

**SHASTA COUNTY
FY 2016/17 PUBLIC FACILITIES IMPACT FEE REPORT**

October 1, 2017

FY 2016/17 PUBLIC FACILITIES IMPACT FEE UPDATE

In this report the public facilities impact fees for Shasta County are the current costs for expanding public facilities for the following fee categories:

- Public Protection
- Public Health
- Library
- Sheriff Patrol and Investigation
- General Government
- Animal Control
- Fire Protection
- Traffic
- City of Redding Parks (not in effect at this time)

INTRODUCTION

In March 2008, Muni Financial submitted a proposed Public Impact Fee Study to Shasta County and the City of Redding. On May 6, 2008, Shasta County adopted the proposed public facilities impact fees by County Ordinance No. 665 as set forth in the Impact Fee Study (IFS).

The descriptions of the types of fees in the account category are as follows:

Public Protection – This fee is to generate revenue for public protection facilities needed to serve new development. Public Protection facilities serve both residents and businesses within both incorporated and unincorporated portions of the County. Therefore, fees coupled with public protection are based on the County’s service population including residents and workers.

Public Health – This fee is to generate revenue to support the public health facilities needed to serve new development. Residents are the primary users of public health services. Nonresidential development does not tend to increase demand for public health services; therefore, the fee for public health facilities is based on residential population and excludes workers.

Library – This fee is to generate revenue to support the library books and technology facilities needed to serve new development. Residents are the primary users of libraries; therefore, the fees are based on the residential population and excludes workers.

Sheriff Patrol and Investigation – This fee is to generate revenue to support the sheriff patrol and investigation facilities needed to serve new development. Residents and businesses in the unincorporated portions of Shasta County benefit from law enforcement services provided by the Sheriff’s Office; therefore, the fee is based on the County’s collective unincorporated residential and worker populations.

General Government – This fee is to generate revenue to support the general government facilities needed to serve new development. General government facilities serve both residents and business in both the incorporated and unincorporated portions of the County; therefore, this

fee is based on services to both residents and workers within both the incorporated and unincorporated areas of the County.

Animal Control – This fee is to generate revenue to support the animal control facilities needed to serve new development. Residents are the primary users of animal control facilities; therefore, this fee is based on residential population for the unincorporated area of the County.

Fire Protection – This fee is to generate revenue to support fire protection facilities needed to serve new development in the County Fire Department service area. Residents and business are served by this facility in some unincorporated areas of the County; therefore, this fee is based on the service populations that include residents and workers. This fee applies only within the service area of the Shasta County Fire Department.

Traffic – This fee is to generate revenue to support improvements to the regional transportation system needed to serve new development. Residents and business are both served by the regional transportation system; therefore, this fee is based on new trip demand for the project for residential and business. These fees apply only to the South County Region (described in IFS section 12, exhibit 2).

City of Redding Parks – This fee shall not take legal effect until the County of Shasta and the City of Redding enter into an agreement regarding the use of these fees, and the County Board declares that the fee has taken effect. This fee is to generate revenue to support the County resident’s share of planned improvements to these region-serving parks attributed to new development in unincorporated areas. Residents are the primary uses of the parkland; therefore the demand for parks and facilities is based on residential population and excludes workers. When in effect, these fees apply only to the South Central Region (described in IFS section 12, exhibit 2).

FEE USE

The fees shall be solely used (1) for the purposes described in the IFS; (2) for reimbursing the County for the development’s fair share of those capital improvements already constructed by the County; (3) for reimbursing developers who have constructed public facilities described in the IFS or other facility master plans adopted from time to time by the Board; or (4) inter-account loans as permitted by the Mitigation Fee Act (Government Code, section 66000, et seq.).

IMPACT FEE TABLE (BASE FEE)

The development impact fees are imposed in the amounts listed in the Impact Fee Table below. On July 1, 2008, the fees were 34% of the fees listed on the Impact Fee Table. On July 1, 2009, the fees were 67% of the fees listed on the Impact Fee Table plus the Building Cost Index (BCI) Engineering News Review (ENR) index. On July 1, 2010, the fees were 100% of the fees listed on the Impact Fee Table plus the BCI ENR index.

