

CITY OF MERCED

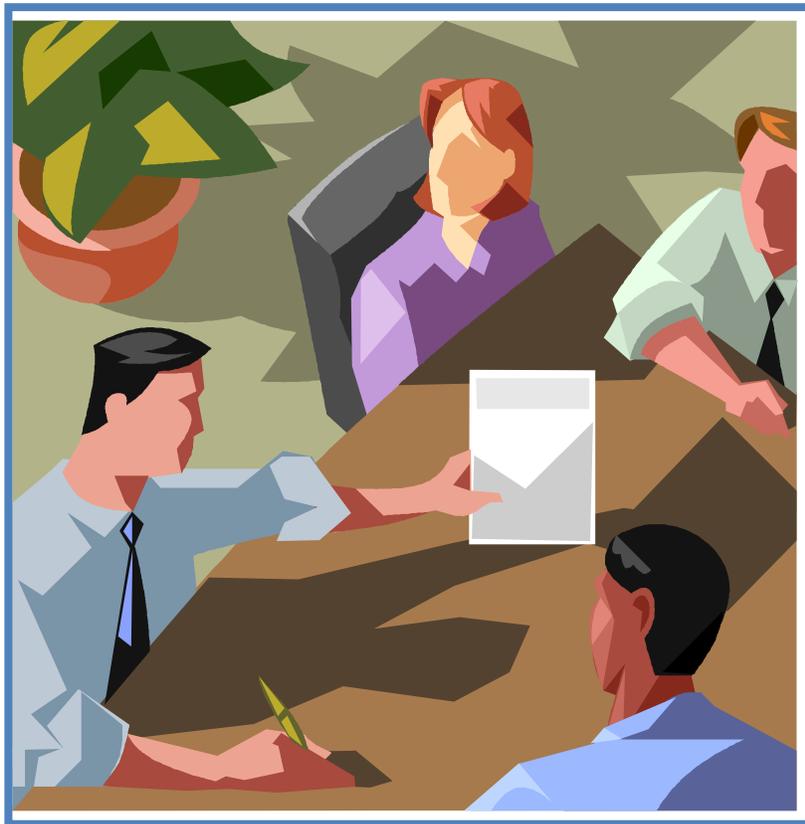


PUBLIC FACILITIES
FINANCING PLAN



Appendix A-1

Task Force Members and Schedule of Meetings



**City of Merced
Public Facilities Impact Fee Task Force Members
(2012)**

Jim Abbate

**Richard
Cervantes**

Ron Ewing

**Loren
Gonella**

**Bruce Logue
(Chair)**

**Elmer
Lorenzi**

Guy Maxwell

**Joe Ramirez
(Vice Chair)**

Mary Ward

**Mike
Murphy**

**Mary-Michal
Rawling**

**Stan
Thurston**

The City of Merced would like to express our thanks to the Task Force Members for their time and hard work they put into this process. Their input was invaluable and the final outcome wouldn't have been the same without them. The final Public Facilities Financing Plan is dedicated to the Task Force.

**City of Merced
Public Facilities Impact Fee Task Force
Calendar of Meetings
(2012)**

MEETING #	MEETING DATE	AGENDA
1	Thursday, June 7, 2012 8:30 a.m.	1) Introductions 2) Election of Chair/Vice Chair 3) Review Existing Fee Program
2	Thursday, June 14, 2012 8:30 a.m.	1) Review Existing Policies 2) Recommendation on Policy Changes 3) Economic Development Process
3	Thursday, June 28, 2012 8:30 a.m.	1) Credit & Deferral Policies 2) Finish Review of Existing Program
4	Thursday, July 12, 2012 8:30 a.m.	1) Review of Infrastructure Project List (Comparison of Current List & Proposed Changes)
5	Thursday, August 9, 2012 8:30 a.m.	1) Current PFIF Fund Balances 2) Cost Estimates for Project List 3) Survey of Development Fees from Other Jurisdictions
6	Thursday, August 23, 2012 8:30 a.m.	1) Continued Discussion on Project List & Fee Survey 2) Proposed Water Fee Change 3) Possible Incentives
7	Thursday, September 6, 2012 8:30 a.m.	1) Recommendation on Draft Fee Proposal 2) Review of Updated Survey with Fee Proposal
8	Thursday, September 20, 2012 8:30 a.m.	1) Review of Sept 17 City Council Study Session 2) Final Meeting Celebration

CITY OF MERCED



Appendix A-2

Project Detail Sheets

The Project Detail Sheets provide detailed information on all of the individual projects included in the Public Facilities Financing Plan (PFFP). The Detail Sheets describe the project, the need for the project, the quality of life or service standard used to estimate future needs, amount and source of estimated project cost, share of project need attributable to existing and new development, potential funding sources, and project phasing. A map indicating project location(s) is included, where appropriate, as well as a photo of the project location or a photo of a similar facility.





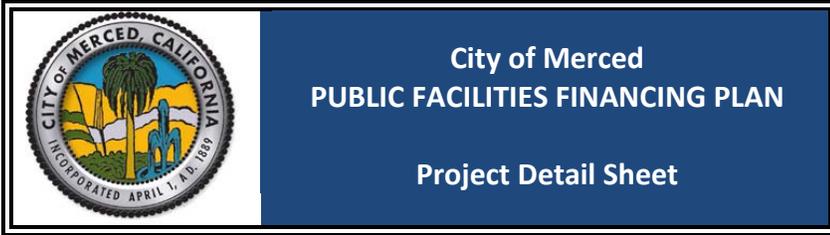
City of Merced
PUBLIC FACILITIES FINANCING PLAN

Project Detail Sheets

TRANSPORTATION: State Highways & Interchanges







PROJECT CATEGORY: Transportation--State Highways and Interchanges

PROJECT: 13th and 14th Streets, One-Way Couplet from "R" to "G"

SERVICE STANDARD: Minimum Level of Service (D)

DESCRIPTION: Continue one-way streets (3 lanes each direction) on 13th (eastbound) and 14th (westbound) Streets from "R" to "G"

NEED: To increase safety and capacity of Highway 99 through the City of Merced

ESTIMATED COST: \$2,529,775

Source: Caltrans (2005)

PORTION RELATED TO:

Existing Development: 0.0%

New Development: 100.0%

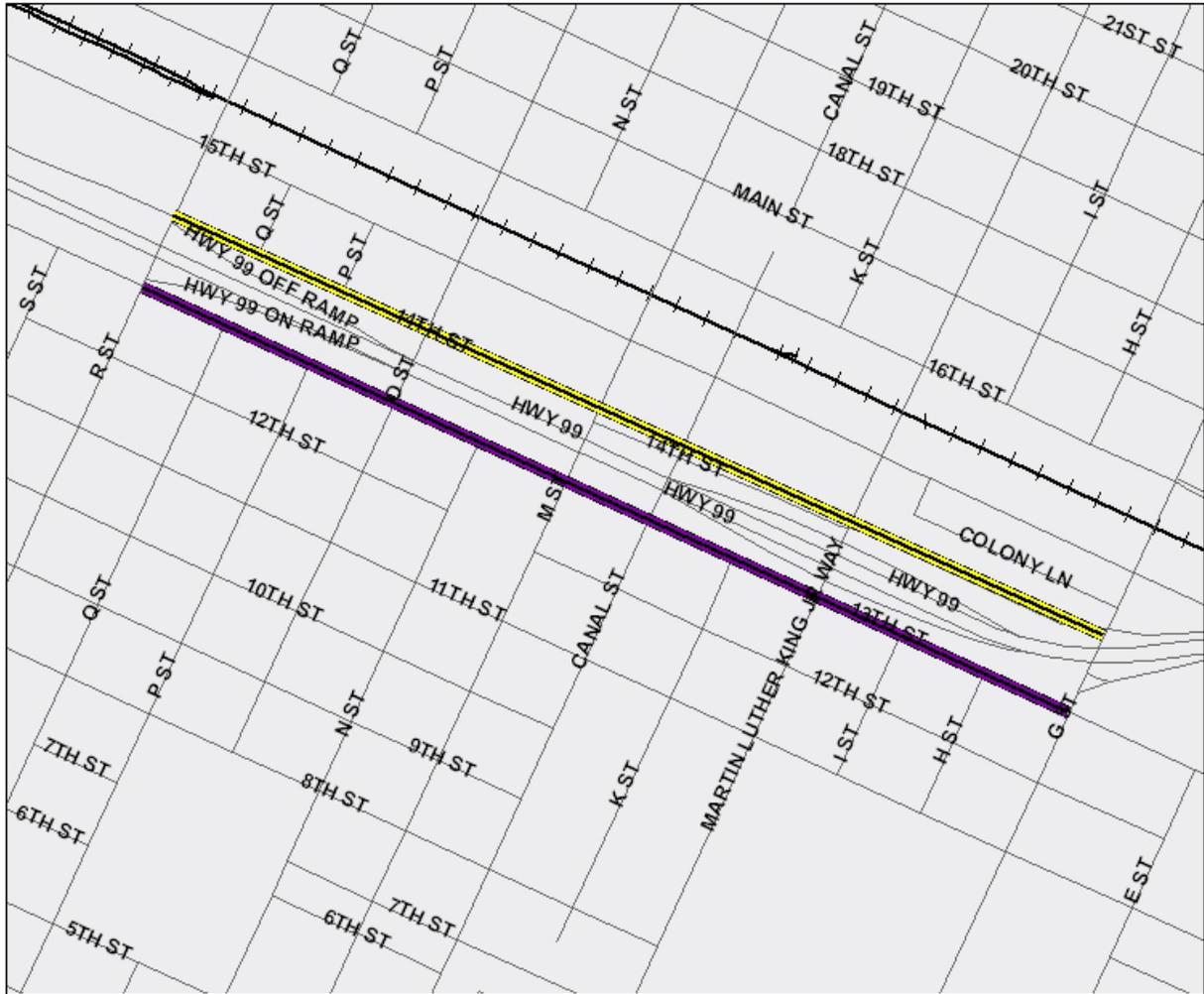
Explanation: Projected PHT (peak hour trips) generated by new development as share of total increase in PHT

POTENTIAL FINANCING SOURCES: Federal and State Grants - (\$2,474,755)
Public Facilities Impact Fees - (\$55,000—Local Match)

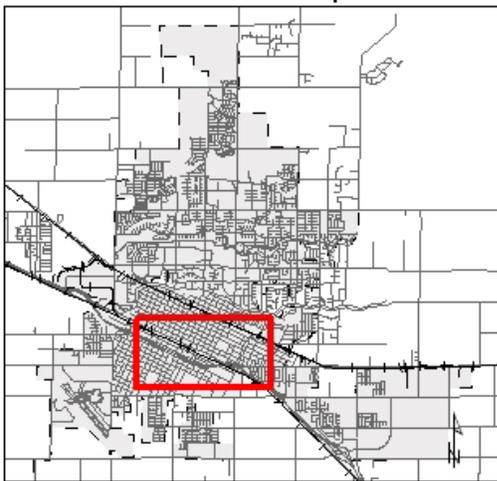
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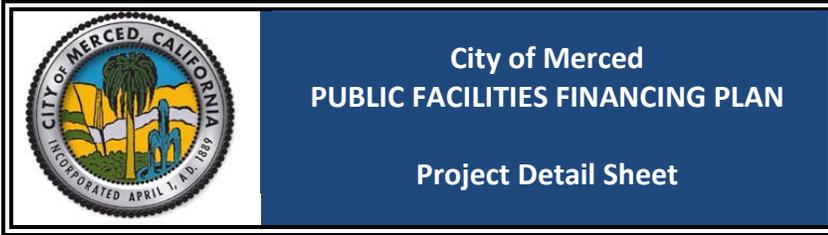
TARGET DATES AND CASH FLOW PHASING:	<u>Project Stage</u>	<u>Costs</u>
Action within 0-5 Years:		
Action within 6-10 Years:		
Action within 11-20 Years:	Design and Construction	\$2,529,775

PROJECT: 13th St (1-way eastbound) & 14th St (1-way westbound)



Location Map





PROJECT CATEGORY: Transportation--State Highways and Interchanges

PROJECT: North Highway 59 Improvements (16th St to Olive Ave)

SERVICE STANDARD: Minimum Level of Service (D)

DESCRIPTION: Widen Existing Highway 59 to 4 lanes with a continuous left-turn lane from 16th St to Olive Ave. (Traffic signal at Highway 59 and Cooper Ave and the realignment of Willowbrook Drive is currently under construction.)

NEED: To provide safe and efficient circulation to northern growth area. Also to provide western access to UC campus. To relieve congestion at Highway 59 and 16th Street/Bear Creek.

ESTIMATED COST: \$40,000,000

Source: Merced County Association of Governments (2012)

PORTION RELATED TO:

Existing Development: 87.5%

New Development: 12.5%

Explanation: Projected Dwelling Unit Equivalents (DUE's) generated by new development as share of total DUE's in 2030.

POTENTIAL FINANCING SOURCES: Regional Transportation Improvement Program (RTIP - \$35,000,00) Public Facilities Impact Fees – (\$5,000,000)

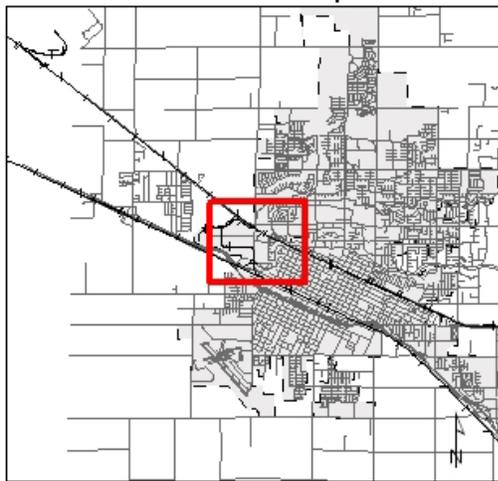
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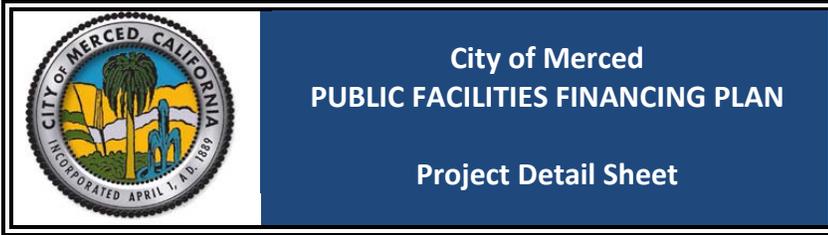
TARGET DATES AND CASH FLOW PHASING:	Project Stage	Costs
Action within 0-5 Years:		
Action within 6-10 Years:	Construction (16 th to Olive)	\$40,000,000
Action within 11-20 Years:		

PROJECT: Hwy 59 Impr-North, 16th St to Olive Ave



Location Map





PROJECT CATEGORY: Transportation--State Highways and Interchanges

PROJECT: North Highway 59 Improvements (Olive to Yosemite Ave)

SERVICE STANDARD: Minimum Level of Service (D)

DESCRIPTION: Widen Existing Highway 59 to 4 lanes from Olive Avenue to Yosemite Ave (1 mile). Includes widening of bridges at Black Rascal Creek.

NEED: To provide safe and efficient circulation to northern growth area. Also to provide western access to UC campus.

ESTIMATED COST: \$4,863,240

Source: Major Arterial @ \$4,863,240 per mile--City Engineering (2012)

PORTION RELATED TO:

Existing Development: 0.0%

New Development: 100.0%

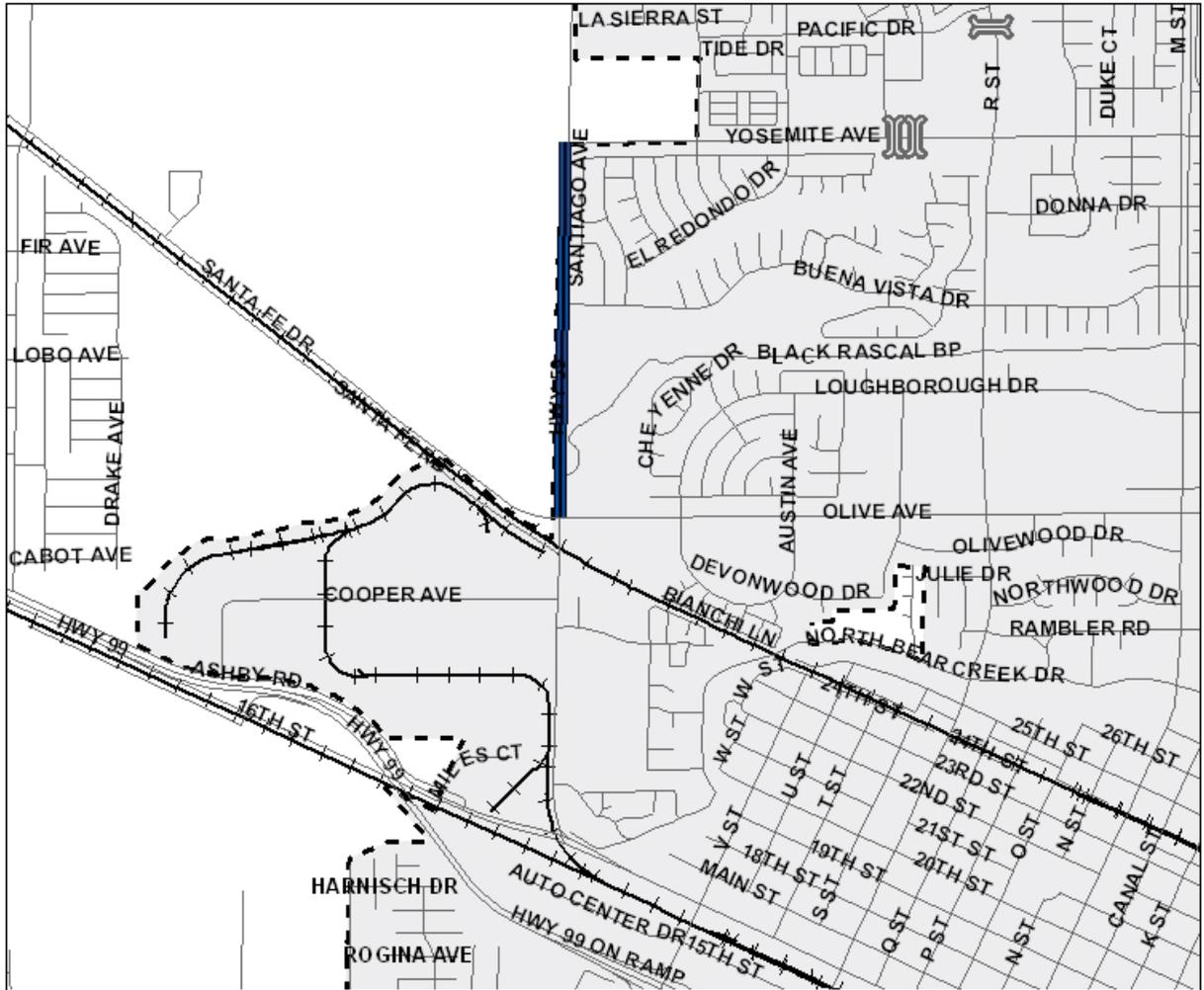
Explanation: Projected PHT (peak hour trips) generated by new development as share of total increase in PHT.

POTENTIAL FINANCING SOURCES: Federal & State Grants (10%) – (\$486,324)
Developer Construction – (\$1,835,873)
Public Facilities Impact Fees – (\$2,541,043)

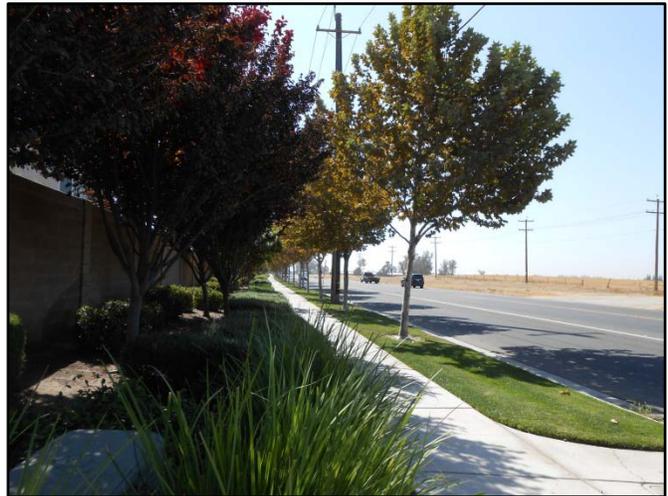
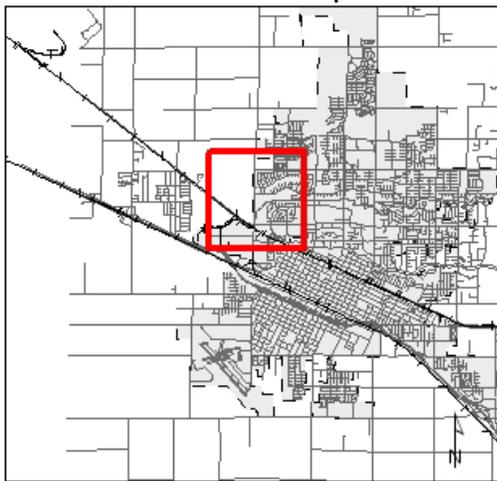
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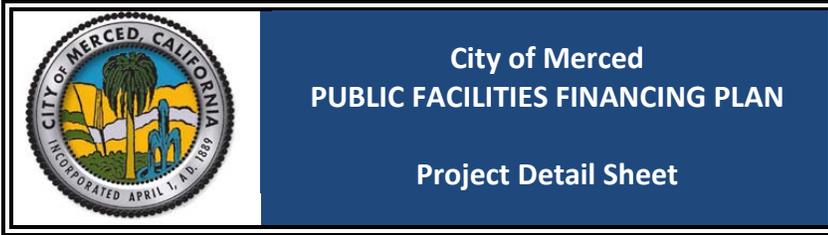
TARGET DATES AND CASH FLOW PHASING:	<u>Project Stage</u>	<u>Costs</u>
Action within 0-5 Years:		
Action within 6-10 Years:		
Action within 11-20 Years:	Construction (Olive to Yosemite)	\$4,863,240

PROJECT: Hwy 59 Impr-North, Olive Ave to Yosemite Ave



Location Map





PROJECT CATEGORY: Transportation--State Highways and Interchanges

PROJECT: **South Highway 59 Improvements (Childs to Mission)**

SERVICE STANDARD: Minimum Level of Service (D)

DESCRIPTION: Widen Existing Highway 59 to 4 lanes with a continuous left-turn lane from Childs Avenue to Mission Avenue, including two traffic signals.

NEED: To provide safe and efficient circulation to southern growth area and other major corridors.

ESTIMATED COST: \$10,000,000

Source: Merced County Association of Governments (2008)

PORTION RELATED TO:

Existing Development: 0.0%

New Development: 100.0%

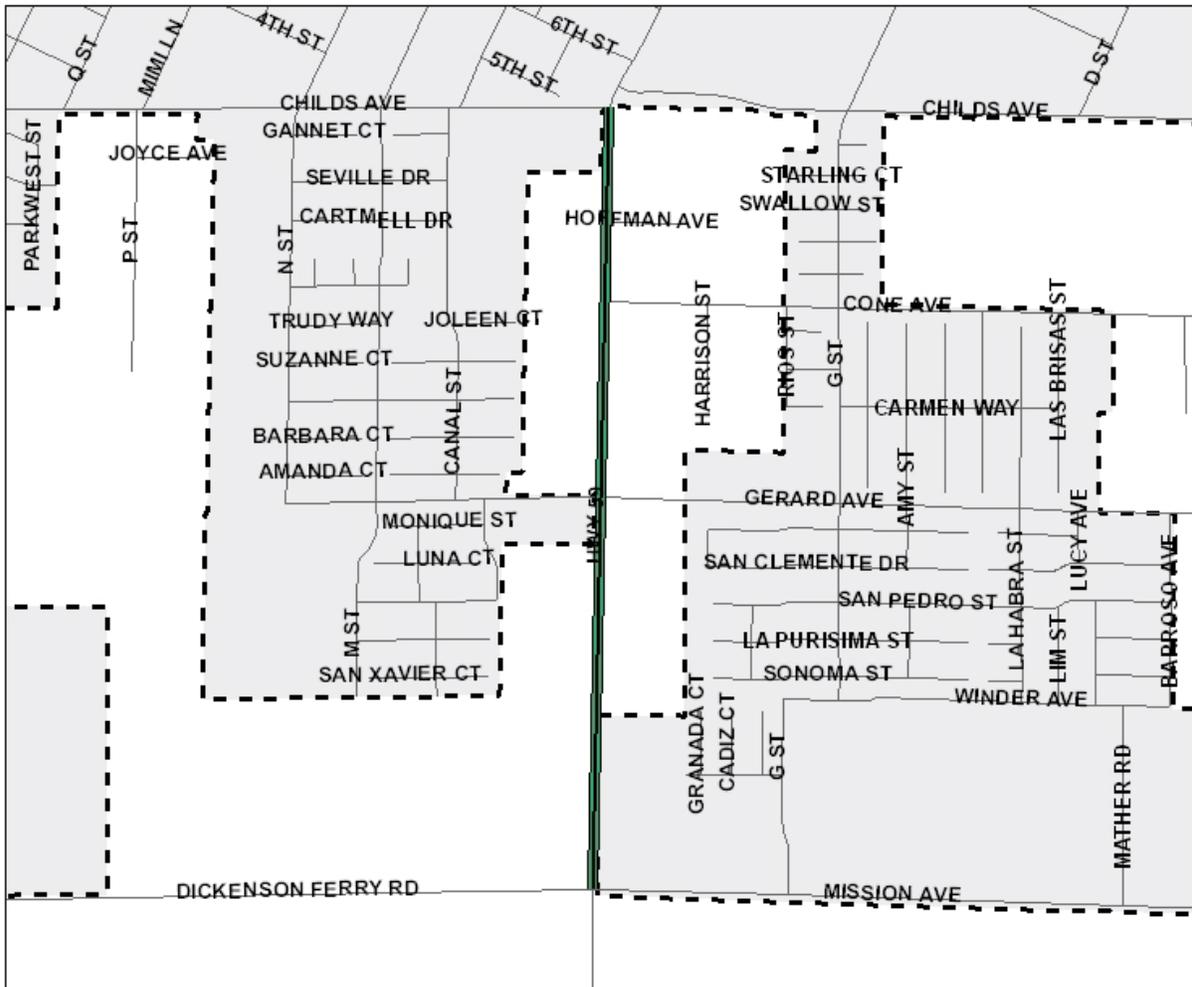
Explanation: Projected Dwelling Unit Equivalents (DUE's) generated by new development as share of total DUE's in 2030.

POTENTIAL FINANCING SOURCES: Regional Transportation Impact Fees (RTIF - \$7,000,000)
Public Facilities Impact Fees (\$1,664,000)
Developer Construction (\$1,336,000)

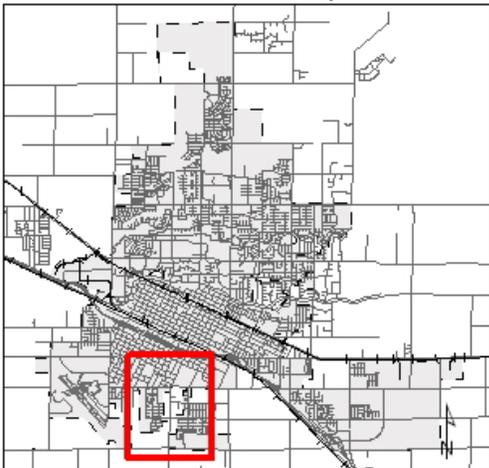
START CRITERIA: Prior to dropping below LOS D in existing system

TARGET DATES AND CASH FLOW PHASING:	<u>Project Stage</u>	<u>Costs</u>
Action within 0-5 Years:		
Action within 6-10 Years:		
Action within 11-20 Years:	Construction (Childs to Mission)	\$10,000,000

PROJECT: Hwy 99 Impr-South, Childs Ave to Mission Ave



Location Map





City of Merced
PUBLIC FACILITIES FINANCING PLAN

Project Detail Sheets

TRANSPORTATION: Major Arterials







MAJOR ARTERIALS

PROJECT CATEGORY: Transportation--Major Arterials

PROJECT: Yosemite Avenue (Highway 59 to R Street)

SERVICE STANDARD: Minimum Level of Service (D)

DESCRIPTION: Major Arterial with 128-foot right-of-way for 1.0 miles from “R” Street to Highway 59 (Already 50% Complete)

NEED: To provide safe, effective, and efficient circulation throughout the City and to maintain an adequate level of service. (Part of the one-mile grid of arterials needed to serve the northern growth area.) Yosemite Avenue is an important east-west connection to UC Merced.

ESTIMATED COST: \$ 2,431,620

Source: \$4,863,240 per mile for Major Arterial --City Engineering (2012)
[Estimate includes right-of-way acquisition, roadway construction, curb and gutter, sidewalks, lighting, signs, pavement markings, landscaping, design/admin, inspection, and contingency.]

PORTION RELATED TO:

Existing Development: 0.0%
New Development: 100.0%

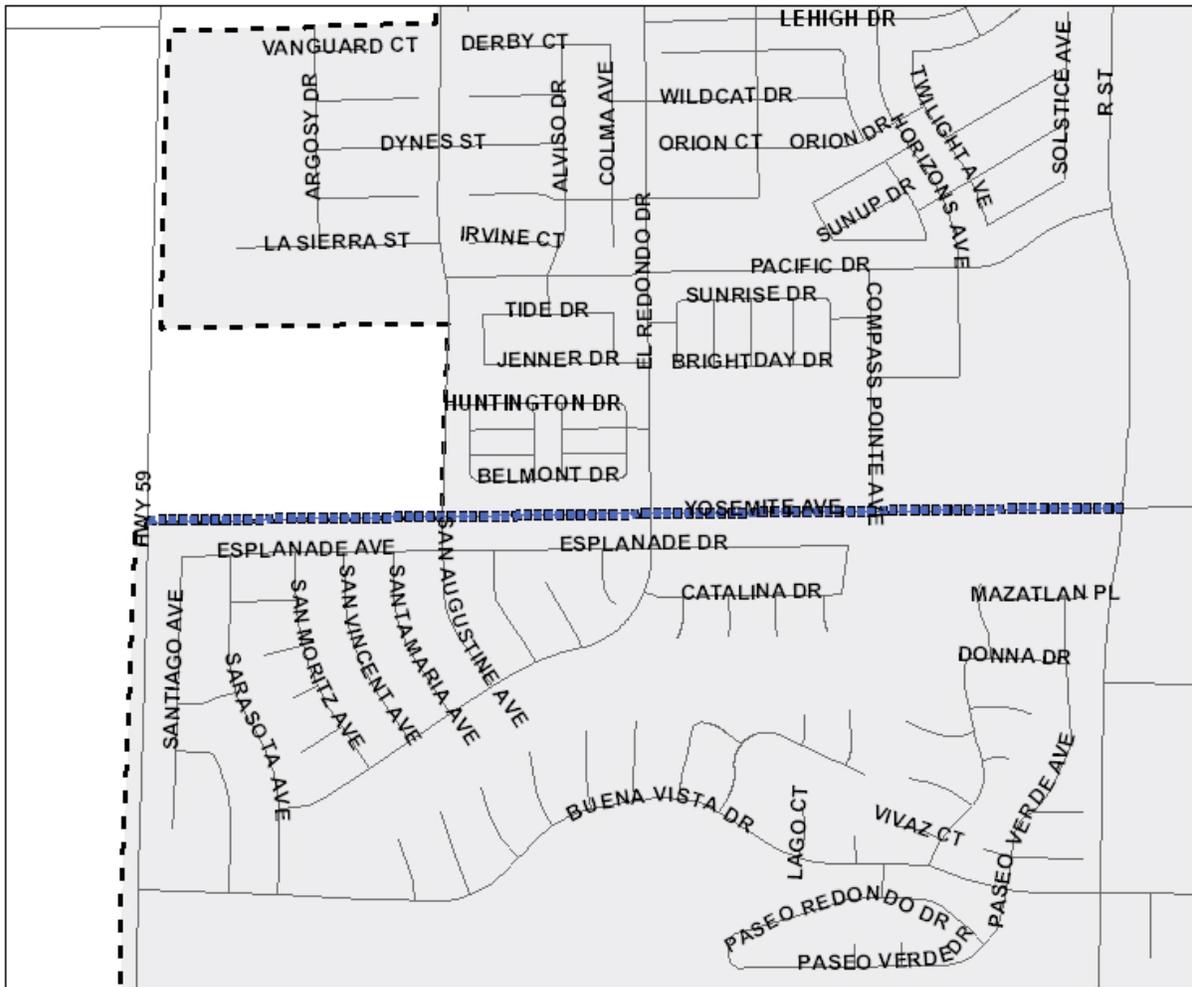
Explanation: Projected PHT (peak hour trips) generated by new development as share of total increase in PHT

POTENTIAL FINANCING SOURCES: Federal & State Grants (10%) -- \$243,162
 Developer Construction -- \$1,364,260
 Public Facilities Impact Fees -- \$824,198

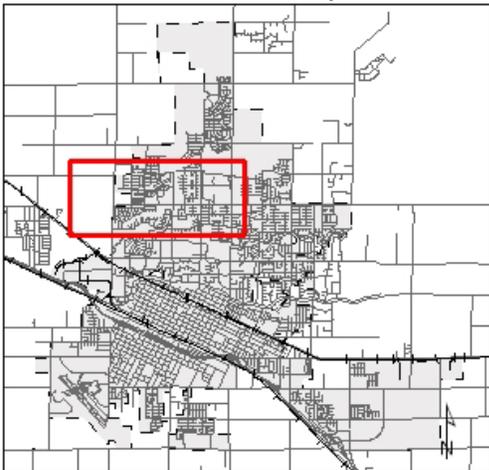
START CRITERIA: Prior to dropping below LOS D

TARGET DATES AND CASH FLOW PHASING:	Project Stage	Costs
Action within 0-5 Years:	R to Hwy 59 (1.0 mile, but already 50% complete)	\$2,431,620
Action within 6-10 Years:		
Action within 11-20 Years:		

PROJECT: Yosemite Ave 1 - R St to Hwy 59



Location Map





PROJECT CATEGORY: Transportation--Major Arterials

PROJECT: Yosemite Avenue (Gardner Road to Campus Parkway)

SERVICE STANDARD: Minimum Level of Service (D)

DESCRIPTION: Completion of Minor Arterial (94-foot ROW) for 1.5 miles from Gardner Rd to Campus Parkway

NEED: To provide safe, effective, and efficient circulation throughout the City and to maintain an adequate level of service. (Part of the one-mile grid of arterials needed to serve the northern growth area.) Yosemite Avenue is an important east-west connection to UC Merced.

