Cost Allocated		Percentage of Cost Allocated
Existing Development	57,722	88.32%	$	26,496,429
New Development	7,633	11.68%	$	3,503,571
	65,355	**100.00%**	**$**	**30,000,000**

4) Recreational Trails

Development	EDU's	Percentage of Cost Allocated		Percentage of Cost Allocated
Existing Development	57,722	88.32%	$	16,781,072
New Development	7,633	11.68%	$	2,218,928
	65,355	**100.00%**	**$**	**19,000,000**

5) New Park in North Fontana (20 acres)

Development	EDU's	Percentage of Cost Allocated		Percentage of Cost Allocated
Existing Development	57,722	30.00%	$	6,000,000
New Development	7,633	70.00%	$	14,000,000
	65,355	**100.00%**	**$**	**20,000,000**

6) 210 Sports Park

Development	EDU's	Percentage of Cost Allocated	Percentage of Cost Allocated
Existing Development	57,722	30.00%	$ 9,000,000
New Development	7,633	70.00%	$ 21,000,000
	65,355	**100.00%**	**$ 30,000,000**

7) Downtown Lineal Park on PE Trail

Development	EDU's	Percentage of Cost Allocated	Percentage of Cost Allocated
Existing Development	57,722	88.32%	$ 2,649,643
New Development	7,633	11.68%	$ 350,357
	65,355	**100.00%**	**$ 3,000,000**

8) New Community Center in Core of City

Development	EDU's	Percentage of Cost Allocated	Percentage of Cost Allocated
Existing Development	57,722	88.32%	$ 22,080,358
New Development	7,633	11.68%	$ 2,919,642
	65,355	**100.00%**	**$ 25,000,000**

Aggregate Allocation of new Development to new and existing facilities

Existing Development	72.46%	$	133,170,522
New Development	27.54%	$	50,625,457
		$	**183,795,978**

V. Allocation of New Development

Facility	Number of Projected EDUs	Cost to New Development	Cost per EDU
Parks. Facilities	7,633	$ 50,625,457	$ 6,632.88

VI. Development Impact Fee per Unit

Land Use Type	EDU's per Unit	Fee Per Unit/ Per 1,000 SF	Total Units/ Non-Res SF	Costs Financed by DIF
Single Family Residential	1.00	$6,632.88	844	$5,594,834
Multi Family Residential	0.95	$6,301.24	5,906	$37,213,773
Multi Family Residential	1.00	$6,632.88	1,179	$7,816,849
				$50,625,457

City of Fontana - Library Facilities

I. Existing EDU Calculation

Land Use Type	Number of Persons Served	Residents per Unit/ Persons Served per 1,000 Non-Res. SF	EDUs per Unit/ per 1,000 Non-Res. SF	Number of Units/ Non-Res. SF	Total Number of EDUs
Single Family Residential	172,608	4.000	1.00	43,152	43,152
Multi Family Residential 0-2	50,047	3.800	0.95	13,170	12,512
Multi Family Residential 3+	8,234	4.000	1.00	2,059	2,059
Commercial	12,017	1.095	0.27	10,974,122	3,004
Industrial	17,360	0.320	0.08	54,250,693	4,340
Total	**260,266**				**65,066**

II. Projected EDU Calculation

Land Use Type	Number of Persons Served	Residents per Unit/ Persons Served per 1,000 Non-Res. SF	EDUs per Unit/ per 1,000 Non-Res. SF	Number of Units/ Non-Res. SF	Total Number of EDUs
Single Family Residential	3,374	4.000	1.00	844	844
Multi Family Residential 0-2	22,442	3.800	0.95	5,906	5,611
Multi Family Residential 3+	4,714	4.000	1.00	1,179	1,179
Commercial	1,935	1.095	0.27	1,767,178	484
Industrial	9,889	0.320	0.08	30,902,249	2,472
Total	**42,354**				**10,588**