As of July 1, 2011, all yearly increases/decreases will be based on the BCI ENR index.

| Impact Fee Table | | |
|----------------------------------|----------------------|-----------------------------|
| March 26, 2008 | | |
| Fee Category | Land Use Type | Fee (Base Year 2007) |
| Public Protection | Single-Family Unit | \$ 1,646.00 |
| | Multi-Family Unit | \$ 1,577.00 |
| | Commercial | \$ 335.00 |
| | Office | \$ 255.00 |
| | Industrial | \$ 151.00 |
| Public Health | Single-Family Unit | \$ 749.00 |
| | Multi-Family Unit | \$ 717.00 |
| Library | Single-Family Unit | \$ 133.00 |
| | Multi-Family Unit | \$ 126.00 |
| Sheriff Patrol and Investigation | Single-Family Unit | \$ 789.00 |
| | Multi-Family Unit | \$ 756.00 |
| | Commercial | \$ 161.00 |
| | Office | \$ 122.00 |
| | Industrial | \$ 72.00 |
| General Government | Single-Family Unit | \$ 1,165.00 |
| | Multi-Family Unit | \$ 1,116.00 |
| | Commercial | \$ 237.00 |
| | Office | \$ 181.00 |
| | Industrial | \$ 107.00 |
| Animal Control | Single-Family Unit | \$ 219.00 |
| | Multi-Family Unit | \$ 210.00 |
| Fire Protection | Single-Family Unit | \$ 1,459.00 |
| | Multi-Family Unit | \$ 1,397.00 |
| | Retail | \$ 854.00 |
| | Office | \$ 650.00 |
| | Industrial | \$ 386.00 |
| Traffic | Single-Family Unit | \$ 1,049.00 |
| | Multi-Family Unit | \$ 646.00 |
| | Commercial | \$ 1,441.00 |
| | Office | \$ 1,703.00 |
| | Industrial | \$ 1,170.00 |
| City of Redding Parks | Single-Family Unit | \$ 561.00 |
| | Multi-Family Unit | \$ 538.00 |

CHANGES IN FACILITY IMPACT FEE COSTS

During the first year, FY 2008/09, 34% of the fee shown in the Impact Fee Table was collected. During the second year, FY 2009/10, only 67% of the fee shown in the Impact Fee Table plus a 6.4% BCI ENR index was collected. During the third year, FY 2010/11, 100% of the fee shown in the Impact Fee Table was collected plus a -.83% BCI ENR index. The fourth year, FY 2011/12, and thereafter, the fees are calculated using the prior year fiscal year end and increased or decreased based on the BCI ENR Index. In the table below, using the above method FY 2011/12 was based on the June 30, 2011, fees listed on the Impact Fee Table and increased by

3.6% BCI ENR index. FY 2012/13 was based on the June 30, 2012, fees listed in the Impact Fee Table and increased by 2.9% BCI ENR index. FY 2013/14 was based on the June 30, 2013, fees listed in the Impact Fee Table and increased by 1.9% BCI ENR index. FY 2014/15 was based on the June 30, 2014 fees listed in the Impact Fee Table and increased by 2.2% BCI ENR index. FY 2015/16 was based on the June 30, 2015 fees listed in the Impact Fee Table and increased by 2.7% BCI ENR index. FY 2016/17 was based on the June 30, 2016 fees listed in the Impact Fee Table and increased by 1.5% BCI ENR index. All nine of these tables are shown below.