ESTIMATED COST: \$ 6,012,840 (Gardner Road to Campus Parkway)

Source: \$4,008,560 per mile for Minor Arterial--City Engineering Division (2012)
 [Estimate includes right-of-way acquisition, roadway construction, curb and gutter, sidewalks, lighting, signs, pavement markings, landscaping, design/admin, inspection, and contingency.]

PORTION RELATED TO:

Existing Development: 0.0%
New Development: 100.0%

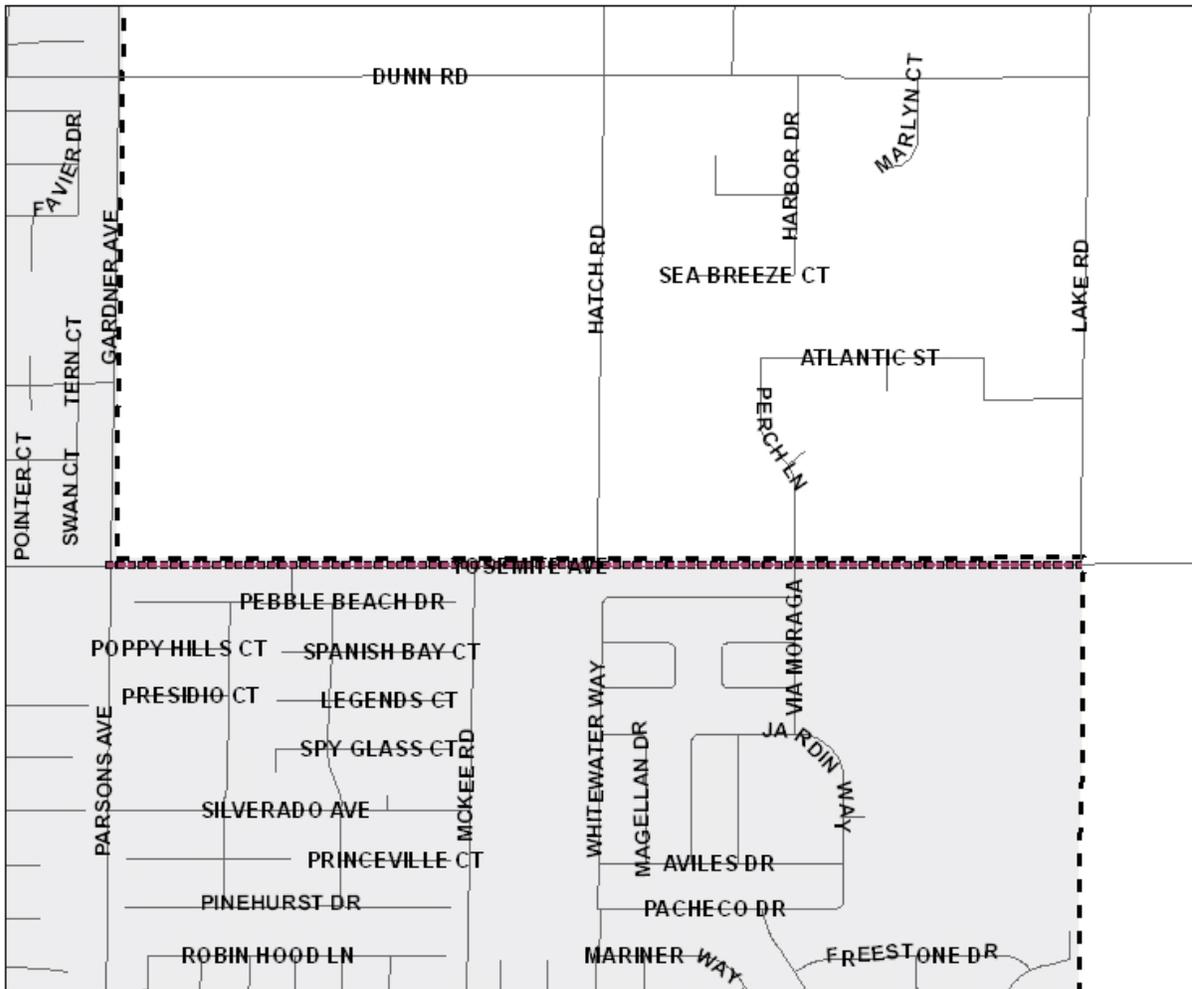
Explanation: Projected PHT (peak hour trips) generated by new development as share of total increase in PHT

POTENTIAL FINANCING SOURCES: Federal & State Grants (10%) -- \$601,284
 Developer Construction -- \$4,092,780
 Public Facilities Impact Fees -- \$1,318,776

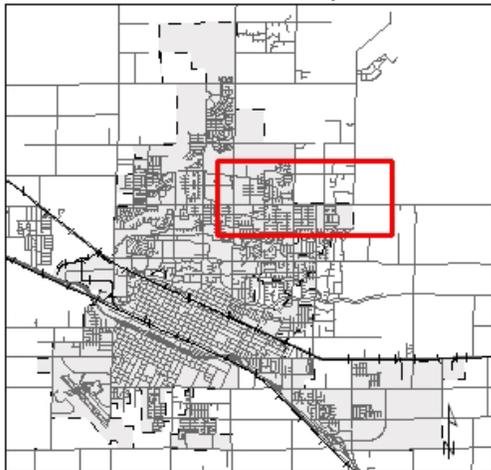
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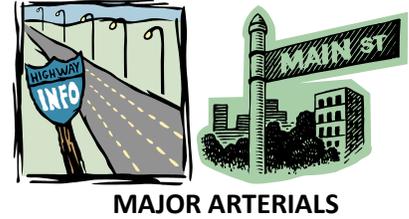
TARGET DATES AND CASH FLOW PHASING:	Project Stage	Costs
Action within 0-5 Years:		
Action within 6-10 Years:	Gardner to Campus Parkway (1.5 miles)	\$6,012,840
Action within 11-20 Years:		

PROJECT: Yosemite Ave 2 - Gardner Ave to (Lake Rd) Campus Pkwy



Location Map





PROJECT CATEGORY: Transportation--Major Arterials

PROJECT: R Street (Yosemite Ave to Cardella Rd)

SERVICE STANDARD: Minimum Level of Service (D)

DESCRIPTION: Major arterial with 128-foot right-of-way for 1.0 mile from Yosemite Ave to Cardella Road

NEED: To provide safe, effective, and efficient circulation throughout the City and to maintain an adequate level of service. (Part of the one-mile grid of arterials needed to serve the northern growth area.)

ESTIMATED COST: \$4,863,240

Source: \$4,863,240 per mile for Major Arterial --City Engineering (2012)
[Estimate includes right-of-way acquisition, roadway construction, curb and gutter, sidewalks, lighting, signs, pavement markings, landscaping, design/administration, inspection, and contingency.]

PORTION RELATED TO:

Existing Development: 0.0%

New Development: 100.0%

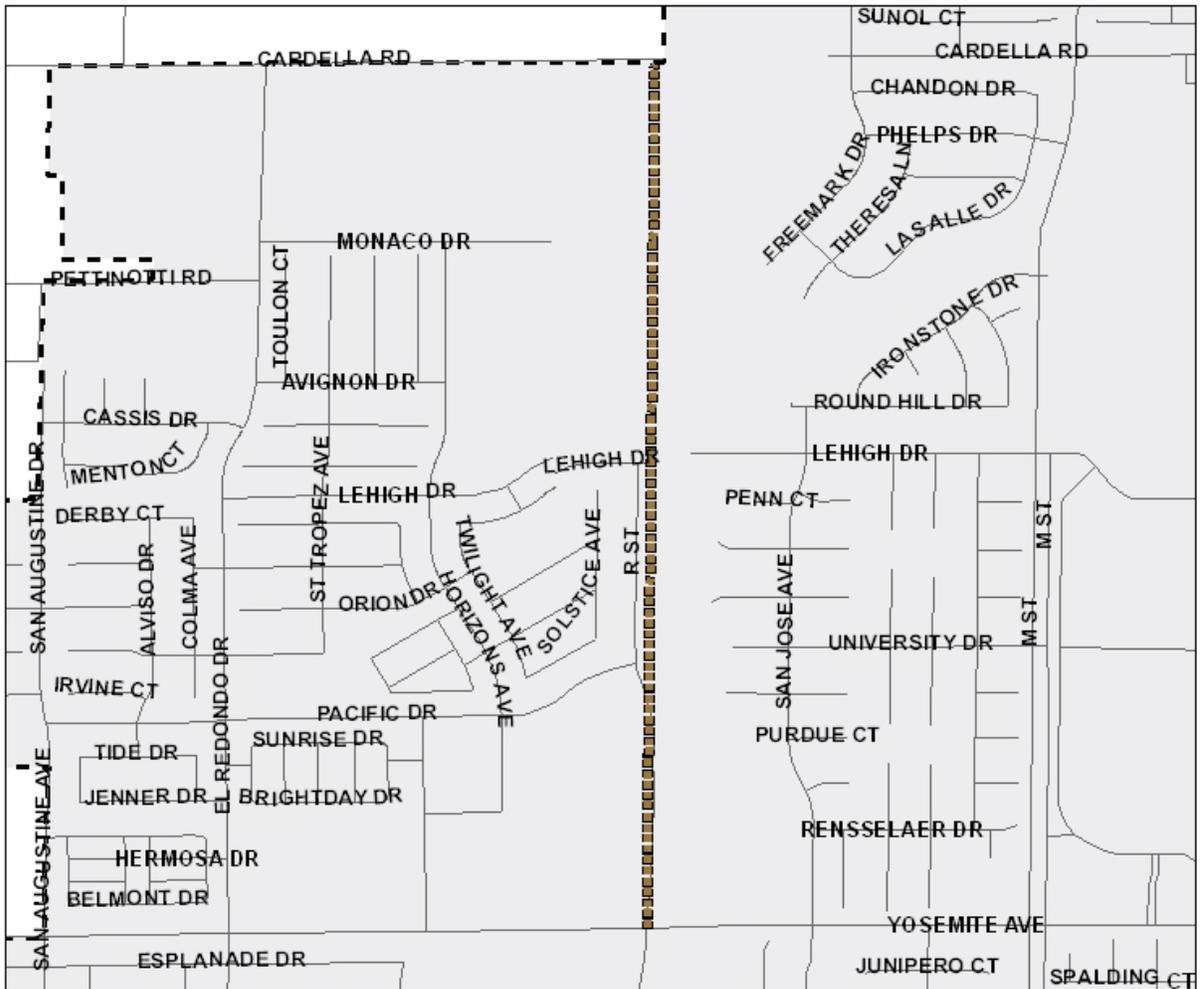
Explanation: Projected PHT (peak hour trips) generated by new development as share of total increase in PHT

POTENTIAL FINANCING SOURCES: Federal & State Grants (10%) (\$486,324)
Developer Construction (\$2,728,520)
Public Facilities Impact Fees (\$1,648,396)

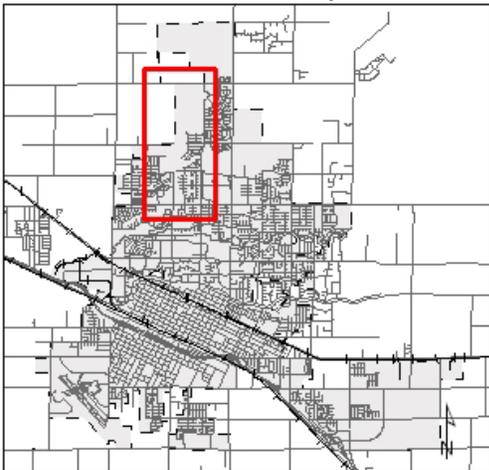
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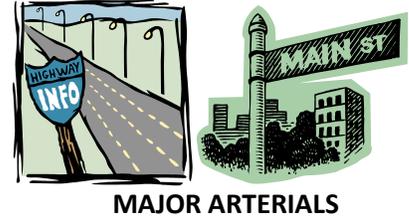
TARGET DATES AND CASH FLOW PHASING:	Project Stage	Costs
Action within 0-5 Years:		
Action within 6-10 Years:		
Action within 11-20 Years:	Yosemite to Cardella (1.0 mile)	\$4,863,240

PROJECT: R St - Yosemite Ave to Cardella Rd



Location Map





PROJECT CATEGORY: Transportation--Major Arterials

PROJECT: G Street (Yosemite Ave to Bellevue Rd)

SERVICE STANDARD: Minimum Level of Service (D)

DESCRIPTION: Major arterial with 128-foot right-of-way for 2.0 miles from Yosemite to Bellevue Road. (Already 50 percent complete).

NEED: To provide safe, effective, and efficient circulation throughout the City and to maintain an adequate level of service. (Part of the one-mile grid of arterials needed to serve northern growth area.)

ESTIMATED COST: \$4,863,240

Source: \$4,863,240 per mile for Major Arterial --City Engineering (2012)
 [Estimate includes right-of-way acquisition, roadway construction, curb and gutter, sidewalks, lighting, signs, pavement markings, landscaping, design/administration, inspection, and contingency.]

PORTION RELATED TO:

Existing Development: 0.0%

New Development: 100.0%

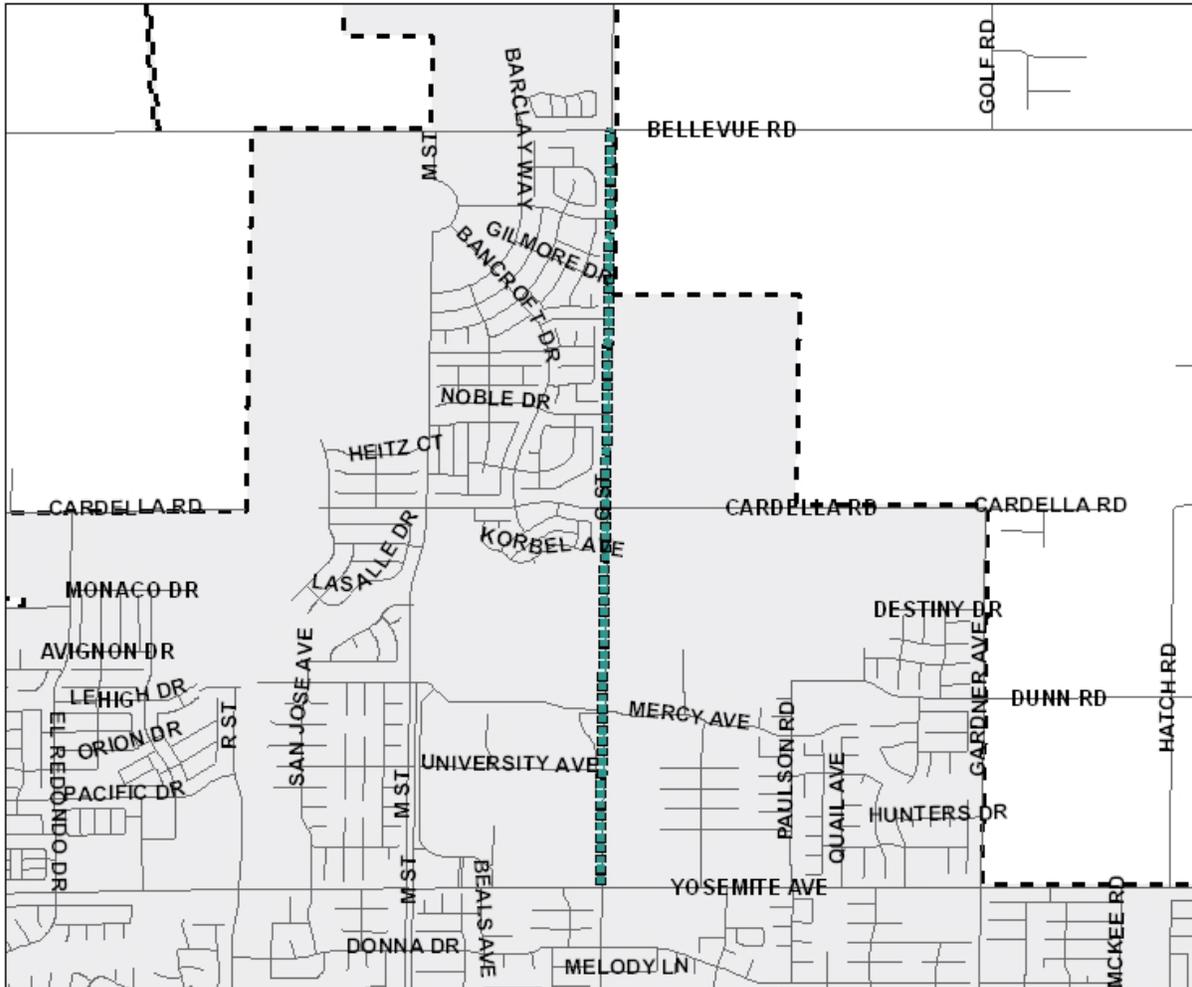
Explanation: Projected PHT (peak hour trips) generated by new development as share of total increase in PHT

POTENTIAL FINANCING SOURCES: Federal & State Grants (10%) (\$486,324)
 Developer Construction (\$2,728,520)
 Public Facilities Impact Fees (\$1,648,240)

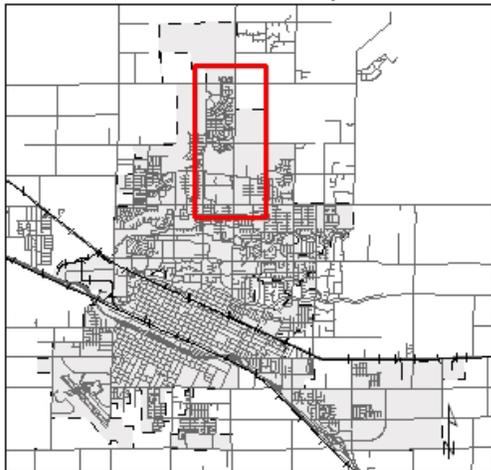
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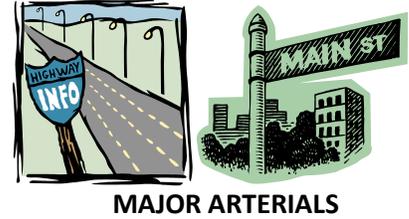
TARGET DATES AND CASH FLOW PHASING:	Project Stage	Costs
Action within 0-5 Years:		
Action within 6-10 Years:	Yosemite to Bellevue (2.0 miles)	\$4,863,240
Action within 11-20 Years:		

PROJECT: G St - Yosemite Ave to Bellevue Rd



Location Map





MAJOR ARTERIALS

PROJECT CATEGORY: Transportation--Major Arterials

PROJECT: Childs Avenue (Highway 59 to Kibby Road)

SERVICE STANDARD: Minimum Level of Service (D)

DESCRIPTION: Minor Arterial with 94-foot right-of-way for 4.5 miles from South Highway 59 to Kibby Road

NEED: To provide improved access to South and Southeast Merced growth areas and improved access to Eastern Industrial Area.

ESTIMATED COST: \$18,038,520

Source: \$4,008,560 per mile--City Engineering (2012)
 [Estimate includes right-of-way acquisition, roadway construction, curb and gutter, sidewalks, lighting, signs, pavement markings, landscaping, design/administration, inspection, and contingency.]

PORTION RELATED TO:

Existing Development: 0.0%

New Development: 100.0%

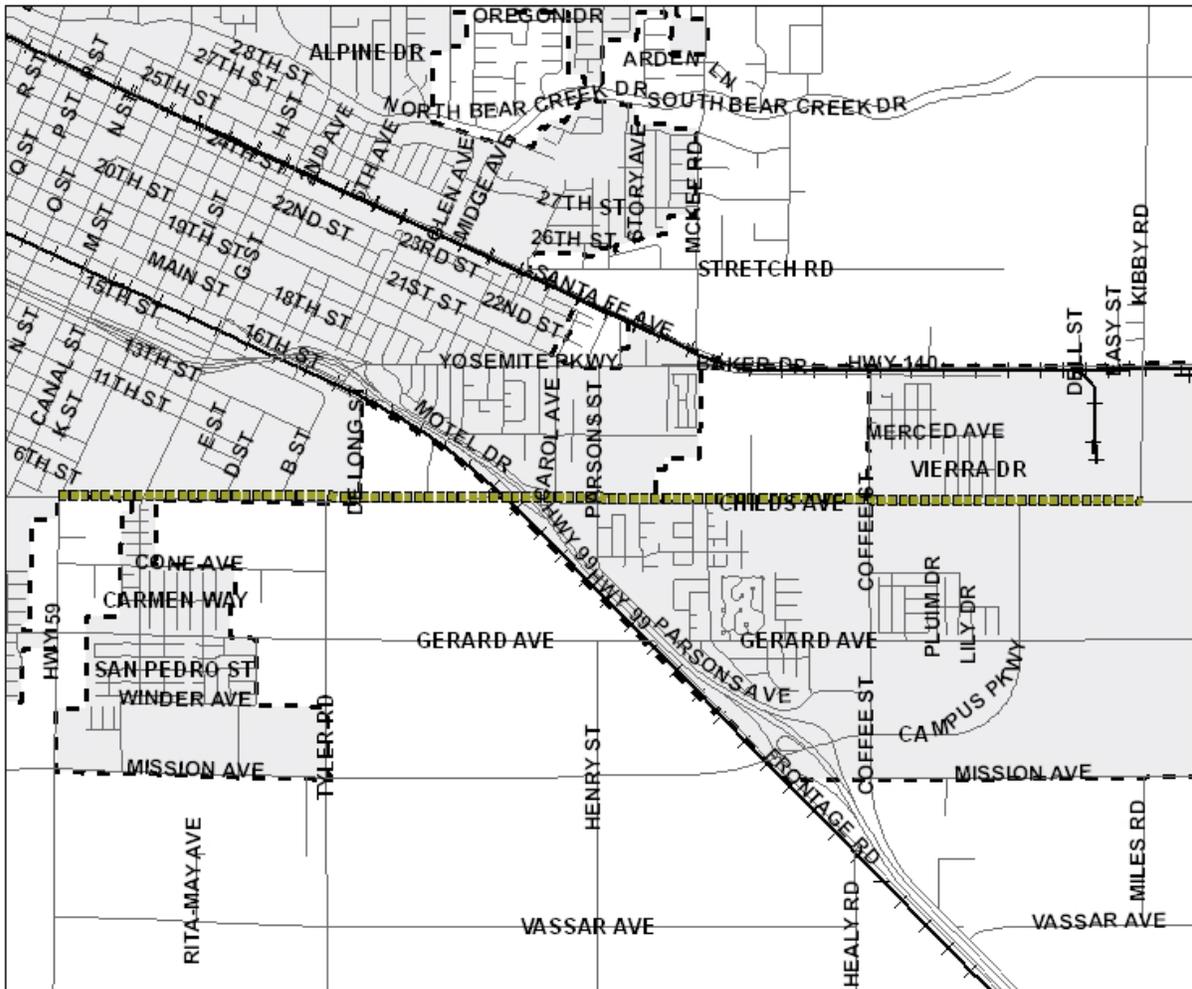
Explanation: Projected PHT (peak hour trips) generated by new development as share of total increase in PHT

POTENTIAL FINANCING SOURCES: Federal & State Grants (10%) (\$1,803,852)
 Developer Construction (\$12,278,340)
 Public Facilities Impact Fees (\$3,956,328)

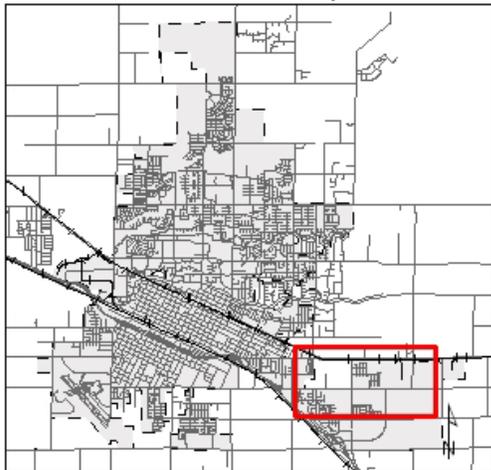
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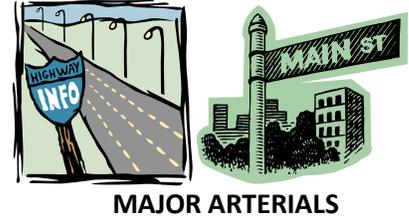
TARGET DATES AND CASH FLOW PHASING:	Project Stage	Costs
Action within 0-5 Years:	Highway 99 to Kibby (2.5 miles)	\$10,021,400
Action within 6-10 Years:	Highway 59 to 99 (2.0 miles)	\$8,017,120
Action within 11-20 Years:		

PROJECT: Childs Ave - Hwy 59 to Kibby Rd



Location Map





PROJECT CATEGORY: Transportation--Major Arterials

PROJECT: Bellevue Road (M Street to Lake Road)

SERVICE STANDARD: Minimum Level of Service (D)

DESCRIPTION: Major Arterial with 128-foot right-of-way for 2.5 miles from M Street to Lake Road. (M to G St is partially complete.)

NEED: Part of the one-mile grid of arterials needed to serve the northern growth area. Will also provide western access to UC campus and serve major commercial areas within northern growth area. Will also serve as a transit corridor.

ESTIMATED COST: \$12,158,100

Source: \$4,863,240 per mile--City Engineering (2012)
 [Estimate includes right-of-way acquisition, roadway construction, curb and gutter, sidewalks, lighting, signs, pavement markings, landscaping, design/administration, inspection, and contingency.]

PORTION RELATED TO:

Existing Development: 0.0%

New Development: 100.0%

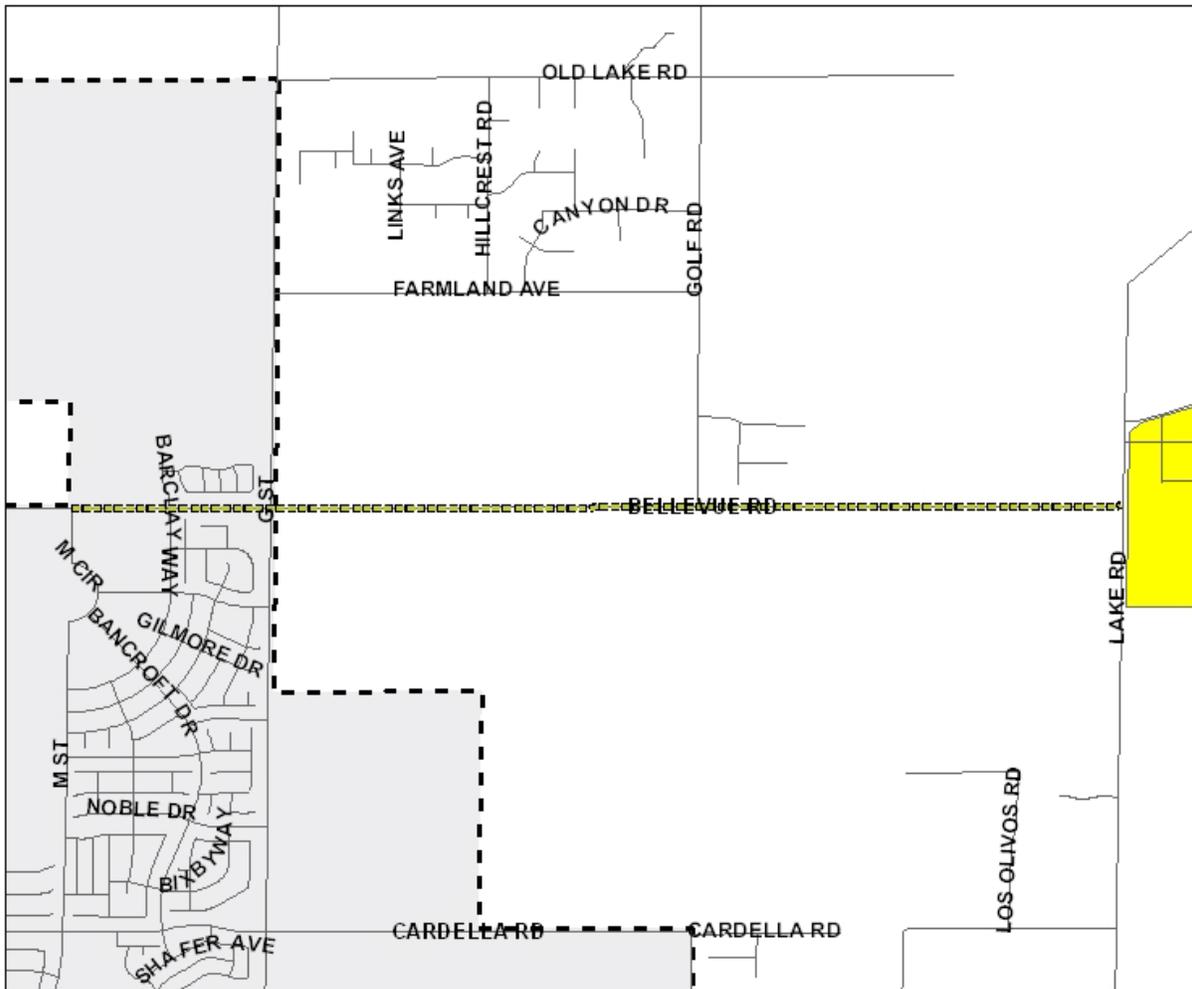
Explanation: Projected PHT (peak hour trips) generated by new development as share of total increase in PHT

POTENTIAL FINANCING SOURCES: Federal & State Grants (10%) (\$1,215,810)
 Developer Construction (\$6,821,300)
 Public Facilities Impact Fees (\$4,120,990)

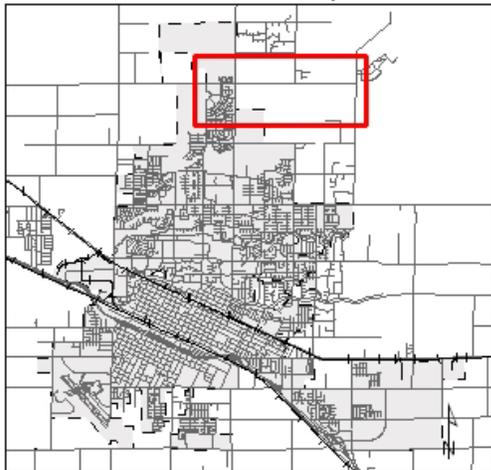
START CRITERIA: Prior to dropping below LOS D

TARGET DATES AND CASH FLOW PHASING:	Project Stage	Costs
Action within 0-5 Years:		
Action within 6-10 Years:	M to Gardner (1.5 miles)	\$7,294,860
Action within 11-20 Years:	Gardner to Lake (1.0 mile)	\$4,863,240

PROJECT: Bellevue Rd - M St to Lake Rd



Location Map





PROJECT CATEGORY: Transportation--Major Arterials

PROJECT: Cardella Road (R Street to Lake Road)

SERVICE STANDARD: Minimum Level of Service (D)

DESCRIPTION: Divided Arterial with 118-foot right-of-way for 3.0 miles from R Street to Lake Road (M to G is complete)

NEED: Part of the one-mile grid of arterials needed to serve the northern growth area.