III. Projected Library Facilities Costs

Facility	Facility Cost
Library Facilities	$7,579,750
Existing / Offsetting Revenues	**$125,291**
Total Facilities Cost $	**7,454,459**

IV. Allocation of New Development to New and Existing Facilities

Development	EDU's	Percentage of Cost Allocated	Percentage of Cost Allocated
Existing Development	65,066	86.00%	$ 6,411,154
New Development	10,588	14.00%	$ 1,043,305
	75,655	**100.00%**	**$ 7,454,459**

V. Allocation of New Development

Facility	Number of Projected EDUs	Cost to New Development	Cost per EDU
Library Facilities	10,588	$ 1,043,305	$ 98.53

VI. Development Impact Fee per Unit

Land Use Type	EDU's per Unit	Fee Per Unit/ Per 1,000 SF	Total Units/ Non-Res SF	Costs Financed by DIF
Single Family Residential	1.00	$98.53	844	$83,112
Multi Family Residential 0-2	0.95	$93.61	5,906	$552,816
Multi Family Residential 3+	1.00	$98.53	1,179	$116,120
Commercial	0.27	$26.97	1,767,178	$47,667
Industrial	0.08	$7.88	30,902,249	$243,590
				$1,043,305

City of Fontana - Police Facilities

I. Existing EDU Calculation

Land Use Type	Number of Persons Served	Residents per Unit/ Persons Served per 1,000 Non-Res. SF	EDUs per Unit/ per 1,000 Non-Res. SF	Number of Units/ Non-Res. SF	Total Number of EDUs
Single Family Residential	172,608	4.000	1.00	43,152	43,152
Multi Family Residential 0-2	50,047	3.800	0.95	13,170	12,512
Multi Family Residential 3+	8,234	4.000	1.00	2,059	2,059
Commercial	12,017	1.095	0.27	10,974,122	3,004
Industrial	17,360	0.320	0.08	54,250,693	4,340
Total	**260,266**				**65,066**

II. Projected EDU Calculation

Land Use Type	Number of Persons Served	Residents per Unit/ Persons Served per 1,000 Non-Res. SF	EDUs per Unit/ per 1,000 Non-Res. SF	Number of Units/ Non-Res. SF	Total Number of EDUs
Single Family Residential	3,374	4.000	1.00	844	844
Multi Family Residential 0-2	22,442	3.800	0.95	5,906	5,611
Multi Family Residential 3+	4,714	4.000	1.00	1,179	1,179
Commercial	1,935	1.095	0.27	1,767,178	484
Industrial	9,889	0.320	0.08	30,902,249	2,472
Total	**42,354**				**10,588**

III. Projected Police Facilities Costs

Facility		Facility Cost
Police Facilities	$	37,114,430
Offsettting Revenues	**$**	**1,401,386**
Total Facilities Cost	**$**	**35,713,044**

IV. Allocation of New Development to New and Existing Facilities

Development	EDU's	Percentage of Cost Allocated		Percentage of Cost Allocated
Existing Development	65,066	86.00%	$	30,714,749
New Development	10,588	14.00%	$	4,998,295
	75,655	**100.00%**	**$**	**35,713,044**

V. Allocation of New Development

Facility	Number of Projected EDUs		Cost to New Development		Cost per EDU
Police Facilities	10,588	$	4,998,295	$	472.05

VI. Development Impact Fee per Unit

Land Use Type	EDU's per Unit	Fee Per Unit/ Per 1,000 SF	Total Units/ Non-Res SF	Costs Financed by DIF
Single Family Residential	1.00	$472.05	844	$398,176
Multi Family Residential 0-2	0.95	$448.45	5,906	$2,648,447
Multi Family Residential 3+	1.00	$472.05	1,179	$556,313
Commercial	0.27	$0.129	1,767,178	$228,362
Industrial	0.08	$0.038	30,902,249	$1,166,997
				$4,998,295