| Impact Fee Schedule | | | | | |
|-------------------------------------|----------------------|------------------------------|-------------------------------|---------------------------|-------------------------------|
| July 1, 2008 - June 30, 2009 | | | | | |
| Fee Category | Single-Family | Multi-Family per unit | Commercial p/1000 S.F. | Office p/1000 S.F. | Industrial p/1000 S.F. |
| Main Fee | \$ 1,598.34 | \$ 1,530.68 | \$ 249.22 | \$ 179.52 | \$ 112.20 |
| Main Fee + Fire | \$ 2,094.40 | \$ 2,005.66 | \$ 539.58 | \$ 400.52 | \$ 243.44 |
| Main Fee + Traffic | \$ 1,955.00 | \$ 1,750.32 | \$ 739.16 | \$ 758.54 | \$ 510.00 |
| Main Fee + Fire + Traffic | \$ 2,451.06 | \$ 2,225.30 | \$ 1,029.52 | \$ 979.54 | \$ 641.24 |

| Impact Fee Schedule | | | | | |
|-------------------------------------|----------------------|------------------------------|-------------------------------|---------------------------|-------------------------------|
| July 1, 2009 - June 30, 2010 | | | | | |
| Fee Category | Single-Family | Multi-Family per unit | Commercial p/1000 S.F. | Office p/1000 S.F. | Industrial p/1000 S.F. |
| Main Fee | \$ 3,351.25 | \$ 3,209.39 | \$ 522.54 | \$ 376.40 | \$ 235.25 |
| Main Fee + Fire | \$ 4,391.34 | \$ 4,205.28 | \$ 1,131.34 | \$ 839.77 | \$ 510.42 |
| Main Fee + Traffic | \$ 4,099.06 | \$ 3,669.91 | \$ 1,549.80 | \$ 1,590.44 | \$ 1,069.32 |
| Main Fee + Fire + Traffic | \$ 5,139.15 | \$ 4,665.80 | \$ 2,158.60 | \$ 2,053.81 | \$ 1,344.49 |

| Impact Fee Schedule | | | | | |
|-------------------------------------|----------------------|------------------------------|-------------------------------|---------------------------|-------------------------------|
| July 1, 2010 - June 30, 2011 | | | | | |
| Fee Category | Single-Family | Multi-Family per unit | Commercial p/1000 S.F. | Office p/1000 S.F. | Industrial p/1000 S.F. |
| Main Fee | \$ 4,960.35 | \$ 4,750.37 | \$ 773.44 | \$ 557.13 | \$ 348.21 |
| Main Fee + Fire | \$ 6,499.84 | \$ 6,224.44 | \$ 1,674.55 | \$ 1,242.99 | \$ 755.50 |
| Main Fee + Traffic | \$ 6,067.22 | \$ 5,432.01 | \$ 2,293.94 | \$ 2,354.08 | \$ 1,582.75 |
| Main Fee + Fire + Traffic | \$ 7,606.71 | \$ 6,906.08 | \$ 3,195.05 | \$ 3,039.94 | \$ 1,990.05 |

| Impact Fee Schedule | | | | | |
|-------------------------------------|----------------------|------------------------------|-------------------------------|---------------------------|-------------------------------|
| July 1, 2011 - June 30, 2012 | | | | | |
| Fee Category | Single-Family | Multi-Family per unit | Commercial p/1000 S.F. | Office p/1000 S.F. | Industrial p/1000 S.F. |
| Main Fee | \$ 5,138.92 | \$ 4,921.38 | \$ 801.28 | \$ 577.19 | \$ 360.74 |
| Main Fee + Fire | \$ 6,733.83 | \$ 6,448.52 | \$ 1,734.84 | \$ 1,287.74 | \$ 782.70 |
| Main Fee + Traffic | \$ 6,285.64 | \$ 5,627.56 | \$ 2,376.52 | \$ 2,438.83 | \$ 1,639.73 |
| Main Fee + Fire + Traffic | \$ 7,880.55 | \$ 7,154.70 | \$ 3,310.07 | \$ 3,149.38 | \$ 2,061.69 |