ESTIMATED COST: \$13,362,210

Source: \$4,454,040 per mile--City Engineering (2012)
 [Estimate includes right-of-way acquisition, roadway construction, curb and gutter, sidewalks, lighting, signs, pavement markings, landscaping, design/administration, inspection, and contingency.]

PORTION RELATED TO:

Existing Development: 0.0%

New Development: 100.0%

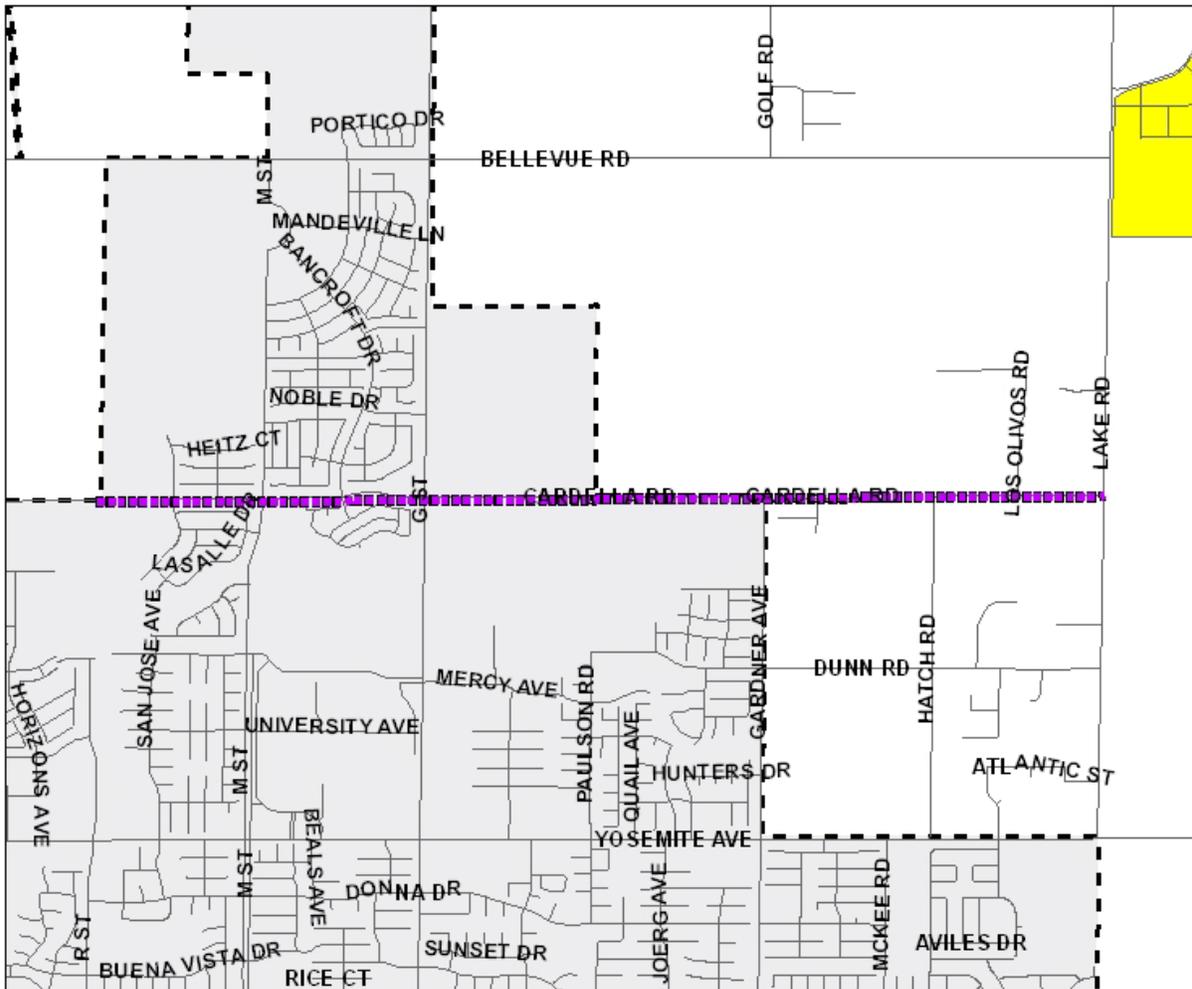
Explanation: Projected PHT (peak hour trips) generated by new development as share of total increase in PHT

POTENTIAL FINANCING SOURCES: Federal & State Grants (10%) (\$1,336,212)
 Developer Construction (\$8,185,560)
 Public Facilities Impact Fees (\$3,840,348)

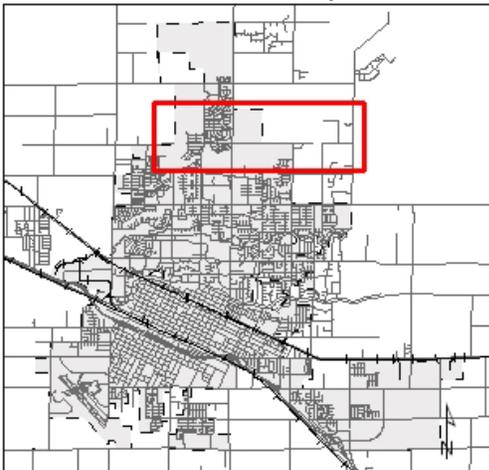
START CRITERIA: Prior to dropping below LOS D

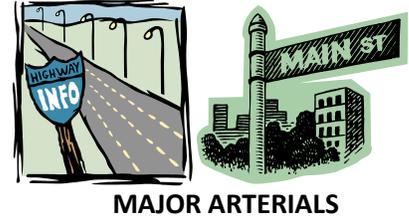
TARGET DATES AND CASH FLOW PHASING:	Project Stage	Costs
Action within 0-5 Years:	G to Gardner (1.0 mile)	\$4,454,040
Action within 6-10 Years:	Gardner to Lake (1.0 mile)	\$4,454,040
Action within 11-20 Years:	R to G St (1.0 mile)	\$4,454,040

PROJECT: Cardella Rd - R St to Lake Rd



Location Map





PROJECT CATEGORY: Transportation--Major Arterials

PROJECT: Gardner Road (Yosemite Ave to Bellevue Road)

SERVICE STANDARD: Minimum Level of Service (D)

DESCRIPTION: Minor Arterial with 94-foot right-of-way for 2.0 miles from Yosemite to Bellevue Road (Roadway is known as Parsons Avenue south of Yosemite).

NEED: Part of the one-mile grid of arterials needed to serve the northern growth area. Extends the Parsons Avenue Corridor into the growth area, therefore, creating improved access for Southeast Merced and Golden Valley High School.

ESTIMATED COST: \$8,017,120

Source: \$4,008,560 per mile--City Engineering (2012)
 [Estimate includes right-of-way acquisition, roadway construction, curb and gutter, sidewalks, lighting, signs, pavement markings, landscaping, design/administration, inspection, and contingency.]

PORTION RELATED TO:

Existing Development: 0.0%

New Development: 100.0%

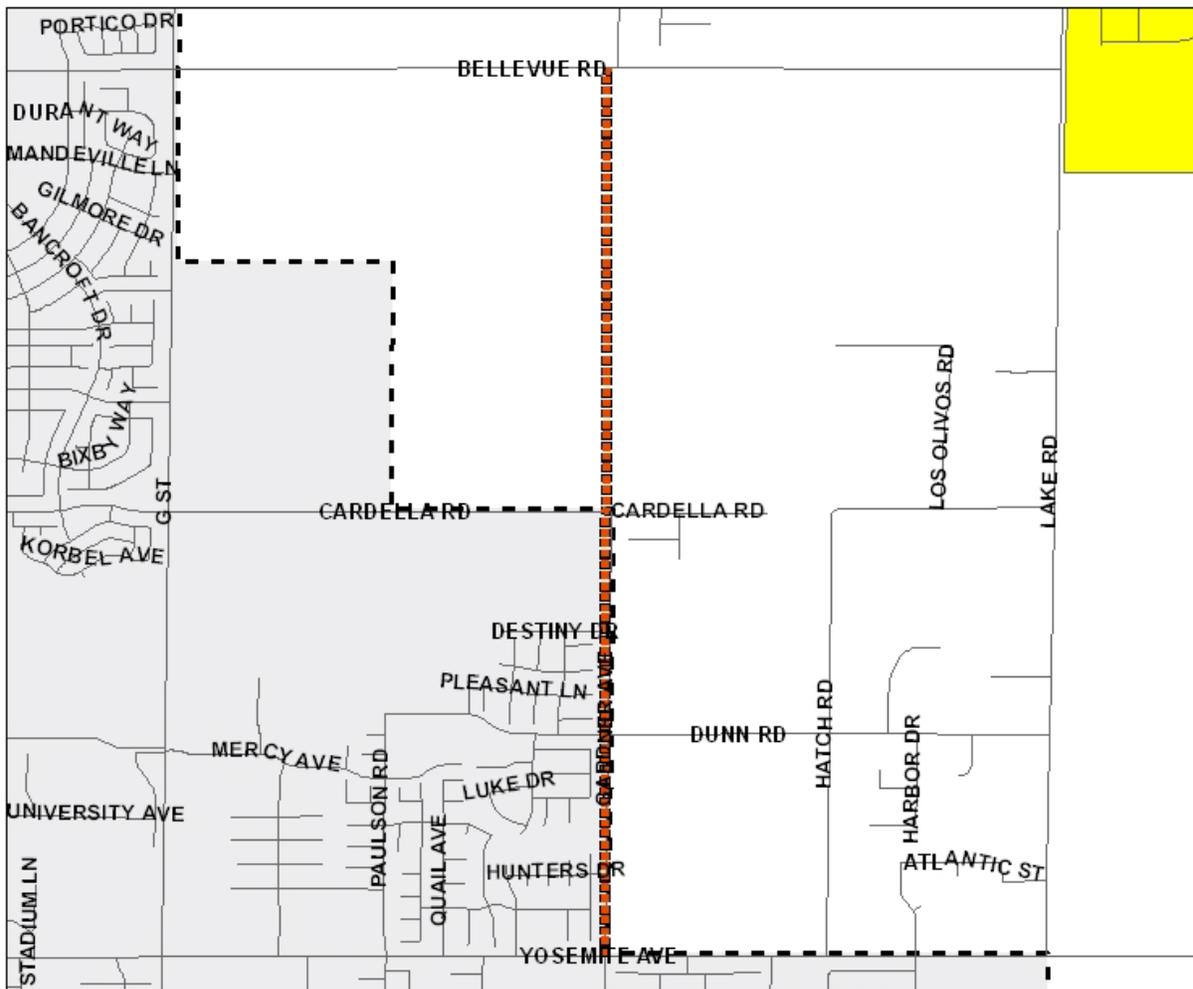
Explanation: Projected PHT (peak hour trips) generated by new development as share of total increase in PHT

POTENTIAL FINANCING SOURCES: Federal & State Grants (10%) (\$801,712)
 Developer Construction (\$5,457,040)
 Public Facilities Impact Fees (\$1,758,368)

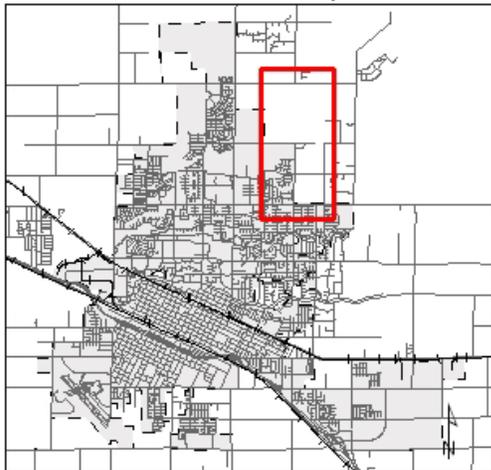
START CRITERIA: Prior to dropping below LOS D

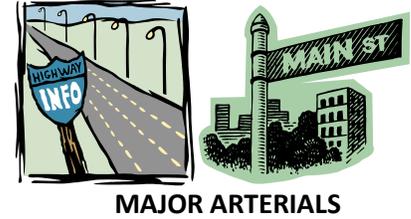
TARGET DATES AND CASH FLOW PHASING:	Project Stage	Costs
Action within 0-5 Years:	Yosemite to Cardella (1.0 mile)	\$4,008,560
Action within 6-10 Years:	Cardella to Bellevue (1.0 mile)	\$4,008,560
Action within 11-20 Years:		

PROJECT: Gardner Ave - Yosemite Ave to Bellevue Rd



Location Map





MAJOR ARTERIALS

PROJECT CATEGORY: Transportation--Major Arterials

PROJECT: **Mission Avenue (Highway 59 to Highway 99)**

SERVICE STANDARD: Minimum Level of Service (D)

DESCRIPTION: Major Arterial with 128-foot right-of-way for 2.5 miles from South Highway 59 to Highway 99

NEED: To provide safe, effective, and efficient circulation to the South Merced growth area and Airport Industrial Park. With the Mission/99 Interchange, improvements on existing Mission Ave will be necessary to accommodate new level of traffic.

ESTIMATED COST: \$12,158,100

Source: \$4,863,240 per mile--City Engineering (2012)
 [Estimate includes entire right-of-way width acquisition, roadway construction of 4 lanes, partial curb and gutter, sidewalks, lighting, signs, pavement markings, landscaping, design/administration, inspection, and contingency.]

PORTION RELATED TO:

Existing Development: 0.0%

New Development: 100.0%

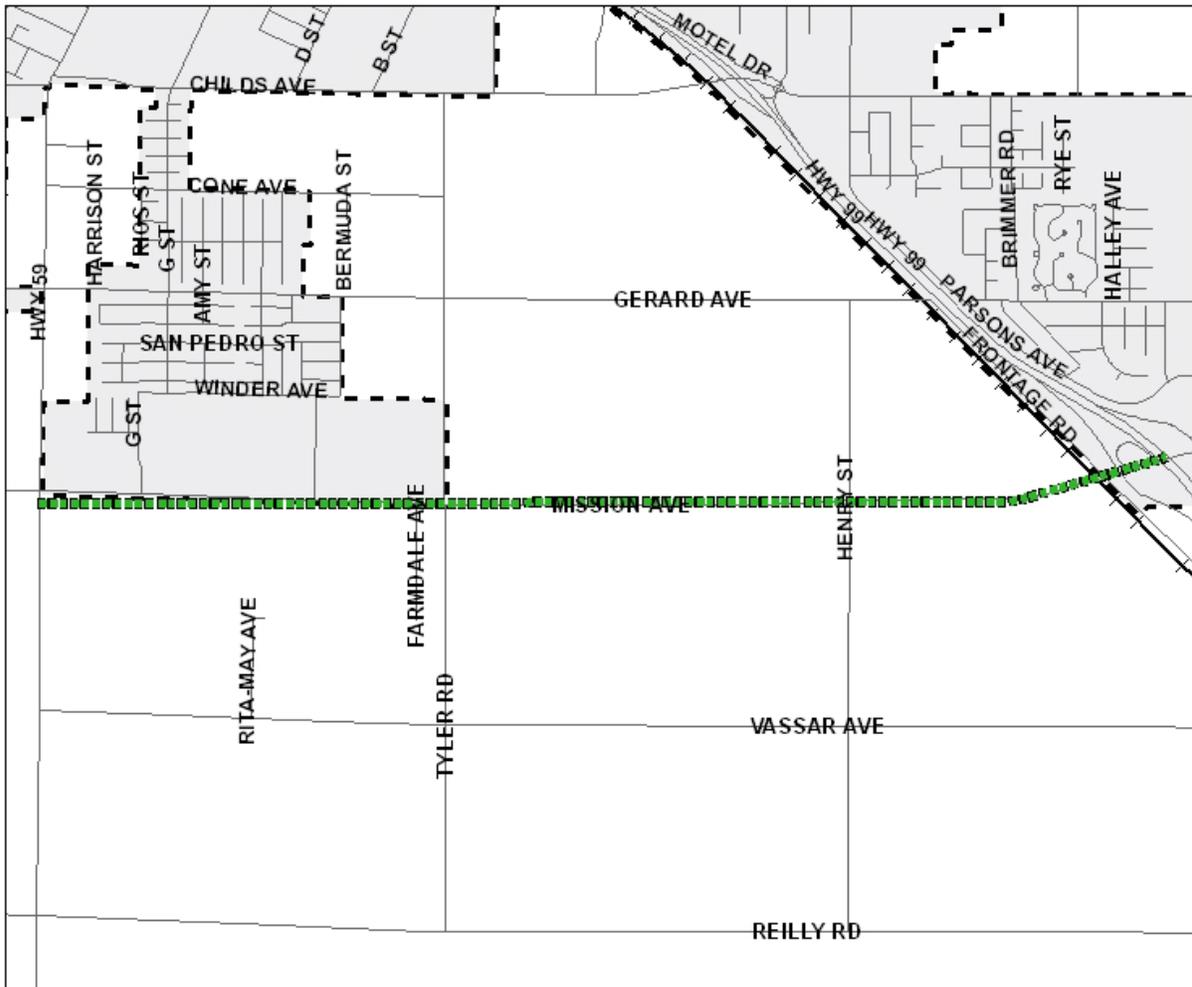
Explanation: Projected PHT (peak hour trips) generated by new development as share of total increase in PHT

POTENTIAL FINANCING SOURCES: Federal & State Grants (10%) (\$1,215,810)
 Developer Construction - (\$6,821,300)
 Public Facilities Impact Fees - (\$4,120,990)

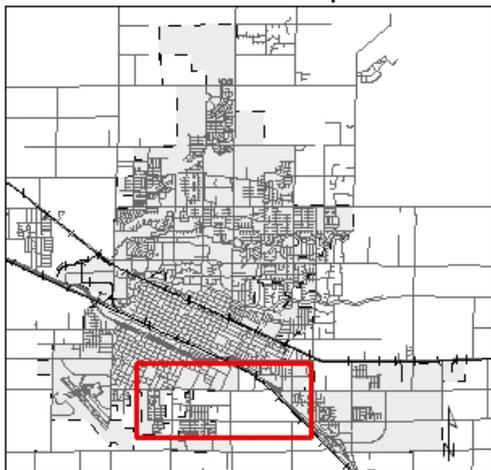
START CRITERIA: Prior to dropping below LOS D

TARGET DATES AND CASH FLOW PHASING:	Project Stage	Costs
Action within 0-5 Years:		
Action within 6-10 Years:	Highway 59 to Tyler (1.0 mile)	\$4,863,240
Action within 11-20 Years:	Tyler to Hwy 99 (1.0 mile)	\$7,294,860

PROJECT: Mission Ave - Hwy 59 to Hwy 99



Location Map





City of Merced
PUBLIC FACILITIES FINANCING PLAN

Project Detail Sheets

TRANSPORTATION: Railroad Crossings







RAILROAD CROSSINGS

PROJECT CATEGORY: Transportation--Railroad Crossings

PROJECT: Santa Fe and R Street or Parsons Ave Railroad Crossing

SERVICE STANDARD: Minimum Level of Service (D)

DESCRIPTION: Grade-separated railroad crossing with 94-foot right-of-way to replace existing at-grade crossing at R Street and BNSF tracks or Parsons Avenue and BNSF tracks. (Location will be determined by need and will depend on receiving grant funding.)

NEED: To avoid excessive traffic delays and provide unimpeded emergency response at existing railroad crossings. (The Public Utilities Commission does not allow new at-grade crossings.)

ESTIMATED COST: \$14,000,000

Source: City Engineering (2012) based on costs of G St/BNSF crossing in 2011

PORTION RELATED TO:

Existing Development: 50.0%

New Development: 50.0%

Explanation: Projected Dwelling Unit Equivalents (DUE's) generated by new development as share of total DUE's in 2030.

POTENTIAL FINANCING SOURCES: Federal & State Grants (\$10,000,000)

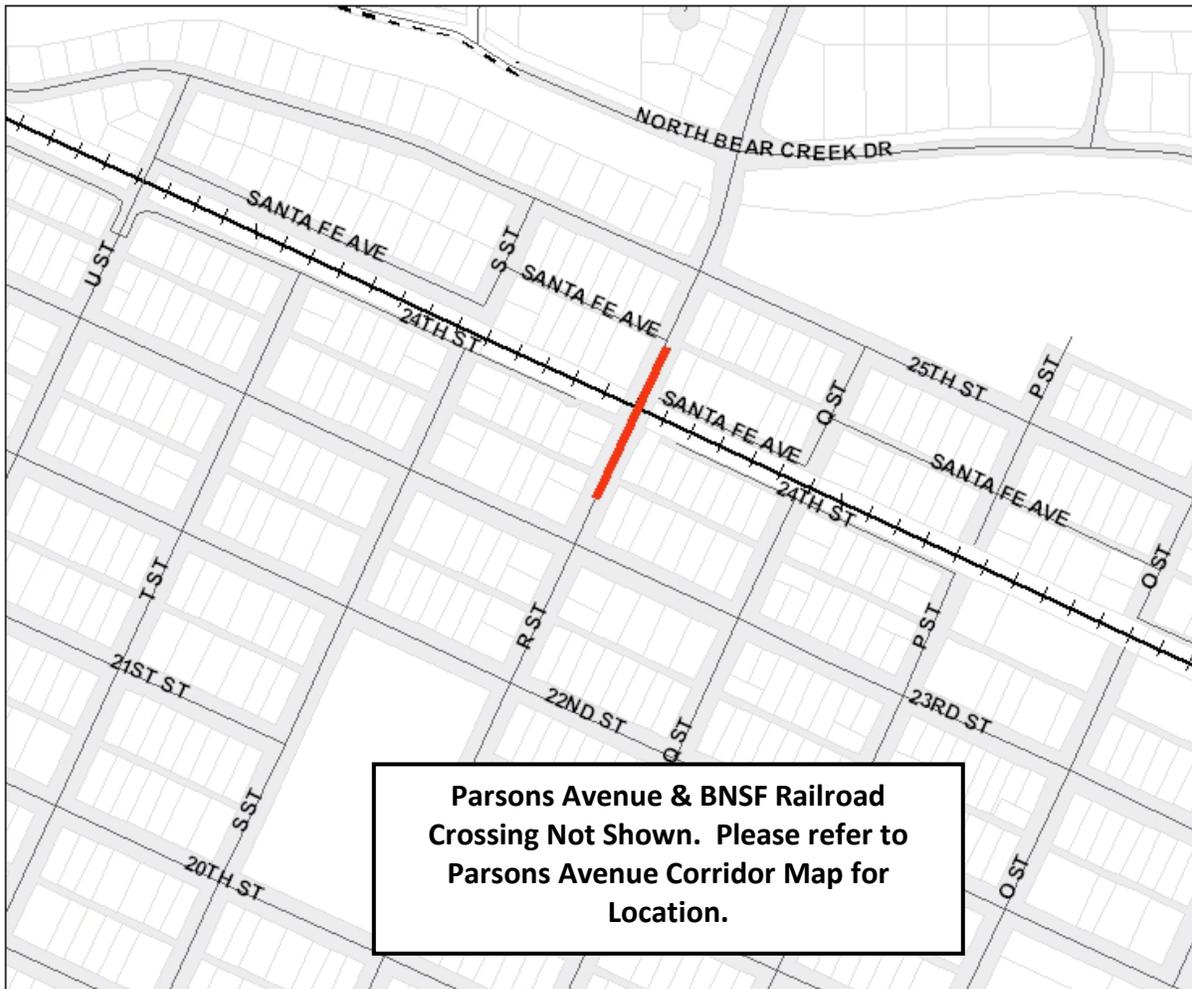
Private—Railroad Required Contribution (\$1,000,000)

Public Facilities Impact Fees (\$3,000,000)

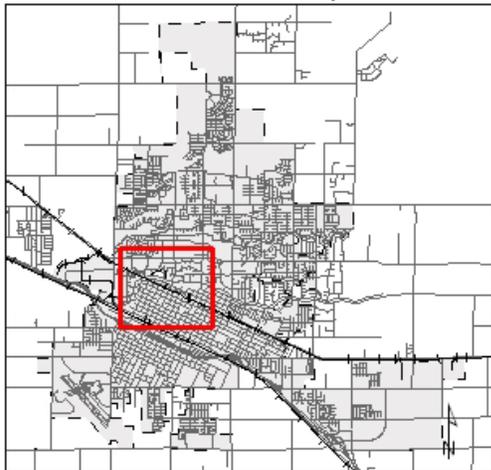
START CRITERIA: Prior to dropping below LOS D

TARGET DATES AND CASH FLOW PHASING:	<u>Project Stage</u>	<u>Costs</u>
Action within 0-5 Years:		
Action within 6-10 Years:		
Action within 11-20 Years:	Construction	\$14,000,000

PROJECT: Railroad Crossings: Santa Fe and R St



Location Map





City of Merced
PUBLIC FACILITIES FINANCING PLAN

Project Detail Sheets

TRANSPORTATION: Bridges







BRIDGES

PROJECT CATEGORY: Transportation--Bridges

PROJECT: R Street/Fahrens Creek Bridge

SERVICE STANDARD: Minimum Level of Service (D)

DESCRIPTION: 128-foot right-of-way bridge on R Street at Fahrens Creek

NEED: To complete the necessary roadway crossing over existing creek.

ESTIMATED COST: \$1,264,000

Source: City Engineering (2012)

PORTION RELATED TO:

Existing Development: 0.0%

New Development: 100.0%

Explanation: Projected PHT (peak hour trips) generated by new development as share of total increase in PHT

POTENTIAL FINANCING SOURCES: Federal & State Grants (10%) (\$126,400)

Public Facilities Impact Fees (\$1,137,600)

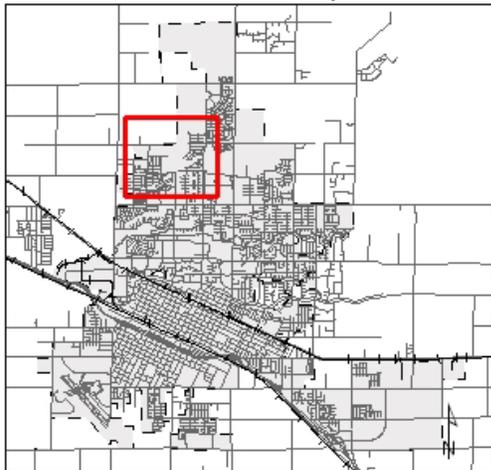
START CRITERIA: Constructed as part of Yosemite to Cardella segment of R Street

TARGET DATES AND CASH FLOW PHASING:	<u>Project Stage</u>	<u>Costs</u>
Action within 0-5 Years:		
Action within 6-10 Years:		
Action within 11-20 Years:	Design & Construction	\$1,264,000

PROJECT: Bridges: R St/Fahrens Creek



Location Map





BRIDGES

PROJECT CATEGORY: Transportation--Bridges

PROJECT: Cardella Road/Fahrens Creek Bridge

SERVICE STANDARD: Minimum Level of Service (D)

DESCRIPTION: 118-foot right-of-way bridge on Cardella Road at Fahrens Creek

NEED: To complete the necessary roadway crossing over existing creek.

ESTIMATED COST: \$1,608,000

Source: City Engineering Division (2012)

PORTION RELATED TO:

Existing Development: 0.0%

New Development: 100.0%

Explanation: Projected PHT (peak hour trips) generated by new development as share of total increase in PHT

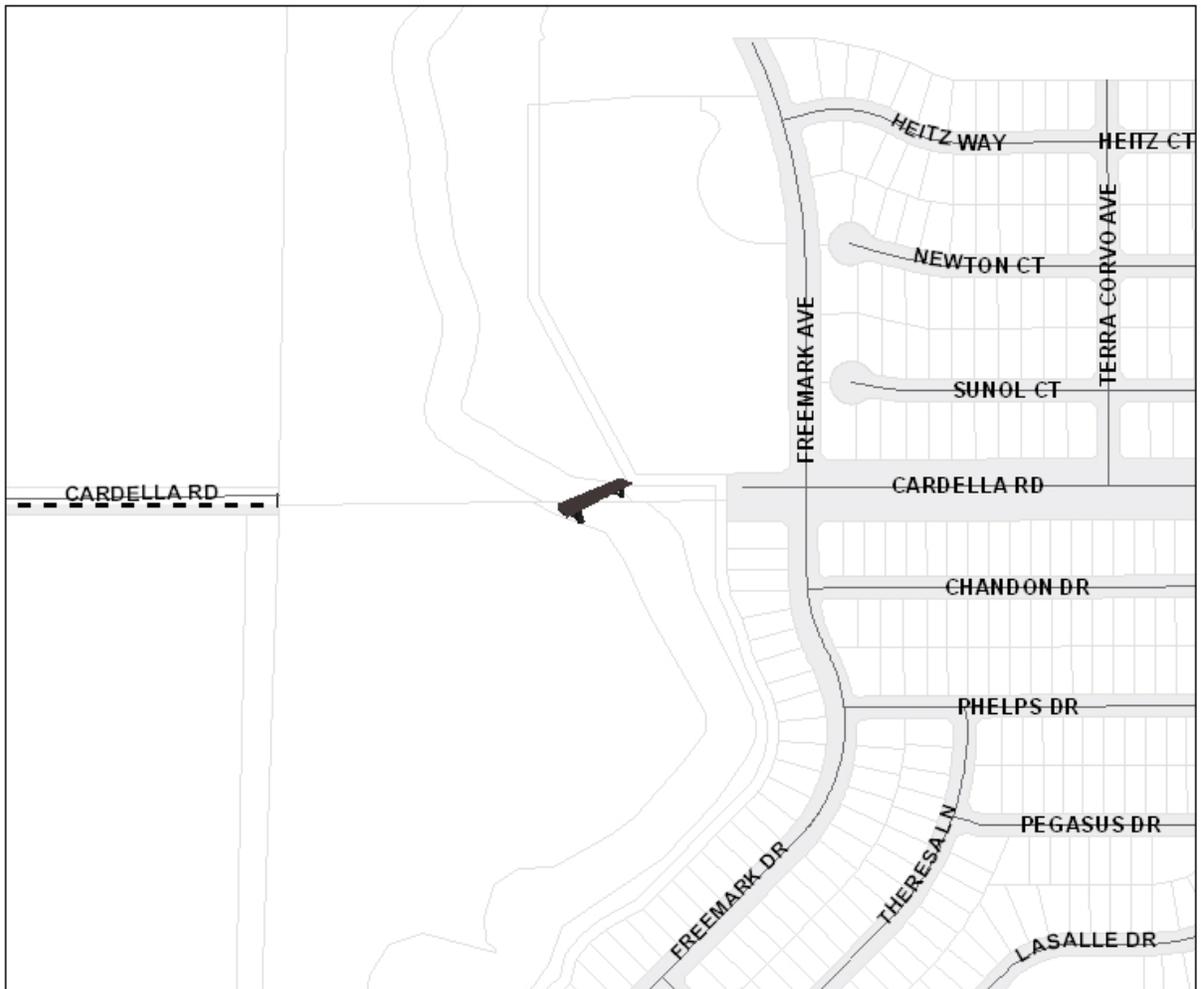
POTENTIAL FINANCING SOURCES: Federal & State Grants (10%) (\$160,800)

Public Facilities Impact Fees (\$1,447,200)

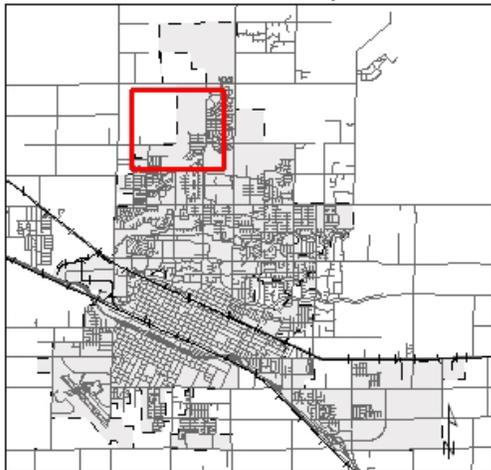
START CRITERIA: Constructed as part of R to G Street segment of Cardella

TARGET DATES AND CASH FLOW PHASING:	<u>Project Stage</u>	<u>Costs</u>
Action within 0-5 Years:		
Action within 6-10 Years:		
Action within 11-20 Years:	Design & Construction	\$1,608,000

PROJECT: Bridges: Cardella/Fahrens Creek



Location Map





City of Merced
PUBLIC FACILITIES FINANCING PLAN
Project Detail Sheet



BRIDGES

PROJECT CATEGORY: Transportation--Bridges

PROJECT: G Street/Cottonwood Creek Bridge

SERVICE STANDARD: Minimum Level of Service (D)

DESCRIPTION: 128-foot right-of-way bridge on G Street at Cottonwood Creek

NEED: Widen existing bridge to complete the necessary roadway crossing over existing creek.

