Exhibit B

CITY OF ARROYO GRANDE

DEVELOPMENT IMPACT FEE NEXUS STUDY UPDATE

FINAL

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Executive Summary

This report summarizes an analysis of development impact fees needed to support future development in the City of Arroyo Grande through 2050. It is the City's intent that the costs representing future development's share of public facilities and capital improvements be imposed on that development in the form of a development impact fee, also known as a public facilities fee. The public facilities and improvements included in this analysis are divided into the fee categories listed below:

- Fire Protection Facilities
- Police Facilities
- Park Facilities
- Recreation Facilities
- Water Facilities
- Transportation Facilities
- Storm Drain Facilities
- Wastewater Facilities

Background and Study Objectives

The primary policy objective of a development impact fee program is to ensure that new development pays the capital costs associated with growth. Although growth also imposes operating costs, there is not a similar system to generate revenue from new development for services. The primary purpose of this report is to calculate and present fees that will enable the City to expand its inventory of public facilities, as new development creates increases in service demands.

The City collects public facilities fees under authority granted by the *Mitigation Fee Act (*the *Act)*, contained in *California Government Code* Sections 66000 *et seq*. This report provides the necessary findings required by the *Act* for adoption of the fees presented in the fee schedules contained herein.

The City programs development impact fee-funded capital projects through its Capital Improvement Plan (CIP). Using a CIP allows the City to identify and direct its fee revenue to public facilities projects that will accommodate future growth. By programming fee revenues to specific capital projects, the City can help ensure a reasonable relationship between new development and the use of fee revenues as required by the *Mitigation Fee Act*.

Facility Standards and Costs

There are three approaches used to calculate facilities standards and allocate the costs of planned facilities to accommodate growth in compliance with the *Mitigation Fee Act* requirements in this study.

The **existing inventory** approach is based on a facility standard derived from the City's existing level of facilities and existing demand for services. This approach results in no facility deficiencies attributable to existing development. This approach is often used when a long-range plan for new facilities is not available. Future facilities to serve growth will be identified through the City's annual CIP and budget process and/or completion of a new facility master plan. This approach is used to calculate the fire protection, police, parks and recreation facility fees in this report.

The **planned facilities** approach allocates costs based on the ratio of planned facilities that serve new development to the increase in demand associated with new development. This approach is appropriate when specific planned facilities that only benefit new development can be identified, or when the specific share of facilities benefiting new development can be identified. Examples include street improvements to avoid deficient levels of service or a sewer trunk line extension to a previously undeveloped area. This approach is used for the water, transportation, storm drain and wastewater facilities fees in this report.

The **system plan** approach is based on a master facility plan in situations where specific needed facilities serve both existing and new development. This approach allocates existing and planned facilities across existing and new development to determine new development's fair share of facility needs. This approach is used when it is not possible to differentiate the benefits of new facilities between new and existing development. This approach is not used in this report.

Use of Fee Revenues

Impact fee revenue must be spent on new facilities or expansion of current facilities to serve new development. Facilities can be generally defined as capital acquisition items with a useful life greater than five years. Impact fee revenue can be spent on capital facilities to serve new development, including but not limited to land acquisition, construction of buildings, construction of infrastructure, the acquisition of vehicles or equipment, information technology, software licenses and equipment.

In that the City cannot predict with certainty how and when development within the City will occur during the planning horizon assumed in this study, the City may need to update and revise the project lists funded by the fees documented in this study. Any substitute projects should be funded within the same facility category, and the substitute projects must still benefit and have a relationship to new development. The City could identify any changes to the projects funded by the impact fees when it updates the CIP. The impact fees could also be updated if significant changes to the projects funded by the fees are anticipated.

Development Impact Fee Schedule Summary

Table E.1 summarizes the development impact fees that meet the City's identified needs and comply with the requirements of the *Mitigation Fee Act*. **Table E.2** displays the maximum justified water facilities impact fee schedule.

E.1: Maximum Justified Development Impact Fee Schedule

Land Use	Fire Protection	Police	Parks[1]	Recreation	Water[2]	Transportation	Storm Drain	Wastewater	Total
Residential - per Sq. Ft.	$ 0.24	$ 0.17	$ 3.22	$ 0.17	$ -	$ 1.37	$ 0.03	$ 0.59	$ 5.79
Nonresidential - per Sq. Ft.									
Commercial	$ 0.21	$ 0.15	$ -	$ -	$ -	$ 6.94	$ 0.01	$ 0.26	$ 7.57
Office	0.32	0.23	-	-	-	7.27	0.01	0.29	8.12

[1] Mitigation Fee Act fee for infill development shown. Development occurring in subdivisions subject to Quimby Act fee in-lieu of dedication at $2.77 per square foot. Refer to Table 5.7 for more information.

[2] Fee schedule based on water meter size. See Table E.2 for water facilities fee schedule.

Sources: Tables 3.5, 4.6, 5.7, 6.6, 7.5, 8.5, 9.5 and 10.5.

Table E.2: Maximum Justified Water Impact Fee Schedule

Meter Size		Impact Fee per Meter
5/8 inch	$	2,588
3/4 inch		3,881
1 inch		6,469
1-1/2 inch		12,938
2 inch		20,701
3 inch		38,814
4 inch		64,690
6 inch		129,380

[1] Includes administrative charge of 2.0 percent for (1) legal, accounting, and other administrative support and (2) impact fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, and fee justification analyses.

Source: Table 7.5.

Other Funding Needed

Impact fees may only fund the share of public facilities related to new development in Arroyo Grande. They may not be used to fund the share of facility needs generated by existing development or by development outside of the City. As shown in **Table E.3,** approximately $4 million in additional funding will be needed to complete the facility projects the City currently plans to develop if fees are adopted at the maximum justified fee level. The "Additional Funding Required" column shows non-impact fee funding required to fund a share of the improvements partially funded by impact fees. Non-fee funding is needed because these facilities are needed partially to remedy existing deficiencies and partly to accommodate new development. To the extent that the City adopts fees that are lower than the maximum justified amount, the non-fee funding requirements may increase, depending on the fee category and methodology.

The City will need to develop alternative funding sources to fund existing development's share of the planned facilities. Potential sources of revenue include but are not limited to existing or new general fund revenues, existing or new taxes, special assessments, and grants.

Table E.3: Non-Impact Fee Funding Required

Fee Category	Total Project Cost	Other Identified Revenue	Development Fee Revenue	Additional Funding Required
Fire Protection	$ 1,076,649	$ -	$ 1,076,649	$ -
Police	673,344	-	673,344	-
Parks	10,628,000	-	10,628,000	-
Recreation	574,308	-	574,308	-
Water	9,995,398	-	7,179,581	2,815,817
Transportation	22,554,000	11,014,000	11,540,000	-
Storm Drain	784,000	-	96,432	-
Wastewater	3,266,458	-	2,038,454	1,228,003
Total	$ 49,552,156	$ 11,014,000	$ 33,806,768	$ 4,043,821

Sources: Tables 3.5, 4.5, 5.5, 6.5, 7.3, 7.4, 8.3, 9.3 and 10.3.

1. Introduction

This report presents an analysis of the need for public facilities to accommodate new development in the City of Arroyo Grande. This chapter provides background for the study and explains the study approach under the following sections:

- Public Facilities Financing in California;
- Study Objectives;
- Fee Program Maintenance;
- Study Methodology; and
- Organization of the Report.

Public Facilities Financing in California

The changing fiscal landscape in California during the past 45 years has steadily undercut the financial capacity of local governments to fund infrastructure. Three dominant trends stand out:

- The passage of a string of tax limitation measures, starting with Proposition 13 in 1978 and continuing through the passage of Proposition 218 in 1996;
- Declining popular support for bond measures to finance infrastructure for the next generation of residents and businesses; and
- Steep reductions in federal and state assistance.

Faced with these trends, many cities and counties have had to adopt a policy of "growth pays its own way." This policy shifts the burden of funding infrastructure expansion from existing ratepayers and taxpayers onto new development. This funding shift has been accomplished primarily through the imposition of assessments, special taxes, and development impact fees also known as public facilities fees. Assessments and special taxes require the approval of property owners and are appropriate when the funded facilities are directly related to the developing property. Development impact fees, on the other hand, are an appropriate funding source for facilities that benefit all development jurisdiction-wide. Development impact fees need only a majority vote of the legislative body for adoption.

Study Objectives

The primary policy objective of a public facilities fee program is to ensure that new development pays the capital costs associated with growth. The primary purpose of this report is to update the City's existing impact fees based on the most current available facility plans and growth projections. The maximum justified fees will enable the City to expand its inventory of public facilities as new development leads to increases in service demands.

The City collects public facilities fees under authority granted by the Mitigation Fee Act (the Act), contained in California Government Code Sections 66000 et seq. This report provides the necessary findings required by the Act for adoption of the fees presented in the fee schedules presented in this report.

Arroyo Grande is forecast to see significant growth through this study's planning horizon of 2050. This growth will create an increase in demand for public services and the facilities required to deliver them. Given the revenue challenges described above, Arroyo Grande has decided to continue to use a development impact fee program to ensure that new development funds its share of facility costs associated with growth. This report makes use of the most current available

growth forecasts and facility plans to update the City's existing fee program to ensure that the fee program accurately represents the facility needs resulting from new development.

Fee Program Maintenance

Once a fee program has been adopted it must be properly maintained to ensure that the revenue collected adequately funds the facilities needed by new development. To avoid collecting inadequate revenue, the inventories of existing facilities and costs for planned facilities must be updated periodically for inflation, and the fees recalculated to reflect the higher costs. The use of established indices for each facility included in the inventories (land, buildings, and equipment), such as the *California Construction Cost Index*, is necessary to accurately adjust the impact fees. For a list of recommended indices, see Chapter 12.

While fee updates using inflation indices are appropriate for annual or periodic updates to ensure that fee revenues keep up with increases in the costs of public facilities, it is recommended to conduct more extensive updates of the fee documentation and calculation (such as this study) when significant new data on growth forecasts and/or facility plans become available. For further detail on fee program implementation, see Chapter 12.

Study Methodology

Development impact fees are calculated to fund the cost of facilities required to accommodate growth. The six steps followed in this development impact fee study include:

1. **Estimate existing development and future growth:** Identify a base year for existing development and a growth forecast that reflects increased demand for public facilities;
2. **Identify facility standards:** Determine the facility standards used to plan for new and expanded facilities;
3. **Determine facilities required to serve new development:** Estimate the total amount of planned facilities, and identify the share required to accommodate new development;
4. **Determine the cost of facilities required to serve new development:** Estimate the total amount and the share of the cost of planned facilities required to accommodate new development;
5. **Calculate fee schedule:** Allocate facilities costs per unit of new development to calculate the development impact fee schedule; and
6. **Identify alternative funding requirements:** Determine if any non-fee funding is required to complete projects.

The key public policy issue in development impact fee studies is the identification of facility standards (step #2, above). Facility standards document a reasonable relationship between new development and the need for new facilities. Standards ensure that new development does not fund deficiencies associated with existing development.

Types of Facility Standards

There are three separate components of facility standards:

- *Demand standards* determine the amount of facilities required to accommodate growth, for example, park acres per thousand residents, square feet of library space per capita, or gallons of water per day. Demand standards may also reflect a level of service such as the vehicle volume-to-capacity (V/C) ratio used in traffic planning.

- *Design standards* determine how a facility should be designed to meet expected demand, for example, park improvement requirements and technology infrastructure for City office space. Design standards are typically not explicitly evaluated as part of an impact fee analysis but can have a significant impact on the cost of facilities. Our approach incorporates the cost of planned facilities built to satisfy the City's facility design standards.
- *Cost standards* are an alternate method for determining the amount of facilities required to accommodate growth based on facility costs per unit of demand. *Cost standards* are useful when demand standards were not explicitly developed for the facility planning process. *Cost standards* also enable different types of facilities to be analyzed based on a single measure (cost or value) and are useful when different facilities are funded by a single fee program. Examples include facility costs per capita, cost per vehicle trip, or cost per gallon of water per day.

New Development Facility Needs and Costs

A number of approaches are used to identify facility needs and costs to serve new development. This is often a two-step process: (1) identify total facility needs, and (2) allocate to new development its fair share of those needs.

There are three common methods for determining new development's fair share of planned facilities costs in this study: the **existing inventory method**, the **planned facilities method**, and the **system plan method**. Often the method selected depends on the degree to which the community has engaged in comprehensive facility master planning to identify facility needs.