| Impact Fee Schedule | | | | | |
|-------------------------------------|----------------------|------------------------|-------------------------------|---------------------------|-------------------------------|
| July 1, 2012 - June 30, 2013 | | | | | |
| Fee Category | Multi- | | | | |
| | Single-Family | Family per unit | Commercial p/1000 S.F. | Office p/1000 S.F. | Industrial p/1000 S.F. |
| Main Fee | \$ 5,287.95 | \$ 5,064.10 | \$ 824.52 | \$ 593.92 | \$ 371.20 |
| Main Fee + Fire | \$ 6,929.12 | \$ 6,635.53 | \$ 1,785.15 | \$ 1,325.08 | \$ 805.40 |
| Main Fee + Traffic | \$ 6,467.92 | \$ 5,790.76 | \$ 2,445.44 | \$ 2,509.55 | \$ 1,687.28 |
| Main Fee + Fire + Traffic | \$ 8,109.09 | \$ 7,362.18 | \$ 3,406.07 | \$ 3,240.71 | \$ 2,121.48 |

| Impact Fee Schedule | | | | | |
|-------------------------------------|----------------------|------------------------|-------------------------------|---------------------------|-------------------------------|
| July 1, 2013 - June 30, 2014 | | | | | |
| Fee Category | Multi- | | | | |
| | Single-Family | Family per unit | Commercial p/1000 S.F. | Office p/1000 S.F. | Industrial p/1000 S.F. |
| Main Fee | \$ 5,388.42 | \$ 5,160.32 | \$ 840.19 | \$ 605.20 | \$ 378.25 |
| Main Fee + Fire | \$ 7,060.77 | \$ 6,761.61 | \$ 1,819.07 | \$ 1,350.26 | \$ 820.70 |
| Main Fee + Traffic | \$ 6,590.81 | \$ 5,900.78 | \$ 2,491.90 | \$ 2,557.23 | \$ 1,719.34 |
| Main Fee + Fire + Traffic | \$ 8,263.16 | \$ 7,502.06 | \$ 3,470.79 | \$ 3,302.28 | \$ 2,161.79 |

| Impact Fee Schedule | | | | | |
|-------------------------------------|----------------------|------------------------|-------------------------------|---------------------------|-------------------------------|
| July 1, 2014 - June 30, 2015 | | | | | |
| Fee Category | Multi- | | | | |
| | Single-Family | Family per unit | Commercial p/1000 S.F. | Office p/1000 S.F. | Industrial p/1000 S.F. |
| Main Fee | \$ 5,506.97 | \$ 5,273.85 | \$ 858.67 | \$ 618.51 | \$ 386.57 |
| Main Fee + Fire | \$ 7,216.11 | \$ 6,910.37 | \$ 1,859.09 | \$ 1,379.97 | \$ 838.76 |
| Main Fee + Traffic | \$ 6,735.81 | \$ 6,030.60 | \$ 2,546.72 | \$ 2,613.49 | \$ 1,757.17 |
| Main Fee + Fire + Traffic | \$ 8,444.95 | \$ 7,667.11 | \$ 3,547.15 | \$ 3,374.93 | \$ 2,209.35 |

| Impact Fee Schedule | | | | | |
|-------------------------------------|----------------------|------------------------|-------------------------------|---------------------------|-------------------------------|
| July 1, 2015 - June 30, 2016 | | | | | |
| Fee Category | Multi- | | | | |
| | Single-Family | Family per unit | Commercial p/1000 S.F. | Office p/1000 S.F. | Industrial p/1000 S.F. |
| Main Fee | \$5,655.66 | \$5,416.24 | \$881.85 | \$635.21 | \$397.01 |
| Main Fee + Fire | \$7,410.94 | \$7,096.94 | \$1,909.29 | \$1,417.22 | \$861.40 |
| Main Fee + Traffic | \$6,917.68 | \$6,193.42 | \$2,615.48 | \$2,684.04 | \$1,804.61 |
| Main Fee + Fire + Traffic | \$8,672.96 | \$7,874.12 | \$3,642.92 | \$3,466.05 | \$2,269.00 |