ESTIMATED COST: \$1,376,000

Source: City Engineering Division (2012)

PORTION RELATED TO:

Existing Development: 0.0%

New Development: 100.0%

Explanation: Projected PHT (peak hour trips) generated by new development as share of total increase in PHT

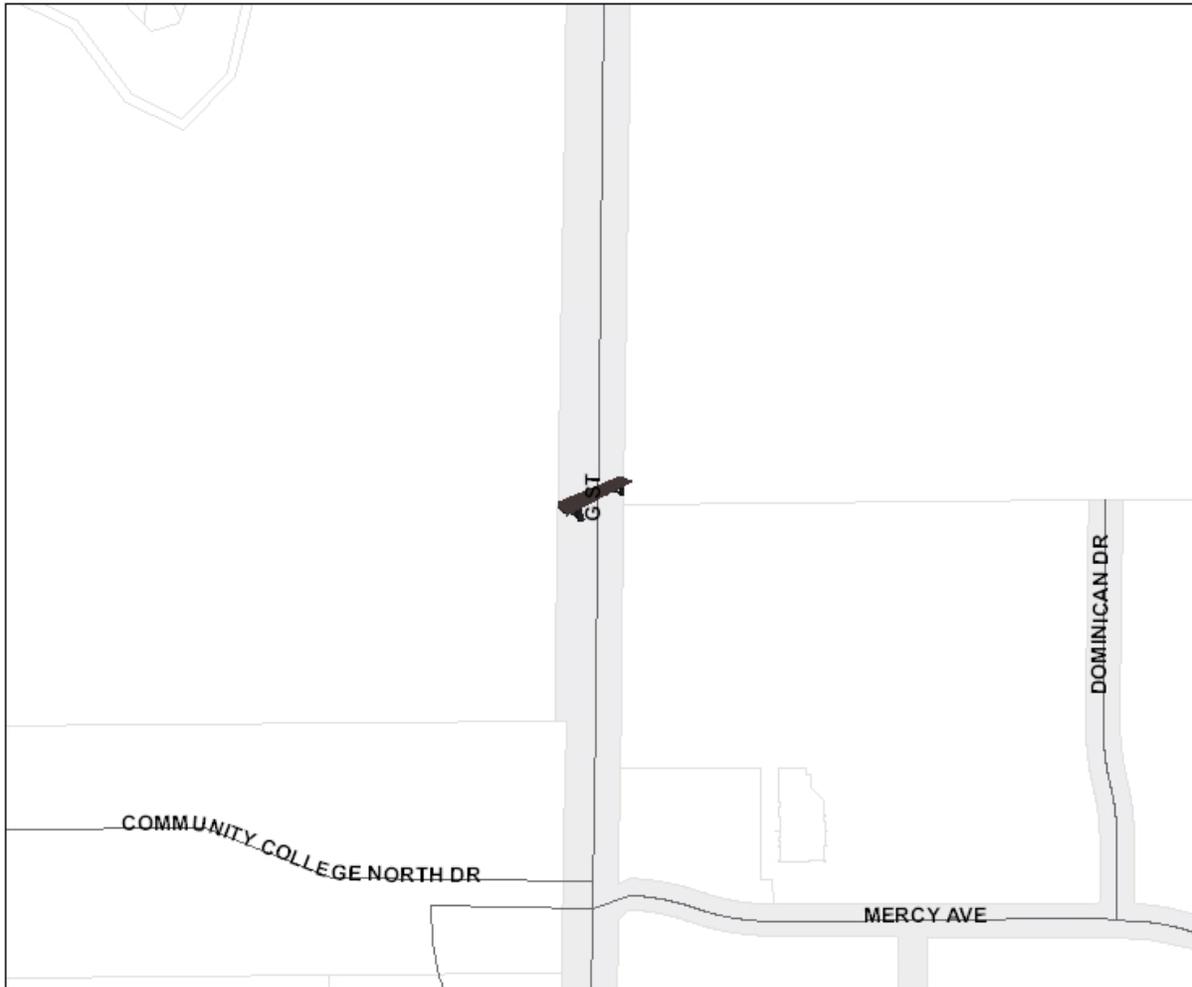
POTENTIAL FINANCING SOURCES: Federal & State Grants (10%) (\$137,600)

Public Facilities Impact Fees (\$1,238,400)

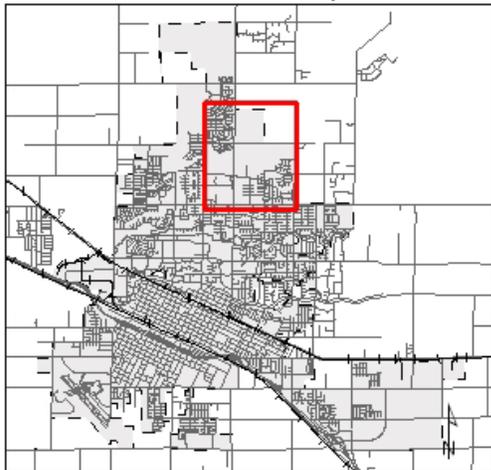
START CRITERIA: Constructed as part of Yosemite to Cardella segment of G Street

TARGET DATES AND CASH FLOW PHASING:	<u>Project Stage</u>	<u>Costs</u>
Action within 0-5 Years:		
Action within 6-10 Years:	Design & Construction	\$1,376,000
Action within 11-20 Years:		

PROJECT: Bridge - G St/Cottonwood Creek



Location Map





City of Merced
PUBLIC FACILITIES FINANCING PLAN
Project Detail Sheet



BRIDGES

PROJECT CATEGORY: Transportation--Bridges

PROJECT: Gardner Road/Cottonwood Creek Bridge

SERVICE STANDARD: Minimum Level of Service (D)

DESCRIPTION: 94-foot right-of-way bridge on Gardner Road at Cottonwood Creek

NEED: To complete the necessary roadway crossing over existing creek.

ESTIMATED COST: \$1,151,000

Source: City Engineering Division (2012)

PORTION RELATED TO:

Existing Development: 0.0%

New Development: 100.0%

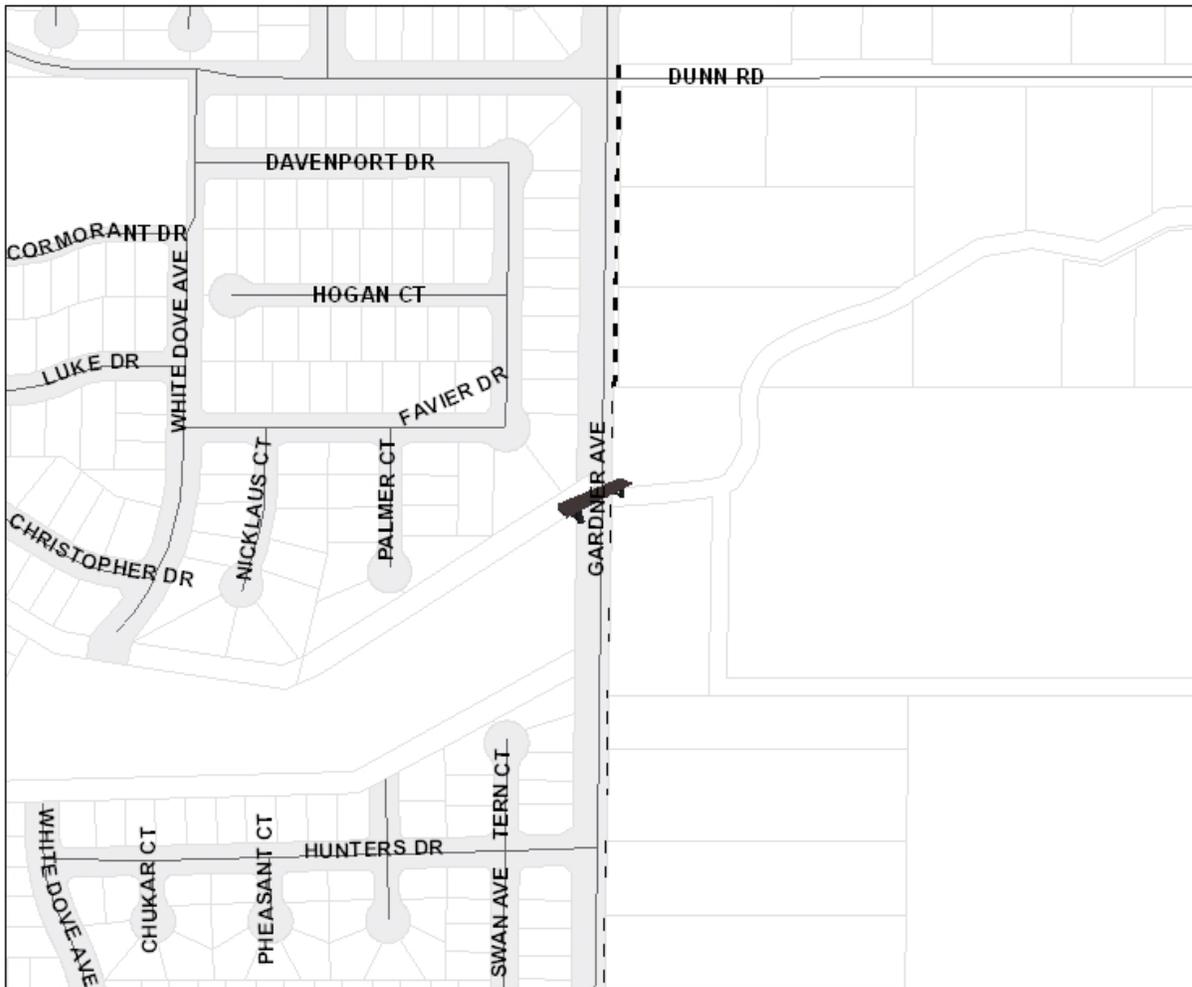
Explanation: Projected PHT (peak hour trips) generated by new development as share of total increase in PHT

POTENTIAL FINANCING SOURCES: Federal & State Grants (10%) (\$115,100)
 Public Facilities Impact Fees (\$1,035,900)

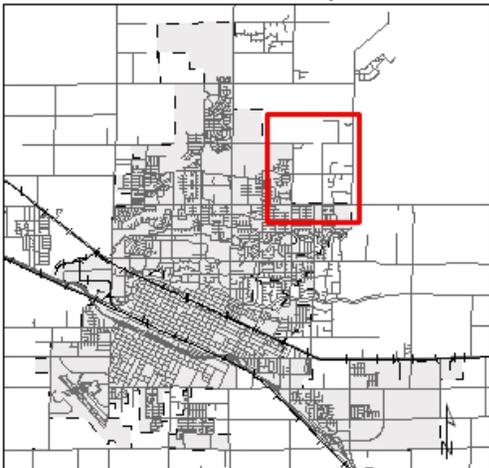
START CRITERIA: Constructed as part of Yosemite to Dunn segment of Gardner Road

TARGET DATES AND CASH FLOW PHASING:	<u>Project Stage</u>	<u>Costs</u>
Action within 0-5 Years:	Design & Construction	\$1,151,000
Action within 6-10 Years:		
Action within 11-20 Years:		

PROJECT: Bridge - Gardner/Cottonwood Creek



Location Map





City of Merced
PUBLIC FACILITIES FINANCING PLAN

Project Detail Sheets

TRANSPORTATION: Other Transportation Projects







City of Merced
PUBLIC FACILITIES FINANCING PLAN
Project Detail Sheet



PROJECT CATEGORY: Transportation—Other Projects

PROJECT: Campus Parkway—Childs Avenue to Yosemite Avenue

SERVICE STANDARD: Minimum Level of Service (D)

DESCRIPTION: 3.0 miles of a limited-access Expressway with a 150-foot right-of-way from Childs Ave to Yosemite Ave. Includes bridges over Bear and Black Rascal Creeks and over BNSF Railway/Highway 140. (Mission Interchange to Childs Ave segment is complete.)

NEED: To provide eastern access to North Merced and UC campus. To provide improved access to Southeast Merced and Eastern Industrial Area. To provide an alternative route to Highway 140 from Highway 99.

ESTIMATED COST: \$87,600,000

Source: Merced County Association of Governments (2012)

PORTION RELATED TO:

Existing Development: 0.0%

New Development: 100.0%

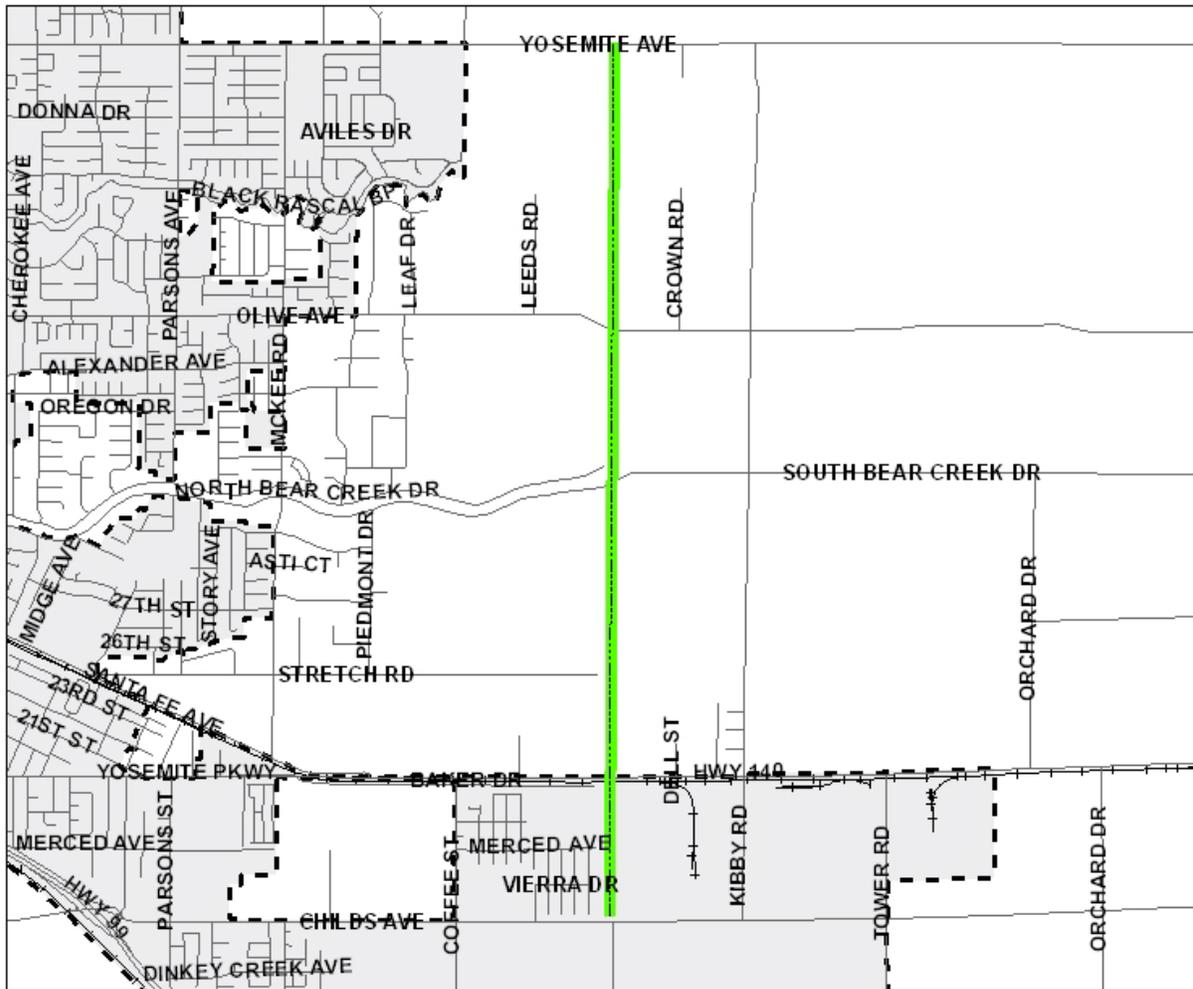
Explanation: Projected PHT (peak hour trips) generated by new development as share of total increase in PHT

POTENTIAL FINANCING SOURCES: Public Facilities Impact Fees (City contribution = \$5,000,000)
Regional Transportation Improvement Program (RTIP) (\$82,600,000)

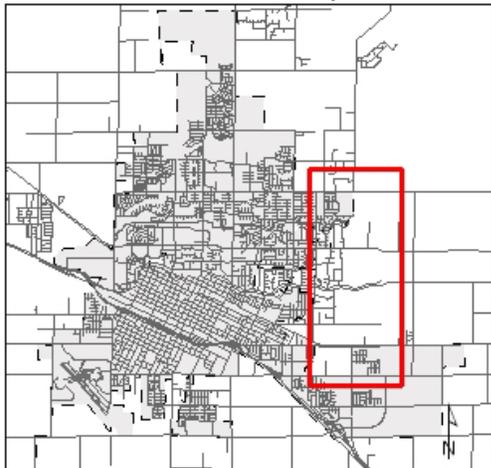
START CRITERIA: Prior to dropping below LOS D

TARGET DATES AND CASH FLOW PHASING:	<u>Project Stage</u>	<u>Costs</u>
Action within 0-5 Years:		
Action within 6-10 Years:		
Action within 11-20 Years:	Design & Construction	\$87,600,000

PROJECT: Campus Pkwy, Childs to Yosemite

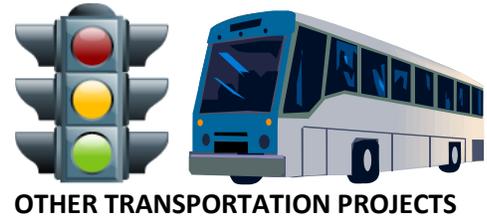


Location Map





City of Merced
PUBLIC FACILITIES FINANCING PLAN
Project Detail Sheet



PROJECT CATEGORY: Transportation—Other Projects

PROJECT: Parsons Avenue Corridor (Childs to Yosemite)

SERVICE STANDARD: Minimum Level of Service (D)

DESCRIPTION: Completion of Parsons Avenue as a 4-lane Minor Arterial (94-foot right-of-way) with a continuous 2-way left turn lane; Includes 1.5 miles of new alignment, widening of existing sections, a new 5-lane bridge at Bear Creek, and a new 5-lane grade-separated railroad crossing at Santa Fe Railroad.

NEED: To provide much needed north-south circulation within Eastern Merced and to relieve traffic on G St, McKee Rd, Bear Creek Dr, and other roads that currently receive traffic that should take Parsons. Part of one-mile grid of arterials needed throughout the City.

ESTIMATED COST:
 \$2,000,000 (Right-of-way Acquisition)
 \$5,000,000 (Bridge over Bear Creek)
 \$6,012,840 (Roadway Construction)
 \$1,495,720 (Design of Railroad Crossing; \$11 Million for Construction after 20 Years)
\$14,508,560 (Total)

Source: \$4,008,560 per mile for Minor Arterial--City Engineering (2012)

PORTION RELATED TO:

Existing Development: 25.0%

New Development: 75.0%

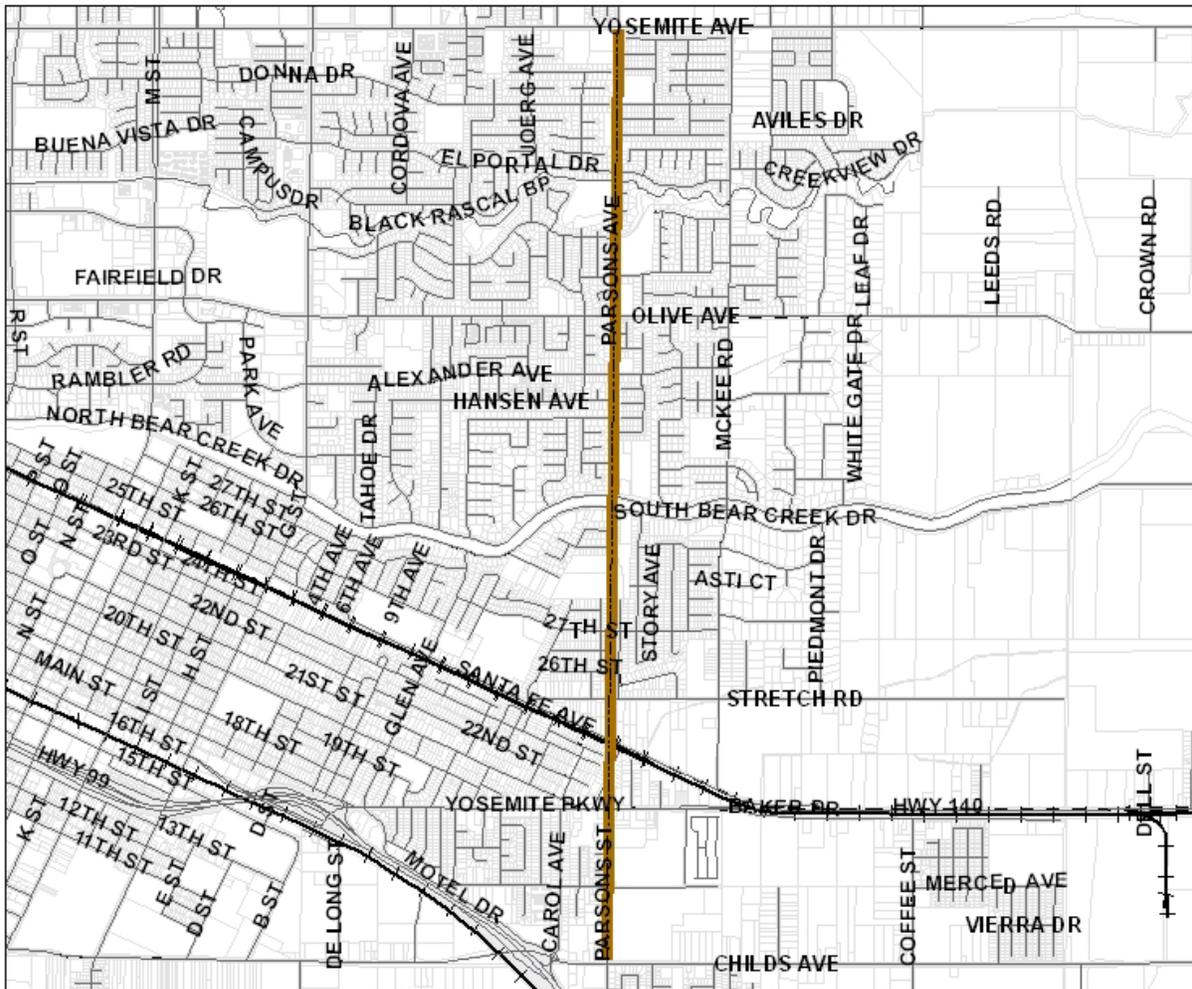
Explanation: Projected Dwelling Unit Equivalents (DUE's) generated by new development as share of total DUE's in 2030.

POTENTIAL FINANCING SOURCES: Federal & State Grants (25%) (\$3,627,140)
Public Facilities Impact Fees (\$8,152,900)

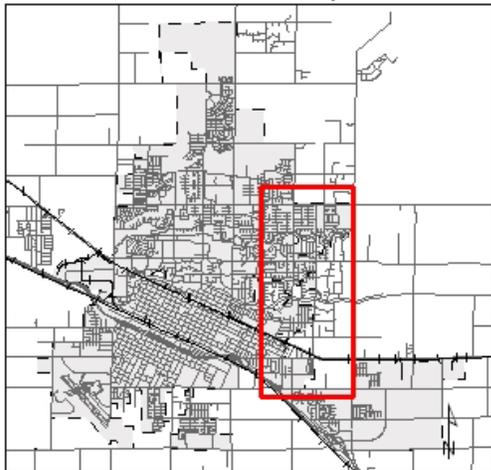
START CRITERIA: Prior to dropping below LOS D; Parsons RR Crossing may be substituted for R St RR Crossing depending on grant funding

TARGET DATES AND CASH FLOW PHASING:	<u>Project Stage</u>	<u>Costs</u>
Action within 0-5 Years:	Design & ROW Acquisition	\$2,000,000
Action within 6-10 Years:	Bridge over Bear Creek	\$5,000,000
	Road Construction	\$6,012,840
Action within 11-20 Years:	Design of RR Crossing	\$1,495,720

PROJECT: Parsons Ave Corridor, Childs to Yosemite

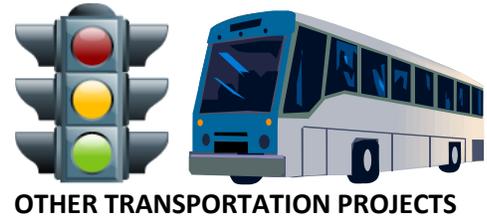


Location Map





City of Merced
PUBLIC FACILITIES FINANCING PLAN
Project Detail Sheet



PROJECT CATEGORY: Transportation—Other Projects

PROJECT: M Street Transitway

SERVICE STANDARD: Minimum Level of Service (D)

DESCRIPTION: Exclusive (buses only) or shared (2 lanes for buses only and 2 lanes for private vehicles) transit corridor, including improvements (striping, signing, City share of transfer stations, etc.) to existing M Street from Childs to Yosemite (4.0 miles); [Yosemite to Bellevue Segment Complete except for Developer Construction portion.]

NEED: To provide improved transit service to the City, its new growth areas, and the UC campus along a central corridor. To improve air quality by providing a reasonable alternative to single-occupancy vehicles. To provide a corridor for a possible future light rail system. (M St is not needed as part of the one-mile grid of arterials to serve the growth area because of its location 1/2 mile between R and G Streets, so it can serve other needs.)

ESTIMATED COST: \$2,266,200
Source: City Engineering (2012)

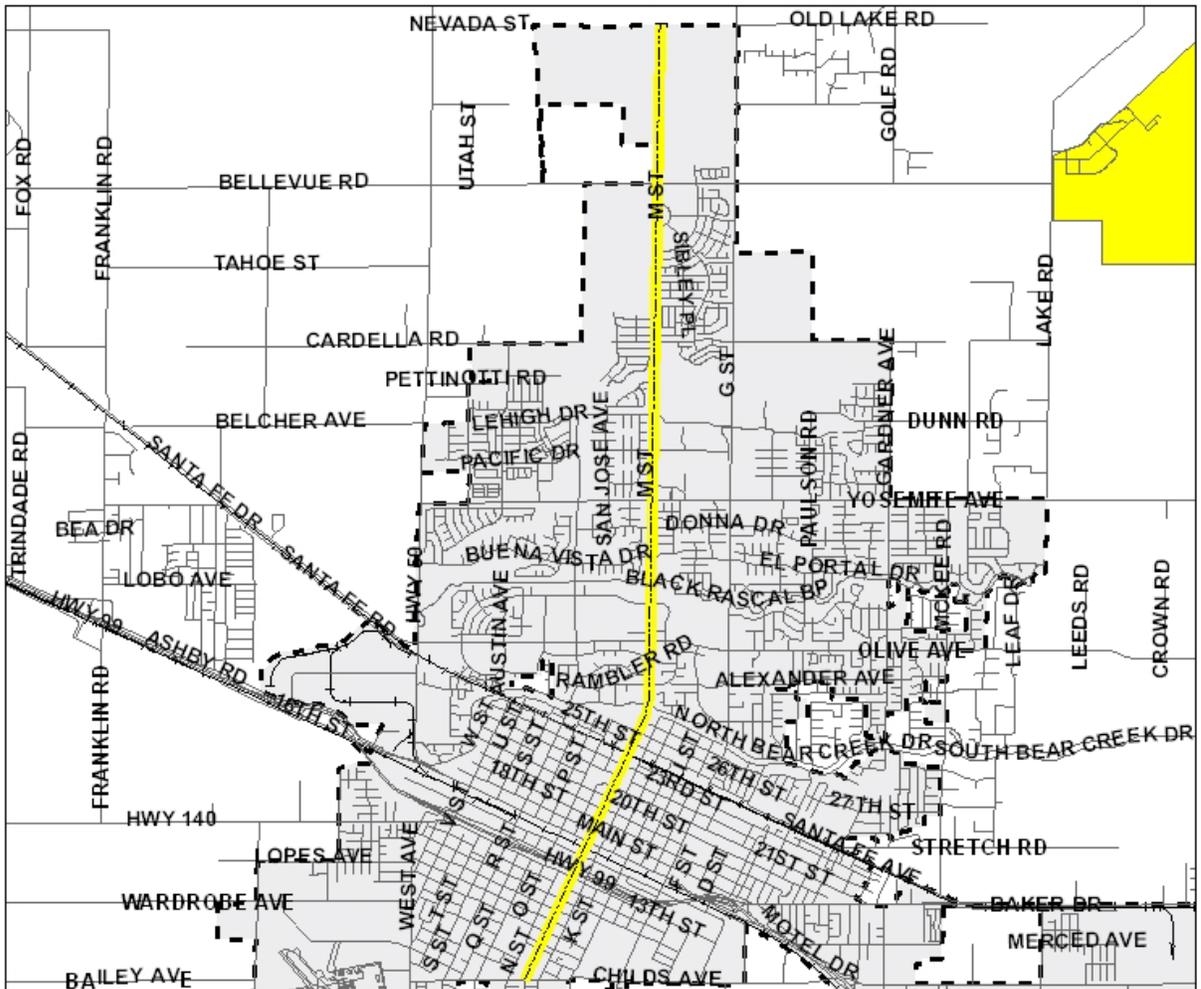
PORTION RELATED TO:
Existing Development: *34.0%
New Development: *56.0%
Explanation: Projected Dwelling Unit Equivalents (DUE's) generated by new development as share of total DUE's in 2030.