The formula used by each approach and the advantages and disadvantages of each method is summarized below:

Existing Inventory Method

The existing inventory method allocates costs based on the ratio of existing facilities to demand from existing development as follows:

$$\frac{\text{Current Value of Existing Facilities}}{\text{Existing Development Demand}} = \text{cost per unit of demand}$$

Under this method new development will fund the expansion of facilities at the same standard currently serving existing development. The existing inventory method results in no facility deficiencies attributable to existing development. This method is often used when a long-range plan for new facilities is not available. Future facilities to serve growth are identified through an annual CIP and budget process, possibly after completion of a new facility master plan. This approach is used to calculate the fire protection, police, parks, and recreation facility fees in this report.

Planned Facilities Method

The planned facilities method allocates costs based on the ratio of planned facility costs to demand from new development as follows:

$$\frac{\text{Cost of Planned Facilities}}{\text{New Development Demand}} = \text{cost per unit of demand}$$

This method is appropriate when planned facilities will entirely serve new development, or when a fair share allocation of planned facilities to new development can be estimated. An example of the former is a Wastewater trunk line extension to a previously undeveloped area. An example of the latter is expansion of an existing library building and book collection, which will be needed only if new development occurs, but which, if built, will in part benefit existing development, as well. Under this method new development will fund the expansion of facilities at the standards used in

the applicable planning documents. This approach is used for the water, transportation, storm drain and wastewater facilities fees in this report.

System Plan Method

This method calculates the fee based on the value of existing facilities plus the cost of planned facilities, divided by demand from existing plus new development:

$$\frac{\text{Value of Existing Facilities + Cost of Planned Facilities}}{\text{Existing + New Development Demand}} = \text{cost per unit of demand}$$

This method is useful when planned facilities need to be analyzed as part of a system that benefits both existing and new development. It is difficult, for example, to allocate a new fire station solely to new development when that station will operate as part of an integrated system of fire stations that together achieve the desired level of service.

The system plan method ensures that new development does not pay for existing deficiencies. Often facility standards based on policies such as those found in Comprehensive Plans are higher than the existing facility standards. This method enables the calculation of the existing deficiency required to bring existing development up to the policy-based standard. The local agency must secure non-fee funding for that portion of planned facilities required to correct the deficiency to ensure that new development receives the level of service funded by the impact fee. This approach is not used in this report.

Organization of the Report

The determination of a public facilities fee begins with the selection of a planning horizon and development of growth projections for population and employment. These projections are used throughout the analysis of different facility categories and are summarized in Chapter 2.

Chapters 3 through 10 identify facility standards and planned facilities, allocate the cost of planned facilities between new development and other development, and identify the appropriate development impact fee for each of the following facility categories:

- Fire Protection Facilities
- Police Facilities
- Park Facilities
- Recreation Facilities
- Water Facilities
- Transportation Facilities
- Storm Drain Facilities
- Wastewater Facilities

Chapter 11 describes how this nexus study complies with the requirements of AB 602.

Chapter 12 details the procedures that the City must follow when implementing a development impact fee program. Impact fee program adoption procedures are found in *California Government Code* Sections 66016 through 66018.

The five statutory findings required for adoption of the maximum justified public facilities fees in accordance with the Mitigation Fee Act are documented in Chapter 13.

2. Growth Forecasts

Growth projections are used as indicators of demand to determine facility needs and allocate those needs between existing and new development. This chapter explains the source for the growth projections used in this study based on a 2023 base year and a planning horizon of 2050.

Estimates of existing development and projections of future growth are critical assumptions used throughout this report. These estimates are used as follows:

- The estimate of existing development in 2023 is used as an indicator of existing facility demand and to determine existing facility standards.
- The estimate of total development at the 2050 planning horizon is used as an indicator of future demand to determine total facilities needed to accommodate growth and remedy existing facility deficiencies, if any.
- Estimates of growth from 2023 through 2050 are used to (1) allocate facility costs between new development and existing development, and (2) estimate total fee revenues.

The demand for public facilities is based on the service population, dwelling units or nonresidential development creating the need for the facilities.

Land Use Types

To ensure a reasonable relationship between each fee and the type of development paying the fee, growth projections distinguish between different land use types. The land use types for which impact fees have been calculated for are defined below.

- **Residential Dwelling Units:** All residential dwelling units, including detached and attached one-unit dwellings and all multifamily dwellings including apartments, duplexes and condominiums.
- **Commercial:** All commercial, retail, educational, and service development.
- **Office:** All general, professional, and medical office development.

Some developments may include more than one land use type, such as a mixed-use development with both multifamily and commercial uses. In those cases, the facilities fee would be calculated separately for each land use type.

The City has the discretion to determine which land use type best reflects a development project's characteristics for purposes of imposing an impact fee and may adjust fees for special or unique uses to reflect the impact characteristics of the use. If a project results in the intensification of use, at its discretion, the City can charge the project the difference in fees between the existing low intensity use and the future high intensity use.

Impact Fees for Accessory Dwelling Units

The California State Legislature recently amended requirements on local agencies for the imposition of development impact fees on accessory dwelling units (ADU) with Assembly Bill AB 68 in 2021. The amendment to California Government Code §65852.2(f)(2) stipulates that local agencies may not impose any impact fees on ADU less than 750 square feet. ADU greater than 750 square feet can be charged impact fees in proportion to the size of the primary dwelling unit.

Calculating Impact Fees for Accessory Dwelling Units

For ADUs greater than 750 square feet, impact fees can be charged as a percentage of the single family impact fee. The formula is:

$$\frac{ADU\ Square\ Feet}{Primary\ Residence\ Square\ Feet} \times Single\ Family\ Impact\ Fee = ADU\ Impact\ Fee$$

In the case of an 800 square foot ADU and a 1,600 square foot primary residence, the impact fees would be 50 percent (800 square feet / 1,600 square feet = 50%) of the single family dwelling unit fee.

Existing and Future Development

Table 2.1 shows the estimated number of residents, dwelling units, employees, and building square feet in Arroyo Grande, both in 2023 and in 2050. The base year estimates of household residents and dwelling units comes from the California Department of Finance (DOF). The 2050 projection of residents was identified in the "Meduim" growth scenario from the SLOCOG 2050 Regional Growth Forecast. The regional growth forecast projected 8,460 households in 2050. Accounting for 7% vacancy (which is the current vacancy rate reported by the DOF), the projection totals an increase of 1,016 housing units. It assumes that the same ratio of single family to multifamily will be maintained as development occurs.

Base year employees were estimated based on the latest data from the US Census' OnTheMap application and exclude 187 local government (public administration) employees. Total projected workers in 2050 are identified the regional growth forecast. The proportion of workers by land use is held consistent with current estimates. The estimates of nonresidential building square feet were estimated by dividing employee counts by the occupancy density factors presented in the following table.

Table 2.1: Existing and New Development

	2023	Increase	2050
Residents[1]	17,740	2,709	20,449
Dwelling Units[2]			
Single Family	6,233	783	7,016
Multifamily	1,853	233	2,086
Total	8,086	1,016	9,102
Employment[3]			
Commercial	3,696	1,783	5,479
Office	1,642	792	2,434
Total	5,338	2,575	7,913
Building Square Feet (000s)[4]			
Commercial	1,743	841	2,584
Office	504	243	747
Total	2,247	1,084	3,331

[1] Current household population from California Department of Finance. Projection based on SLOCOG 2050 Regional Growth Forecast, Medium Scenario.
[2] Current values from California Department of Finance. Projection of 9,102 housing units for 2050 from SLOCOG Regional Growth Forecast. Assumes 7.0% vacancy and a total of 8,460 households. Assumes same ratio of single family to multifamily will be maintained as development occurs.
[3] Current estimates of primary jobs from the US Census' OnTheMap. Projection based on SLOCOG 2050 Regional Growth Forecast. Assumes current ratio among land uses will be maintained.
[4] Estimated building square feet calculated based on increase of employees and density factors in Table 2.2.

Sources: California Department of Finance, Table E-5, SLOCOG 2050 Regional Growth Forecast; OnTheMap Application, http://onthemap.ces.census.gov; Table 2.2, Willdan Financial Services.

Occupant Densities

All fees in this report are calculated based on dwelling units or building square feet. Occupant density assumptions ensure a reasonable relationship between the size of a development project, the increase in service population associated with the project, and the amount of the fee.

Occupant densities (residents per dwelling unit or workers per building square foot) are the most appropriate characteristics to use for most impact fees. The fee imposed should be based on the land use type that most closely represents the probable occupant density of the development. The occupancy factors are shown in **Table 2.2**. The residential density factors are based on data for Arroyo Grande from the 2021 U.S. Census' American Community Survey, the most recent data available. The nonresidential occupancy factors are derived from data from the Institute of Traffic Engineers Trip Generation Manual, 11th Edition.

Table 2.2: Occupant Density Assumptions

Residential - All Units	2.27	Residents per dwelling unit
Nonresidential		
Commercial	2.12	Employees per 1,000 square feet
Office	3.26	Employees per 1,000 square feet

Sources: U.S. Census Bureau, 2021 American Community Survey 5-Year Estimates, Tables B25024 and B25033; ITE Trip Generation Manual, 11th Edition; Willdan Financial Services.

3. Fire Protection Facilities

The purpose of this fee is to ensure that new development funds its fair share of fire protection facilities. A fee schedule is presented based on the existing facilities standard of fire protection facilities in the City of Arroyo Grande to ensure that new development provides adequate funding to meet its needs.

Service Population

Fire protection facilities serve both residents and businesses. Therefore, demand for services and associated facilities are based on the City's service population including residents and workers.

Table 3.1 shows the existing and future projected service population for fire protection facilities. While specific data is not available to estimate the actual ratio of demand per resident to demand by businesses (per worker) for this service, it is reasonable to assume that demand for these services is less for one employee compared to one resident, because nonresidential buildings are typically occupied less intensively than dwelling units. The 0.31-weighting factor for workers is based on a 40-hour workweek divided by the total number of non-work hours in a week (128) and reflects the degree to which nonresidential development yields a lesser demand for police facilities.

Table 3.1: Fire Protection Facilities Service Population

	A **Persons**	*B* **Weighting Factor**	*A x B = C* **Service Population**
Residents			
Existing (2023)	17,740	1.00	17,740
New Development	2,709	1.00	2,709
Total (2050)	20,449		20,449
Workers			
Existing (2023)	5,338	0.31	1,655
New Development	2,575	0.31	798
Total (2050)	7,913		2,453
Combined Residents and Weighted Workers			
Existing (2023)			19,395
New Development			3,507
Total (2050)			22,902

[1] Workers are weighted at 0.31 of residents based on a 40 hour work week out of a possible 128 non-work hours in a week (40/128 = 0.31)

Sources: Table 2.1; Willdan Financial Services.

Existing Facility Inventory

The City owns a single fire station. The replacement cost of the station and canopy are listed in the City's insured property schedule. The land that the station is sited on is valued at $566,400 per acre, based on an analysis of land sales comparisons in Arroyo Grande since 2018, as reported by CoStar. In total, the City owns approximately $6 million worth of fire facilities, which are summarized in **Table 3.2**.

Table 3.2: Existing Facility Inventory

	Quantity	Units	Unit Cost	Replacement Cost
Fire Station - 140 Traffic Way				
Land	1.05	acres	$ 566,400	$ 594,720
Fire Station	12,698	sq. ft.	420	5,332,554
Canopy	880	sq. ft.	29	25,397
Total Value - Existing Facilities				$ 5,952,671

Sources: City of Arroyo Grande; CJPIA Property Schedule, March 7, 2023; Willdan Financial Services.

Planned Facilities

The City is planning to spend future fire facilities fee revenue on an expansion and reconfiguration of the sleeping quarters at the fire station. This will allow the Five Cities Fire Authority to increase staffing and service capacity as the City grows.

Cost Allocation

Table 3.3 expresses the City's current fire facilities level of service in terms of an existing cost per capita, by dividing the replacement cost of the City's existing facilities by the existing service population. The resulting cost per capita drives the fee calculation. The cost per capita is multiplied by the worker weighting factor to determine the cost per worker.

Table 3.3: Fire Protection Facilities Existing Standard

Value of Existing Facilities	$	5,952,671
Existing Service Population		19,395
Cost per Capita	$	307
Facility Standard per Resident	$	307
Facility Standard per Worker[1]		95

[1] Based on a weighing factor of 0.31.

Sources: Tables 3.1 and 3.2.

Fee Revenue Projection

The City plans to use fire protection facilities fee revenue to construct improvements and acquire capital facilities and equipment to add to the system of fire facilities to serve new development. **Table 3.4** details a projection of fee revenue, based on the service population growth increment identified in Table 3.1.