| Impact Fee Schedule | | | | | |
|-------------------------------------|----------------------|------------------------|-------------------------------|---------------------------|-------------------------------|
| July 1, 2016 - June 30, 2017 | | | | | |
| Fee Category | Multi- | | | | |
| | Single-Family | Family per unit | Commercial p/1000 S.F. | Office p/1000 S.F. | Industrial p/1000 S.F. |
| Main Fee | \$5,740.49 | \$5,497.48 | \$895.09 | \$644.72 | \$402.97 |
| Main Fee + Fire | \$7,522.09 | \$7,203.39 | \$1,937.96 | \$1,438.47 | \$874.33 |
| Main Fee + Traffic | \$7,021.43 | \$6,286.32 | \$2,654.72 | \$2,724.28 | \$1,831.68 |
| Main Fee + Fire + Traffic | \$8,803.03 | \$7,992.23 | \$3,697.59 | \$3,518.03 | \$2,303.04 |

In the table below you will find the current cost of impact fees associated with development for the Fiscal Year ending June 30, 2018. This fee is calculated using the June 30, 2017, fees listed on the Impact Fee Table above with an increase of 2.9% based on the BCI ENR index.

| Impact Fee Schedule | | | | | |
|-------------------------------------|----------------------|------------------------|-------------------------------|---------------------------|-------------------------------|
| July 1, 2017 - June 30, 2018 | | | | | |
| Fee Category | Multi- | | | | |
| | Single-Family | Family per unit | Commercial p/1000 S.F. | Office p/1000 S.F. | Industrial p/1000 S.F. |
| Main Fee | \$5,906.97 | \$5,656.91 | \$921.04 | \$663.42 | \$414.66 |
| Main Fee + Fire | \$7,740.24 | \$7,412.29 | \$1,994.15 | \$1,480.19 | \$899.69 |
| Main Fee + Traffic | \$7,225.06 | \$6,468.63 | \$2,731.70 | \$2,803.29 | \$1,884.80 |
| Main Fee + Fire + Traffic | \$9,058.33 | \$8,224.01 | \$3,804.81 | \$3,620.06 | \$2,369.83 |

- Main fee is anywhere in the unincorporated are of the County.
- Fire Fee is added when the project is in County Fire Area, not in a local district.
- Traffic fee is added when the project is located in the County SCR Area.

FY 2016/17 FACILITY IMPACT REVENUE RECEIVED

The table below shows the \$414,520.22 in funds that were collected during the July 1, 2016 through June 30, 2017 Fiscal Year for each fee category.

| IMPACT FEES | | | | |
|---------------------------------------|-----------------------|---------------------|---|--|
| July 1, 2016 - June 30, 2017 | | | | |
| Fee Category | Fees Collected | Interest | Fees Collected and Interest Earned | |
| 693036 Administration | \$ 7,913.06 | \$ 377.51 | \$ 8,290.57 | |
| 693056 Traffic | \$ 52,270.02 | \$ 2,433.04 | \$ 54,703.06 | |
| 693057 Fire Protection | \$ 74,986.85 | \$ 3,588.06 | \$ 78,574.91 | |
| 693058 Animal Control | \$ 11,583.25 | \$ 553.00 | \$ 12,136.25 | |
| 693059 General Government | \$ 65,453.17 | \$ 3,134.72 | \$ 68,587.89 | |
| 693066 Public Protection | \$ 92,482.64 | \$ 4,429.22 | \$ 96,911.86 | |
| 693067 Public Health | \$ 39,614.13 | \$ 1,891.26 | \$ 41,505.39 | |
| 693068 Library | \$ 7,032.78 | \$ 335.81 | \$ 7,368.59 | |
| 693069 Sheriff Patrol & Investigation | \$ 44,319.18 | \$ 2,122.52 | \$ 46,441.70 | |
| | \$ 395,655.08 | \$ 18,865.14 | \$ 414,520.22 | |

PUBLIC IMPROVEMENTS

Shasta County has had only one Public Improvement in which fees have been expended.