POTENTIAL FINANCING SOURCES: Federal & State Grants (\$1,000,000)
 Public Facilities Impact Fees (\$1,266,200)

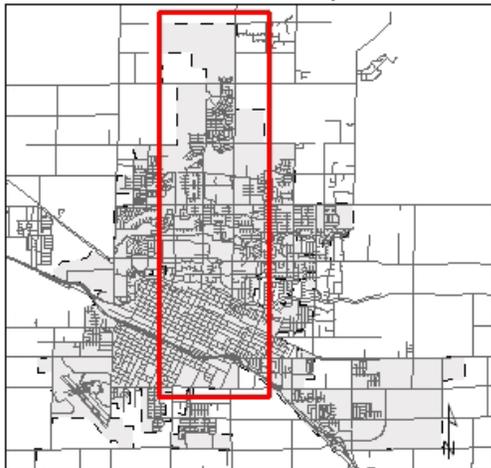
START CRITERIA: Prior to dropping below LOS D

TARGET DATES AND CASH FLOW PHASING:	<u>Project Stage</u>	<u>Costs</u>
Action within 0-5 Years:		
Action within 6-10 Years:		
Action within 11-20 Years:	Improvements to M Street	\$2,266,200

PROJECT: M Street Transitway

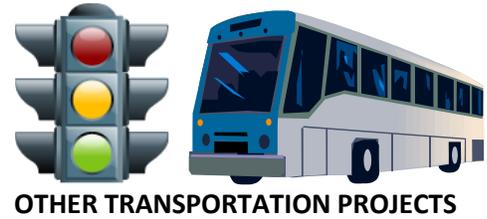


Location Map





City of Merced
PUBLIC FACILITIES FINANCING PLAN
Project Detail Sheet



PROJECT CATEGORY: Transportation--Traffic Signals

PROJECT: New Traffic Signals

SERVICE STANDARD: 1 signal per 1,250 population, or as warranted by State Traffic Manual

DESCRIPTION: Traffic signals installed as warranted, or as mitigation measure for traffic impact or as part of major grid system.

NEED: Population projections for 2030 (137,400) would call for a total of 110 signals. 65 signals are currently in place, leaving a need for 45 new signals.

ESTIMATED COST: \$11,250,000

Source: 45 signals at \$250,000 each (assumes right-of-way is dedicated)
City Engineering (2012) based on recent construction experience

PORTION RELATED TO:

Existing Development: 0.0%

New Development: 100.0%

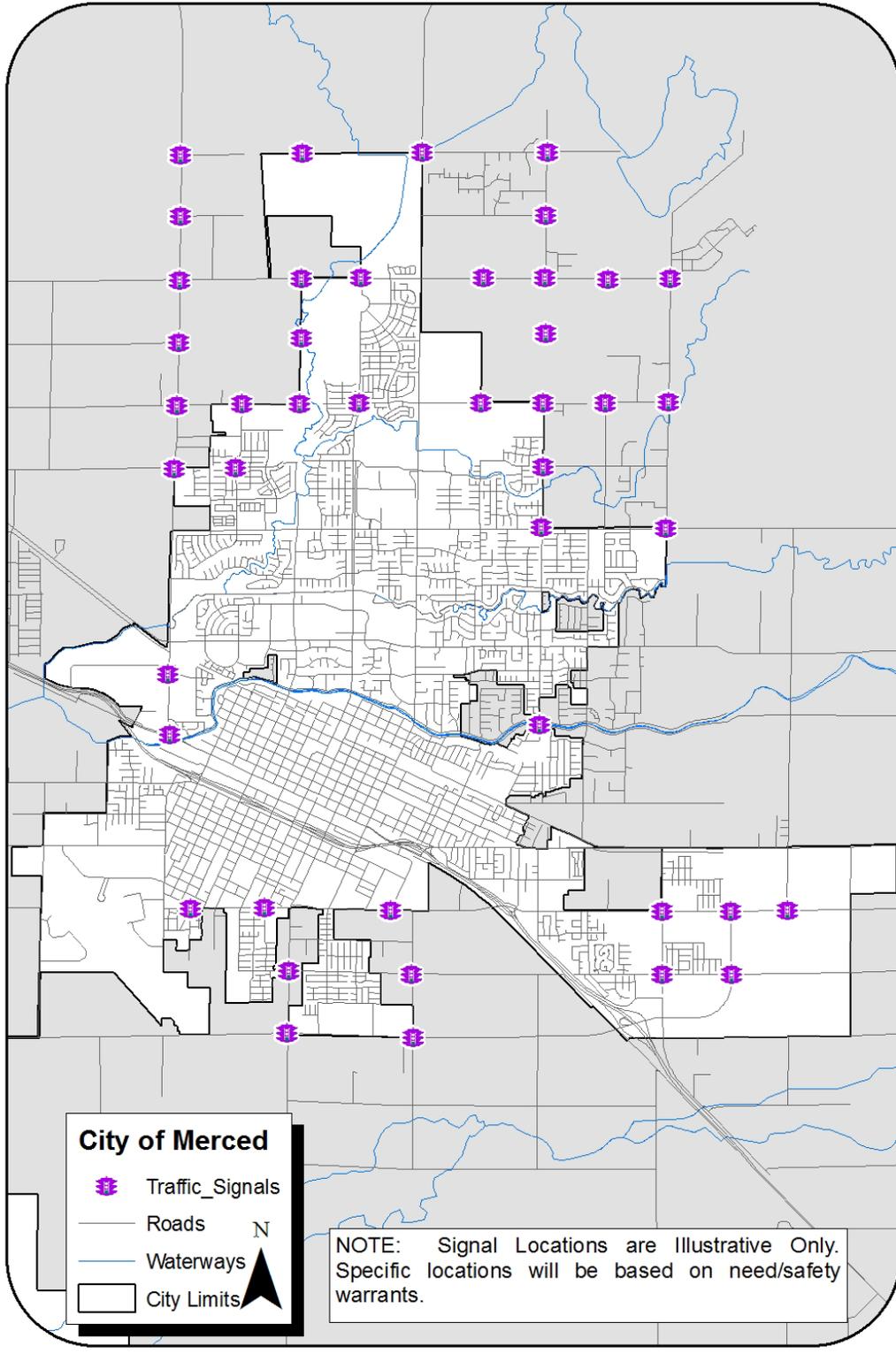
Explanation: Updated population projections from MCAG (2010).

POTENTIAL FINANCING SOURCES: Federal & State Grants – (35%) (\$4,000,000)
Public Facilities Impact Fees – (\$3,453,125)
Developer Construction – (\$3,796,875)

START CRITERIA: Prior to dropping below LOS D

TARGET DATES AND CASH FLOW PHASING:	<u>Project Stage</u>	<u>Costs</u>
Action within 0-5 Years:	8 Signals	\$2,000,000
Action within 6-10 Years:	13 Signals	\$3,250,000
Action within 11-20 Years:	24 Signals	\$6,000,000

TRAFFIC SIGNALS





City of Merced
PUBLIC FACILITIES FINANCING PLAN

Project Detail Sheets

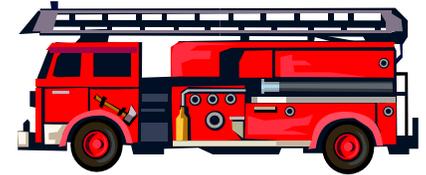
FIRE FACILITIES







City of Merced
PUBLIC FACILITIES FINANCING PLAN
Project Detail Sheet



FIRE FACILITIES

PROJECT CATEGORY: Fire Protection

PROJECT: Fire Station #53 (Loughborough)

SERVICE STANDARD: 4-6 minute response time, 90 percent of time, within the financial constraints of the City (General Plan)

DESCRIPTION: This is a remodel of the current Merced Mall/Loughborough Station.

NEED: Life safety response standard is 4 to 6 minutes (see above). Station #53 serves the western and central sections of the City, north of Bear Creek, but will need to be enlarged to serve more of northern growth area.

ESTIMATED COST: \$1,000,000

Source: City Engineering (2012)--consistent with current construction project estimates

PORTION RELATED TO:

Existing Development: 0.0%

New Development: 100.0%

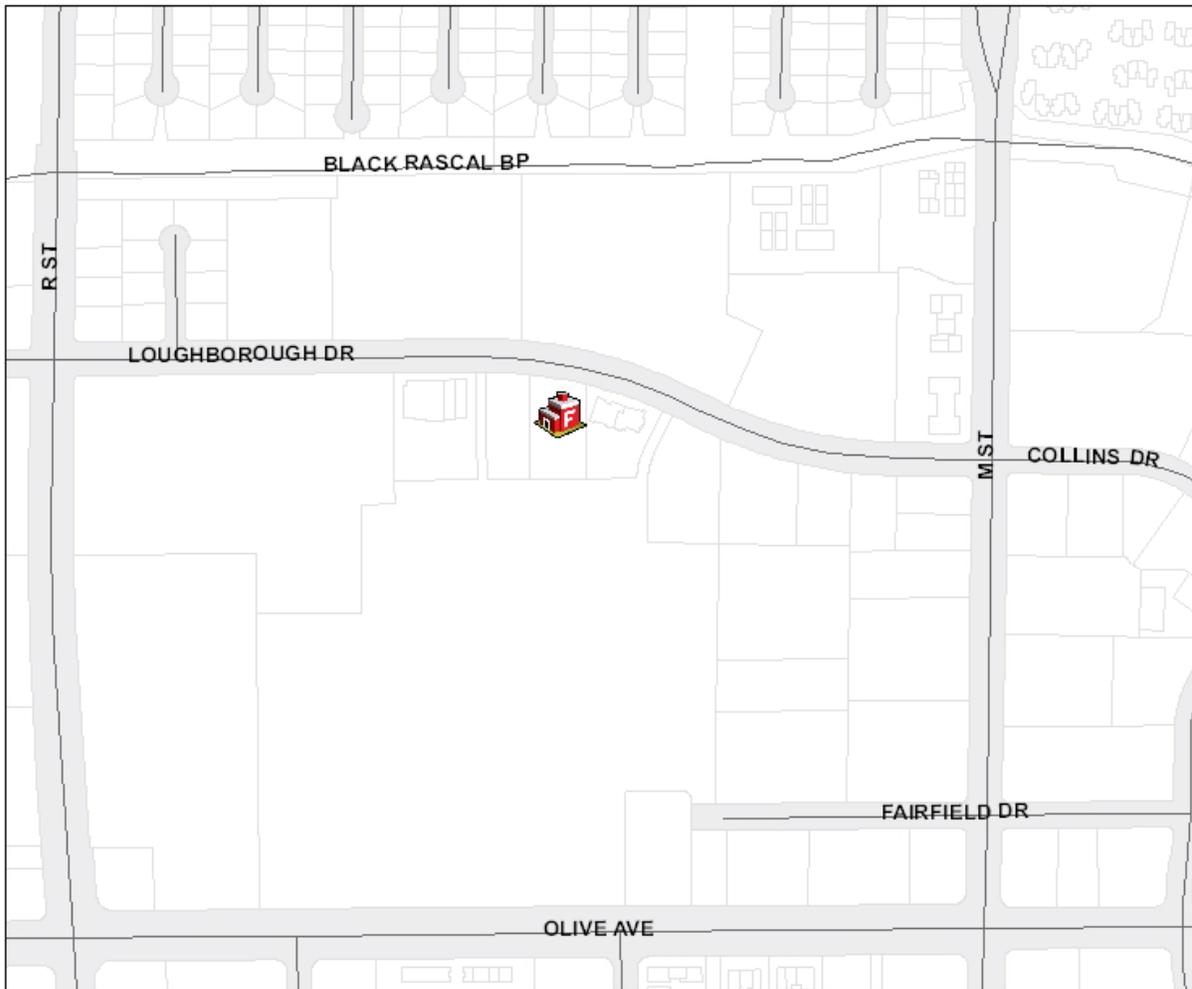
Explanation: No existing deficiency. Need for station remodel totally generated by new growth further north.

POTENTIAL FINANCING SOURCES: Federal & State Grants (10%) (\$100,000)
 Public Facilities Impact Fees (\$900,000)

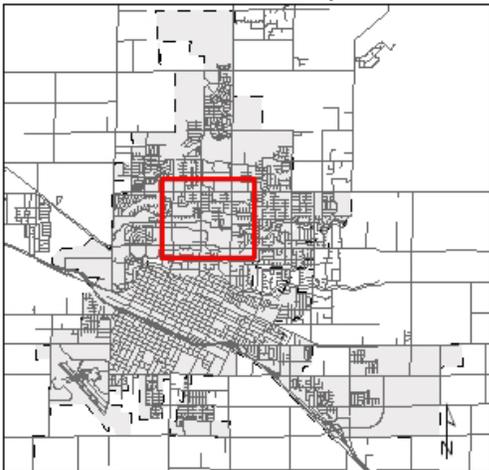
START CRITERIA: Annexations, Bellevue Ranch, and industrial development

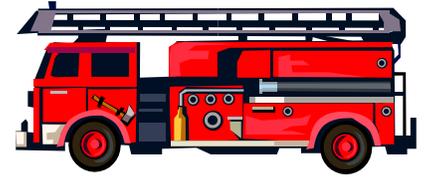
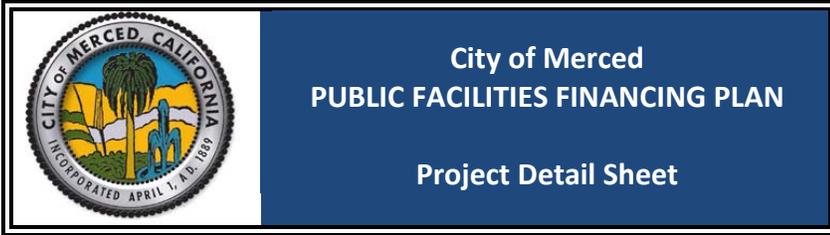
TARGET DATES AND CASH FLOW PHASING:	<u>Project Stage</u>	<u>Costs</u>
Action within 0-5 Years:		
Action within 6-10 Years:	Design & Construction	\$1,000,000
Action within 11-20 Years:		

PROJECT: Fire Station 53 (800 Loughborough Rd)



Location Map





FIRE FACILITIES

PROJECT CATEGORY: Fire Protection

PROJECT: Fire Station #54 (near Gerard & Coffee)

SERVICE STANDARD: 4-6 minute response time, 90 percent of time, within the financial constraints of the City (General Plan)

DESCRIPTION: 4,000- to 6,000- square-foot residential-type satellite facility on 1.0 acre to house 4-6 fire fighters and two pieces of fire apparatus in the vicinity of Gerard and Coffee. (This is a relocation of the existing 21st Street/Glen Avenue Station.)

NEED: Life safety response standard is 4 to 6 minutes (see above). Station #54 will service Southeast Merced. With continued growth in this area, no existing station can provide acceptable service to this area within the adopted fire protection standards.

ESTIMATED COST: \$2,700,000

Source: City Engineering (2012)--consistent with current construction project estimates

PORTION RELATED TO:

Existing Development: 0.0%

New Development: 100.0%

Explanation: No existing deficiency. Need for station relocation totally generated by new growth.

POTENTIAL FINANCING SOURCES: Federal & State Grants (10%) (\$270,000)

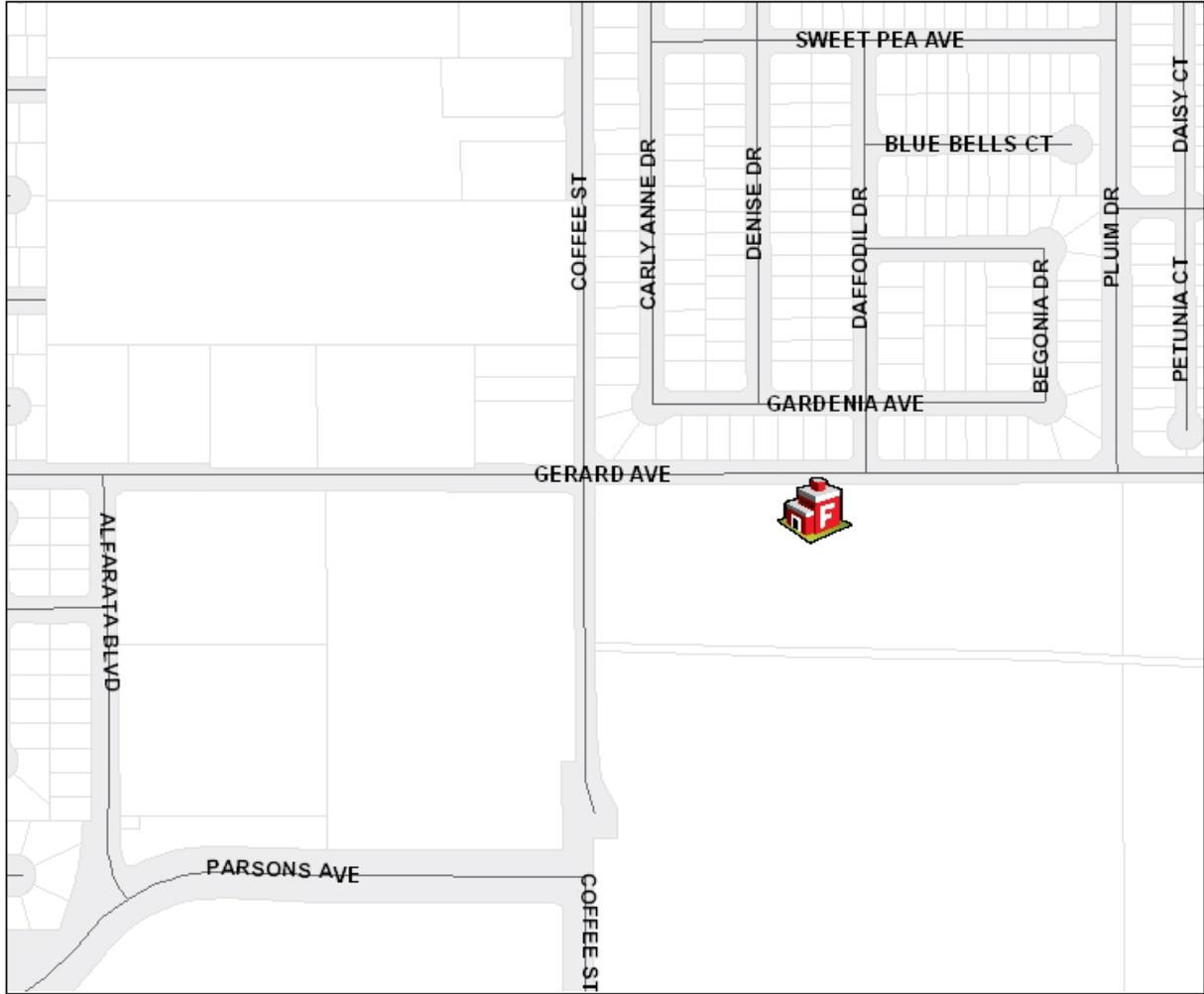
Public Facilities Impact Fees (\$2,280,000)

Land Sales (\$150,000)

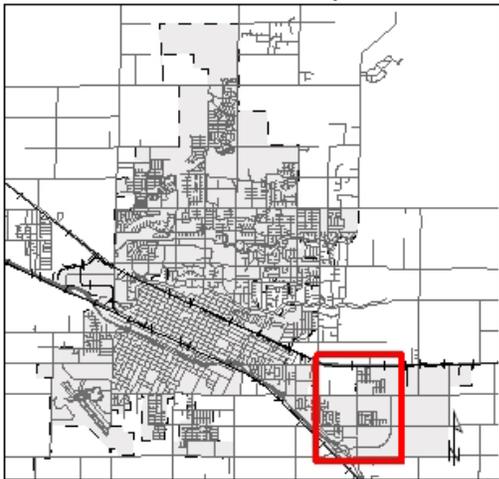
START CRITERIA: Development of Weaver Area and Eastern Industrial Park

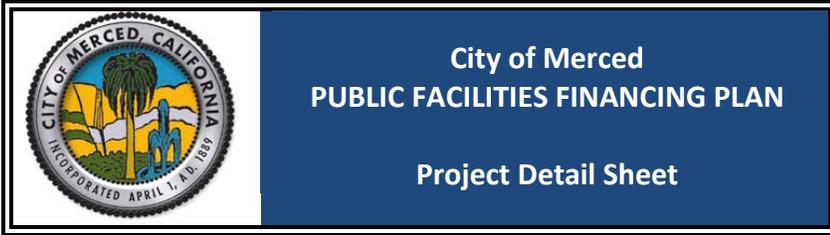
TARGET DATES AND CASH FLOW PHASING:	Project Stage	Costs
Action within 0-5 Years:	Design & Construction	\$2,700,000
Action within 6-10 Years:		
Action within 11-20 Years:		

PROJECT: Fire Station 54 (Near Gerard & Coffee)



Location Map





PROJECT CATEGORY: Fire Protection

PROJECT: Fire Station #56 (Merced College/Bellevue & M)

SERVICE STANDARD: 4-6 minute response time, 90 percent of time, within the financial constraints of the City (General Plan)

DESCRIPTION: 4,000- to 6,000- square-foot residential-type satellite facility on 1.0 acre to house 4-6 fire fighters and two pieces of fire apparatus in the Bellevue Road and M Street. (A site was previously acquired at Merced College for this station but to more efficiently meet fire response times, it should likely be moved further north.)

NEED: Life safety response standard is 4 to 6 minutes (see above). Station #56 will service north central Merced. Due to continued growth, no existing station can provide acceptable service to this area within the adopted fire protection standards.

ESTIMATED COST: \$2,700,000

Source: City Engineering (2012)--consistent with current construction project estimates

PORTION RELATED TO:

Existing Development: 0.0%

New Development: 100.0%

Explanation: No existing deficiency. Need for station relocation totally generated by new growth.

POTENTIAL FINANCING SOURCES: Federal & State Grants (10%) (\$270,000)

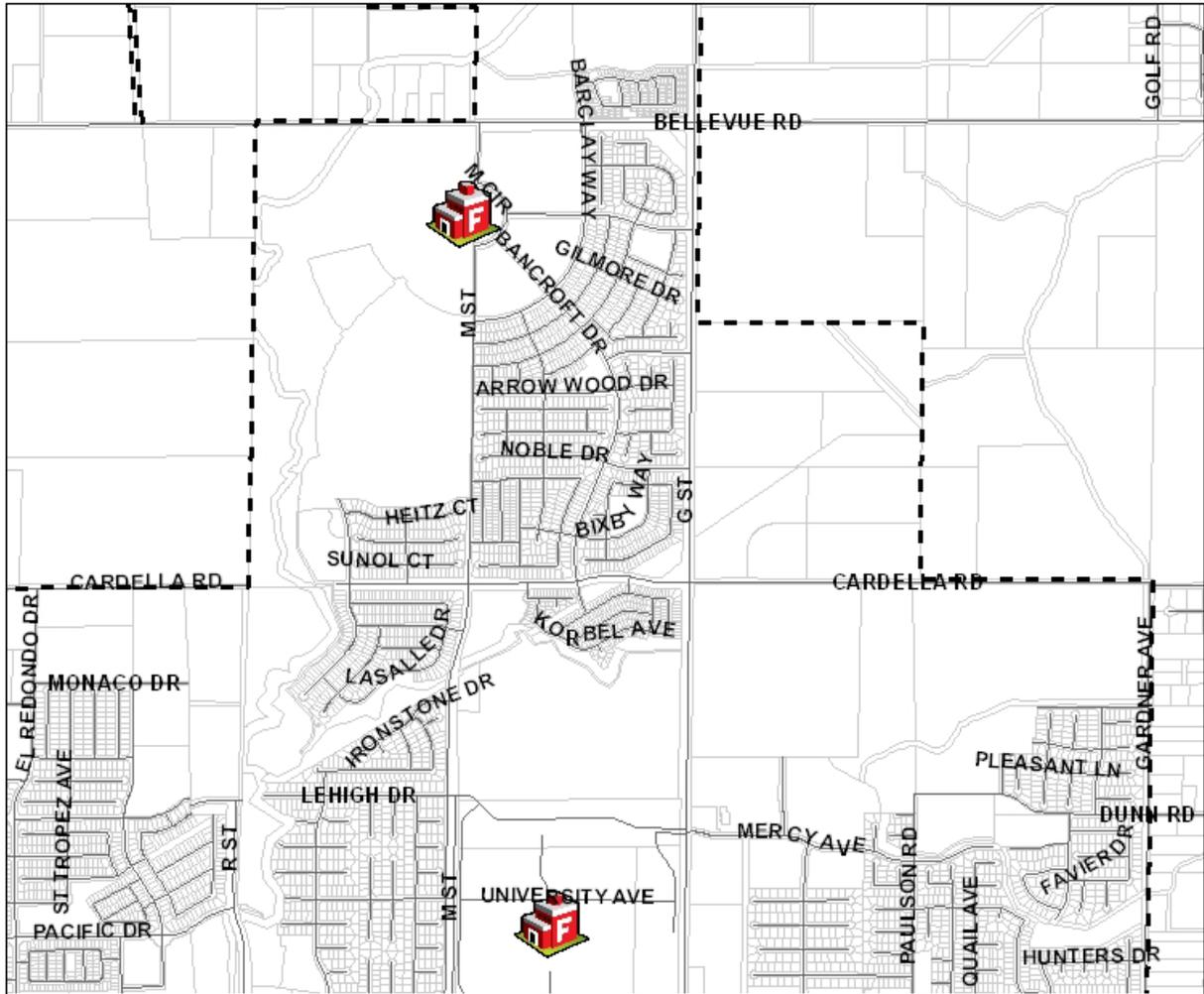
Land Sales (\$220,000)

Public Facilities Impact Fees (\$2,210,000)

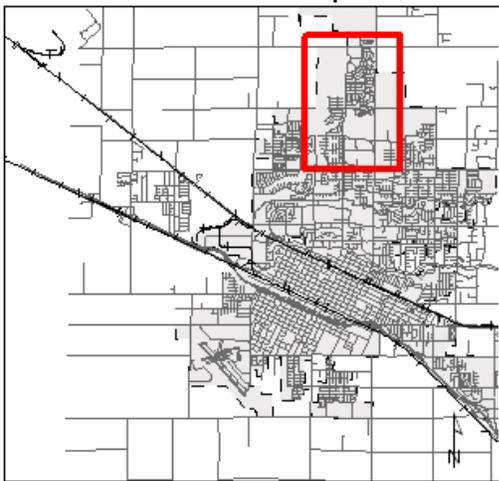
START CRITERIA: Depends on growth in the area, including Bellevue Ranch

TARGET DATES AND CASH FLOW PHASING:	<u>Project Stage</u>	<u>Costs</u>
Action within 0-5 Years:		
Action within 6-10 Years:	Design & Construction	\$2,700,000
Action within 11-20 Years:		

PROJECT: Fire Station 56 Merced College and Bellevue Ranch Options

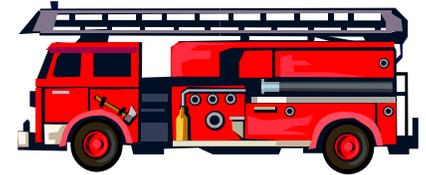


Location Map





City of Merced
PUBLIC FACILITIES FINANCING PLAN
Project Detail Sheet



FIRE FACILITIES

PROJECT CATEGORY: Fire Protection

PROJECT: Fire Station #57 (Bellevue & Lake Road)

SERVICE STANDARD: 4-6 minute response time, 90 percent of time, within the financial constraints of the City (General Plan)

DESCRIPTION: 4,000- to 6,000- square-foot residential-type satellite facility on 1.0 acre to house 4-6 fire fighters and two pieces of fire apparatus in the vicinity of Bellevue and Lake Road to serve UC Merced, the University Community, and other City areas.

NEED: Life safety response standard is 4 to 6 minutes (see above). Station #57 will service the eastern portion of the City’s northern growth area. No existing station can provide acceptable service to this area within the adopted fire protection standards.

ESTIMATED COST: \$2,700,000

Source: City Engineering (2012)--consistent with current construction project estimates

PORTION RELATED TO:

Existing Development: 0.0%

New Development: 100.0%

Explanation: No existing deficiency. Need for station relocation totally generated by new growth.

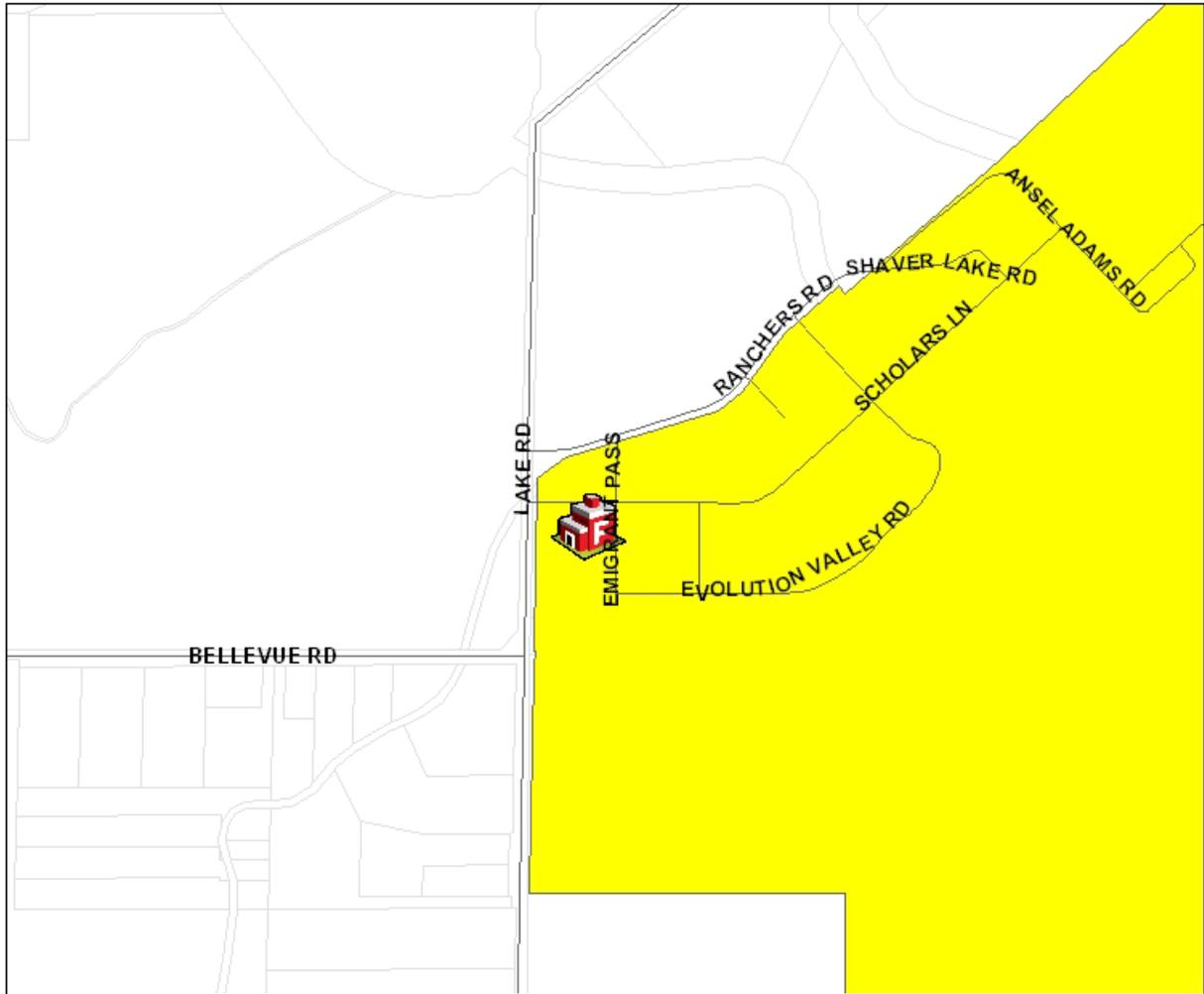
POTENTIAL FINANCING SOURCES: Federal & State Grants (10%) (\$270,000)

Public Facilities Impact Fees (\$2,280,000)

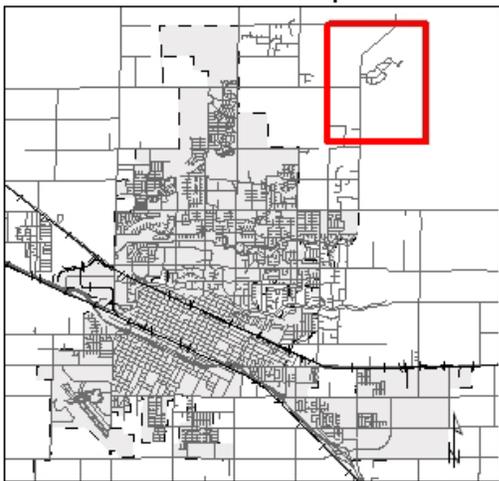
START CRITERIA: Depends on growth in the area, including UC Merced

TARGET DATES AND CASH FLOW PHASING:	<u>Project Stage</u>	<u>Costs</u>
Action within 0-5 Years:		
Action within 6-10 Years:		
Action within 11-20 Years:	Design & Construction	\$2,700,000

PROJECT: Fire Station 57 (Bellevue & Lake)



Location Map





City of Merced
PUBLIC FACILITIES FINANCING PLAN

Project Detail Sheets

POLICE FACILITIES







City of Merced
PUBLIC FACILITIES FINANCING PLAN
Project Detail Sheet



POLICE FACILITIES

PROJECT CATEGORY: Police Protection

PROJECT: Police Facilities

SERVICE STANDARD: 1.37 sworn officers per 1,000 population (Merced Police Headquarters Needs Assessment--2008)

DESCRIPTION: Acquisition and/or construction of adequate police facilities and equipment to meet the needs of police staffing required by new growth. A 4.5-acre site was acquired at Yosemite & Mansionette in 2009 for a new central station.