Table 3.4: Revenue Projection - Existing Standard

Cost per Capita	$	307
Growth in Service Population (2023 to 2050)		3,507
Fee Revenue	$	1,076,649

Sources: Tables 3.1 and 3.4.

Fee Schedule

Table 3.5 shows the maximum justified fire protection facilities fee schedule. The City can adopt any fee up to this amount. The cost per capita is converted to a fee per unit of new development based on dwelling unit and employment densities (persons per dwelling unit or employees per 1,000 square feet of nonresidential building space). The fee per dwelling unit is converted into a fee per square foot by dividing the fee per dwelling unit by the assumed average square footage of a dwelling unit.

The total fee includes a two percent (2.0%) administrative charge to fund costs that include: a standard overhead charge applied to City programs for legal, accounting, and other departmental and administrative support, and fee program administrative costs including revenue collection, revenue and cost accounting and mandated public reporting.

In Willdan's experience with impact fee programs, two percent of the base fee adequately covers the cost of fee program administration. The administrative charge should be reviewed and adjusted during comprehensive impact fee updates to ensure that revenue generated from the charge sufficiently covers, but does not exceed, the administrative costs associated with the fee program.

Table 3.5: Maximum Justified Fire Protection Facilities Fee Schedule

Land Use	A Cost Per Capita	B Density	C = A x B Base Fee[1]	D = C x 0.02 Admin Charge[1, 2]	E = C + D Total Fee[1]	F = E / Average Fee per Sq. Ft.[3]
Residential Dwelling Unit	$ 307	2.27	$ 697	$ 14	$ 711	$ 0.24
Nonresidential - per 1,000 Sq. Ft.						
Commercial	$ 95	2.12	$ 201	$ 4	$ 205	$ 0.21
Office	95	3.26	310	6	316	0.32

[1] Fee per average sized dwelling unit or per 1,000 square feet of nonresidential building space.

[2] Administrative charge of 2.0 percent for (1) legal, accounting, and other administrative support and (2) impact fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, and fee justification analyses.

[3] Assumes an average of 2,974 square feet per dwelling unit in Arroyo Grande, based on an analysis of recent building permits.

Sources: Tables 2.2 and 3.3.

4. Police Facilities

The purpose of this fee is to ensure that new development funds its fair share of police facilities. A fee schedule is presented based on the existing standard of police facilities in the City of Arroyo Grande to ensure that new development provides adequate funding to meet its needs.

Service Population

Police facilities serve both residents and businesses. Therefore, demand for services and associated facilities are based on the City's service population including residents and workers.

Table 4.1 shows the existing and future projected service population for police facilities. While specific data is not available to estimate the actual ratio of demand per resident to demand by businesses (per worker) for this service, it is reasonable to assume that demand for these services is less for one employee compared to one resident, because nonresidential buildings are typically occupied less intensively than dwelling units. The 0.31-weighting factor for workers is based on a 40-hour workweek divided by the total number of non-work hours in a week (128) and reflects the degree to which nonresidential development yields a lesser demand for police facilities.

Table 4.1: Police Facilities Service Population

	A Persons	*B* Weighting Factor	*A x B = C* Service Population
Residents			
Existing (2023)	17,740	1.00	17,740
New Development	2,709	1.00	2,709
Total (2050)	20,449		20,449
Workers			
Existing (2023)	5,338	0.31	1,655
New Development	2,575	0.31	798
Total (2050)	7,913		2,453
Combined Residents and Weighted Workers			
Existing (2023)			19,395
New Development			3,507
Total (2050)			22,902

[1] Workers are weighted at 0.31 of residents based on a 40 hour work week out of a possible 128 non-work hours in a week (40/128 = 0.31)

Sources: Table 2.1; Willdan Financial Services.

Existing Facility Inventory

The City's police facilities inventory is comprised of a police station, garage and police vehicles. The replacement cost of the buildings of these facilities was identified in the City's insurance

property schedule. The land that the station is sited on is valued at $566,400 per acre, based on an analysis of land sales comparisons in Arroyo Grande since 2018, as reported by CoStar. In total, the City owns $4.2 million worth of police facilities. **Table 4.2** displays the City's existing inventory of police facilities.

Table 4.2: Existing Police Facilities Inventory

	Quantity	Units	Unit Cost	Replacement Cost
Police Station - 200 North Halycon Road				
Land	0.69	acres	$566,400	$ 390,816
Station	7,528	sq. ft.	357	2,686,425
Garage	1,000	sq. ft.	91	90,864
Subtotal				$ 3,168,105
Vehicles				$ 1,056,204
Total Value - Existing Facilities				$ 4,224,309

Sources: City of Arroyo Grande; CJPIA Property Schedule, March 7, 2023; Appendix Table A.1; Willdan Financial Services.

Planned Facilities

Table 4.3 displays the planned police facilities, including upgrades to its records management system, upgrades to property and evidence storage, and new community safety cameras. In total, the City has identified $175,000 of planned police facilities.

Table 4.3: Planned Police Facilities

	Cost
Report Management System (RMS) Upgrade at PD	$ 150,000
Property and Evidence Storage System Upgrade	25,000
Total Cost of Planned Facilities	$ 175,000

Source: City of Arroyo Grande FY 2023-25 Biennial Budget.

Cost Allocation

Table 4.4 expresses the City's current police facilities level of service in terms of an existing cost per capita, by dividing the replacement cost of the City's existing facilities by the existing service population. The resulting cost per capita drives the fee calculation. The cost per capita is multiplied by the worker weighting factor to determine the cost per worker.

Table 4.4: Police Facilities Existing Standard

Value of Existing Facilities		$4,224,309
Existing Service Population		19,395
Cost per Capita	$	218
Facility Standard per Resident	$	218
Facility Standard per Worker[1]		68

[1] Based on a weighing factor of 0.31.

Sources: Tables 4.1 and 4.2.

Fee Revenue Projection

The City plans to use police facilities fee revenue to construct improvements and acquire capital facilities and equipment to add to the system of police facilities to serve new development. **Table 4.5** details a projection of fee revenue, based on the service population growth increment identified in Table 4.1. When setting fees to maintain the existing level of service, the resulting fee revenue will fully fund the identified planned facilities, and the City will need to identify additional facilities to maintain the level of service as new development adds demand for police services and facilities through the planning horizon.

Table 4.5: Revenue Projection - Existing Standard

Cost per Capita	$	218
Growth in Service Population (2023 to 2050)		3,507
Fee Revenue	$	764,526

Sources: Tables 4.1 and 4.4.

Fee Schedule

Table 4.6 shows the maximum justified police facilities fee schedule. The City can adopt any fee up to this amount. The cost per capita is converted to a fee per unit of new development based on dwelling unit and employment densities (persons per dwelling unit or employees per 1,000 square feet of nonresidential building space). The fee per dwelling unit is converted into a fee per square foot by dividing the fee per dwelling unit by the assumed average square footage of a dwelling unit.

The total fee includes a two percent (2.0%) administrative charge to fund costs that include: a standard overhead charge applied to City programs for legal, accounting, and other departmental and administrative support, and fee program administrative costs including revenue collection, revenue and cost accounting and mandated public reporting.

In Willdan's experience with impact fee programs, two percent of the base fee adequately covers the cost of fee program administration. The administrative charge should be reviewed and adjusted during comprehensive impact fee updates to ensure that revenue generated from the charge sufficiently covers, but does not exceed, the administrative costs associated with the fee program.

Table 4.6: Maximum Justified Police Facilities Fee Schedule

Land Use	A Cost Per Capita	B Density	C = A x B Base Fee[1]	D = C x 0.02 Admin Charge[1, 2]	E = C + D Total Fee[1]	F = E / Average Fee per Sq. Ft.[3]
Residential Dwelling Unit	$ 218	2.27	$ 495	$ 10	$ 505	$ 0.17
Nonresidential - per 1,000 Sq. Ft.						
Commercial	$ 68	2.12	$ 144	$ 3	$ 147	$ 0.15
Office	68	3.26	222	4	226	0.23

[1] Fee per average sized dwelling unit or per 1,000 square feet of nonresidential building space.

[2] Administrative charge of 2.0 percent for (1) legal, accounting, and other administrative support and (2) impact fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, and fee justification analyses.

[3] Assumes an average of 2,974 square feet per dwelling unit in Arroyo Grande, based on an analysis of recent building permits.

Sources: Tables 2.2 and 4.4.

5. Park Facilities

The purpose of the park facilities impact fee is to fund the park facilities needed to serve new development. The maximum justified impact fee is presented based on the existing standard of park facilities per capita.

Service Population

Park facilities in Arroyo Grande primarily serve residents. Therefore, demand for services and associated facilities is based on the City's residential population. **Table 5.1** shows the existing and future projected service population for park and recreation facilities.

Table 5.1: Park Facilities Service Population

	Residents
Existing (2023)	17,740
New Development	2,709
Total (2050)	20,449

Source: Table 2.1.

Existing Park Facilities Inventory

The City of Arroyo Grande owns and maintains several parks throughout the city. **Table 5.2** summarizes the City's existing parkland inventory in 2023. All facilities are located within the City limits. In total, the inventory includes a total of 43.9 acres of improved parkland.

Table 5.2: Parkland Inventory

Name	Developed Acres	Unimproved Open Space	Total
Neighborhood and Community Parks			
Soto Sports Complex	18.00	-	18.00
Rancho Grande Park	8.00	-	8.00
Strother Park	8.14	-	8.14
Terra De Oro Park	3.94	-	3.94
Elm Street Park	5.00	-	5.00
Heritage Square Park	2.12	-	2.12
Health Fitness Park	0.51	-	0.51
Kingo Park	0.80	-	0.80
Kiwanis Park	3.30	-	3.30
Parque Pequeno	0.58	-	0.58
Hoosegow Park	0.31	-	0.31
Hart-Collett Firefighters Memorial Park	0.36	-	0.36
Village Gazebo	0.25	-	0.25
Dower Way Side Park	0.10	-	0.10
Tiger Tail Park	1.22	-	1.22
Total	52.63	-	52.63
Open Space			
James Way Oak Habitat & Wildlife Preserve	-	75.02	75.02
Total	52.63	75.02	127.65

Source: City of Arroyo Grande.

Parkland and Park Facilities Unit Costs

Table 5.3 displays the unit costs necessary to develop parkland in Arroyo Grande. The land cost assumption was based on an analysis of recent land sales within the City of Arroyo Grande using data from CoStar. An estimate of $750,000 per acre for standard parkland improvements is based on Willdan's recent experience with other clients in California. Parkland acquisition is valued at $566,400 per acre, based on an analysis of land sales comparisons in Arroyo Grande since 2018, as reported by CoStar. In total, it is assumed to cost approximately $1.3 million to acquire and improve an acre of parkland in Arroyo Grande. Also shown in the table is an estimate for open space acquisition. This assumption is based on land sales comparisons of agricultural land, also reported by CoStar.

Table 5.3: Park Facilities Unit Costs

	Cost Per Acre	Share of Total Costs
Standard Park Improvements	$ 750,000	
Vehicles (See Appendix Table A.2)	3,757	
Total Park Improvements	$ 753,757	57%
Land Acquisition	566,400	43%
Total Cost per Acre	$1,320,157	100%
Open Space Acquisition	$ 52,800	

Sources: City of Arroyo Grande; CoStar; Willdan Financial Services.

Park Facility Standards

Park facility standards establish a reasonable relationship between new development and the need for expanded park facilities. Information regarding the City's existing inventory of existing parks facilities was obtained from City staff.

The most common measure in calculating new development's demand for parks is the ratio of park acres per resident. In general, facility standards may be based on a jurisdiction's existing inventory of park facilities, or an adopted policy standard contained in a master facility plan or general plan. Facility standards may also be based on a land dedication standard established by the *Quimby Act*.[1]

Quimby Act Standard

The *Quimby Act* specifies that the dedication requirement must be a minimum of 3.0 acres and a maximum of 5.0 acres per 1,000 residents. A jurisdiction can require residential developers to dedicate above the three-acre minimum if the jurisdiction's existing park standard at the time it adopted its *Quimby Act* ordinance justifies the higher level (up to five acres per 1,000 residents). The standard used must also conform to the jurisdiction's adopted general or specific plan standards.

The *Quimby Act* only applies to land subdivisions. The *Quimby Act* would not apply to residential development on future approved projects on single parcels, such as apartment complexes and other multifamily development.

The *Quimby Act* allows payment of a fee in lieu of land dedication. The fee is calculated to fund acquisition of the same amount of land that would have been dedicated.

The *Quimby Act* allows use of in-lieu fee revenue for any park or recreation facility purpose. Allowable uses of this revenue include land acquisition, park improvements including recreation facilities, and rehabilitation of existing park and recreation facilities. The *Quimby Act* generally requires that fees be used for neighborhood and community park acreage to serve the subdivision, except in limited circumstances.