Juvenile Rehabilitation Facility: Total final capital project costs for the Juvenile Rehabilitation Facility was \$18,988,523; of that amount the construction total was \$15,442,084. The Juvenile Rehabilitation was paid for out of Public Protection Impact Fees in the amount of \$170,000 in FY 2011/12 (2/7/12 BOS approval) and \$40,000 in FY 2012/13 (5/14/13 BOS approval).

IMPACT FEE EXPENDITURES

The table below shows the Impact Fee Expenditures to date since establishment of the fees of \$258,058.53, of which, \$39,478.39 are expenses due to costs of doing business. The Administration Fee and Bank Charges Categories are for the establishment of the fund, oversight of the fund, reporting requirements and applicable bank charges. The Misc. XP prior period revenue adjustment (034309) in the amount of \$8,580.14 is not an expense to the fund, but rather an adjustment to prior period revenue based on refunds that were paid out against revenue collected in prior fiscal years. Until July 1, 2012, the residential customers have paid the Impact Fees in advance during the issuance of the building permit.

It was determined that residential Impact Fees should not be collected at issuance of the permit because the fees are not applicable until the permit is final and certificate of occupancy is received.

| Impact Fee Expenditures | | | | |
|-------------------------------------|--------------------------------------|---|---|--|
| July 1, 2009 - June 30, 2017 | | | | |
| Expenditure Category | Fiscal Year | | | Account to Date Expenditures 06/30/17 |
| | 2008/9 - 2014/15 Expenditures | Fiscal Year 2015/16 Expenditures | Fiscal Year 2016/17 Expenditures | |
| 034309 Misc. XP Prior Period R | \$ 8,580.14 | \$ - | \$ - | \$ 8,580.14 |
| 034800 Administration | \$ 22,368.99 | \$ 6,415.02 | \$ 6,598.67 | \$ 35,382.68 |
| 034807 Bank Charges | \$ 4,025.78 | \$ - | \$ - | \$ 4,025.78 |
| 034900 Publications & Legal No | \$ - | \$ 69.93 | \$ - | \$ 69.93 |
| 095169 Tran Out 169 Constructi | \$ 210,000.00 | \$ - | \$ - | \$ 210,000.00 |
| | \$ 244,974.91 | \$ 6,484.95 | \$ 6,598.67 | \$ 258,058.53 |

FY 2016/17 FUND BALANCE

The table below shows the ending fund balance in each Fee Revenue Account. These balances are held in Fund Balance Classification accounts within the Impact Fee Fund.

| Ending Fund Balance | | | | |
|---------------------------------------|---------------------------------|----------------------------|--------------------------------|---------------------------------|
| Fund #0057 | | | | |
| As of June 30, 2017 | | | | |
| Fee Revenue Account | Beginning Balance 7/1/16 | Revenues FY 2016/17 | Expenditures FY 2016/17 | Fund Balance at Year End |
| FB2010 Administration | \$ 15,932.46 | \$ 8,290.57 | \$ (6,598.67) | \$ 17,624.36 |
| FB2008 Traffic | \$ 383,544.83 | \$ 54,703.06 | | \$ 438,247.89 |
| FB2002 Fire Protection | \$ 447,792.35 | \$ 78,574.91 | | \$ 526,367.26 |
| FB2001 Animal Control | \$ 63,957.45 | \$ 12,136.25 | | \$ 76,093.70 |
| FB2003 General Government | \$ 382,703.68 | \$ 68,587.89 | | \$ 451,291.57 |
| FB2004 Library | \$ 38,725.52 | \$ 7,368.59 | | \$ 46,094.11 |
| FB2005 Public Health | \$ 218,631.97 | \$ 41,505.39 | | \$ 260,137.36 |
| FB2006 Public Protection | \$ 328,810.70 | \$ 96,911.86 | | \$ 425,722.56 |
| FB2007 Sheriff Patrol & Investigation | \$ 258,996.38 | \$ 46,441.70 | | \$ 305,438.08 |
| | \$ 2,139,095.34 | \$ 414,520.22 | \$ (6,598.67) | \$ 2,547,016.89 |