NEED: By 2035, approximately 189 sworn officers will be required to manage the workload generated by new growth, up from 111 in 2008. To support the additional officers, it will be necessary to add about 50,200 square feet of office floor space and 187 parking spaces

ESTIMATED COST: \$11,400,000
Source: City Engineering (2012)

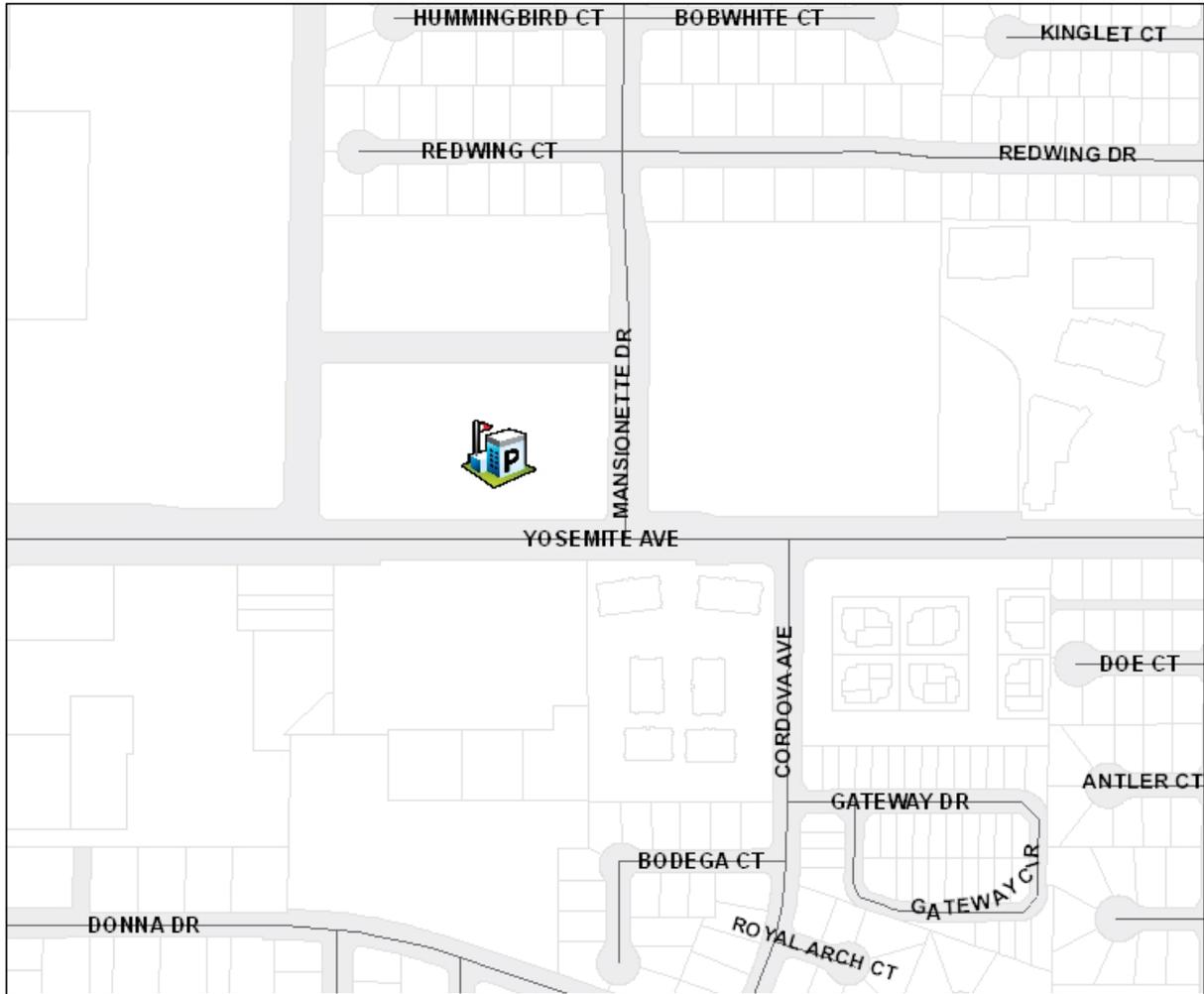
PORTION RELATED TO:
Existing Development: 0.0%
New Development: 100.0%
Explanation: No existing deficiency. Need for new facilities totally generated by new growth.

POTENTIAL FINANCING SOURCES: Federal & State Grants (10%) (\$1,140,000)
 Public Facilities Impact Fees (\$10,260,000)

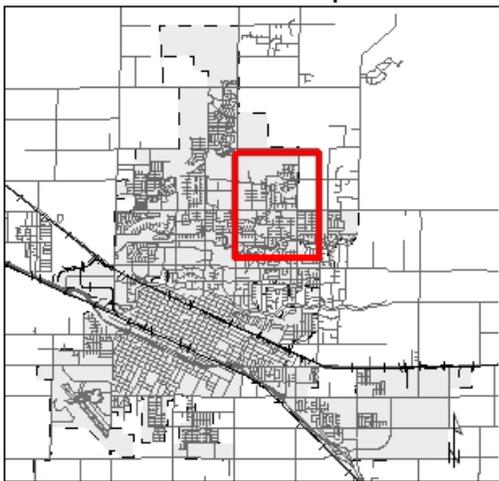
START CRITERIA: Depends on rate of growth.

TARGET DATES AND CASH FLOW PHASING:	<u>Project Stage</u>	<u>Costs</u>
Action within 0-5 Years:		
Action within 6-10 Years:		
Action within 11-20 Years:	Design & Construction	\$11,400,000

PROJECT: Police Facilities/Communications



Location Map





City of Merced
PUBLIC FACILITIES FINANCING PLAN

Project Detail Sheets

PARKS, RECREATION, & BIKEWAYS







PARKS, RECREATION & BIKEWAYS

PROJECT CATEGORY: Parks, Recreation, & Bikeways

PROJECT: Youth Center

SERVICE STANDARD: 1 center per 75,000 population (Merced recommendation). 2004 Parks & Open Space Master Plan recommends 1 Youth Center in North Merced and 1 Youth Center in Central/South Merced (existing McCombs Youth Center is at M & 15th Streets)

DESCRIPTION: Design and construction of 1 new site (12,000-square-foot indoor facility and 25,000 square feet of outdoor area for multiple uses)

NEED: The Youth Centers will provide supervised activity centers for community youth, which could be operated by either the City or other service providers.

ESTIMATED COST: \$2,900,000

Source: City Engineering (2012) based on 2000 construction costs for McCombs Youth Center & 2009 Merced City School District Gymnasium at Rivera School

PORTION RELATED TO:

Existing Development: 0.0%

New Development: 100.0%

Explanation: Demand for new center is generated by new growth.

POTENTIAL FINANCING SOURCES: Federal & State Grants (30%) (\$1,000,000)

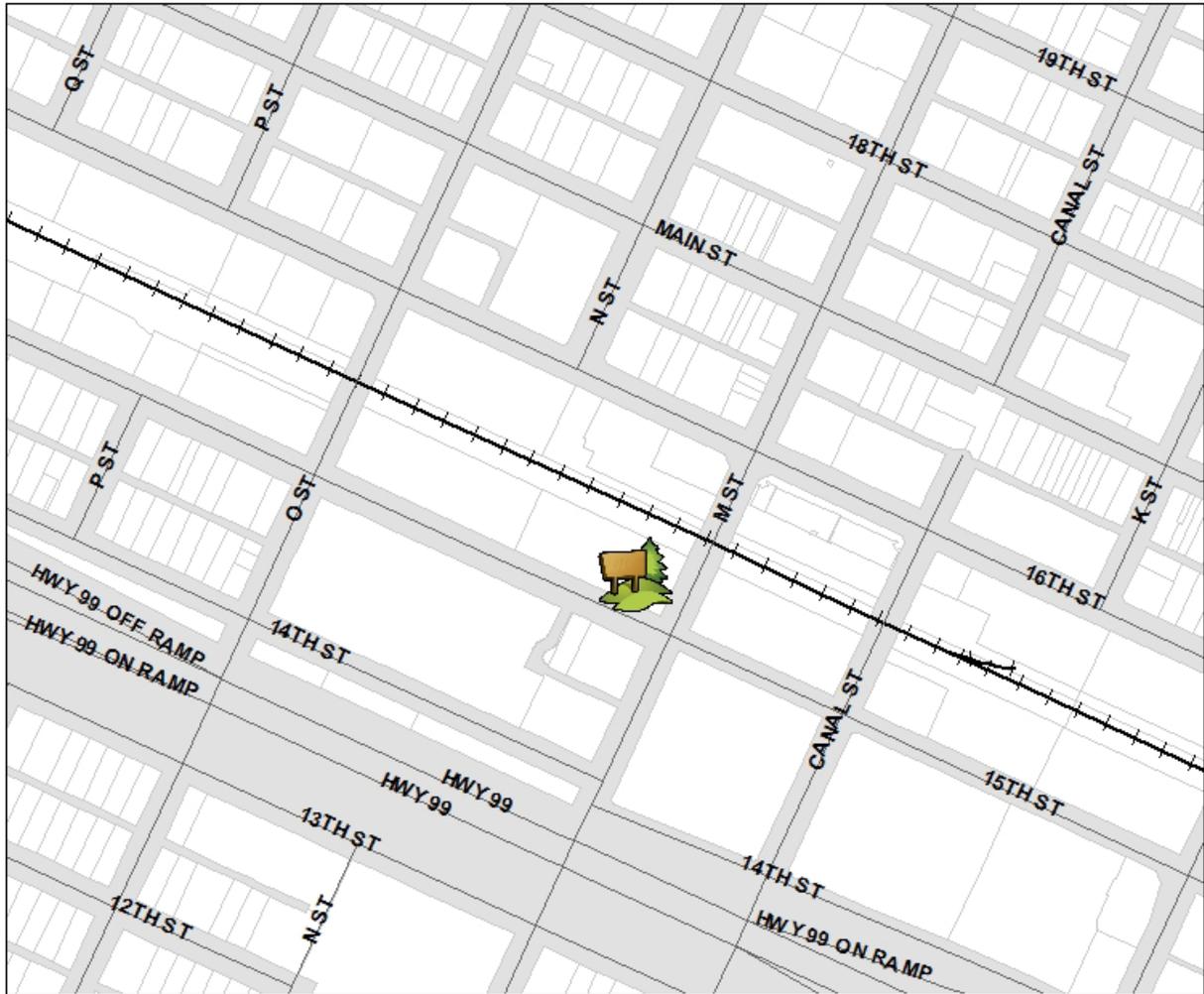
Public Facilities Impact Fees (\$1,500,000)

Private Donations (\$400,000)

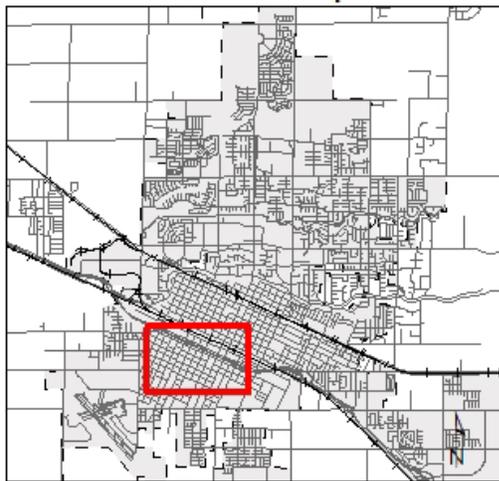
START CRITERIA: Next center needed when population reaches 150,000 (Design and Site Acquisition will likely begin in 20-year period with construction extending beyond 20 years based on growth.)

TARGET DATES AND CASH FLOW PHASING:	<u>Project Stage</u>	<u>Costs</u>
Action within 0-5 Years:		
Action within 6-10 Years:		
Action within 11-20 Years:	Site Acquisition/Design/Partial Construction	\$2,900,000

PROJECT: Parks - Youth Center



Location Map





City of Merced
PUBLIC FACILITIES FINANCING PLAN
Project Detail Sheet



PARKS, RECREATION & BIKEWAYS

PROJECT CATEGORY: Parks, Recreation, & Bikeways

PROJECT: Fahrens Park Development

SERVICE STANDARD: 1.5 acres of “Community Parkland” per 1,000 population (City General Plan)

DESCRIPTION: This project consists of developing (25 acres) of underdeveloped land, including preservation of wildlife and riparian habitat as well as the construction of passive recreation areas.

NEED: Fahrens Park is an existing community park of which only 15% has been developed to accommodate the existing population in northwest area of the City.

ESTIMATED COST: \$1,025,000

Source: \$41,000 per acre [City Engineering (2012)]

PORTION RELATED TO:

Existing Development: 0.0%

New Development: 100.0%

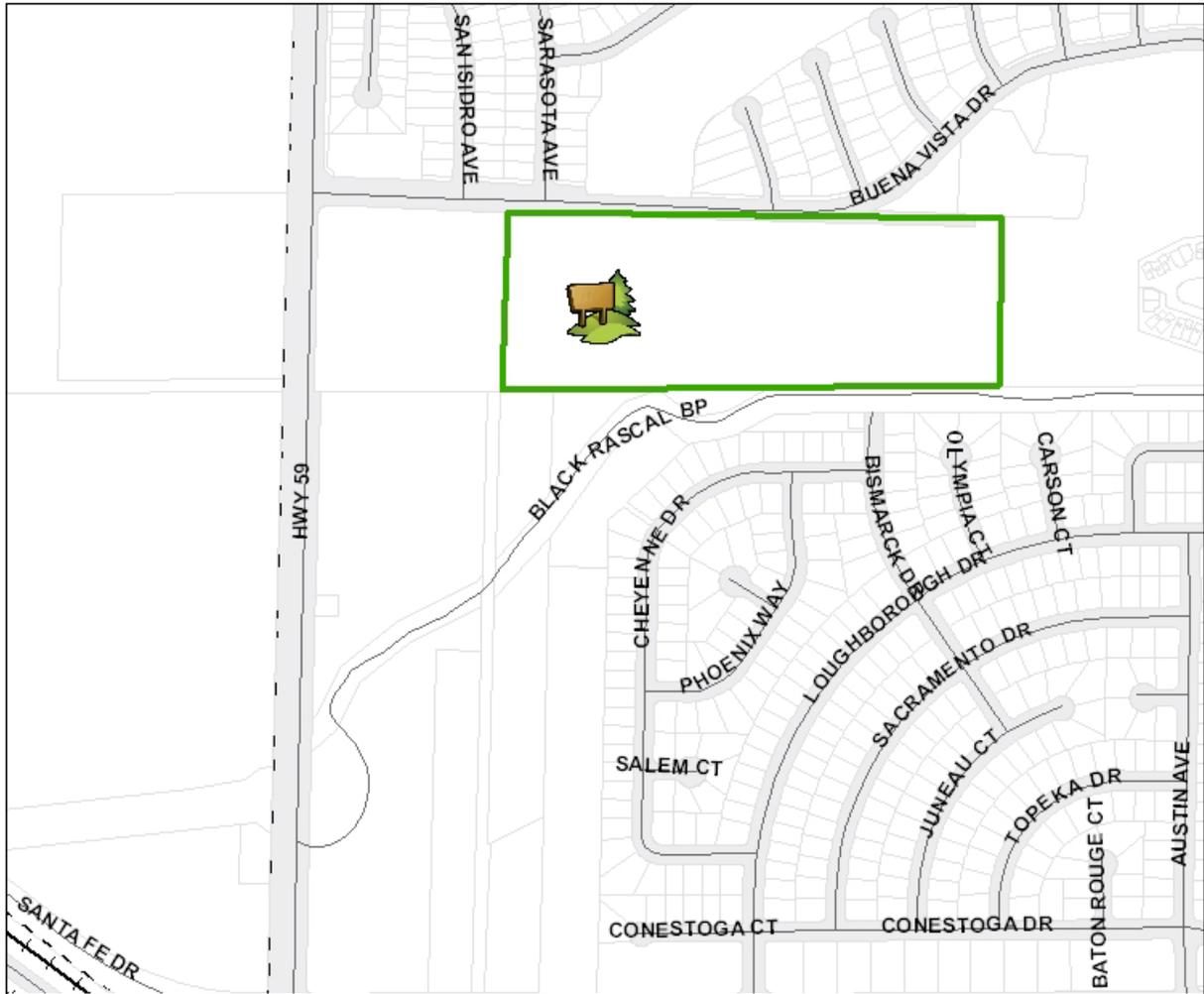
Explanation: Not an existing deficiency. Demand for expansion generated by new growth.

POTENTIAL FINANCING SOURCES: Public Facilities Impact Fees (\$768,750)
 Federal and State Grants (25%) (\$256,250)

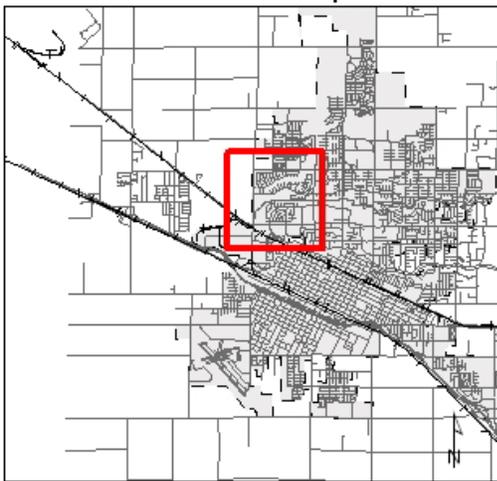
START CRITERIA: Depends on new growth in the area.

TARGET DATES AND CASH FLOW PHASING:	<u>Project Stage</u>	<u>Costs</u>
Action within 0-5 Years:		
Action within 6-10 Years:	Development of 10 acres	\$410,000
Action within 11-20 Years:	Development of 15 acres	\$615,000

PROJECT: Parks - Fahrens Park Development



Location Map





City of Merced
PUBLIC FACILITIES FINANCING PLAN
Project Detail Sheet



PARKS, RECREATION & BIKEWAYS

PROJECT CATEGORY: Parks, Recreation, & Bikeways

PROJECT: Youth Sport Complex

SERVICE STANDARD: 1 facility per 75,000 population

DESCRIPTION: Construct new facility at a to-be-determined location (at least 13 acres in size) for outdoor youth sports activities, including ball fields, concession, restrooms, picnic areas, and playgrounds, in addition to the existing complex in the Airport Industrial Park.

NEED: School play areas and other park facilities cannot accommodate the demand for organized youth sports activities, which include baseball, softball, soccer, and football.

ESTIMATED COST: \$1,000,000

Source: City Engineering (2012) based on actual costs of first complex.

PORTION RELATED TO:

Existing Development: 0.0%

New Development: 100.0%

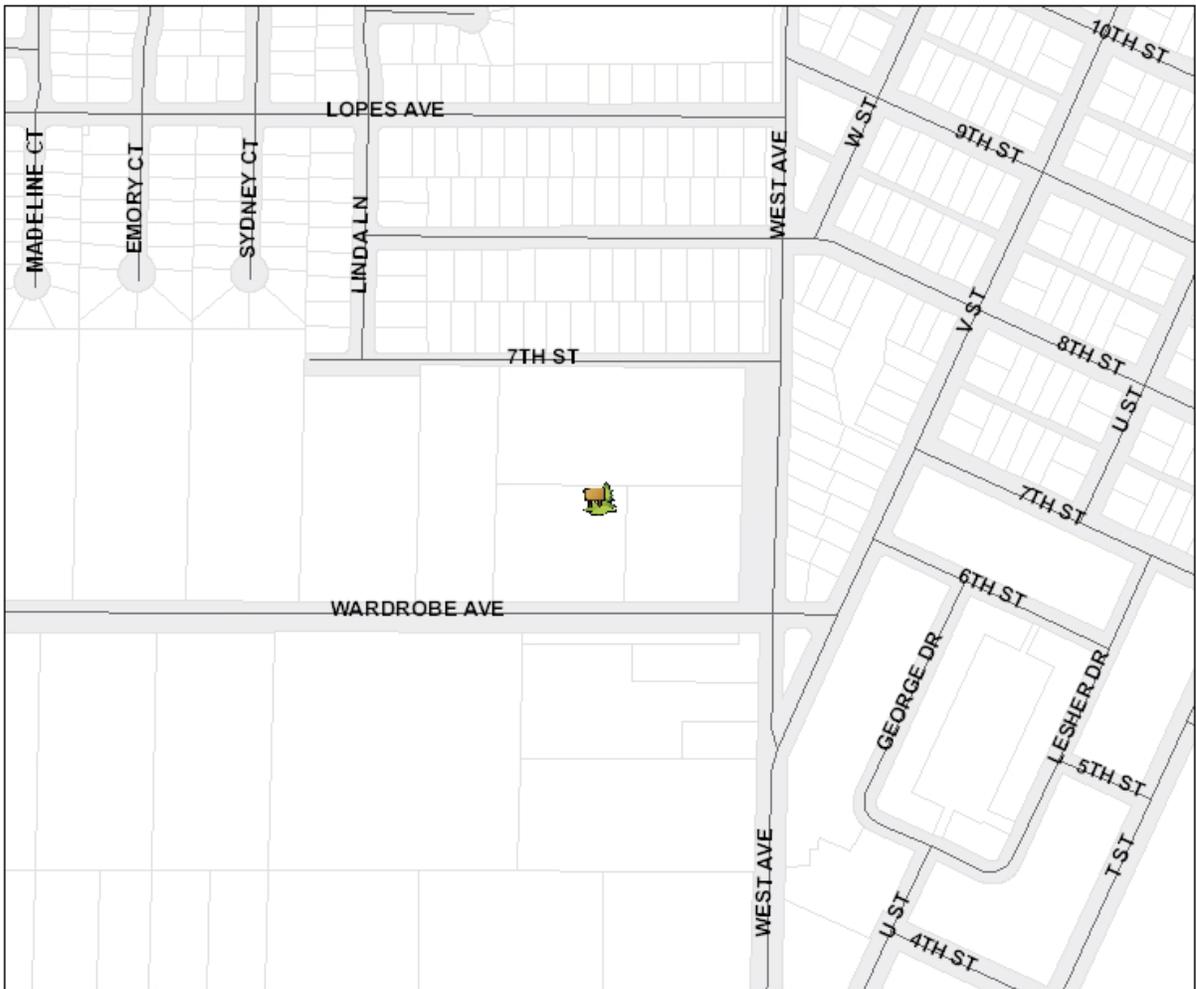
Explanation: Demand for new complex is generated by new growth.

POTENTIAL FINANCING SOURCES: Federal & State Grants (25%) (\$250,000)
Private Donations (25%) (\$250,000)
Park Fees (Quimby Act) (10%) (\$100,000)
Public Facilities Impact Fees (\$400,000)

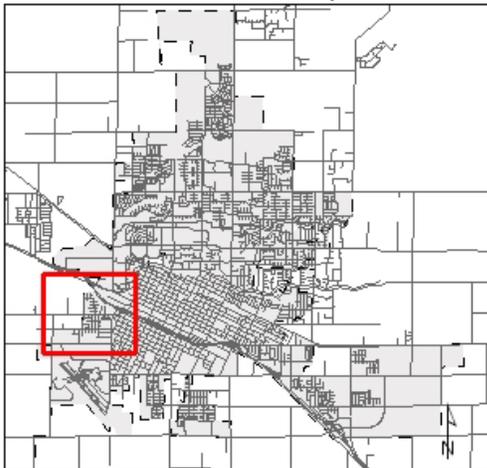
START CRITERIA: First complex at Airport Industrial Park is complete. Second complex needed when population reaches 150,000, so design and site acquisition will begin within 20 years with construction likely to be beyond 20 years.

TARGET DATES AND CASH FLOW PHASING:	<u>Project Stage</u>	<u>Costs</u>
Action within 0-5 Years:		
Action within 6-10 Years:		
Action within 11-20 Years:	Design & Site Acquisition/Begin Construction	\$1,000,000

PROJECT: Parks – Youth Sports Complex



Location Map





PARKS, RECREATION & BIKEWAYS

PROJECT CATEGORY: Parks, Recreation, & Bikeways

PROJECT: Bikeways

SERVICE STANDARD: A) 1 mile of Class I or II bikeway per 5 miles of streets
 B) Class I, 8-foot wide, off-street bikeways along natural waterways & utility powerline easements

DESCRIPTION: Construction of 9 miles of bikeways, including along Fahrens, Cottonwood, and Black Rascal Creeks, and utility corridors. Includes to 3 street undercrossings and 3 bridges.

NEED: The General Plan calls for the optimum use of public service corridors to provide a bicycle transportation network. Bikeways contribute to the reduction of traffic congestion and air pollution as well as providing recreational opportunities.

ESTIMATED COST: \$2,035,000

Source: \$30 per linear foot—Bikeways (\$1,435,000)
 \$160,000 each—Undercrossings (\$480,000)
 \$40,000 each—Bridges (\$120,000)
 (City Engineering/Recent Bids--2012)

PORTION RELATED TO:

Existing Development: 0.0%
New Development: 100.0%

Explanation: No existing deficiency. Demand is generated by new growth.

POTENTIAL FINANCING

SOURCES: Federal & State Grants (25%) (\$508,750)
 Park Fees (Quimby Act) (\$10%) (\$203,500)
 Development Impact Fees (\$1,322,750)

START CRITERIA: As growth occurs.

TARGET DATES AND CASH FLOW PHASING:	Project Stage	Costs
Action within 0-5 Years:	Construction	\$508,750
Action within 6-10 Years:	Construction	\$508,750
Action within 11-20 Years:	Construction	\$1,017,500



PARKS, RECREATION & BIKEWAYS

PROJECT CATEGORY: Parks, Recreation, & Bikeways

PROJECT: Community Parks and Open Space

SERVICE STANDARD: 5.0 acres per 1,000 population (City General Plan). As a general practice, 3.5 acres of neighborhood parks and 1.5 acres of community/regional parks achieve the 5-acre standard.

DESCRIPTION: A total of 40 acres of new community parks are needed to maintain the service standard in 2030 (1 park in North Merced at 20 acres and 1 in South Merced at 20 acres, plus 25 acres in Fahrens Park—a separate project) Both sites have already been acquired—1 site at Tyler & Mission in South Merced and 1 site in the vicinity of Cardella & G in North Merced.

NEED: General Plan, 2004 Parks & Open Space Master Plan, and Municipal Code call for 5.0 acres of park land for each 1,000 population, achieved through a combination of community and neighborhood parks.

ESTIMATED COST: \$4,600,000
Source: \$120,000 per acre for 20 acres in North Merced; and \$110,000 per acre for 20 acres in South Merced—City Engineering (2012)

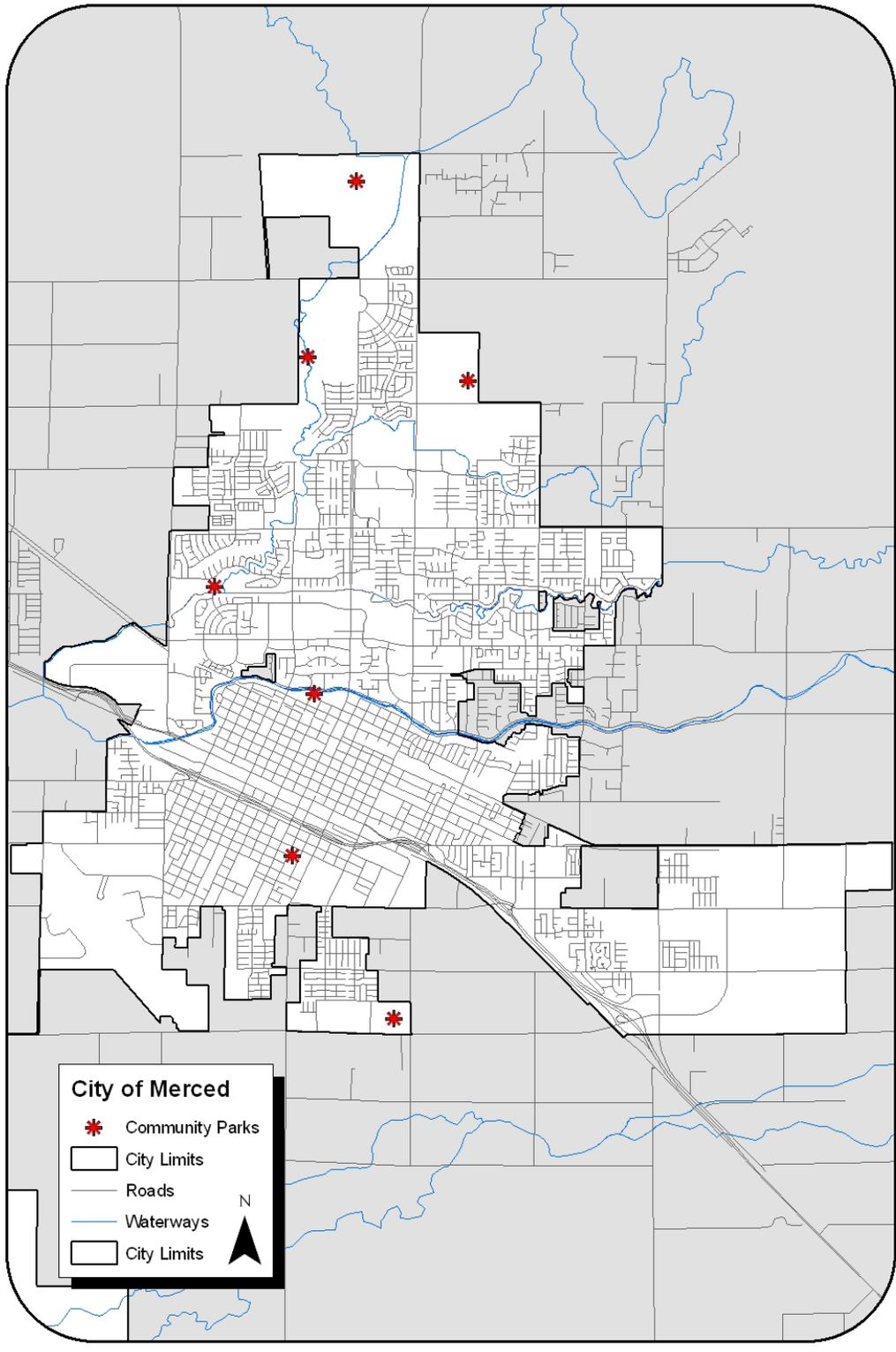
PORTION RELATED TO:
Existing Development: 0.0%
New Development: 100.0%
Explanation: No Existing deficiency

POTENTIAL FINANCING SOURCES: Federal & State Grants (25%) (\$1,150,000)
 Public Facilities Impact Fees – (\$3,450,000)

START CRITERIA: As growth occurs.