[1] *California Government Code* §66477.

City of Arroyo Grande Park Facilities Standards

Table 5.4 shows the existing standard for improved park acreage per 1,000 residents based on the type of parkland. In total the City has an existing parkland standard of 2.97 acres per 1,000 residents, which is less than the minimum Quimby standard of 3.0 acres per 1,000 residents.. The impact fee analysis in this report will be based on maintaining the City's 2.97 acre per 1,000 resident standard as new development adds demand for parks in Arroyo Grande. Fees in-lieu of land dedication for subdivisions are calculated at the minimum *Quimby* standard of 3.0 acres of developed parkland per 1,000 residents.

Table 5.4 also shows the City's existing open space standard. This is calculated separately from the parkland standard. The current open space standard is 4.23 acres per 1,000 residents.

Table 5.4: Parkland Standards

Developed Park Acreage	52.63
Existing Service Population (2023)	17,740
Existing Standard (Acres per 1,000 Residents)	2.97
Quimby Act Standard (Acres per 1,000 Residents)	3.00
Open Space Acreage	75.02
Existing Service Population (2023)	17,740
Existing Standard (Acres per 1,000 Residents)	4.23

Sources: Tables 5.1 and 5.2.

Facilities Needed to Accommodate New Development

Table 5.5 shows the park facilities needed to accommodate new development at the existing standard. To achieve the standard by the planning horizon, depending on the amount of development subject to the Quimby Act, new development must fund the purchase and improvement of between 8.05 and 8.13 parkland acres.

The facility standards and resulting fees under the Quimby Act are higher because development will be charged to provide 3.0 acres of parkland per 1,000 residents, and 2.97 acres of improvements, whereas development not subject to the Quimby Act will be charged to provide only 2.97 acres of parkland and improvements per 1,000 residents. Since the exact amount of development that will be subject to the Quimby fees is unknown at this time, Table 5.5 presents the range of total facility costs that may be incurred depending on the amount of development subject to the Quimby Act.

Table 5.5 also displays the cost necessary to maintain the City's existing open space standard. The City would need to acquire 11.46 acres of open space to maintain this standard.

Table 5.5: Park Facilities to Accommodate New Development

	Calculation	Parkland	Improvements	Total Range[1]
Parkland (Quimby Act), Improvements (Mitigation Fee Act)[2]				
Facility Standard (acres/1,000 capita)	*A*	3.00	2.97	
Growth in Service Population (2023 to 2050)	*B*	2,709	2,709	
Facility Needs (acres)	*C = A x B/1000*	8.13	8.05	
Average Unit Cost (per acre)	*D*	$ 566,400	$ 753,757	
Total Cost of Facilities	*E = C x D*	$4,605,000	$ 6,068,000	$10,673,000
Parkland and Improvements - Mitigation Fee Act[3]				
Facility Standard (acres/1,000 capita)	*A*	2.97	2.97	
Growth in Service Population (2023 to 2050)	*B*	2,709	2,709	
Facility Needs (acres)	*C = A x B/1000*	8.05	8.05	
Average Unit Cost (per acre)	*D*	$ 566,400	$ 753,757	
Total Cost of Facilities	*E = C x D*	$4,560,000	$ 6,068,000	$10,628,000
Open Space				
Facility Standard (acres/1,000 capita)	*A*	4.23	-	
Growth in Service Population (2023 to 2050)	*B*	2,709	-	
Facility Needs (acres)	*C = A x B/1000*	11.46	-	
Average Unit Cost (per acre)	*D*	$ 52,800	-	
Total Cost of Facilities	*E = C x D*	$ 605,000	$ -	$ 605,000

Note: Totals have been rounded to the thousands.

[1] Values in this column show the range of the cost of parkland acquisition and development should all development be either subject to the Quimby Act, or to the Mitigation Fee Act, respectively.

[2] Cost of parkland to serve new development shown if all development is subject to the Quimby Act (Subdivisions of 50 units or more). Parkland charged at 3.0 acres per 1,000 residents; improvements charged at the existing standard.

[3] Cost of parkland to serve new development shown if all development is subject to the Mitigation Fee Act. Parkland and improvements are charged at the existing standard.

Sources: Tables 5.1, 5.3, and 5.4.

Parks and Recreation Facilities Cost per Capita

Table 5.6 shows the cost per capita of providing new park facilities at the Quimby standard, and the existing facility standard. The cost per capita is shown separately for land and improvements. The costs per capita in this table will serve as the basis of four fees:

- A Quimby Act Fee in-lieu of parkland dedication. This fee is payable by residential development occurring in subdivisions.
- A Mitigation Fee Act Fee for parkland acquisition. This fee is payable by residential development not occurring in subdivisions.
- A Mitigation Fee Act Fee for parkland improvements. This fee is payable by all residential development.
- A Mitigation Fee Act Fee for open space acquisition. This fee is payable by all residential development.

A development project pays either the Quimby Act Fee in-lieu of land dedication, or the Mitigation Fee Act Fee for land acquisition, not both. All development projects pay the Mitigation Fee Act Fees for park improvements and open space.

Table 5.6: Park Facilities Investment per Capita

		Land				Improvements		Open Space	
	Calculation	Quimby Fee	OR	Impact Fee	AND	Impact Fee	AND	Impact Fee
Parkland Investment (per acre)	*A*	$ 566,400		$ 566,400		$ 753,757		$ 52,800
Existing Standard (acres per 1,000 capita)	*B*	3.00		2.97		2.97		4.23
Total Cost per 1,000 capita	*C = A x B*	$ 1,699,200		$1,682,200		$ 2,238,700		$ 223,300
Cost per Resident	*D = C / 1,000*	$ 1,699		$ 1,682		$ 2,239		$ 223

Sources: Tables 5.3 and 5.4.

Use of Fee Revenue

The City plans to use park and recreation facilities fee revenue to purchase parkland and open space and construct improvements to add to the system of park facilities that serves new development. The City may only use impact fee revenue to provide facilities and intensify usage of existing facilities needed to serve new development. The City should program fee revenue to capacity expanding projects annually through its CIP and budget process.

Fee Schedule

To calculate fees by land use type, the investment in park facilities is determined on a per resident basis for parkland acquisition, open space acquisition and parkland improvements. These investment factors (shown in Table 5.6) are based on the unit cost estimates and the City's existing facility standards.

Table 5.7 shows the maximum justified park and recreation facilities fee based on the existing standard per capita under the Quimby Act and under the existing park standard under the Mitigation Fee Act, respectively. The cost per resident is converted to a fee per dwelling unit using the occupancy density factor from Table 2.2. The fee per dwelling unit is converted into a fee per square foot by dividing the fee per dwelling unit by the assumed average square footage of a dwelling unit.

The total fee includes a two percent (2.0%) administrative charge to fund costs that include: a standard overhead charge applied to City programs for legal, accounting, and other departmental and administrative support, and fee program administrative costs including revenue collection, revenue and cost accounting and mandated public reporting.

In Willdan's experience with impact fee programs, two percent of the base fee adequately covers the cost of fee program administration. The administrative charge should be reviewed and adjusted during comprehensive impact fee updates to ensure that revenue generated from the charge sufficiently covers, but does not exceed, the administrative costs associated with the fee program.

Table 5.7: Maximum Justified Park and Recreation Facilities Fee Schedule

Land Use	A Cost Per Capita	B Density	C = A x B Base Fee[1]	D = C x 0.02 Admin Charge[1, 2]	E = C + D Total Fee	F = E / Average Fee per Sq. Ft.[3]
Quimby Act - Subdivisions						
Parkland	$ 1,699	2.27	$ 3,857	$ 77	$ 3,934	$ 1.32
Improvements	2,239	2.27	5,083	102	5,185	1.74
Open Space	223	2.27	506	10	516	0.17
Total	$ 4,161		$ 9,446	$ 189	$ 9,635	$ 3.23
Mitigation Fee Act - Infill						
Parkland	$ 1,682	2.27	$ 3,818	$ 76	$ 3,894	$ 1.31
Improvements	2,239	2.27	5,083	102	5,185	1.74
Open Space	223	2.27	506	10	516	0.17
Total	$ 4,144		$ 9,407	$ 188	$ 9,595	$ 3.22

[1] Fee per average sized dwelling unit or per 1,000 square feet of nonresidential building space.

[2] Administrative charge of 2.0 percent for (1) legal, accounting, and other administrative support and (2) impact fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, and fee justification analyses.

[3] Assumes an average of 2,974 square feet per dwelling unit in Arroyo Grande, based on an analysis of recent building permits.

Sources: Tables 2.2 and 5.6.

6. Recreation Facilities

The purpose of this fee is to ensure that new development funds its fair share of recreation facilities. A fee schedule is presented based on the existing facilities standard of recreation facilities in the City of Arroyo Grande to ensure that new development provides adequate funding to meet its needs.

Service Population

Park facilities in Arroyo Grande primarily serve residents. Therefore, demand for services and associated facilities is based on the City's residential population. **Table 6.1** shows the existing and future projected service population for recreation facilities.

Table 6.1: Recreation Facilities Service Population

	Residents
Existing (2023)	17,740
New Development	2,709
Total (2050)	20,449

Sources: Table 2.1; Willdan Financial Services.

Existing Facilities Inventory

The City's recreation facilities inventory is comprised of the Community Center/Woman's Club, Historical Society Complex, and Mark M. Millis Community Center. The replacement cost of the buildings was identified in the City's insured property schedule. The assumed land costs is valued at $566,400 per acre, based on an analysis of land sales comparisons in Arroyo Grande since 2018, as reported by CoStar. In total the City owns $3.8 million worth of recreation facilities. The recreation facilities inventory is displayed in **Table 6.2.**

Table 6.2: Existing Recreation Facilities Inventory

	Quantity	Units	Unit Cost	Replacement Cost
Land (acres)				
Community Center/Womans Club	2.05	acres	$566,400	$ 1,161,120
Historical Society Complex	1.21	acres	566,400	685,344
Subtotal - Land	3.26			$ 1,846,464
Buildings (square feet)				
Community Center/Womans Club	4,477	sq. ft.	$ 251	$ 1,125,815
Mark M. Millis Community Center[1]	5,600	sq. ft.	-	-
Historical Society Complex - House, Single Family	1,371	sq. ft.	201	275,528
Historical Society Complex - Museum	864	sq. ft.	195	168,748
Historical Society Complex - Barn	2,400	sq. ft.	81	194,145
Historical Society Complex - House, Single Family	780	sq. ft.	187	146,173
Historical Society Complex - 100% Garage	160	sq. ft.	49	7,901
Subtotal - Buildings	15,652			$ 1,918,310
Total Value - Existing Facilities				$ 3,764,774

[1] No value is shown for this facility because it will be replaced by the planned facility.

Sources: City of Arroyo Grande; CJPIA Property Schedule, March 7, 2023; CoStar; Willdan Financial Services.

Planned Facilities

The City plans to construct a new community center to replace the Millis Community Center. The total cost of the planned facility is $6.2 million. This planned facility cost does not drive the fee calculation, rather, the fees are set to maintain the existing level of service.

Table 6.3: Planned Facilities

	Cost
Recreation Services / Community Center Building	$ 6,150,000
Total	$ 6,150,000

Source: City of Arroyo Grande FY 2023-25 Biennial Budget.

Cost Allocation

Table 6.4 expresses the City's current recreation facilities level of service in terms of an existing cost per capita, by dividing the replacement cost of the City's existing facilities by the existing service population. The resulting cost per capita drives the fee calculation.

Table 6.4: Existing Standard

Value of Existing Facilities	$ 3,764,774
Existing Service Population	17,740
Cost per Resident	$ 212

Sources: Tables 6.1 and 6.3.

Fee Revenue Projection

The City plans to use recreation facilities fee revenue to construct improvements and acquire capital facilities and equipment to add to the system of recreation facilities to serve new development. While the City plans to construct the facilities in Table 6.3 the costs in that table do not drive the fee calculation. **Table 6.5** details a projection of fee revenue, based on the service population growth increment identified in Table 6.1 and the existing facility standard identified in Table 6.4. The City will have spent the fee revenue appropriately so long as the fee revenue is spent on new or expanded recreation facilities that benefit new development.

Table 6.5: Revenue Projection - Existing Standard

Cost per Capita	$	212
Growth in Service Population (2023 to 2050)		2,709
Projected Fee Revenue	$	574,308

Sources: Tables 6.1 and 6.4.