City of Fontana - Public Facilities

I. Existing EDU Calculation

Land Use Type	Number of Persons Served	Residents per Unit/ Persons Served per 1,000 Non-Res. SF	EDUs per Unit/ per 1,000 Non-Res. SF	Number of Units/ Non-Res. SF	Total Number of EDUs
Single Family Residential	172,608	4.000	1.00	43,152	43,152
Multi Family Residential 0-2	50,047	3.800	0.95	13,170	12,512
Multi Family Residential 3+	8,234	4.000	1.00	2,059	2,059
Commercial	12,017	1.095	0.27	10,974,122	3,004
Industrial	17,360	0.320	0.08	54,250,693	4,340
Total	**260,266**				**65,066**

II. Projected EDU Calculation

Land Use Type	Number of Persons Served	Residents per Unit/ Persons Served per 1,000 Non-Res. SF	EDUs per Unit/ per 1,000 Non-Res. SF	Number of Units/ Non-Res. SF	Total Number of EDUs
Single Family Residential	3,374	4.000	1.00	844	844
Multi Family Residential 0-2	22,442	3.800	0.95	5,906	5,611
Multi Family Residential 3+	4,714	4.000	1.00	1,179	1,179
Commercial	1,935	1.095	0.27	1,767,178	484
Industrial	9,889	0.320	0.08	30,902,249	2,472
Total	**42,354**				**10,588**

III. Projected Public Admin Facilities Costs

Facility		Facility Cost
Public Facilities	$	42,100,000
Existing / Offsettting Revenues	**$**	**8,424,378**
Total Facilities Cost	**$**	**33,675,623**

IV. Allocation of New Development to New and Existing Facilities

Development	EDU's	Percentage of Cost Allocated		Percentage of Cost Allocated
Existing Development	65,066	86.00%	$	28,962,479
New Development	10,588	14.00%	$	4,713,143
	75,655	**100.00%**	**$**	**33,675,623**

V. Allocation of New Development

Facility	Number of Projected EDUs	Cost to New Development		Cost per EDU
Public Facilities	10,588	$ 4,713,143	$	445.12

VI. Development Impact Fee per Unit

Land Use Type	EDU's per Unit	Fee Per Unit/ Per SF	Total Units/ Non-Res SF	Costs Financed by DIF
Single Family Residential	1.00	$445.12	844	$375,460
Multi Family Residential 0-2	0.95	$422.87	5,906	$2,497,354
Multi Family Residential 3+	1.00	$445.12	1,179	$524,576
Commercial	0.27	$0.122	1,767,178	$215,334
Industrial	0.08	$0.036	30,902,249	$1,100,420
				$4,713,143

APPENDIX C

City of Fontana
Development Impact Fee Justification Study

FEE COMPARISONS

Proposed Development Impact Fees

FACILITY	RESIDENTIAL			NON-RESIDENTIAL	
	Single-Family $ per Unit	Multi-Family $ per unit 0-2 Bedrooms	Multi-Family $ per unit 3+ Bedrooms	Commercial ($ per SF)	Industrial ($ per SF)
A.Transportation					
Active Transportation Plan	$792	$752	$792	$0.217	$0.063
Landscape/Median	$279	$265	$279	$0.076	$0.022
Local Arterials	$443	$421	$443	$0.121	$0.035
Traffic Signals	$137	$131	$137	$0.038	$0.011
Total Transportation Fee	$1,652	$1,569	$1,652	$0.452	$0.132
B. Fire Facilities	$369	$350	$369	$0.101	$0.029
C. Police Facilities	$472	$448	$472	$0.129	$0.038
D. Public Facilities	$445	$423	$445	$0.122	$0.036
E. Library	$99	$94	$99	$0.027	$0.008
F. Parks	$6,633	$6,301	$6,633	-	-
Total Impact Fees	$9,669	$9,185	$9,669	$0.831	$0.243