TARGET DATES AND CASH FLOW PHASING:	Project Stage	Costs
Action within 0-5 Years:	Construction (20 acres)--South	\$2,400,000
Action within 6-10 Years:		
Action within 11-20 Years:	Construction (20 acres)--North	\$2,400,000

COMMUNITY PARKS (Current and Future)



CITY OF MERCED



**PUBLIC FACILITIES
FINANCING PLAN**



Appendix A-3

Administrative Policy and Procedures

ADMINISTRATIVE POLICIES AND PROCEDURES

SUBJECT: PUBLIC FACILITIES IMPACT FEES AND
ADMINISTRATIVE POLICY

EFFECTIVE: November 19, 2012 (Replaces policy dated October 1, 2005)

PURPOSE:

The purpose of this Administrative Policy is to establish a procedure for the Public Facilities Financing Plan and Fee Program.

POLICY:

The City Manager was granted authority by the Merced City Council on July 21, 2003 to establish this policy and procedure. This Policy supersedes and replaces the previous Policy with an effective date of October 1, 2005.

PROCEDURES:

PAYMENT OF PUBLIC FACILITIES FEES

Public facilities fees shall be charged and paid at the time of issuance of the certificate of occupancy, except for non-residential which shall be paid at time of building permit issuance. The fee shall be determined by the fee schedule in effect on the date of building permit issuance. If a Mello-Roos, assessment district, or other arrangement of such a nature has been made, only the portion of the fee not covered by the district shall be assessed. If a specific use is not addressed in the fee schedule or definitions contained in this document, the fee will be determined by the Development Services Department as described in Merced Municipal Code Section 17.62.100.

Fees not paid at building permit issuance shall require an agreement as specified in Government Code Section 66007, Subsection (C). Should any interpretation or disagreement arise which is not addressed by this administrative

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policy, the City Manager or his designee shall have the authority to render a decision. Such decisions shall be in writing.

DEFINITIONS

1. Commercial

“Commercial” includes a wide range of retail and service uses, both freestanding and in shopping centers including, but not limited to, supermarkets, drugstores, department stores, general merchandise, specialty retail stores, discount stores, hardware/paint stores, garden centers or nurseries, wholesale markets, apparel stores, furniture stores, video arcades and car sales. This category includes banks/savings and loans, restaurants of all types, and auto-oriented uses.

2. Commercial/Less Than 50,000 Square Feet

Includes “commercial” uses defined above in a freestanding building or shopping center with less than 50,000 square feet of floor area.

3. Commercial/Greater Than 50,000 Square Feet

Includes “commercial” uses defined above in a freestanding building or shopping center with greater than 50,000 square feet of floor area.

4. Industrial

Facilities in which the primary activity is the production of finished items through manufacture, fabrication, processing, packaging, or treatment of raw materials or parts, except heavy industrial uses. Uses, which are considered to be in this category, include uses such as those listed below:

- A) Electronics assembly, paper products
- B) Metal fabricator
- C) Bottling plant
- D) Cabinet shop
- E) Machine shop
- F) Sheet metal shop

- G) Welding shop
- H) Wholesale business
- I) Printing plant
- J) Material testing labs manufacturer
- K) Warehouse
- L) Corporation yard, freight yard
- M) Equipment rental yard
- N) Moving and storage service
- O) Bulk feed storage
- P) Lumber yard
- Q) Cannery/Food Processing

5. Mixed Uses

When a development proposal contains more than an incidental mixture of uses, the general types of uses should be segregated and treated separately for the purpose of calculating development fees.

6. Office

Includes professional offices, business parks, business or administrative offices, insurance sales, research centers, and medical or dental services, and other health-related services (excluding hospitals).

7. Residential Single Family

Typically single family detached homes on individual lots, such as in residential subdivisions, but could also be in planned developments. Density of development may vary, but is typically six dwellings per acre or less.

8. Public Facilities Impact Fee, But Not Including Sewer and Water Charges

The term “Public Facilities Impact Fee” shall mean the fee charged new construction, including, in some cases, the expansion of and/or the addition to an existing structure to mitigate an unfunded portion of the determined impact of the development. For the purpose of this policy, Public Facilities

Impact Fees shall not include sewer and water charges as defined in Chapter 15 of the Merced Municipal Code.

9. Residential Multiple Family

Includes two- and multiple-family dwelling units of several types, including high and low rise apartments, high and low rise condominiums, and multi-family residential planned unit developments. This category also applies to mobile homes in mobile home parks.

10. Institutional

Includes nonprofit or quasi-public uses, such as a religious institution, library, public or private school or college, nonprofit cultural or community centers, hospitals, charitable organizations, or government-owned or government-operated structures used for public purposes. Note that federal, state, and county owned facilities are exempt from the City's impact fees.

EXEMPTIONS

Fees shall not be imposed on any of the following:

1. Any alteration or addition to a **residential** structure except to the extent that additional units or guestrooms are created.
2. Any alteration or addition to a **non-residential** structure if the square footage of the structure is increased less than 10 percent, unless the alteration or addition changes the use of the structure to a higher intensity category, or results in the generation of additional peak hour trips (PHT).
3. Any replacement or reconstruction of an **existing residential** structure that has become destroyed or demolished, provided that the building permit for reconstruction is obtained within five years after the building was demolished, except to the extent that additional units or guest rooms are created.

4. Any replacement or reconstruction of an *existing non-residential* structure that has been destroyed or demolished, provided that the building permit for reconstruction is obtained within five years after the building was demolished, unless the replacement or reconstruction increases the square footage of the structure 10 percent or more or changes the use of the structure to a higher intensity category or results in the generation of additional peak hour trips (PHT). Whenever the alteration, addition, replacement, or reconstruction is not exempt, the fee shall be imposed only on the additional units of guest rooms, square footage, change in use to a higher intensity category, or additional peak hour trips (PHT) generated.

DEFERRED PAYMENT - NON-RESIDENTIAL

If the total amount of public facilities fees due and payable at the time of issuance of a building permit for a project exceeds \$50,000, the property owner may enter into a Deferred Payment Agreement with the City to pay twenty-five percent (25%) of those fees at the time the building permit is issued with the remaining seventy-five percent (75%) to be paid in equal installments over the next five (5) years (or less at the developer's option).

REPAYMENT TERMS

- 1) **INTEREST:** The unpaid balance of the fees shall be subject to interest and collection charges. The annual interest rate will be equal to the 11th District Cost of Funds plus two percent (2%) [200 basis points] adjusted every July.
- 2) **DUE ON TRANSFER:** The unpaid balance, together with accrued interest, shall be due and payable in full upon the sale or any other transfer of the property.
- 3) **RECORDING AND PROCESSING FEES:** All such fees shall be paid by the owner or applicant.

SECURITY

The developer shall, as security for repayment, execute a promissory note evidencing the obligation and terms of repayment. In addition to the promissory note, the developer may be required, at the discretion of the City, to provide additional security of a type and amount determined by the City.

PROCESSING DEFERRED FEE REQUESTS

A developer who requests the deferral of public facilities fees shall make application to the Development Services Department, for review, processing, and determination of eligibility. Such requests shall have a processing fee of Eight Hundred Seventy-One Dollars (\$871.00).

CREDIT OR REIMBURSEMENT

If the developer constructs improvements that are part of the public facility fee program and required by the City, the following shall apply:

1. If the actual cost of the improvement is equal to or less than the total amount of fees to be paid, the developer will receive a credit in an amount equal to the actual cost of the improvements (but in no event in excess of the City Engineer's estimate). No credit shall be given until and unless the improvement is constructed and accepted by City or until developer provides security for the improvement in the same manner as security for subdivision improvements.
2. If the actual cost of the improvements is greater than the total amount of fees to be paid, a reimbursement agreement with the City shall be established. No credit shall be given until and unless the improvement is constructed and accepted by City or until developer provides security for the improvement in the same manner as security for subdivision improvements.
3. Developers shall be reimbursed on a first in time basis and based on the availability of public facility fee program funds. First in time shall be determined by when the public improvement is secured or by when the

public improvement is completed and accepted by City, whichever first occurs.

4. Of the fees collected for projects, one-half shall be dedicated to repayment for developer installed improvements and one-half shall be earmarked for improvements to be installed by the City. In its discretion, the City may use any or all of the fees to reimburse developers.
5. City shall be under no obligation to reimburse developers except from the one-half of the fees collected, and no reimbursement shall be owed until fees for said purpose have been collected and until the installing developer has filed a written request for reimbursement with the City Clerk. In no event shall reimbursement be made to the installing developer after the tenth anniversary of the date the public improvement was accepted by the City.
6. Reimbursements, if any, shall not bear interest.

RIGHT-OF-WAY DEDICATION AND REIMBURSEMENT

Unless provided otherwise by development agreement, by use permit, or by city standards, the developer will be eligible for credit/reimbursement for the cost of any additional right-of-way required for street improvements in excess of the first 37 feet (or other collector standard) required for a one-half street section measured from the ultimate right-of-way line. In calculating the value of the right-of-way, the value will be determined by the City based upon a written report prepared annually by the Development Services Department in conjunction with an appraiser acceptable to the City. The report shall be based upon sales activity of all properties zoned for Residential, Commercial, and/or Industrial uses within each park service area (as described in Section 18.40.080 of the Merced Municipal Code) and will establish an average fair market value for that area. These average figures will be applied to all projects within each zone until the fee is next reviewed. If the developer objects to the determined fair market value, he/she may appeal to the City Council. The burden of proof shall lie with the developer. Any right-of-way required to accommodate access to a given parcel such as “deceleration lanes” will be dedicated at the developer’s expense and is not subject to credit/reimbursement.

STREET CONSTRUCTION PAVING REIMBURSEMENT

The first 24 feet of paving adjacent to the curb line plus all paving required to accommodate deceleration lanes and driveways are a developer responsibility and are not subject to credit/reimbursement. The developer will be eligible for credit/reimbursement for the remainder of the street section outside of the first 24 feet of paving on either side of the street.

TRAFIC SIGNAL REIMBURSEMENT

Unless provided otherwise by development agreement or by use permit, the developer will be eligible for 100 percent credit/reimbursement for installation of traffic signals at the intersection of two arterial streets, and for 50 percent reimbursement at an intersection of an arterial and collector street.

ARTERIAL BRIDGE REIMBURSEMENT

Unless provided otherwise by development agreement or by use permit, the developer will be eligible for 100 percent credit/reimbursement for construction of arterial bridges.

APPROVED:

John M. Bramble
City Manager

**RECORDING REQUESTED
BY:**

City of Merced, A California
charter municipal corporation

**WHEN RECORDED MAIL
TO:**

City Clerk
City of Merced
678 West 18th Street
Merced, California 95340

(Above for Recorder's Use Only)

**AGREEMENT AFFECTING REAL PROPERTY & CREATING A
LIEN TO SECURE DEFERRED PAYMENT OF CITY PUBLIC
FACILITY FINANCING PLAN IMPACT FEES**

THIS AGREEMENT is made this _____ day of _____,
20___, by and between _____ [Requestor],
a(n) _____ [describe entity (individual, partnership,
LLP, corporation, etc.)] (hereinafter referred to as "Grantor") and the CITY
OF MERCED, a California charter municipal corporation (hereinafter referred
to as "Grantee").

WHEREAS, Grantor has applied to the Grantee for a building permit on
the property known as _____
[Property Address or APN's], and more fully described on Exhibit "A"
attached hereto; and,

WHEREAS, Grantor has further applied for deferral of certain Public
Facility Financing Plan ("PFFP") fees in accordance with Section 17.62.050
of the Merced Municipal Code and the Administrative Procedures adopted
pursuant thereto, said fees being more fully described on Exhibit "B" attached
hereto.

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-1-

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and agreed, the parties hereto do hereby agree as follows:

1. **PFFP FEE OBLIGATION.** Grantor acknowledges and unconditionally agrees that it owes the Grantee the total sum of \$ _____ for PFFP fees.

2. **PFFP DOWN PAYMENT AND REPAYMENT SCHEDULE.** The Grantor agrees to pay twenty-five percent (25%) of the PFFP fees at the time the building permit is issued with the remaining seventy-five percent (75%) to be paid in equal monthly installments over the next five (5) years (or less at the Grantor's option).

3. **PFFP REPAYMENT TERMS AND CONDITIONS.**

A. **PAYMENT FREQUENCY:** Grantor shall make monthly payments on the remaining deferred PFFP fee obligation, the amount paid annually being at least one-quarter of the total deferred PFFP fee obligation, plus interest as described below. Payments shall be made on or before the first of each month and shall be made to the City of Merced, Finance Department, PFFP Fee Deferral for _____, [Reference to Fee Deferral Project] and made at 678 West 18th Street, Merced, California 95340. Grantee shall endeavor to send Grantor an invoice for payment at least thirty (30) days before the payment is due. However, Grantor unconditionally agrees to make said payment by the payment due date even if no invoice is received thereby. A late fee of five percent (5%) of the total fee payment shall be imposed for all late payments made.

B. **INTEREST:** The unpaid balance of the fees shall be subject to interest and collection charges. The annual interest rate will be equal to the 11th

District Cost of Funds plus one percent (2%) [200 basis points] adjusted every July.

- C. **DUE ON TRANSFER:** The unpaid deferred PFFP fee balance, together with accrued interest, and late fees shall be due and payable in full upon the sale or any other transfer of the property.
- D. **RECORDING AND PROCESSING FEES:** All such fees shall be paid by the Grantor.

4. **LIEN CREATED.** Grantor hereby grants to Grantee a lien against the real property described in Exhibit "A."

5. **LIEN AS SECURITY FOR DEFERRED PFFP FEES.** The lien created herein in the real property described in Exhibit "A" is intended to guarantee the payment in full, plus accrued interest, late fees, and the cost of collection of the deferred PFFP fees.

6. **LIEN PRECEDENCE.** The lien created herein shall be superior to all other liens or encumbrances against the real property described in Exhibit "A."

7. **GRANTEE'S AUTHORITY TO FORECLOSE ON LIEN.** The condition of this lien is such that if the above-named Grantor, its or their heirs or executors, administrators, successors, transferees, or assigns shall in all things stand to and abide by, and truly keep and perform the covenants, conditions, and provisions in this Agreement and any alteration thereof made therein and provided, on its or their part, to be kept and performed at the time and in the manner therein specified, and in all other respects according to their true intent and meaning, and indemnifies and saves harmless the Grantee, its officers, agents and employees as therein stipulated, then the liens shall become null and void upon recording of a release by the Grantee in substantially the form as shown on Exhibit "C" hereto; otherwise the lien shall remain in full force and effect.

8. **GRANTEE'S COSTS TO ENFORCE PAYMENT OBLIGATION INCLUDED IN AMOUNT OF LIEN.** As part of the obligation secured hereby and in addition to the amount stated above, there shall be included cost and reasonable expenses and fees, including reasonable

attorneys' fees and late fees, incurred by Grantee in successfully enforcing such obligations, all to be taxed as costs and included in any judgment rendered.

9. EXTENSIONS OF TIME SHALL NOT CHANGE OBLIGATION TO PAY, PRIORITY, OR ENFORCEABILITY OF LIEN. The Grantor hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of this Agreement shall in any manner effect Grantor's obligations with respect to this lien.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first above written.

GRANTOR:

By: _____
(Signature)

Name: _____
(Typed Name)

Title: _____

Address: _____

Telephone: _____

GRANTEE:

CITY OF MERCED
A California Charter Municipal
Corporation

BY: _____
City Manager

ATTEST:
CITY CLERK

BY: _____
Deputy City Clerk

APPROVED AS TO FORM:

BY: _____
City Attorney

ACCOUNT DATA:

BY: _____
Verified by Finance Officer

ACKNOWLEDGEMENT

State of California

County of Merced

On _____, 2008, before me, _____,
a Notary Public, personally appeared, _____

_____ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (seal)
Notary Public

EXHIBIT "A"

Legal Description

N:\SHARED\Attorney\Firms\Agreements\Finance\Deferred Payment Agreement Impact Fees W-Lien.doc

-7-

EXHIBIT "B"

Description of Deferred Fees

N:\SHARED\Attorney\Firms\Agreements\Finance\Deferred Payment Agreement Impact Fees W-Lien.doc

-8-

EXHIBIT "C"

Form of Notice to Release Lien When Payment is Paid

N:\SHARED\Attorney\Forms\Agreements\Finance\Deferred Payment Agreement Impact Fees W-Lien.doc

RECORDING REQUESTED BY:

City of Merced, A California Charter
Municipal Corporation

WHEN RECORDED MAIL TO:

City of Merced
City Clerk
678 West 18th Street
Merced, California 95340

**Exempt Recording Per Gov't Code
Section 6103**

(Above for Recorder's Use Only)

**RELEASE OF LIEN UPON REAL PROPERTY
[DEFERRED PUBLIC FACILITY FINANCING PLAN FEES]**

WHEREAS, On _____, 20____, _____
(hereinafter "Grantor") and the City of Merced, a California Charter Municipal
Corporation, ("Grantee") entered into that certain Agreement entitled "Agreement
Affecting Real Property and Creating a Lien to Secure Deferred Payment of City
Public Facility Financing Plan Impact Fees," (the "Agreement"), which
Agreement was recorded as Vol. _____, Page _____, *et seq.*, Official Records of
Merced County on _____, 20____; and,

WHEREAS, Grantor has satisfied the conditions for the release of lien upon
the real property described in said Agreement.

NOW THEREFORE, the Grantee hereby releases all of its right, title, and
interest to the lien in the real property described in Exhibit "A" attached hereto,
and as created by the Agreement referenced above and recorded as Vol. _____, Page
_____, *et seq.*, Official Records of Merced County on _____, 200__.

///

///

CITY OF MERCED
A California Charter Municipal
Corporation

BY: _____
City Manager

ATTEST:
CITY CLERK

BY: _____
Assistant/Députy City Clerk

APPROVED AS TO FORM:

BY: _____
City Attorney Date

ACCOUNT DATA:

BY: _____
Verified by Finance Officer

EXHIBIT "A"
LEGAL DESCRIPTION

**AGREEMENT TO SECURE DEFERRED PAYMENT OF CITY
PUBLIC FACILITY FINANCING PLAN IMPACT FEES**

THIS AGREEMENT is made this ____ day of _____,
20 __, by and between _____ [Requestor],
a(n) _____ [describe entity (individual, partnership,
LLP, corporation, etc.)] (hereinafter referred to as "Grantor") and the CITY
OF MERCED, a California charter municipal corporation (hereinafter referred
to as "Grantee").

WHEREAS, Grantor has applied to the Grantee for a building permit on
the property known as _____
[Property Address or APN's], and more fully described on Exhibit "A"
attached hereto; and,

WHEREAS, Grantor has further applied for deferral of certain Public
Facility Financing Plan ("PFFP") fees in accordance with Section 17.62.050
of the Merced Municipal Code and the Administrative Procedures adopted
pursuant thereto, said fees being more fully described on Exhibit "B" attached
hereto.

NOW, THEREFORE, in consideration of the mutual covenants and
agreements contained herein and for other good and valuable consideration,
the receipt and sufficiency of which is hereby acknowledged and agreed, the
parties hereto do hereby agree as follows:

1. **PFFP FEE OBLIGATION.** Grantor acknowledges and
unconditionally agrees that it owes the Grantee the total sum of
\$ _____ for PFFP fees.

2. **PFFP DOWN PAYMENT AND REPAYMENT
SCHEDULE.** The Grantor agrees to pay twenty-five percent (25%)
of the PFFP fees at the time the building permit is issued with the
remaining seventy-five percent (75%) to be paid in equal monthly
installments over the next five (5) years (or less at the Grantor's
option).

3. PFFP REPAYMENT TERMS AND CONDITIONS.

- A. **PAYMENT FREQUENCY:** Grantor shall make monthly payments on the remaining deferred PFFP fee obligation, the amount paid annually being at least one-quarter of the total deferred PFFP fee obligation, plus interest as described below. Payments shall be made on or before the first of each month and shall be made to the City of Merced, Finance Department, PFFP Fee Deferral for _____, [Reference to Fee Deferral Project] and made at 678 West 18th Street, Merced, California 95340. Grantee shall endeavor to send Grantor an invoice for payment at least thirty (30) days before the payment is due. However, Grantor unconditionally agrees to make said payment by the payment due date even if no invoice is received thereby. A late fee of five percent (5%) of the total fee payment shall be imposed for all late payments made.
- B. **INTEREST:** The unpaid balance of the fees shall be subject to interest and collection charges. The annual interest rate will be equal to the 11th District Cost of Funds plus one percent (2%) [200 basis points] adjusted every July.
- C. **DUE ON TRANSFER:** The unpaid deferred PFFP fee balance, together with accrued interest, and late fees shall be due and payable in full upon the sale or any other transfer of the property.
- D. **RECORDING AND PROCESSING FEES:** All such fees shall be paid by the Grantor.

4. SECURITY. Grantor hereby provides security for the payment of the deferred PFFP Fees and related costs to Grantee the items of security as identified in Exhibit "A."

5. **SECURITY FOR DEFERRED PFFP FEES.** The security identified in Exhibit "A" is intended to guarantee the payment in full, plus accrued interest, late fees, and the cost of collection of the deferred PFFP fees.

6. **Reserved.**

7. **Reserved.**

8. **GRANTEE'S COSTS TO ENFORCE PAYMENT OBLIGATION INCLUDED IN AMOUNT OF SECURITY.** As part of the obligation secured hereby and in addition to the amount stated above, there shall be included cost and reasonable expenses and fees, including reasonable attorneys' fees and late fees, incurred by Grantee in successfully enforcing such obligations, all to be taxed as costs and included in any judgment rendered.

9. **EXTENSIONS OF TIME SHALL NOT CHANGE OBLIGATION TO PAY, PRIORITY, OR ENFORCEABILITY OF LIEN.** The Grantor hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of this Agreement shall in any manner effect Grantor's obligations with respect to this lien.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first above written.

GRANTOR:

By: _____
(Signature)

Name: _____
(Typed Name)

Title: _____

Address: _____

Telephone: _____

GRANTEE:

CITY OF MERCED
A California Charter Municipal
Corporation

BY: _____
City Manager

ATTEST:
CITY CLERK

BY: _____
Deputy City Clerk

APPROVED AS TO FORM:

BY: _____
City Attorney

ACCOUNT DATA:

BY: _____
Verified by Finance Officer

EXHIBIT "A"

Identification of Security

N:\SHARED\Attorney\Forms\Agreements\Finance\Deferred Payment Agreement Impact Fees W-Other Security.doc

-5-

EXHIBIT “B”

Description of Deferred Fees

N:\SHARED\Attorney\Firms\Agreements\Finance\Deferred Payment Agreement Impact Fees W-Other Security.doc

EXHIBIT "C"

Form of Notice to Release Security When Payment is Paid

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-7-

CITY OF MERCED

PUBLIC FACILITY FINANCING PLAN

RELEASE OF SECURITY FOR DEFERRED PFFP FEES

WHEREAS, On _____, 20____, _____
(hereinafter "Grantor") and the City of Merced, a California Charter Municipal Corporation, ("Grantee") entered into that certain Agreement entitled "Agreement to Secure Deferred Payment of City Public Facility Financing Plan Impact Fees," (the "Agreement"); and,

WHEREAS, Grantor has satisfied the conditions for the release of the security described in said Agreement.

NOW THEREFORE, the Grantee hereby releases all of its right, title, and interest to the lien in the security described in Exhibit "A" attached hereto, and as created by the Agreement referenced.

CITY OF MERCED
A California Charter Municipal Corporation

BY: _____
City Manager

ATTEST:
CITY CLERK

BY: _____
Assistant/Deputy City Clerk

APPROVED AS TO FORM:

BY: _____
City Attorney

ACCOUNT DATA:

BY: _____
Verified by Finance Officer

EXHIBIT "A"
DESCRIPTION OF SECURITY

**CITY OF MERCED
PROMISSORY NOTE
(CONTAINING ACCELERATION CLAUSE)
(PFFP FEE DEFERRAL)**

Amount: _____, California

Dated: _____

FOR VALUE RECEIVED, on or before _____, ____ [date] the undersigned individual(s) promise(s) to pay without demand therefore the City of Merced, a California charter law municipal corporation, or order at 678 West 18th Street, Merced, California 95340, or at such designate in writing, the principal sum of _____, [amount] (\$ _____), with annual the interest rate thereon equal to the 11th District cost of funds plus one percent (2%) [200 basis points] adjusted every July.

The undersigned promises and agrees to make monthly installment payments of _____ [amount] (\$ _____) for a period of time not to exceed five (5) years. Payments to be made to the City of Merced at the above referenced address. Should the Promisor fail to make any two consecutive payments, the entire remaining balance shall become due and payable immediately upon notice to the Promisor from the City or its legal representative. Notwithstanding the above, to any late payment, a late payment fee of five percent (5%) shall be imposed and applied on said payment. Should the late payments fee not be paid, it shall be added to and included within the sum secured by this Promissory Note.

If action is instituted on this Note, the undersigned promises to pay the holder thereof any expenses incurred thereby, including, but not limited to, court costs and such other sums as the Court may fix as reasonable attorney's fees.

It is further acknowledged and agreed that the unpaid balance, plus accrued interest shall be immediately due and payable upon the sale or transfer of the real property located at _____ and as described on Exhibit "A" hereto.

This Note or any portion thereof may be prepaid at any time without penalty.

In agreement thereof, I execute this Note on the ____ day of _____, 20__ in the City of _____, California.

Promisor's Signature

Promisor's Signature

CITY OF MERCED

BY: _____
City Manager

ATTEST:
CITY CLERK

BY: _____
Assistant/Deputy City Clerk

APPROVED AS TO FORM:

BY: _____
City Attorney Date

CITY OF MERCED



Appendix A-4

***AB 1600
(Government Code 66000 et seq)***

AB 1600 - "Mitigation Fee Act"

CALIFORNIA CODES
GOVERNMENT CODE
SECTION 66000-66025

66000. As used in this chapter, the following terms have the following meanings:

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

(b) "Fee" means a monetary exaction other than a tax or special assessment, whether established for a broad class of projects by legislation of general applicability or imposed on a specific project on an ad hoc basis, that is charged by a local agency to the applicant in connection with approval of a development project for the purpose of defraying all or a portion of the cost of public facilities related to the development project, but does not include fees specified in Section 66477, fees for processing applications for governmental regulatory actions or approvals, fees collected under development agreements adopted pursuant to Article 2.5 (commencing with Section 65864) of Chapter 4, or fees collected pursuant to agreements with redevelopment agencies that provide for the redevelopment of property in furtherance or for the benefit of a redevelopment project for which a redevelopment plan has been adopted pursuant to the Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the Health and Safety Code).

(c) "Local agency" means a county, city, whether general law or chartered, city and county, school district, special district, authority, agency, any other municipal public corporation or district, or other political subdivision of the state.

(d) "Public facilities" includes public improvements, public services, and community amenities.

66000.5. (a) This chapter, Chapter 6 (commencing with Section 66010), Chapter 7 (commencing with Section 66012), Chapter 8 (commencing with Section 66016), and Chapter 9 (commencing with Section 66020) shall be known and may be cited as the Mitigation Fee Act.

(b) Any action brought in the superior court relating to the Mitigation Fee Act may be subject to a mediation proceeding conducted pursuant to Chapter 9.3 (commencing with Section 66030).

66001. (a) In any action establishing, increasing, or imposing a fee as a condition of approval of a development project by a local agency, the local agency shall do all of the following:

- (1) Identify the purpose of the fee.
- (2) Identify the use to which the fee is to be put. If the use is

financing public facilities, the facilities shall be identified. That identification may, but need not, be made by reference to a capital improvement plan as specified in Section 65403 or 66002, may be made in applicable general or specific plan requirements, or may be made in other public documents that identify the public facilities for which the fee is charged.

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

(4) Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is imposed.

(b) In any action imposing a fee as a condition of approval of a development project by a local agency, the local agency shall determine how there is a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed.

(c) Upon receipt of a fee subject to this section, the local agency shall deposit, invest, account for, and expend the fees pursuant to Section 66006.

(d) (1) For the fifth fiscal year following the first deposit into the account or fund, and every five years thereafter, the local agency shall make all of the following findings with respect to that portion of the account or fund remaining unexpended, whether committed or uncommitted:

(A) Identify the purpose to which the fee is to be put.

(B) Demonstrate a reasonable relationship between the fee and the purpose for which it is charged.

(C) Identify all sources and amounts of funding anticipated to complete financing in incomplete improvements identified in paragraph (2) of subdivision (a).

(D) Designate the approximate dates on which the funding referred to in subparagraph (C) is expected to be deposited into the appropriate account or fund.

(2) When findings are required by this subdivision, they shall be made in connection with the public information required by subdivision (b) of Section 66006. The findings required by this subdivision need only be made for moneys in possession of the local agency, and need not be made with respect to letters of credit, bonds, or other instruments taken to secure payment of the fee at a future date. If the findings are not made as required by this subdivision, the local agency shall refund the moneys in the account or fund as provided in subdivision (e).

(e) Except as provided in subdivision (f), when sufficient funds have been collected, as determined pursuant to subparagraph (F) of paragraph (1) of subdivision (b) of Section 66006, to complete financing on incomplete public improvements identified in paragraph (2) of subdivision (a), and the public improvements remain incomplete, the local agency shall identify, within 180 days of the determination that sufficient funds have been collected, an approximate date by which the construction of the public improvement will be commenced, or shall refund to the then current record owner or owners of the lots or units, as identified on the last equalized assessment roll, of the development project or projects on a prorated basis, the unexpended portion of the fee, and any interest accrued thereon. By means consistent with the intent of this section, a local

agency may refund the unexpended revenues by direct payment, by providing a temporary suspension of fees, or by any other reasonable means. The determination by the governing body of the local agency of the means by which those revenues are to be refunded is a legislative act.

(f) If the administrative costs of refunding unexpended revenues pursuant to subdivision (e) exceed the amount to be refunded, the local agency, after a public hearing, notice of which has been published pursuant to Section 6061 and posted in three prominent places within the area of the development project, may determine that the revenues shall be allocated for some other purpose for which fees are collected subject to this chapter and which serves the project on which the fee was originally imposed.

(g) A fee shall not include the costs attributable to existing deficiencies in public facilities, but may include the costs attributable to the increased demand for public facilities reasonably related to the development project in order to (1) refurbish existing facilities to maintain the existing level of service or (2) achieve an adopted level of service that is consistent with the general plan.

66002. (a) Any local agency which levies a fee subject to Section 66001 may adopt a capital improvement plan, which shall indicate the approximate location, size, time of availability, and estimates of cost for all facilities or improvements to be financed with the fees.

(b) The capital improvement plan shall be adopted by, and shall be annually updated by, a resolution of the governing body of the local agency adopted at a noticed public hearing. Notice of the hearing shall be given pursuant to Section 65090. In addition, mailed notice shall be given to any city or county which may be significantly affected by the capital improvement plan. This notice shall be given no later than the date the local agency notices the public hearing pursuant to Section 65090. The information in the notice shall be not less than the information contained in the notice of public hearing and shall be given by first-class mail or personal delivery.

(c) "Facility" or "improvement," as used in this section, means any of the following:

(1) Public buildings, including schools and related facilities; provided that school facilities shall not be included if Senate Bill 97 of the 1987-88 Regular Session is enacted and becomes effective on or before January 1, 1988.