Fee Schedule

Table 6.6 shows the maximum justified recreation facilities fee schedule. The cost per capita is converted to a fee per unit of new development based on dwelling unit densities (persons per dwelling unit). The fee per dwelling unit is converted into a fee per square foot by dividing the fee per dwelling unit by the assumed average square footage of a dwelling unit.

The total fee includes a two percent (2.0%) administrative charge to fund costs that include: a standard overhead charge applied to City programs for legal, accounting, and other departmental and administrative support, and fee program administrative costs including revenue collection, revenue and cost accounting and mandated public reporting.

In Willdan's experience with impact fee programs, two percent of the base fee adequately covers the cost of fee program administration. The administrative charge should be reviewed and adjusted during comprehensive impact fee updates to ensure that revenue generated from the charge sufficiently covers, but does not exceed, the administrative costs associated with the fee program.

Table 6.6: Maximum Justified Recreation Facilities Fee Schedule

Land Use	A Cost Per Capita	B Density	C = A x B Base Fee[1]	D = C x 0.02 Admin Charge[1, 2]	E = C + D Total Fee[1]	F = E / Average Fee per Sq. Ft.[3]
Residential Dwelling Unit	$ 212	2.27	$ 481	$ 10	$ 491	$ 0.17

[1] Fee per average sized dwelling unit.

[2] Administrative charge of 2.0 percent for (1) legal, accounting, and other administrative support and (2) impact fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, and fee justification analyses.

[3] Assumes an average of 2,974 square feet per dwelling unit in Arroyo Grande, based on an analysis of recent building permits.

Sources: Tables 2.2 and 6.4.

7. Water Facilities

This chapter details an analysis of the need for water facilities to accommodate growth within the City of Arroyo Grande. The projects and associated costs in this chapter were identified in the City's Water System Master Plan. This chapter documents a reasonable relationship between new development and a water facilities impact fee to fund facilities that serve new development.

Water Demand

Estimates of new development and its consequent increased water demand provide the basis for calculating the water facilities fee. The need for water facilities improvements is based on the water demand placed on the system by development. A typical measure of demand is a flow generation rate, expressed as the number of gallons per day generated by a specific type of land use. Flow generation rates are a reasonable measure of demand for the City's system of water improvements because they represent the average rate of demand that will be placed on the system per land use designation.

Table 7.1 shows the calculation of equivalent dwelling unit (EDU) demand factors based on flow generation by land use category. The residential flow generation estimates are based on 2023 actual usage data from the City. The nonresidential flow generation factors per acre are based on data from the City's Water System Master Plan. EDU factors express water flow from each land use in terms of the flow generated by a single family dwelling unit.

Table 7.1: Water Demand by Land Use

Land Use Type	Flow Generation[1]	Density[2]	Average Flow Generation per DU or 1,000 Sq. Ft.[3]	Equivalent Dwelling Unit (EDU)
Residential Dwelling Unit				
Single Family			178	1.00
Multifamily			148	0.83
Nonresidential - per 1,000 Sq. Ft.				
Commercial	1,102	43.56	25.30	0.14
Office	1,243	43.56	28.54	0.16

[1] Gallons per acre per day.

[2] 1,000 square feet per acre for nonresidential. Nonresidential densities are based on typical densities for each land use from the City's zoning code. Nonresidential densities are based on floor-area-ratios of 1.0 for commercial and 1.0 for office.

[3] Residential flow generation by unit type provided by the City for use in this analysis. Nonresidential flow generation calculated using flow generation per acre and density assumptions shown in this table.

Sources: Table 3-2, City of Arroyo Grande Water System Master Plan; Willdan Financial Services.

EDU Generation by New Development

Table 7.2 shows the estimated EDU generation from new development through 2050. The EDU factors from Table 7.1 are multiplied by the land use assumptions from Table 2.1 to estimate total EDUs in the base year, at the planning horizon and for new development. New development will

generate approximately 1,132 new EDUs through 2050, comprising 12.3% of water demand in the City at that time.

Table 7.2: Water Facilities Equivalent Dwelling Units

Land Use	EDU Factor	2023 Units / 1,000 SF	2023 EDUs	Growth 2023 to 2050 Units / 1,000 SF	Growth 2023 to 2050 EDUs	Total - 2050 Units / 1,000 SF	Total - 2050 EDUs
Residential - per Dwelling Unit							
Single Family	1.00	6,233	6,233	783	783	7,016	7,016
Multifamily	0.83	1,853	1,538	233	193	2,086	1,731
Subtotal		8,086	7,771	1,016	976	9,102	8,747
Nonresidential - per 1,000 Sq. Ft.							
Commercial	0.14	1,743	244	841	118	2,584	362
Office	0.16	504	81	243	38	747	119
Subtotal		2,247	325	1,084	156	3,331	481
Total			8,096		1,132		9,228
			87.7%		12.3%		100%

Sources: Tables 2.1 and 7.1.

Facility Needs and Costs

Table 7.3 identifies the planned water facilities to be funded by the fee. Project costs from the 2012 Water System Master Plan have been adjusted for inflation into 2023 dollars, using the Engineering News Record's Construction Cost Index (CCI). Those projects that have already been completed, or that do not benefit new development have been excluded from the table. Projects that are needed to serve both existing and new development are allocated to the impact fee based on the increase in capacity associated with each improvement. For project C-3, the impact fee is allocated a portion of the costs based on new development's share of EDUs in 2050 (12.3%), identified in Table 7.2. Projects that are needed solely to serve new development are allocated 100% to new development through this impact fee.

Table 7.3: Water Facilities Costs to Serve New Development

No.	Description	Size	Total Cost (2012)	Total Cost (2023)	Allocation to New Development	Cost Allocated to New Development
B-4	Highway 101 Crossing Upgrade – El Camino Real to West Brach St.[1]	415-LF	$ 454,600	$ 659,852	57.3%	$ 377,864
B-5	Highway 101 Crossing Upgrade – West Cherry Avenue[1]	280-LF	358,600	520,508	57.3%	298,069
B-6	Phased Mains Replacement[1]	3,865-LF	1,018,050	1,477,700	57.3%	846,205
B-10	Lierly Lane to Coach Road Upgrade[2]	3,245-LF	288,800	419,193	75.0%	314,395
C-1	New Well	800-gpm	1,134,900	1,647,308	100.0%	1,647,308
C-2	Miller Way Booster Zone Upgrade	75-gpm	136,600	198,275	50.0%	99,138
C-3	Security Upgrades	N/A	47,100	68,366	12.3%	8,409
C-4	Coach Road and Greenwood Drive Upgrades	1,385-LF	267,600	388,422	100.0%	388,422
C-7	4-inch Mains Upgrades[2]	11,600-LF	2,162,000	3,138,145	75.0%	2,353,609
C-8	Phased Mains Replacement[1]	3,865-LF	1,018,000	1,477,628	57.3%	846,163
Total			$ 6,886,250	$ 9,995,398		$ 7,179,581

[1] Upgrading 8" cast iron mains to 8" PVC mains will increase capacity by 234%.
[2] Larger mains represent 400% increase in capacity.

Sources: City of Arroyo Grande Water System Master Plan, 2012; Engineering News Record's Construction Cost Index (CCI); Table 7.2, Willdan Financial Services.

Cost per EDU

Table 7.4 calculates a cost per EDU associated by dividing the total cost of projects allocated to new development identified in Table 7.3 by the growth in EDUs identified in Table 7.2**.**

Table 7.4: Cost per EDU

Cost Allocated to New Development	$	7,179,581
Growth in EDUs (2023 to 2050)		1,132
Cost per EDU	$	6,342
2% Fee Program Administration		127
Total Fee per EDU	$	6,469

Sources: Tables 7.2 and 7.3.

Fee Schedule

The maximum justified fee for water facilities is shown in **Table 7.5**. The cost per EDU is converted to a fee per unit of new development based on capacity of a 1" meter relative to the capacity of other meter sizes. Using water meter size to drive the fee schedule is reasonable and directly proportional to the amount of water that can be accommodated by a connection.

The total fee includes a two percent (2.0%) administrative charge to fund costs that include: a standard overhead charge applied to City programs for legal, accounting, and other departmental and administrative support, and fee program administrative costs including revenue collection, revenue and cost accounting and mandated public reporting.

In Willdan's experience with impact fee programs, two percent of the base fee adequately covers the cost of fee program administration. The administrative charge should be reviewed and adjusted during comprehensive impact fee updates to ensure that revenue generated from the charge sufficiently covers, but does not exceed, the administrative costs associated with the fee program.

Table 7.5: Maximum Justified Water Facilities Fee Schedule

Meter Size	AWWA Capacity	Factor based on 1" Meter	Impact Fee per EDU[1]	Impact Fee per Meter
5/8 inch	20	0.40	$ 6,469	$ 2,588
3/4 inch	30	0.60	6,469	3,881
1 inch	50	1.00	6,469	6,469
1-1/2 inch	100	2.00	6,469	12,938
2 inch	160	3.20	6,469	20,701
3 inch	300	6.00	6,469	38,814
4 inch	500	10.00	6,469	64,690
6 inch	1,000	20.00	6,469	129,380

[1] Includes administrative charge of 2.0 percent for (1) legal, accounting, and other administrative support and (2) impact fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, and fee justification analyses.

Sources: Table 7.4, AWWA; Willdan Financial Services.

8. Transportation Facilities

This chapter details an analysis of the need for transportation facilities to accommodate new development. The chapter documents a reasonable relationship between new development and the impact fee for funding of these facilities.

Trip Demand

The need for transportation facilities is based on the trip demand placed on the system by development. A reasonable measure of demand is the number of average daily vehicle trips, adjusted for the type of trip. Vehicle trip generation rates are a reasonable measure of demand on the City's system of street improvements across all modes because alternate modes (transit, bicycle, pedestrian) often substitute for vehicle trips.

The two types of trips adjustments made to trip generation rates to calculate trip demand are described below:

- Pass-by trips are deducted from the trip generation rate. Pass-by trips are intermediates stops between an origin and a destination that require no diversion from the route, such as stopping to get gas on the way to work.
- The trip generation rate is adjusted by the average length of trips for a specific land use category compared to the average length of all trips on the street system.

These adjustments allow for a holistic quantification of trip demand that takes trip purpose and length into account for fee calculation purposes.

Table 8.1 shows the calculation of trip demand factors by land use category based on the adjustments described above. Data is based on extensive and detailed trip surveys conducted in the Institute of Traffic Engineers (ITE), and by the San Diego Association of Governments (SANDAG). The trip rates and pass-by trip assumptions come from ITE. The trip length assumptions come from SANDAG. The surveys provide some of the most comprehensive databases available of trip generation rates, pass-by trips factors, and average trip length for a wide range of land uses.

Table 8.1: Trip Rate Adjustment Factors

	Pass-by Trips[1]	Primary and Diverted Trips	Average Trip Length[2]	Adjust-ment Factor[3]	ITE Category	PM Peak Hour Trips[4]	Trip Demand Factor[5]
	A	*B = 1 - A*	C	*D = B x C / Avg.*		*E*	*F = D x E*
Residential - per Dwelling Unit							
Single Family	3%	97%	7.9	1.11	Single Family Housing (210)	0.99	1.10
Multifamily	3%	97%	7.9	1.11	Multifamily Housing (Low-Rise) (220)	0.57	0.63
Nonresidential - per 1,000 Sq. Ft.							
Commercial	22%	78%	3.6	0.41	Shopping Center (820)	4.09	1.68
Office	4%	96%	8.8	1.22	General Office (710)	1.44	1.76

[1] Percent of total trips. A pass-by trip is made as an intermediate stop on the way from an origin to a primary trip destination without a route diversion. Pass-by trips are not considered to add traffic to the road network. Based on SANDAG data.
[2] In miles. Based on SANDAG data.
[3] The trip adjustment factor equals the percent of non-pass-by trips multiplied by the average trip length and divided by the systemwide average trip length of 6.9 miles.
[4] Trips per dwelling unit or per 1,000 building square feet.
[5] The trip demand factor is the product of the trip adjustment factor and the trip rate.

Sources: Institute of Traffic Engineers, Trip Generation Manual, 11th Edition; San Diego Association of Governments, Brief Guide of Vehicular Traffic Generation Rates for the San Diego Region, April 2002; Willdan Financial Services.

Trip Demand Growth

The planning horizon for this analysis is 2050. **Table 8.2** lists the 2023 and 2050 land use assumptions used in this study. The trip demand factors calculated in are multiplied by the existing and future dwelling units and building square feet to determine the increase in trip demand attributable to new development.