Current Development Impact Fees

FACILITY	RESIDENTIAL		NON-RESIDENTIAL		
	Single-Family $ per Unit	Multi-Family $ per unit	Commercial ($ per SF)	Industrial ($ per SF)	Office ($ per SF)
Landscape Median	$573.20	$348.51	$0.872	$0.348	$0.698
Public Facilities	$796.26	$358.32	$0.398	$0.398	
Police	$526.52	$710.80	$0.526	$0.131	
Library	$533.30	$239.99	$0.042	$0.042	
Fire	$164.00	$164.00	$0.250	$0.100	
Parks SFR	$6,500.00				
Parks Townhome/Condo		$5,981.70			
Parks Apartments		$5,139.37			
Parks Mobile Homes		$5,476.44			
Total Impact Fees	$9,093.28	$7,803.32 [1] $6,960.99 [2] $7,298.06 [3]	$2.088	$1.019	$0.698

[1] Multi-family fee total calculated with a Townhome / Condo
[2] Multi-family fee total calculated with an Apartment
[3] Multi-family fee total calculated with a Mobile Home

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Public Finance
Public-Private Partnerships
Development Economics
Clean Energy Bonds

City of Fontana
CALIFORNIA

September 26, 2019

Carlos Rodriguez, Executive Director
Building Industry Association – Baldy View Chapter
9227 Haven Avenue, Suite 350
Rancho Cucamonga, CA 91730

Larry Cochrun, Board Member
Matt Englhard, Board Member
NAIOP – Inland Empire
25241 Paseo de Alicia, Suite 120
Laguna Hills, California 92653

Gloria Martinez, Executive Director
Fontana Chamber of Commerce
8491 Sierra Avenue
Fontana, CA 92337

Re: Development Impact Fee Study – Draft dated September 17, 2019

Dear Sirs and Madam:

In September 2018, the City Council approved a contract with David Taussig & Associates (DTA) for the purpose of preparing a comprehensive Development Impact Fee (DIF) update and Nexus Study. The last DIF update took place in 2006, and as before, staff is looking for feedback from key stakeholders in the community. Therefore, attached is a copy of the Administrative Draft for your review and comment.

For clarification purposes, I want to provide information that may facilitate your review:

1. There are three (3) new fees proposed and are listed under "Transportation Facilities". They are as follows:

   a. Active Transportation Plan (Bike Lanes per 2017 Master Plan)
   b. Local Arterials (Sidewalk gaps, minor widening, curb/gutter, lane additions)
   c. Traffic Signals

Pursuant to the County-wide Measure I Nexus Study and Fee Program, each agency charges a development mitigation fee to pay for the construction of transportation infrastructure, including major arterials and freeway interchanges, with the program administered by the San Bernardino County Transportation Authority (SBCTA). Therefore, the City's "Circulation" fee is not being updated with this study and will remain the same. The fees proposed above are for those improvements not listed under the Measure I Nexus program.

2. The following fees are being updated based on a "needs list" for future improvements/capital costs:

   a. Parks (not updated since 2003)
   b. Public Facilities
   c. Fire (not updated since 1992)
   d. Library
   e. Police
   f. Landscape Median

3. The following development fees are not being updated in this study and will remain the same:

   a. Storm Drain
   b. Sewer
   c. Inclusionary Housing
   d. North Fontana Conservation Program (being studied/updated under a separate contract)
   e. Municipal Services

4. Assumptions:

   a. All future units that are subject to a Development Agreement (Monarch Hills, Arboretum, and Summit at Rosena Specific Plans) are not included in this study.

   b. All revenues related to the fees listed above were included as of May 1, 2019

   c. The study used the following statistics:

      i. The 2019 population figure of 212,000
      ii. The build-out population figure of 261,465 consistent with the new General Plan
      iii. 4.0 persons per household for single family
      iv. 3.8 persons per household for multi-family
      v. Employees per 1,000 sf for commercial = 2.19
      vi. Employees per 1,000 sf for industrial = .64

   d. Included land in the City's Sphere of Influence consistent with the General Plan.