(2) Facilities for the storage, treatment, and distribution of nonagricultural water.

(3) Facilities for the collection, treatment, reclamation, and disposal of sewage.

(4) Facilities for the collection and disposal of storm waters and for flood control purposes.

(5) Facilities for the generation of electricity and the distribution of gas and electricity.

(6) Transportation and transit facilities, including but not limited to streets and supporting improvements, roads, overpasses, bridges, harbors, ports, airports, and related facilities.

(7) Parks and recreation facilities.

(8) Any other capital project identified in the capital facilities plan adopted pursuant to Section 66002.

66003. Sections 66001 and 66002 do not apply to a fee imposed pursuant to a reimbursement agreement by and between a local agency and a property owner or developer for that portion of the cost of a public facility paid by the property owner or developer which exceeds the need for the public facility attributable to and reasonably related to the development. This chapter shall become operative on January 1, 1989.

66004. The establishment or increase of any fee pursuant to this chapter shall be subject to the requirements of Section 66018.

66005. (a) When a local agency imposes any fee or exaction as a condition of approval of a proposed development, as defined by Section 65927, or development project, those fees or exactions shall not exceed the estimated reasonable cost of providing the service or facility for which the fee or exaction is imposed.

(b) This section does not apply to fees or monetary exactions expressly authorized to be imposed under Sections 66475.1 and 66477.

(c) It is the intent of the Legislature in adding this section to codify existing constitutional and decisional law with respect to the imposition of development fees and monetary exactions on developments by local agencies. This section is declaratory of existing law and shall not be construed or interpreted as creating new law or as modifying or changing existing law.

66005.1. (a) When a local agency imposes a fee on a housing development pursuant to Section 66001 for the purpose of mitigating vehicular traffic impacts, if that housing development satisfies all of the following characteristics, the fee, or the portion thereof relating to vehicular traffic impacts, shall be set at a rate that reflects a lower rate of automobile trip generation associated with such housing developments in comparison with housing developments without these characteristics, unless the local agency adopts findings after a public hearing establishing that the housing development, even with these characteristics, would not generate fewer automobile trips than a housing development without those characteristics:

(1) The housing development is located within one-half mile of a transit station and there is direct access between the housing development and the transit station along a barrier-free walkable pathway not exceeding one-half mile in length.

(2) Convenience retail uses, including a store that sells food, are located within one-half mile of the housing development.

(3) The housing development provides either the minimum number of parking spaces required by the local ordinance, or no more than one onsite parking space for zero to two bedroom units, and two onsite parking spaces for three or more bedroom units, whichever is less.

(b) If a housing development does not satisfy the characteristics in subdivision (a), the local agency may charge a fee that is proportional to the estimated rate of automobile trip generation associated with the housing development.

(c) As used in this section, "housing development" means a development project with common ownership and financing consisting of

residential use or mixed use where not less than 50 percent of the floorspace is for residential use.

(d) For the purposes of this section, "transit station" has the meaning set forth in paragraph (4) of subdivision (b) of Section 65460.1. "Transit station" includes planned transit stations otherwise meeting this definition whose construction is programmed to be completed prior to the scheduled completion and occupancy of the housing development.

(e) This section shall become operative on January 1, 2011.

66006. (a) If a local agency requires the payment of a fee specified in subdivision (c) in connection with the approval of a development project, the local agency receiving the fee shall deposit it with the other fees for the improvement in a separate capital facilities account or fund in a manner to avoid any commingling of the fees with other revenues and funds of the local agency, except for temporary investments, and expend those fees solely for the purpose for which the fee was collected. Any interest income earned by moneys in the capital facilities account or fund shall also be deposited in that account or fund and shall be expended only for the purpose for which the fee was originally collected.

(b) (1) For each separate account or fund established pursuant to subdivision (a), the local agency shall, within 180 days after the last day of each fiscal year, make available to the public the following information for the fiscal year:

(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 and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees.

(F) An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement, as identified in paragraph (2) of subdivision (a) of Section 66001, and the public improvement remains incomplete.

(G) A description of each interfund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and, in the case of an interfund loan, the date on which the loan will be repaid, and the rate of interest that the account or fund will receive on the loan.

(H) The amount of refunds made pursuant to subdivision (e) of Section 66001 and any allocations pursuant to subdivision (f) of Section 66001.

(2) The local agency shall review the information made available to the public pursuant to paragraph (1) at the next regularly scheduled public meeting not less than 15 days after this information is made available to the public, as required by this subdivision. Notice of the time and place of the meeting, including the address where this information may be reviewed, shall be mailed, at least 15 days prior to the meeting, to any interested party who files a written request with the local agency for mailed notice of the meeting. Any written request for mailed notices shall be valid for

one year from the date on which it is filed unless a renewal request is filed. Renewal requests for mailed notices shall be filed on or before April 1 of each year. The legislative body may establish a reasonable annual charge for sending notices based on the estimated cost of providing the service.

(c) For purposes of this section, "fee" means any fee imposed to provide for an improvement to be constructed to serve a development project, or which is a fee for public improvements within the meaning of subdivision (b) of Section 66000, and that is imposed by the local agency as a condition of approving the development project.

(d) Any person may request an audit of any local agency fee or charge that is subject to Section 66023, including fees or charges of school districts, in accordance with that section.

(e) The Legislature finds and declares that untimely or improper allocation of development fees hinders economic growth and is, therefore, a matter of statewide interest and concern. It is, therefore, the intent of the Legislature that this section shall supersede all conflicting local laws and shall apply in charter cities.

(f) At the time the local agency imposes a fee for public improvements on a specific development project, it shall identify the public improvement that the fee will be used to finance.

66006.5. (a) A city or county which imposes an assessment, fee, or charge, other than a tax, for transportation purposes may, by ordinance, prescribe conditions and procedures allowing real property which is needed by the city or county for local transportation purposes, or by the state for transportation projects which will not receive any federal funds, to be donated by the obligor in satisfaction or partial satisfaction of the assessment, fee, or charge.

(b) To facilitate the implementation of subdivision (a), the Department of Transportation shall do all of the following:

(1) Give priority to the refinement, modification, and enhancement of procedures and policies dealing with right-of-way donations in order to encourage and facilitate those donations.

(2) Reduce or simplify paperwork requirements involving right-of-way procurement.

(3) Increase communication and education efforts as a means to solicit and encourage voluntary right-of-way donations.

(4) Enhance communication and coordination with local public entities through agreements of understanding that address state acceptance of right-of-way donations.

66007. (a) Except as otherwise provided in subdivisions (b) and (g), any local agency that imposes any fees or charges on a residential development for the construction of public improvements or facilities shall not require the payment of those fees or charges, notwithstanding any other provision of law, until the date of the final inspection, or the date the certificate of occupancy is issued, whichever occurs first. However, utility service fees may be collected at the time an application for utility service is received. If the residential development contains more than one dwelling, the local agency may determine whether the fees or charges shall be paid on a pro rata basis for each dwelling when it receives its final

inspection or certificate of occupancy, whichever occurs first; on a pro rata basis when a certain percentage of the dwellings have received their final inspection or certificate of occupancy, whichever occurs first; or on a lump-sum basis when the first dwelling in the development receives its final inspection or certificate of occupancy, whichever occurs first.

(b) (1) Notwithstanding subdivision (a), the local agency may require the payment of those fees or charges at an earlier time if (A) the local agency determines that the fees or charges will be collected for public improvements or facilities for which an account has been established and funds appropriated and for which the local agency has adopted a proposed construction schedule or plan prior to final inspection or issuance of the certificate of occupancy or (B) the fees or charges are to reimburse the local agency for expenditures previously made. "Appropriated," as used in this subdivision, means authorization by the governing body of the local agency for which the fee is collected to make expenditures and incur obligations for specific purposes.

(2) (A) Paragraph (1) does not apply to units reserved for occupancy by lower income households included in a residential development proposed by a nonprofit housing developer in which at least 49 percent of the total units are reserved for occupancy by lower income households, as defined in Section 50079.5 of the Health and Safety Code, at an affordable rent, as defined in Section 50053 of the Health and Safety Code. In addition to the contract that may be required under subdivision (c), a city, county, or city and county may require the posting of a performance bond or a letter of credit from a federally insured, recognized depository institution to guarantee payment of any fees or charges that are subject to this paragraph. Fees and charges exempted from paragraph (1) under this paragraph shall become immediately due and payable when the residential development no longer meets the requirements of this paragraph.

(B) The exception provided in subparagraph (A) does not apply to fees and charges levied pursuant to Chapter 6 (commencing with Section 17620) of Part 10.5 of Division 1 of Title 1 of the Education Code.

(c) (1) If any fee or charge specified in subdivision (a) is not fully paid prior to issuance of a building permit for construction of any portion of the residential development encumbered thereby, the local agency issuing the building permit may require the property owner, or lessee if the lessee's interest appears of record, as a condition of issuance of the building permit, to execute a contract to pay the fee or charge, or applicable portion thereof, within the time specified in subdivision (a). If the fee or charge is prorated pursuant to subdivision (a), the obligation under the contract shall be similarly prorated.

(2) The obligation to pay the fee or charge shall inure to the benefit of, and be enforceable by, the local agency that imposed the fee or charge, regardless of whether it is a party to the contract. The contract shall contain a legal description of the property affected, shall be recorded in the office of the county recorder of the county and, from the date of recordation, shall constitute a lien for the payment of the fee or charge, which shall be enforceable against successors in interest to the property owner or lessee at the time of issuance of the building permit. The contract shall be recorded in the grantor-grantee index in the name of the public

agency issuing the building permit as grantee and in the name of the property owner or lessee as grantor. The local agency shall record a release of the obligation, containing a legal description of the property, in the event the obligation is paid in full, or a partial release in the event the fee or charge is prorated pursuant to subdivision (a).

(3) The contract may require the property owner or lessee to provide appropriate notification of the opening of any escrow for the sale of the property for which the building permit was issued and to provide in the escrow instructions that the fee or charge be paid to the local agency imposing the same from the sale proceeds in escrow prior to disbursing proceeds to the seller.

(d) This section applies only to fees collected by a local agency to fund the construction of public improvements or facilities. It does not apply to fees collected to cover the cost of **code** enforcement or inspection services, or to other fees collected to pay for the cost of enforcement of local ordinances or state law.

(e) "Final inspection" or "certificate of occupancy," as used in this section, have the same meaning as described in Sections 305 and 307 of the Uniform Building **Code**, International Conference of Building Officials, 1985 edition.

(f) Methods of complying with the requirement in subdivision (b) that a proposed construction schedule or plan be adopted, include, but are not limited to, (1) the adoption of the capital improvement plan described in Section 66002, or (2) the submittal of a five-year plan for construction and rehabilitation of school facilities pursuant to subdivision (c) of Section 17017.5 of the Education **Code**.

(g) A local agency may defer the collection of one or more fees up to the close of escrow. This subdivision shall not apply to fees and charges levied pursuant to Chapter 6 (commencing with Section 17620) of Part 10.5 of Division 1 of Title 1 of the Education **Code**.

66008. A local agency shall expend a fee for public improvements, as accounted for pursuant to Section 66006, solely and exclusively for the purpose or purposes, as identified in subdivision (f) of Section 66006, for which the fee was collected. The fee shall not be levied, collected, or imposed for general revenue purposes.

66010. As used in this chapter:

(a) "Development project" means a development project as defined in Section **66000**.

(b) "Fee" means a monetary exaction or a dedication, other than a tax or special assessment, which is required by a local agency of the applicant in connection with approval of a development project for the purpose of defraying all or a portion of the cost of public facilities related to the development project, but does not include fees for processing applications for governmental regulatory actions or approvals.

(c) "Local agency" means a local agency, as defined in Section **66000**.

(d) "Public facilities" means public facilities, as defined in Section **66000**.

(e) "Reconstruction" means the reconstruction of the real property, or portion thereof, where the property after reconstruction is substantially equivalent to the property prior to damage or

destruction.

66011. No fee may be applied by a local agency to the reconstruction of any residential, commercial, or industrial development project that is damaged or destroyed as a result of a natural disaster, as declared by the Governor. Any reconstruction of real property, or portion thereof, which is not substantially equivalent to the damaged or destroyed property, shall be deemed to be new construction and only that portion which exceeds substantially equivalent construction may be assessed a fee. The term substantially equivalent, as used in this section, shall have the same meaning as the term in subdivision (c) of Section 70 of the Revenue and Taxation **Code**.

66012. (a) Notwithstanding any other provision of law which prescribes an amount or otherwise limits the amount of a fee or charge which may be levied by a city, county, or city and county, a city, county, or city and county shall have the authority to levy any fee or charge in connection with the operation of an aerial tramway within its jurisdiction.

(b) If any person disputes whether a fee or charge levied pursuant to subdivision (a) is reasonable, the auditor, or if there is no auditor, the fiscal officer, of the city, county, or city and county shall, upon request of the legislative body of the city, county, or city and county, conduct a study and determine whether the fee or charge is reasonable.

66013. (a) Notwithstanding any other provision of law, when a local agency imposes fees for water connections or sewer connections, or imposes capacity charges, those fees or charges shall not exceed the estimated reasonable cost of providing the service for which the fee or charge is imposed, unless a question regarding the amount of the fee or charge imposed in excess of the estimated reasonable cost of providing the services or materials is submitted to, and approved by, a popular vote of two-thirds of those electors voting on the issue.

(b) As used in this section:

(1) "Sewer connection" means the connection of a structure or project to a public sewer system.

(2) "Water connection" means the connection of a structure or project to a public water system, as defined in subdivision (f) of Section 116275 of the Health and Safety **Code**.

(3) "Capacity charge" means a charge for public facilities in existence at the time a charge is imposed or charges for new public facilities to be acquired or constructed in the future that are of proportional benefit to the person or property being charged, including supply or capacity contracts for rights or entitlements, real property interests, and entitlements and other rights of the local agency involving capital expense relating to its use of existing or new public facilities. A "capacity charge" does not include a commodity charge.

(4) "Local agency" means a local agency as defined in Section **66000**.

(5) "Fee" means a fee for the physical facilities necessary to make a water connection or sewer connection, including, but not

limited to, meters, meter boxes, and pipelines from the structure or project to a water distribution line or sewer main, and that does not exceed the estimated reasonable cost of labor and materials for installation of those facilities.

(6) "Public facilities" means public facilities as defined in Section 66000.

(c) A local agency receiving payment of a charge as specified in paragraph (3) of subdivision (b) shall deposit it in a separate capital facilities fund with other charges received, and account for the charges in a manner to avoid any commingling with other moneys of the local agency, except for investments, and shall expend those charges solely for the purposes for which the charges were collected. Any interest income earned from the investment of moneys in the capital facilities fund shall be deposited in that fund.

(d) For a fund established pursuant to subdivision (c), a local agency shall make available to the public, within 180 days after the last day of each fiscal year, the following information for that fiscal year:

(1) A description of the charges deposited in the fund.

(2) The beginning and ending balance of the fund and the interest earned from investment of moneys in the fund.

(3) The amount of charges collected in that fiscal year.

(4) An identification of all of the following:

(A) Each public improvement on which charges were expended and the amount of the expenditure for each improvement, including the percentage of the total cost of the public improvement that was funded with those charges if more than one source of funding was used.

(B) Each public improvement on which charges were expended that was completed during that fiscal year.

(C) Each public improvement that is anticipated to be undertaken in the following fiscal year.

(5) A description of each interfund transfer or loan made from the capital facilities fund. The information provided, in the case of an interfund transfer, shall identify the public improvements on which the transferred moneys are, or will be, expended. The information, in the case of an interfund loan, shall include the date on which the loan will be repaid, and the rate of interest that the fund will receive on the loan.

(e) The information required pursuant to subdivision (d) may be included in the local agency's annual financial report.

(f) The provisions of subdivisions (c) and (d) shall not apply to any of the following:

(1) Moneys received to construct public facilities pursuant to a contract between a local agency and a person or entity, including, but not limited to, a reimbursement agreement pursuant to Section 66003.

(2) Charges that are used to pay existing debt service or which are subject to a contract with a trustee for bondholders that requires a different accounting of the charges, or charges that are used to reimburse the local agency or to reimburse a person or entity who advanced funds under a reimbursement agreement or contract for facilities in existence at the time the charges are collected.

(3) Charges collected on or before December 31, 1998.

(g) Any judicial action or proceeding to attack, review, set aside, void, or annul the ordinance, resolution, or motion imposing a fee or capacity charge subject to this section shall be brought

pursuant to Section 66022.

(h) Fees and charges subject to this section are not subject to the provisions of Chapter 5 (commencing with Section 66000), but are subject to the provisions of Sections 66016, 66022, and 66023.

(i) The provisions of subdivisions (c) and (d) shall only apply to capacity charges levied pursuant to this section.

66014. (a) Notwithstanding any other provision of law, when a local agency charges fees for zoning variances; zoning changes; use permits; building inspections; building permits; filing and processing applications and petitions filed with the local agency formation commission or conducting preliminary proceedings or proceedings under the Cortese-Knox-Hertzberg Local **Government** Reorganization Act of 2000, Division 3 (commencing with Section 56000) of Title 5; the processing of maps under the provisions of the Subdivision Map Act, Division 2 (commencing with Section 66410) of Title 7; or planning services under the authority of Chapter 3 (commencing with Section 65100) of Division 1 of Title 7 or under any other authority; those fees may not exceed the estimated reasonable cost of providing the service for which the fee is charged, unless a question regarding the amount of the fee charged in excess of the estimated reasonable cost of providing the services or materials is submitted to, and approved by, a popular vote of two-thirds of those electors voting on the issue.

(b) The fees charged pursuant to subdivision (a) may include the costs reasonably necessary to prepare and revise the plans and policies that a local agency is required to adopt before it can make any necessary findings and determinations.

(c) Any judicial action or proceeding to attack, review, set aside, void, or annul the ordinance, resolution, or motion authorizing the charge of a fee subject to this section shall be brought pursuant to Section 66022.

66016. (a) Prior to levying a new fee or service charge, or prior to approving an increase in an existing fee or service charge, a local agency shall hold at least one open and public meeting, at which oral or written presentations can be made, as part of a regularly scheduled meeting. Notice of the time and place of the meeting, including a general explanation of the matter to be considered, and a statement that the data required by this section is available, shall be mailed at least 14 days prior to the meeting to any interested party who files a written request with the local agency for mailed notice of the meeting on new or increased fees or service charges. Any written request for mailed notices shall be valid for one year from the date on which it is filed unless a renewal request is filed. Renewal requests for mailed notices shall be filed on or before April 1 of each year. The legislative body may establish a reasonable annual charge for sending notices based on the estimated cost of providing the service. At least 10 days prior to the meeting, the local agency shall make available to the public data indicating the amount of cost, or estimated cost, required to provide the service for which the fee or service charge is levied and the revenue sources anticipated to provide the service, including General Fund revenues. Unless there has been voter approval, as prescribed by Section 66013 or 66014, no local agency shall levy a

new fee or service charge or increase an existing fee or service charge to an amount which exceeds the estimated amount required to provide the service for which the fee or service charge is levied. If, however, the fees or service charges create revenues in excess of actual cost, those revenues shall be used to reduce the fee or service charge creating the excess.

(b) Any action by a local agency to levy a new fee or service charge or to approve an increase in an existing fee or service charge shall be taken only by ordinance or resolution. The legislative body of a local agency shall not delegate the authority to adopt a new fee or service charge, or to increase a fee or service charge.

(c) Any costs incurred by a local agency in conducting the meeting or meetings required pursuant to subdivision (a) may be recovered from fees charged for the services which were the subject of the meeting.

(d) This section shall apply only to fees and charges as described in Sections 51287, 56383, 65104, 65456, 65584.1, 65863.7, 65909.5, 66013, 66014, and 66451.2 of this **code**, Sections 17951, 19132.3, and 19852 of the Health and Safety **Code**, Section 41901 of the Public Resources **Code**, and Section 21671.5 of the Public Utilities **Code**.

(e) Any judicial action or proceeding to attack, review, set aside, void, or annul the ordinance, resolution, or motion levying a fee or service charge subject to this section shall be brought pursuant to Section 66022.

66017. (a) Any action adopting a fee or charge, or increasing a fee or charge adopted, upon a development project, as defined in Section **66000**, which applies to the filing, accepting, reviewing, approving, or issuing of an application, permit, or entitlement to use shall be enacted in accordance with the notice and public hearing procedures specified in Section 54986 or 66016 and shall be effective no sooner than 60 days following the final action on the adoption of the fee or charge or increase in the fee or charge.

(b) Without following the procedure otherwise required for the adoption of a fee or charge, or increasing a fee or charge, the legislative body of a local agency may adopt an urgency measure as an interim authorization for a fee or charge, or increase in a fee or charge, to protect the public health, welfare and safety. The interim authorization shall require four-fifths vote of the legislative body for adoption. The interim authorization shall have no force or effect 30 days after its adoption. The interim authority shall contain findings describing the current and immediate threat to the public health, welfare, and safety. After notice and public hearing pursuant to Section 54986 or 66016, the legislative body may extend the interim authority for an additional 30 days. Not more than two extensions may be granted. Any extension shall also require a four-fifths vote of the legislative body.

66018. (a) Prior to adopting an ordinance, resolution, or other legislative enactment adopting a new fee or approving an increase in an existing fee to which this section applies, a local agency shall hold a public hearing, at which oral or written presentations can be made, as part of a regularly scheduled meeting. Notice of the time and place of the meeting, including a general explanation of the matter to be considered, shall be published in accordance with

Section 6062a.

(b) Any costs incurred by a local agency in conducting the hearing required pursuant to subdivision (a) may be recovered as part of the fees which were the subject of the hearing.

(c) This section applies only to the adopting or increasing of fees to which a specific statutory notice requirement, other than Section 54954.2, does not apply.

(d) As used in this section, "fees" do not include rates or charges for water, sewer, or electrical service.

66018.5. "Local agency," as used in this chapter, has the same meaning as provided in Section **66000**.

66019. (a) As used in this section:

(1) "Fee" means a fee as defined in Section **66000**, but does not include any of the following:

(A) A fee authorized pursuant to Section 66013.

(B) A fee authorized pursuant to Section 17620 of the Education **Code**, or Sections 65995.5 and 65995.7.

(C) Rates or charges for water, sewer, or electrical services.

(D) Fees subject to Section 66016.

(2) "Party" means a person, entity, or organization representing a group of people or entities.

(3) "Public facility" means a public facility as defined in Section **66000**.

(b) For any fee, notice of the time and place of the meeting, including a general explanation of the matter to be considered, and a statement that the data required by this subdivision is available shall be mailed at least 14 days prior to the first meeting to an interested party who files a written request with the city, county, or city and county for mailed notice of a meeting on a new or increased fee to be enacted by the city, county, or city and county. Any written request for mailed notices shall be valid for one year from the date on which it is filed unless a renewal request is filed. Renewal requests for mailed notices shall be filed on or before April 1 of each year. The legislative body of the city, county, or city and county may establish a reasonable annual charge for sending notices based on the estimated cost of providing the service. The legislative body may send the notice electronically. At least 10 days prior to the meeting, the city, county, or city and county shall make available to the public the data indicating the amount of cost, or the estimated cost, required to provide the public facilities and the revenue sources anticipated to fund those public facilities, including general fund revenues. The new or increased fee shall be effective no earlier than 60 days following the final action on the adoption or increase of the fee, unless the city, county, or city and county follows the procedures set forth in subdivision (b) of Section 66017.

(c) If a city, county, or city and county receives a request for mailed notice pursuant to this section, or a local agency receives a request for mailed notice pursuant to Section 66016, the city, county, or city and county or other local agency may provide the notice via electronic mail for those who specifically request electronic mail notification. A city, county, city or county, or other local agency that provides electronic mail notification

pursuant to this subdivision shall send the electronic mail notification to the electronic mail address indicated in the request. The electronic mail notification authorized by this subdivision shall operate as an alternative to the mailed notice required by this section.

66020. (a) Any party may protest the imposition of any fees, dedications, reservations, or other exactions imposed on a development project, as defined in Section 66000, by a local agency by meeting both of the following requirements:

(1) Tendering any required payment in full or providing satisfactory evidence of arrangements to pay the fee when due or ensure performance of the conditions necessary to meet the requirements of the imposition.

(2) Serving written notice on the governing body of the entity, which notice shall contain all of the following information:

(A) A statement that the required payment is tendered or will be tendered when due, or that any conditions which have been imposed are provided for or satisfied, under protest.

(B) A statement informing the governing body of the factual elements of the dispute and the legal theory forming the basis for the protest.

(b) Compliance by any party with subdivision (a) shall not be the basis for a local agency to withhold approval of any map, plan, permit, zone change, license, or other form of permission, or concurrence, whether discretionary, ministerial, or otherwise, incident to, or necessary for, the development project. This section does not limit the ability of a local agency to ensure compliance with all applicable provisions of law in determining whether or not to approve or disapprove a development project.

(c) Where a reviewing local agency makes proper and valid findings that the construction of certain public improvements or facilities, the need for which is directly attributable to the proposed development, is required for reasons related to the public health, safety, and welfare, and elects to impose a requirement for construction of those improvements or facilities as a condition of approval of the proposed development, then in the event a protest is lodged pursuant to this section, that approval shall be suspended pending withdrawal of the protest, the expiration of the limitation period of subdivision (d) without the filing of an action, or resolution of any action filed. This subdivision confers no new or independent authority for imposing fees, dedications, reservations, or other exactions not presently governed by other law.

(d) (1) A protest filed pursuant to subdivision (a) shall be filed at the time of approval or conditional approval of the development or within 90 days after the date of the imposition of the fees, dedications, reservations, or other exactions to be imposed on a development project. Each local agency shall provide to the project applicant a notice in writing at the time of the approval of the project or at the time of the imposition of the fees, dedications, reservations, or other exactions, a statement of the amount of the fees or a description of the dedications, reservations, or other exactions, and notification that the 90-day approval period in which the applicant may protest has begun.

(2) Any party who files a protest pursuant to subdivision (a) may file an action to attack, review, set aside, void, or annul the

imposition of the fees, dedications, reservations, or other exactions imposed on a development project by a local agency within 180 days after the delivery of the notice. Thereafter, notwithstanding any other law to the contrary, all persons are barred from any action or proceeding or any defense of invalidity or unreasonableness of the imposition. Any proceeding brought pursuant to this subdivision shall take precedence over all matters of the calendar of the court except criminal, probate, eminent domain, forcible entry, and unlawful detainer proceedings.

(e) If the court finds in favor of the plaintiff in any action or proceeding brought pursuant to subdivision (d), the court shall direct the local agency to refund the unlawful portion of the payment, with interest at the rate of 8 percent per annum, or return the unlawful portion of the exaction imposed.

(f) (1) If the court grants a judgment to a plaintiff invalidating, as enacted, all or a portion of an ordinance or resolution enacting a fee, dedication, reservation, or other exaction, the court shall direct the local agency to refund the unlawful portion of the payment, plus interest at an annual rate equal to the average rate accrued by the Pooled Money Investment Account during the time elapsed since the payment occurred, or to return the unlawful portion of the exaction imposed.

(2) If an action is filed within 120 days of the date at which an ordinance or resolution to establish or modify a fee, dedication, reservation, or other exactions to be imposed on a development project takes effect, the portion of the payment or exaction invalidated shall also be returned to any other person who, under protest pursuant to this section and under that invalid portion of that same ordinance or resolution as enacted, tendered the payment or provided for or satisfied the exaction during the period from 90 days prior to the date of the filing of the action which invalidates the payment or exaction to the date of the entry of the judgment referenced in paragraph (1).

(g) Approval or conditional approval of a development occurs, for the purposes of this section, when the tentative map, tentative parcel map, or parcel map is approved or conditionally approved or when the parcel map is recorded if a tentative map or tentative parcel map is not required.

(h) The imposition of fees, dedications, reservations, or other exactions occurs, for the purposes of this section, when they are imposed or levied on a specific development.

66021. (a) Any party on whom a fee, tax, assessment, dedication, reservation, or other exaction has been imposed, the payment or performance of which is required to obtain governmental approval of a development, as defined by Section 65927, or development project, may protest the establishment or imposition of the fee, tax, assessment, dedication, reservation, or other exaction as provided in Section 66020.

(b) The protest procedures of subdivision (a) do not apply to the protest of any tax or assessment (1) levied pursuant to a principal act that contains protest procedures, or (2) that is pledged to secure payment of the principal of, or interest on, bonds or other public indebtedness.

66022. (a) Any judicial action or proceeding to attack, review, set aside, void, or annul an ordinance, resolution, or motion adopting a new fee or service charge, or modifying or amending an existing fee or service charge, adopted by a local agency, as defined in Section **66000**, shall be commenced within 120 days of the effective date of the ordinance, resolution, or motion.

If an ordinance, resolution, or motion provides for an automatic adjustment in a fee or service charge, and the automatic adjustment results in an increase in the amount of a fee or service charge, any action or proceeding to attack, review, set aside, void, or annul the increase shall be commenced within 120 days of the effective date of the increase.

(b) Any action by a local agency or interested person under this section shall be brought pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the **Code** of Civil Procedure.

(c) This section shall apply only to fees, capacity charges, and service charges described in and subject to Sections 66013, 66014, and 66016.

66023. (a) Any person may request an audit in order to determine whether any fee or charge levied by a local agency exceeds the amount reasonably necessary to cover the cost of any product, public facility, as defined in Section **66000**, or service provided by the local agency. If a person makes that request, the legislative body of the local agency may retain an independent auditor to conduct an audit to determine whether the fee or charge is reasonable, but is not required to conduct the audit if an audit has been performed for the same fee within the previous 12 months.

(b) To the extent that the audit determines that the amount of any fee or charge does not meet the requirements of this section, the local agency shall adjust the fee accordingly. This subdivision does not apply to a fee authorized pursuant to Section 17620 of the Education **Code**, or Sections 65995.5 and 65995.7.

(c) The local agency shall retain an independent auditor to conduct an audit only if the person who requests the audit deposits with the local agency the amount of the local agency's reasonable estimate of the cost of the independent audit. At the conclusion of the audit, the local agency shall reimburse unused sums, if any, or the requesting person shall pay the local agency the excess of the actual cost of the audit over the sum which was deposited.

(d) Any audit conducted by an independent auditor to determine whether a fee or charge levied by a local agency exceeds the amount reasonably necessary to cover the cost of providing the product or service shall conform to generally accepted auditing standards.

(e) The procedures specified in this section shall be alternative and in addition to those specified in Section 54985.

(f) The Legislature finds and declares that oversight of local agency fees is a matter of statewide interest and concern. It is, therefore, the intent of the Legislature that this chapter shall supersede all conflicting local laws and shall apply in charter cities.

(g) This section shall not be construed as granting any additional authority to any local agency to levy any fee or charge which is not otherwise authorized by another provision of law, nor shall its provisions be construed as granting authority to any local agency to levy a new fee or charge when other provisions of law specifically

prohibit the levy of a fee or charge.

66024. (a) In any judicial action or proceeding to validate, attack, review, set aside, void, or annul any ordinance or resolution providing for the imposition of a development fee by any city, county, or district in which there is at issue whether the development fee is a special tax within the meaning of Section 50076, the city, county, or district has the burden of producing evidence to establish that the development fee does not exceed the cost of the service, facility, or regulatory activity for which it is imposed.

(b) No party may initiate any action or proceeding pursuant to subdivision (a) unless both of the following requirements are met:

(1) The development fee was directly imposed on the party as a condition of project approval.

(2) At least 30 days prior to initiating the action or proceeding, the party requests the city, county, or district to provide a copy of the documents which establish that the development fee does not exceed the cost of the service, facility, or regulatory activity for which it is imposed. In accordance with Section 6257, the city, county, or district may charge a fee for copying the documents requested pursuant to this paragraph.

(c) For purposes of this section, costs shall be determined in accordance with fundamental fairness and consistency of method as to the allocation of costs, expenses, revenues, and other items included in the calculation.

66025. "Local agency," as used in this chapter, means a local agency as defined in Section **66000**.