Table 8.2: Land Use Scenario and Trip Demand

	Trip Demand	2023		2050		Total - 2050	
Land Use	Factor	Units / 1,000 SF	Trips	Units / 1,000 SF	Trips	Units / 1,000 SF	Trips
Residential - per Dwelling Unit							
Single Family	1.10	6,233	6,856	783	862	7,016	7,718
Multifamily	0.63	1,853	1,167	233	147	2,086	1,314
Subtotal		8,086	8,023	1,016	1,009	9,102	9,032
Nonresidential - per 1,000 Sq. Ft.							
Commercial	1.68	1,743	2,929	841	1,413	2,584	4,342
Office	1.76	504	886	243	428	747	1,314
Subtotal		2,247	3,815	1,084	1,841	3,331	5,656
Total			11,838		2,850		14,688
			80.6%		19.4%		100%

Sources: Tables 2.1 and 8.1.

Planned Facilities

Table 8.3 lists the transportation projects included in this analysis. The projects and allocation to new development were identified in the Draft Arroyo Grande Citywide Circulation Study ("circulation study"), 2021, prepared by GHD Engineering. The circulation study identified improvements needed to mitigate new development's impact on traffic level of service (LOS) as new development added trips to the City's circulation network. The City has a LOS standard of LOS D.

Table 8.3: Planned Transportation Facilities and Cost Allocation

Project Number	Improvement Type	Road	To/ From	Recommended Improvement	Allocation to New Development	Total Project Cost (2021)	Outside Funding	Other Local Funds	Cost Allocated to New Development
1	Intersection Improvements	East Branch Street	Bridge Street/Nevada Street	Intersection improvements (convert to one-way and restrict turns)	100%	$ 250,000	$ -	$ -	$ 250,000
2	Intersection Improvements	East Branch Street	at Huasna Road and Corbett Canyon Road	Install Traffic Signal or Roundabout	100%	400,000	-	-	400,000
4	Intersection Improvements	East Grand Avenue	El Camino Real	Intersection Improvement	100%	200,000	-	-	200,000
10	Intersection Improvements	Elm Street	at Farroll Avenue	Install Traffic Signal, Roundabout, or orther intersection improvement	100%	400,000	-	-	400,000
11a	Roundabout	Halcyon Road	Fair Oaks Avenue	Install a single-lane roundabout	50%	2,420,000	1,210,000	-	1,210,000
12a	Planning and Design	Fair Oaks Avenue	Valley Road to Traffic Way	Roundabout at Fair Oaks/SB 101 Ramp/Orchard Way; Road Diet 4 lanes to 3) to Enhance Multi Modal Safety	10%	666,400	281,200	318,200	66,640
12b	Right of Way	Fair Oaks Avenue	Valley Road to Traffic Way	Roundabout at Fair Oaks/SB 101 Ramp/Orchard Way; Road Diet 4 lanes to 3) to Enhance Multi Modal Safety	10%	144,000	130,000	-	14,000
12c	Construction	Fair Oaks Avenue	Valley Road to Traffic Way	Roundabout at Fair Oaks/SB 101 Ramp/Orchard Way; Road Diet 4 lanes to 3) to Enhance Multi Modal Safety	10%	3,790,000	3,411,000	-	379,000
13	Corridor Enhancement	El Camino Real	Oak Park Blvd to Brisco Rd	Widen to 3 Lanes	100%	300,000	-	-	300,000
14a	Corridor Enhancement	East Grand Avenue	at US 101 NB Ramps	Raised Median and Roundabout at US 101 NB Ramps	54%	5,380,000	2,381,000	119,000	2,880,000
14b	Corridor Enhancement	East Branch Street	at Traffic Way	Raised Median and Roundabout at Traffic Way	59%	4,870,000	1,772,000	228,000	2,870,000
16a	PID	Fair Oaks Avenue/South Traffic Way	Valley Road to South Traffic Way	Project Initiation for new interchange with US 101 in vicinity of existing Traffic Way ramps.	100%	1,006,000	-	-	1,006,000
16b	PA/ED	Fair Oaks Avenue/South Traffic Way	Valley Road to South Traffic Way	Planning and environmental for new interchange with US 101 in vicinity of existing Traffic Way ramps.	50%	2,127,600	1,063,600	-	1,063,800
23	Plan	Future update of the Circulation Element			100%	200,000	-	-	200,000
24	Plan	Active Transportation Plan			50%	200,000	-	100,000	100,000
25	Plan	Future Updates Local Roadway Safety Plan			100%	200,000	-	-	200,000
Total						$ 22,554,000	$10,248,800	$ 765,200	$ 11,539,440

Source: Draft Arroyo Grande Circulation Study, 2021.

Fee per Trip Demand Unit

Every impact fee consists of a dollar amount, representing the value of facilities, divided by a measure of demand. In this case, all fees are first calculated as a cost per trip demand unit. Then these amounts are translated into housing unit (cost per unit) and employment space (cost per 1,000 square feet or room) fees by multiplying the cost per trip by the trip generation rate for each land use category. These amounts become the fee schedule.

Table 8.4 displays the calculation of the cost the cost per trip demand unit. The project costs allocated to new development are divided by the increase in trip demand from 2023 to 2050 from Table 8.2 to determine the cost per trip attributable to new development. This figure drives the fee calculation.

Table 8.4: Cost per Trip to Accommodate Growth

Costs Allocated to New Development	$	11,539,440
Growth in Trip Demand (2023 to 2050)		2,850
Cost per Trip	$	4,049

Sources: Tables 8.2 and 8.3.

Fee Schedule

Table 8.5 shows the maximum justified transportation facilities fee schedule. The City can adopt any fee up to these amounts. The maximum justified fees are based on the cost per trip identified in. Table 8.4. The cost per trip is multiplied by the trip demand factors in Table 8.1 to determine a fee per unit of new development. The fee per dwelling unit is converted into a fee per square foot by dividing the fee per dwelling unit by the assumed average square footage of a dwelling unit.

The total fee includes a two percent (2.0%) administrative charge to fund costs that include: a standard overhead charge applied to City programs for legal, accounting, and other departmental and administrative support, and fee program administrative costs including revenue collection, revenue and cost accounting and mandated public reporting.

In Willdan's experience with impact fee programs, two percent of the base fee adequately covers the cost of fee program administration. The administrative charge should be reviewed and adjusted during comprehensive impact fee updates to ensure that revenue generated from the charge sufficiently covers, but does not exceed, the administrative costs associated with the fee program.

Table 8.5: Maximum Justified Transportation Facilities Impact Fee Schedule

Land Use	A Cost Per Trip	B Trip Demand Factor	C = A x B Base Fee[1]	D = C x 0.02 Admin Charge[1, 2]	E = C + D Total Fee[1]	E / 1,000 Fee per Sq. Ft.
Residential Dwelling Unit[4]	$ 4,049	0.99	$ 4,009	$ 80	$ 4,089	$ 1.37
Nonresidential - per 1,000 Sq. Ft.						
Commercial	$ 4,049	1.68	$ 6,802	$ 136	$ 6,938	$ 6.94
Office	4,049	1.76	7,126	143	7,269	7.27

[1] Fee per average sized dwelling unit or per 1,000 square feet of nonresidential.

[2] Administrative charge of 2.0 percent for (1) legal, accounting, and other administrative support and (2) impact fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, and fee justification analyses.

[3] Assumes an average of 2,974 square feet per dwelling unit in Arroyo Grande, based on an analysis of recent building permits.

[4] Average trip demand factor per residential dwelling unit weighted by projected single family and multifamily development.

Sources: Tables 8.1 and 8.4.

9. Storm Drain Facilities

This chapter summarizes an analysis of the need for storm drain facilities to accommodate growth within Arroyo Grande. This projects and associated costs in this chapter were identified it the City's CIP from the FY2023-25 Biennial Budget. This chapter documents a reasonable relationship between new development and an impact to fund storm drain facilities that serve new development.

Storm Drain Demand

Most new development generates storm water runoff that must be controlled through storm drain facilities by increasing the amount of land that is impervious to precipitation. **Table 9.1** shows the calculation of equivalent dwelling unit (EDU) demand factors based on impervious surface coefficient by land use category. The impervious surface coefficients are based data from the California Environmental Protection Agency. EDU factors relate demand for storm drain facilities in terms of the demand created by a single-family dwelling unit.

Table 9.1: Storm Drain Facilities Equivalent Dwelling Units

Land Use Type	*A* DU, 1,000 Sq. Ft. or per acre[1]	*B* Average Percent Impervious per Acre[2]	*C = (43,560 / A) x B* Impervious Square feet per DU or 1,000 Sq. Ft.	*D = C / Single Family* Equivalent Dwelling Unit (EDU)[3]
Residential Dwelling Unit				
Single Family	4.50	70%	6,776	1.00
Multifamily	14.00	81%	2,520	0.37
Nonresidential - per 1,000 Sq. Ft.				
Commercial	43.56	86%	860	0.13
Office	43.56	85%	850	0.13

[1] Dwelling units for residential and thousand building square feet for non-residential. Nonresidential densities are based on floor-area-ratios of 1.0 for commercial, 1.0 for office and institutional, and 0.45 for industrial.
[2] Based on California Environmental Protection Agency data.
[3] EDUs per dwelling unit for residential development and per thousand square feet for nonresidential development.

Sources: User's Guide for the California Impervious Surface Coefficients, Office of Environmental Health Hazard Assessment California Environmental Protection Agency; Willdan Financial Services.

EDU Generation by New Development

Table 9.2 shows the estimated EDU generation from new development through 2050. New development will generate 1,010 new EDUs, representing 12.3% percent of total storm drain demand in 2050.

Table 9.2: Storm Drain Facilities Equivalent Dwelling Units

Land Use	EDU Factor	2023 Units / 1,000 SF	2023 EDUs	Growth 2023 to 2050 Units / 1,000 SF	Growth 2023 to 2050 EDUs	Total - 2050 Units / 1,000 SF	Total - 2050 EDUs
Residential - per Dwelling Unit							
Single Family	1.00	6,233	6,233	783	783	7,016	7,016
Multifamily	0.37	1,853	686	233	86	2,086	772
Subtotal		8,086	6,919	1,016	869	9,102	7,788
Nonresidential - per 1,000 Sq. Ft.							
Commercial	0.13	1,743	227	841	109	2,584	336
Office	0.13	504	65	243	32	747	97
Subtotal		2,247	292	1,084	141	3,331	433
Total			7,211		1,010		8,221
			87.7%		12.3%		100%

Sources: Tables 2.1 and 9.1.

Planned Facilities

Table 9.3 identifies the planned storm drain facilities to be funded by the fee. The new storm drain facilities were identified in the City's FY2023-25 Biennial Budget, and by City staff. Projects that are needed to serve both existing and new development are allocated to the impact fee based on new development's share of EDUs in 2050 (12.3%), identified in Table 9.2.

Table 9.3: Storm Drain Projects and Allocation to New Development

Description	Total Cost (2023)	Allocation to New Development	Cost Allocated to New Development
Corrugated Metal Pipe (CMP) Investigation and Repair	$ 400,000	12.3%	$ 49,200
Trash Capture Devices	214,000	12.3%	26,322
Halcyon Road Storm Drain	170,000	12.3%	20,910
Total	$ 784,000		$ 96,432

Sources: City of Arroyo Grande FY 2023-25 Biennial Budget; Table 9.2, Willdan Financial Servces.

Cost per Equivalent Dwelling Unit

This chapter uses the planned facilities approach to calculate the storm drain facilities cost standard. The cost of planned facilities allocated to new development is divided by the growth in EDUs to determine a cost standard per EDU. **Table 9.4** shows the facility cost standard for storm drain facilities.

Table 9.4: Cost per Equivalent Dwelling Unit

Cost Allocated to New Development	$	96,432
Growth in EDUs (2023 to 2050)		1,010
Cost per EDU	$	95

Sources: Tables 9.2 and 9.3.

Fee Schedule

The maximum justified fee for storm drain facilities is shown in **Table 9.5**. The City can adopt any fee up to this amount. The cost per EDU from Table 9.4 is converted to a fee per unit of new development based on the EDU factors shown in Table 9.1. The fee per dwelling unit is converted into a fee per square foot by dividing the fee per dwelling unit by the assumed average square footage of a dwelling unit.

The total fee includes a two percent (2.0%) administrative charge to fund costs that include: a standard overhead charge applied to City programs for legal, accounting, and other departmental and administrative support, and fee program administrative costs including revenue collection, revenue and cost accounting and mandated public reporting.

In Willdan's experience with impact fee programs, two percent of the base fee adequately covers the cost of fee program administration. The administrative charge should be reviewed and adjusted during comprehensive impact fee updates to ensure that revenue generated from the charge sufficiently covers, but does not exceed, the administrative costs associated with the fee program.