5. Staff will be recommending the City Council have a policy discussion regarding the following topics:

    a. Infill Areas – 50% fee reduction – Resolution No. 2007-08
    b. Accessory Dwelling Units (ADU's)
    c. Reductions/exemption for churches, public schools, parks/rec buildings, etc.
    d. Downtown Area Incentives

6. Staff will also be recommending annual review and adjustments to all development impact fees to account for inflation and future escalation in costs for land and construction using the California Construction Cost Index (CCI).

Staff's goal is to take this item to City Council for review and approval before the end of the year. Therefore, we would appreciate it if you could provide comments **no later than October 11, 2019**. Of course, staff and DTA will make ourselves available for phone calls and meetings in order to answer any questions you might have.

Thank you for taking the time to review this document and assisting the City in this effort. Please do not hesitate to contact me at 909-350-6727 if you have any questions.

Sincerely,

DEVELOPMENT SERVICES

Debbie M. Brazill
Deputy City Manager

Attachment: Development Impact Fee Justification Study dated September 17, 2019

c: Michael Milhiser, Interim City Manager
Ruben Duran, City Attorney
Ricardo Sandoval, City Engineer
Zai AbuBakar, Director of Community Development
Chuck Hays, Director of Public Works
Billy Green, Police Chief
Lisa Strong, Management Services Director
Ray Ebert, IT Director
Garth Nelson, Director of Community Services
Jeff Birchfield, Fire Chief
Karen Porlas, City Clerk
Kevin Ryan, Strategic Transportation Engineering Manager
Carla Pursel, Development Services Supervisor
Dan West, Public Works Manager
Candy Thomas, Police Administrative Manager
Cybele Collins, Administrative Analyst II
Brent Mickey, Housing Manager
Jerry Edgett, Project Specialist
Richard Ruiz, DTA

Debbie Brazill

From: Gordon Nichols <Gordon@biabuild.com>
Sent: Tuesday, October 22, 2019 10:27 AM
To: Debbie Brazill; Zai AbuBakar; Kevin Ryan
Cc: Carlos Rodriguez; Roman Nava
Subject: BIA- Fontana DIF Update

Importance: High

Good Morning Deputy City Manager Brazill,

The BIA Baldy View Chapter would like to thank you and your staff for taking the time to discuss the proposed DIF update with us. After conducting a thorough review of the nexus study and reached out to several builder members in Fontana, we have just a few minor comments (listed below).

- BIA supports continuing the policy of a 50% DIF reduction for infill areas
- We agree with the staff's proposed implementation plan for the proposed DIFs
  - Effective date January 2020
  - Exclude projects with development agreements
  - Grandfather projects that have submitted complete applications prior to adoption
- Recommend adjusting the DIF category names to be "Local Transportation DIF" and "Regional Circulation DIF"
- Denote that new Local Transportation DIF is eligible for DIF credits/reimbursements

We look forward to working with Fontana's Community Development moving forward to meet the housing needs of the city.

Regards,

Gordon Lee Nichols
Senior Government Affairs Director
Building Industry Association of Southern California – Baldy View Chapter
"The Voice of the Home Building Industry"
AN AFFILIATE OF NAHB WASHINGTON D.C. & CB.I.A. SACRAMENTO
909.942.2072 909.942.2063 www.biabuild.com
MEMBERSHIP MATTERS

NAIOP
COMMERCIAL REAL ESTATE DEVELOPMENT ASSOCIATION
INLAND EMPIRE CHAPTER

October 16, 2019

Debbie Brazill Via Email Only (dbrazill@fontana.org)
Deputy City Manager
8353 Sierra Ave
Fontana, CA 92335

Re: City of Fontana Draft Development Impact Fee Justification Study

Ms. Brazill,

Thank you for the opportunity to review the Draft Development Impact Fee Justification Study. NAIOP Inland Empire has reviewed the Draft Study and is in support of the course of action and benchmarks analyzed in the Draft Study. We look forward to continuing to participate in the process as a stakeholder. Please do not hesitate to contact with any questions.

Respectfully,

Robert Evans
Executive Director