Table 9.5: Storm Drain Facilities Impact Fee Schedule

	A Cost Per EDU	*B* EDU Factor	*C = A x B* Base Fee[1]	*D = C x 0.02* Admin Charge[1, 2]	*E = C + D* Total Fee[1]	*E / Average* Fee per Sq. Ft.[3]
Residential Dwelling Unit[4]	$ 95	0.86	$ 82	$ 2	$ 84	$ 0.03
Nonresidential - per 1,000 Sq. Ft.						
Commercial	$ 95	0.13	$ 12	$ -	$ 12	$ 0.01
Office	95	0.13	12	-	12	0.01

[1] Fee per dwelling unit or per 1,000 square feet of nonresidential building space.

[2] Administrative charge of 2.0 percent for (1) legal, accounting, and other administrative support and (2) impact fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, and fee justification analyses.

[3] Assumes an average of 2,974 square feet per dwelling unit in Arroyo Grande, based on an analysis of recent building permits.

[4] Average EDU factor per residential dwelling unit weighted by projected single family and multifamily development.

Sources: Tables 9.1 and 9.4.

10. Wastewater Facilities

This chapter details an analysis of the need for wastewater facilities to accommodate growth within the City of Arroyo Grande. This projects and associated costs in this chapter were identified it the City's Wastewater System Master Plan, 2012. It documents a reasonable relationship between new development and an impact fee to fund wastewater facilities that serve new development.

Wastewater Demand

Estimates of new development and its consequent increased wastewater demand provide the basis for calculating the wastewater facilities fee. The need for wastewater facilities improvements is based on the wastewater demand placed on the system by development. A typical measure of demand is a flow generation rate, expressed as the number of gallons per day generated by a specific type of land use. Flow generation rates are a reasonable measure of demand on the City's system of wastewater improvements because they represent the average rate of demand that will be placed on the system per land use designation.

Table 10.1 shows the calculation of equivalent dwelling unit (EDU) demand factors based on flow generation by land use category. The water flow generation estimates used in Chapter 7 are multiplied by a return flow rate of 51% based on City data to estimate the amount of wastewater flow, by land use. EDU factors express water flow from each land use in terms of the flow generated by a single family dwelling unit.

Table 10.1: Wastewater Demand by Land Use

Land Use Type	Average Water Flow Generation per DU or 1,000 Sq. Ft.[1]	Return Flow Rate[2]	Average Sewer Flow Generation per DU or 1,000 Sq. Ft.[3]	Equivalent Dwelling Unit (EDU)
Residential Dwelling Unit				
Single Family	178.00	51%	90.78	1.00
Multifamily	148.00	51%	75.48	0.83
Nonresidential - per 1,000 Sq. Ft.				
Commercial	25.30	51%	12.90	0.14
Office	28.54	51%	14.56	0.16

[1] See Table 7.1.
[2] Share of water flow generated that is returned in sewer.
[3] Sewer flow generation is equal to water flow generation multiplied by return flow rate.

Sources: City of Arroyo Grande; Table 7.1, Willdan Financial Services.

EDU Generation by New Development

Table 10.2 shows the estimated EDU generation from new development through 2050. The EDU factors from Table 10.1 are multiplied by the land use assumptions from Table 2.1 to estimate total EDUs in the base year, at the planning horizon and for new development. New development will generate 1,132 new EDUs through 2050, comprising 12.3% of wastewater demand in the City at that time.

Table 10.2: Wastewater Facilities Equivalent Dwelling Units

Land Use	EDU Factor	2023 Units / 1,000 SF	2023 EDUs	Growth 2023 to 2050 Units / 1,000 SF	Growth 2023 to 2050 EDUs	Total - 2050 Units / 1,000 SF	Total - 2050 EDUs
Residential - per Dwelling Unit							
Single Family	1.00	6,233	6,233	783	783	7,016	7,016
Multifamily	0.83	1,853	1,538	233	193	2,086	1,731
Subtotal		8,086	7,771	1,016	976	9,102	8,747
Nonresidential - per 1,000 Sq. Ft.							
Commercial	0.14	1,743	244	841	118	2,584	362
Office	0.16	504	81	243	38	747	119
Subtotal		2,247	325	1,084	156	3,331	481
Total			8,096		1,132		9,228
			87.7%		12.3%		100%

Sources: Tables 2.1 and 10.1.

Facility Needs and Costs

Table 10.3 identifies the planned water facilities to be funded by the fee. Project costs from the 2012 Wastewater System Master Plan have been adjusted for inflation into 2023 dollars, using the Engineering News Record's Construction Cost Index (CCI). Those projects that have already been completed, or that do not benefit new development have been excluded from the table. Projects that are needed to serve both existing and new development are allocated to the impact fee based on the increase in capacity associated with each improvement. Projects that are needed solely to serve new development are allocated 100% to new development through this impact fee.

Table 10.3: Wastewater Facilities Allocation to New Development

No.	Description	Size	Total Cost (2012)	Total Cost (2023)	Allocation to New Development	Cost Allocated to New Development
A-2	Trenchless Sewer Rehabilitation[1]	N/A	$ 719,900	$ 1,044,935	49.2%	$ 514,108
B-2	Huasna Road Sewer Upgrade	N/A	585,000	849,128	100.0%	849,128
B-3	Backyard Sewer Replacement[1]	650-LF	945,500	1,372,394	49.2%	675,218
Total			$ 2,250,400	$ 3,266,458		$ 2,038,454

[1] Upgrading clay sewers to smooth wall pipe will increase capacity by 197% at a 1% slope.

Sources: City of Arroyo Grande Wastewater System Master Plan, 2013; Engineering News Record's Construction Cost Index (CCI); Table 10.2, Willdan Financial Services.

Cost per EDU

The cost of planned facilities allocated to new development in Table 10.3 is divided by the total growth in EDUs to determine a cost per EDU. **Table 10.4** displays this calculation.

Table 10.4: Cost per EDU

Cost Allocated to New Development	$ 2,038,454
Growth in EDUs (2023 to 2050)	1,132
Cost per EDU	$ 1,801

Sources: Tables 10.2 and 10.3.

Fee Schedule

The maximum justified fee for wastewater facilities is shown in **Table 10.5.** The cost per EDU is converted to a fee per unit of new development based on the EDU factors shown in Table 10.1. The fee per dwelling unit is converted into a fee per square foot by dividing the fee per dwelling unit by the assumed average square footage of a dwelling unit.

The total fee includes a two percent (2.0%) administrative charge to fund costs that include: a standard overhead charge applied to City programs for legal, accounting, and other departmental and administrative support, and fee program administrative costs including revenue collection, revenue and cost accounting and mandated public reporting.

In Willdan's experience with impact fee programs, two percent of the base fee adequately covers the cost of fee program administration. The administrative charge should be reviewed and adjusted during comprehensive impact fee updates to ensure that revenue generated from the charge sufficiently covers, but does not exceed, the administrative costs associated with the fee program.

Table 10.5: Maximum Justified Wastewater Facilities Fee Schedule

	A	*B*	*C = A x B*	*D = C x 0.02*	*E = C + D*	*E / Average*
	Cost Per EDU	**EDU Factor**	**Base Fee[1]**	**Admin Charge[1, 2]**	**Total Fee[1]**	**Fee per Sq. Ft.[3]**
Residential Dwelling Unit[4]	$ 1,801	0.96	$ 1,729	$ 35	$ 1,764	$ 0.59
Nonresidential - per 1,000 Sq. Ft.						
Commercial	$ 1,801	0.14	$ 252	$ 5	$ 257	$ 0.26
Office	1,801	0.16	288	6	294	0.29

[1] Fee per dwelling unit or per 1,000 square feet of nonresidential building space.
[2] Administrative charge of 2.0 percent for (1) legal, accounting, and other administrative support and (2) impact fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, and fee justification analyses.
[3] Assumes an average of 2,974 square feet per dwelling unit in Arroyo Grande, based on an analysis of recent building permits.
[4] Average EDU factor per residential dwelling unit weighted by projected single family and multifamily development.

Sources: Tables 10.1 and 10.4.

11. AB 602 Requirements

On January 1, 2022, new requirements went into effect for California jurisdictions implementing impact fees. Among other changes, AB 602 added Section 66016.5 to, the Government Code, which set guidelines for impact fee nexus studies. Four key requirements from that section which concern the nexus study are reproduced here:

66016.5. (a) (2) When applicable, the nexus study shall identify the existing level of service for each public facility, identify the proposed new level of service, and include an explanation of why the new level of service is appropriate.

66016.5. (a) (4) If a nexus study supports the increase of an existing fee, the local agency shall review the assumptions of the nexus study supporting the original fee and evaluate the amount of fees collected under the original fee.

66016.5. (a) (5) A nexus study adopted after July 1, 2022, shall calculate a fee imposed on a housing development project proportionately to the square footage of proposed units of the development. A local agency that imposes a fee proportionately to the square footage of the proposed units of the development shall be deemed to have used a valid method to establish a reasonable relationship between the fee charged and the burden posed by the development.

66016.5. (a) (6) Large jurisdictions shall adopt a capital improvement plan as a part of the nexus study.

Compliance with AB 602

The following sections describe this study's compliance with the new requirements of AB 602.

66016.5. (a) (2) - Level of Service

1. For fees calculated under the existing standard methodology, the fees are calculated such that new development funds facilities at the existing level of service. These fee categories are: fire protection, police, parks and recreation. The existing level service in terms of the existing facility cost per capita is shown in each corresponding chapter.

2. For fees calculated under the planned facilities methodology, the fees are calculated to ensure that the level of service does not fall to unacceptable levels and are based on Citywide facility master planning documents. The fees calculated under this approach are the water, transportation, storm drain and wastewater facilities impact fees.

66016.5. (a) (4) – Review of Original Fee Assumptions

The original fee schedules and corresponding revenue generated were reviewed by the City and Willdan prior to conducting the nexus study analysis. The planning and cost assumptions from the City's prior Impact Fee Study (2000), were out of date and in need of update. **Table 11.1** summarizes the review of the prior impact fee study's assumptions. **Table 11.2** displays annual fee revenue collected, by impact fee fund.

Table 11.1: Review of Prior Fee Study Assumptions

	2000 Study	2024 Study
Planning Horizon	Buildout	2050
Population at Planning Horizon	18,231	20,449
Projected Fee Revenue		
Traffic Signals and Street Improvements	$7,431,919	$15,359,440
Fire Protection	494,699	1,231,623
Parks	888,014	8,837,000
Community/Recreation Centers	51,142	574,308
Police Facilities	351,863	764,526

Sources: City of Arroyo Grande, Impact Fee Study, 2000; Willdan Financial Services.

Table 11.2: Annual Collected Impact Fee Revenue

	FY 13-14 Actual	FY 14-15 Actual	FY 15-16 Actual	FY 16-17 Actual	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Actual	FY 21-22 Actual	FY 22-23 Actual	Annual Average
Traffic Signal Assessments	$ 26,976	$ 23,338	$117,309	$130,872	$ 47,232	$ 28,799	$ 90,770	$ 57,348	$ 7,888	$ 26,396	$ 55,693
Transportation Impact Fees	76,857	74,358	188,488	366,924	133,226	72,178	248,720	151,834	23,657	70,925	140,717
Drainage Fees	-	-	-	-	-	-	-	-	-	-	-
Water Neutralization Fee	37,207	85,497	17,777	185,779	84,671	91,014	58,019	21,214	17,964	43,783	64,292
Fire Protection Facilities	28,404	31,542	14,298	121,797	27,801	50,550	99,473	21,430	17,767	24,340	43,740
Police Facilities	3,900	7,448	8,927	10,280	7,170	4,729	12,275	7,249	1,616	3,731	6,732
Community Center	2,036	4,858	859	8,686	1,859	4,488	7,188	1,364	1,601	1,741	3,468
Park Improvement	34,936	83,790	14,693	148,754	31,837	77,076	124,003	23,557	27,723	30,294	59,666

Source: City of Arroyo Grande.

66016.5. (a) (5) – Residential Fees per Square Foot

Impact fees for residential land uses are calculated per square foot for all fee categories except for water facilities and comply with AB 602. Water facilities fees are calculated based on the water meter size, which scales based on the capacity accommodated by different sized meters. Thus the water facilities fees are proportionate to the burden placed on the water system by new development.

66016.5. (a) (6) – Capital Improvement Plan

A description of the planned facilities that the City expects to fund with impact fee revenue is included in each chapter in this report. Adoption of this nexus study would approve the planned facilities identified herein as the Capital Improvement Plan for this nexus study.

12. Implementation

Impact Fee Program Adoption Process

Impact fee program adoption procedures are found in the *California Government Code* section 66016. Adoption of an impact fee program requires the City Council to follow certain procedures including holding a public hearing. Data, such as an impact fee report, must be made available at least 10 days prior to the public hearing. The City's legal counsel should be consulted for any other procedural requirements as well as advice regarding adoption of an enabling ordinance and/or a resolution. After adoption there is a mandatory 60-day waiting period before the fees go into effect.

Inflation Adjustment

The City can keep its impact fee program up to date by periodically adjusting the fees for inflation. Such adjustments should be completed regularly to ensure that new development will fully fund its share of needed facilities. We recommend that the California Construction Cost Index (https://www.dgs.ca.gov/RESD/Resources/Page-Content/Real-Estate-Services-Division-Resources-List-Folder/DGS-California-Construction-Cost-Index-CCCI) be used for adjusting fees for inflation. The California Construction Cost Index is based on data from the Engineering News Record and is aggregated and made available for free by the State of California.

The fee amounts can be adjusted based on the change in the index compared to the index in the base year of this study (2023).

While fee updates using inflation indices are appropriate for periodic updates to ensure that fee revenues keep up with increases in the costs of public facilities, the City will also need to conduct more extensive updates of the fee documentation and calculation (such as this study) when significant new data on growth forecasts and/or facility plans become available. Note that decreases in index value will result in decreases to fee amounts.

Reporting Requirements

The City will comply with the annual and five-year reporting requirements of the *Mitigation Fee Act*. For facilities to be funded by a combination of public fees and other revenues, identification of the source and amount of these non-fee revenues is essential. Identification of the timing of receipt of other revenues to fund the facilities is also important.

There is no time limit by which impact fee revenue must be spent. However, if the City is accruing impact fee revenue to fund new development's share of a project, then it must make certain findings with respect to unexpended impact fee fund balances after five years. Among other requirements, the five-year report requires the City to "Identify all sources and amounts of funding anticipated to complete financing in incomplete improvements," and to "Designate the approximate dates on which supplemental funding is expected to be deposited into the appropriate account or fund."[2]

On October 13, 2023 AB 516 was signed into law by the Governor of California, and will go into effect on January 1, 2024. This the bill requires local agencies to:

[2] *California Government Code* § 66001(d).

- Include information on projects noted in prior reports and whether construction began on the approximate date noted in the previous report.
- Explain the reason for any delay in the start of the project and provide a new approximate date construction will begin.
- Identify the number of people or entities that receive refunds of Mitigation Fee Act fees.

The bill also requires local agencies to inform people paying mitigation fees that they:

- Can request an audit to determine if the fees charged by a local agency are more than the amount of money needed to cover the cost of the public improvements.
- Can receive information by mail about when the local agency will meet to review its annual Mitigation Fee Act report.
- Can access and review mitigation fee information on the local agency's website, and how to do so.

Table 12.1 summarizes the annual and five-year reporting requirements identified in the *Mitigation Fee Act*.

Table 12.1: Annual and Five-Year Reporting Requirements

CA Gov't Code Section	Timing	Reporting Requirements[1]	Recommended Fee Adjustment
66001.(d)	The fifth fiscal year following the first deposit into the account or fund, and every five years thereafter	(A) Identify the purpose to which the fee is to be put. (B) Demonstrate a reasonable relationship between the fee and thepurpose for which it is charged. (C) Identify all sources and amounts of funding anticipated tocomplete financing in incomplete improvements. (D) Designate the approximate dates on which supplemental funding is expected to be deposited into the appropriate account or fund.	Comprehensive Update
66006. (b)	Within 180 days after the last day of each fiscal year	(A) A brief description of the type of fee in the account or fund. (B) The amount of the fee. (C) The beginning and ending balance of the account or fund. (D) The amount of the fees collected and the interest earned. (E) An identification of each public improvement on which fees were expended including share funded by fees. (F) (i) 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 and the public improvement remains incomplete. (ii) An identification of each public improvement identified in a previous report pursuant to clause (i) and whether construction began on the approximate date noted in the previous report. (iii) For a project identified pursuant to clause (ii) for which construction did not commence by the approximate date provided in the previous report, the reason for the delay and a revised approximate date that the local agency will commence construction. (G) A description of any potential interfund transfers. (H) The amount of refunds made (if any).	Inflationary Adjustment

[1] Edited for brevity. Refer to the government code for full description.

Sources: California Government Code §66001 and §66006.

Programming Revenues and Projects with the CIP

The City maintains a Capital Improvement Program (CIP) to plan for future infrastructure needs. The CIP identifies costs and phasing for specific capital projects. The use of the CIP in this manner documents a reasonable relationship between new development and the use of those revenues.

The City may decide to alter the scope of the planned projects or to substitute new projects if those new projects continue to represent an expansion of the City's facilities and provide benefit to new development. If the total cost of facilities varies from the total cost used as a basis for the fees, the City should consider revising the fees accordingly.

13. Mitigation Fee Act Findings

Public facilities fees are one-time fees typically paid when a building permit is issued and imposed on development projects by local agencies responsible for regulating land use (cities and counties). To guide the widespread imposition of public facilities fees the State Legislature adopted the *Mitigation Fee Act* (the *Act*) with Assembly Bill 1600 in 1987 and subsequent amendments. The *Act,* contained in *California Government Code* Sections 66000 through 66025*,* establishes requirements on local agencies for the imposition and administration of fee programs. The *Act* requires local agencies to document five findings when adopting a fee.

The five statutory findings required for adoption of the public facilities fees documented in this report are presented in this chapter and supported in detail by the preceding chapters. All statutory references are to the *Act.*

Purpose of Fee

- *Identify the purpose of the fee (§66001(a)(1) of the Act).*

Development impact fees are designed to ensure that new development will not burden the existing service population with the cost of facilities required to accommodate growth. The purpose of the fees documented by this report is to provide a funding source from new development for capital improvements to serve that development. The fees advance a legitimate City interest by enabling the City to provide public facilities for new development.

Use of Fee Revenues

- *Identify the use to which the fees will be put. If the use is financing facilities, the facilities shall be identified. That identification may, but need not, be made by reference to a capital improvement plan as specified in §65403 or §66002, may be made in applicable general or specific plan requirements, or may be made in other public documents that identify the facilities for which the fees are charged (§66001(a)(2) of the Act).*

Fees documented in this report, if enacted by the City, would be used to fund expanded facilities to serve new development. Facilities funded by these fees are designated to be located within the City's sphere of influence. Fees addressed in this report have been identified by the City to be restricted to funding the following facility categories: fire protection, police, parks, recreation, water, transportation, storm drain and wastewater facilities.

Benefit Relationship

- *Determine the reasonable relationship between the fees' use and the type of development project on which the fees are imposed (§66001(a)(3) of the Act).*

The City will restrict fee revenue to the acquisition of land, construction of facilities, infrastructure and buildings, and purchase of related equipment, furnishings, vehicles, and services used to serve new development. Facilities funded by the fees are expected to provide a citywide network of facilities accessible to the additional residents and workers associated with new development. Under *the Act*, fees are not intended to fund planned facilities needed to correct existing deficiencies. Thus, a reasonable relationship can be shown between the use of fee revenue and the new development residential and non-residential use classifications that will pay the fees.

Burden Relationship

- *Determine the reasonable relationship between the need for the public facilities and the types of development on which the fees are imposed (§66001(a)(4) of the Act).*

Facilities need is based on a facility standard that represents the demand generated by new development for those facilities. For each facility category, demand is measured by a single facility standard that can be applied across land use types to ensure a reasonable relationship to the type of development. For some facility categories service population standards are calculated based upon the number of residents associated with residential development and the number of workers associated with non-residential development. To calculate a single, per capita standard, one worker is weighted differently than one resident based on an analysis of the relative use demand between residential and non-residential development.

The standards used to identify growth needs are also used to determine if planned facilities will partially serve the existing service population by correcting existing deficiencies. This approach ensures that new development will only be responsible for its fair share of planned facilities, and that the fees will not unfairly burden new development with the cost of facilities associated with serving the existing service population.

Chapter 2, Growth Forecasts provides a description of how service population and growth forecasts are calculated. Facility standards are described in the *Facility Standard* sections of each facility category chapter.

Proportionality

- *Determine how there is a reasonable relationship between the fees amount and the cost of the facilities or portion of the facilities attributable to the development on which the fee is imposed (§66001(b) of the Act).*

The reasonable relationship between each facilities fee for a specific new development project and the cost of the facilities attributable to that project is based on the estimated new development growth the project will accommodate. Fees for a specific project are based on the project's size. Larger new development projects can result in a higher service population resulting in higher fee revenue than smaller projects in the same land use classification. Thus, the fees ensure a reasonable relationship between a specific new development project and the cost of the facilities attributable to that project.

See *Chapter 2, Growth Forecasts,* or the *Service Population* sections in each facility category chapter for a description of how service populations or other factors are determined for different types of land uses. See the *Fee Schedule* section of each facility category chapter for a presentation of the maximum justified facilities fees.

Appendix

Appendix Table A.1: Police Vehicle Inventory

Vehicle #	Type	Year	Make	Model	Current Valuation
4602	Police	2017	Ford	Explorer Interceptor	$ 40,000
4604	Private Passenger	2017	Ford	Explorer Interceptor	40,000
PD-	Trailer	2006	Haulm	Carrier	20,000
PD-4621	Motorcycle	2022	BMW	RS	29,985
PD-4649	Police	2021	Ford	Explorer	37,000
4605	Police	2017	Ford	Explorer Interceptor	40,000
4601	Police	2017	Ford	Explorer Interceptor	40,000
4603	Police	2017	Ford	Explorer Interceptor	40,000
4604	Private Passenger	2013	DODGE	CHARGER	26,500
4605	Private Passenger	2013	DODGE	CHARGER	26,500
4606	Police	2017	Ford	Explorer Interceptor	40,000
4607	Police	2017	Ford	Explorer Interceptor	40,000
4608	Police	2017	Ford	Explorer Interceptor	40,000
4609	Police	2017	Ford	Explorer Interceptor	40,000
4613	Light Truck	2016	DODGE	RAM CREW CAB 4X4	23,000
4614	Private Passenger	2016	DODGE	CHARGER	29,700
4615	Private Passenger	2016	DODGE	CHARGER	29,700
4616	Private Passenger	2016	DODGE	CHARGER	29,700
4617	Private Passenger	2016	DODGE	CHARGER	29,700
4618	Private Passenger	2016	DODGE	CHARGER	29,700
4620	Motorcycle	2009	Honda	Motorcycle	22,982
4623	Trailer	1988	SPCNS	FLAT BED TRAILER	1
4625	Private Passenger	1962	FORD	4 DOOR PD CAR	25,000
4626	Private Passenger	2002	CHEVROL	PICK-UP - CSO	27,000
4630	Trailer	2001	PACAM	UTILITY TRAILER (DARE)	2,300
4637	Trailer	2015	PJMFG	Trailer	15,000
PD-4616	Police	2021	Ford	Explorer	37,000
PD-4617	Police	2021	Ford	Explorer	37,000
PD-4620	Motorcycle	2022	BMW	RS	29,985
PD-4614	Police	2021	Ford	Explorer	37,000
PD-4615	Police	2021	Ford	Explorer	37,000
PD-4618	Police	2021	Ford	Explorer	37,000
4619	Private Passenger	2016	DODGE	CHARGER	29,700
4621	Motorcycle	2009	Honda	Motorcycle	22,982
4624	Police	1998	TRAILER	RADAR TRAILER	16,000
4628	Trailer	1993	LCHIH	TRAILER	1
4636	Private Passenger	2006	Chevrolet	Impala	8,768
Total					$1,056,204

Source: City of Arroyo Grande.

Appendix Table A.2: Park Vehicle Inventory

Vehicle #	Type	Year	Make	Model	Current Valuation
P13	Private Passenger	2006	FORD	RANGER	$ 17,334
P-16	Light Truck	1997	FORD	RANGER	18,000
PW-61	Light Truck	2003	FORD	F-150 XL	25,000
PW–7	Medium Truck	2014	FORD	F-550	38,717
P17	Private Passenger	2006	FORD	F250	20,575
P-3	Light Truck	2006	FORD	F250	20,000
P-26	Light Truck	1989	DAIHATSU	HIGH JET	9,540
P-57	Light Truck	2001	FORD	F-150 TRUCK	30,000
PW–14	Light Truck	2013	FORD	F-150	18,566
Total					$ 197,732
Developed Park Acres					52.77
Vehicle Cost per Acre					$ 3,747

Sources: City of Arroyo Grade; Table 5.2, Willdan Financial Services.