

11-1188-001

11-1188-004

ANALYSIS OF SUBAREAS
FOR DEVELOPMENT FEES DETERMINATION

Prepared for:
The City of Stockton

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March, 1989

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11-1188-001

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ANALYSIS OF SUBAREAS
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INTRODUCTION

History of Fee Collection in Stockton

The City of Stockton has for many years collected development fees to fund public facilities. Until recently, however, these fees were systematically collected for limited purposes - construction of water and wastewater facilities, acquisition and development of public parks and recreation facilities, planting of street trees, and placement of traffic signals. A variety of other public facilities have traditionally been constructed by private developers as a requirement of city subdivision and building ordinances. The provision of street improvements adjoining new development is an example of this. The developer must provide half of a median strip, a traffic lane, a parking lane, curb, gutter, sidewalk and associated intersection improvements, unless these are already provided. The city will continue to require the provision of such improvements, which are not covered by public facilities fees.

After a long period in which the city did not plan for growth outside its existing boundaries, in 1985 and 1986 seven projects were put on the ballot and received voter approval for their addition to the city's planning area. Stockton's city officials responded by commissioning a series of studies which would help the city to prepare to accommodate growth of the amount implicit in the projects approved by voters.

Early in the planning process a consensus was reached that new development should be financially responsible for the public facilities required to accommodate it, though not for the cost of existing facility deficiencies. The sewer, water, traffic, and fiscal and public

facilities studies provided information regarding the costs of the facilities needed to accommodate growth and to remedy existing deficiencies.

Upon receipt of these reports the City Council directed its Municipal/Community Development Committee, chaired by the Mayor, to evaluate the studies and then to prepare for Council consideration a system of financial mechanisms whereby new development would provide the funds for needed facilities. The Committee studied the information and the issues and recommended to the Council that it adopt an expanded impact fee program. Recht Hausrath & Associates (RHA) worked with city staff to develop a basis for adoption of a fee program. In August, 1988 this report, entitled Basis for Public Facilities Fee, was presented to the Committee and the Council.

On September 12, 1988 the City of Stockton adopted six new development fees, and began collecting them beginning November 14, 1988. The fees are for police station space, fire stations, city office space, libraries, recreation centers and street and intersection improvements. The City simultaneously increased the parklands fee consistent with the study's finding. The Council expressed the view that facilities in the "Central Core" were probably adequate to accommodate new development and, as a result, the new fees did not need to be imposed on development there. The Central Core was defined as the area located within or adjacent to the area bounded by Harding Way on the north, Pershing Avenue on the west, Charter Way on the south, and Wilson Way on the east.

City staff and RHA indicated that the facilities in this area could well be adequate, as perhaps could the facilities in adjacent areas, but noted, however, that it was important to provide documentation based on an analysis of the situation. The Council directed that such a study should be undertaken and subsequently authorized a contract with RHA to provide such an analysis, along with a number of other tasks.

The firm conducted a preliminary study and presented findings to the Council Committee on Municipal/Community Development on November 7, 1988. The study indicated that it appears appropriate for the city to exempt development in specific areas from one or more of the fees. This analysis presents a more detailed justification and explanation of this conclusion.

Study Methodology

RHA first addressed the question of the amount of new development that would be anticipated in the next two decades in various areas of the city. This information is important because it determines the demand for facilities. This was accomplished by working with the Community Development Department to ensure that the projections used would be compatible with the General Plan updating and other planning efforts in the City, such as the study being done by the city's traffic consultant.

We then met with staff responsible for seven types of facilities: police station expansion, fire stations, streets and intersections, city office space, community centers, libraries, and parks. With each of these departments we analyzed whether the projected amount of development could be accommodated by existing facilities, removing the need to impose the fee or reducing its amount. The analysis was from the perspective of major subareas of the city, rather than simply looking at the city as a whole.

Dollar Values

All construction cost and development fee values in this report are expressed in January 1, 1990 dollars, reflecting the midpoint of the 1989-1990 fiscal year. Stockton's public facility fee ordinance calls for periodic adjustment of the fees based on the "Engineering News Record" cost index to reflect construction cost inflation. The cost index increase for calendar year 1988 is +2.3 percent. In the Basis for Public Facilities Fee report costs were expressed in mid-1988 dollars.

(with the exception of street and intersection costs which were expressed in January 1, 1987 dollars). These have been projected to January 1, 1990 based on a rate of inflation for the last half of 1988 of 1.2 percent and a forecasted rate of inflation for 1989 of +2.3 percent, the rate actually recorded in 1987 and 1988. Costs are therefore increased by a total of 3.5 percent from mid-1988 levels.

DEMOGRAPHIC AND ECONOMIC FORECASTS

Time Period

The amount of new facilities needed and the fees required to fund those facilities depends in part on the time period chosen for the analysis. A longer time period results in more growth and a greater need for facilities. The period chosen for documenting the basis for public facilities fees is 1987 to 2005. This time frame is reasonable because it is long enough to avoid distortions from overlooking major costs or from allocating them to too little growth and not so long as to have uncertainty regarding the forecasts of both growth and the facilities chosen to accommodate that growth.

It should be noted that if growth occurs less rapidly than forecast, the city would still receive the amount of fees forecast, although at a later date. Similarly, if growth occurs more rapidly than forecast, the amount of fees needed to fund facilities would simply be received sooner.

Basis for Forecasts

The forecasts of public facility needs are based on forecasts of the amount of commercial, industrial and residential development expected to occur in Stockton's planning area. The data used by RHA are by necessity arranged somewhat differently from forecasts previously done by the city and used by other consultants, but the underlying numbers and assumptions are consistent with earlier forecasts.

The key elements on which growth forecasts are based are data and forecasts assembled by city staff. Among these are:

Stockton's parcel based land use inventory - This computerized data base of all parcels in the city's planning area contains data on current land use by type, parcel acreages, gross building floor space for commercial properties and number of units for residential properties. The data on current land use by type can be used to estimate future development patterns for vacant land which is unzoned because it is outside the city limits.

Forecasts of households and population by traffic zone - These were prepared in 1985 for the cross town freeway study conducted by Caltrans and include forecasts for the years 1990, 2000 and 2010.

Projected land use at buildout - These forecasts were prepared by city staff in 1986 and updated and expanded in 1988 as part of the general plan revision process. They present data at the traffic zone level for land use acreage and number of residential units when all land in the general plan area is built out. Applying appropriate household sizes or employee densities to the projected land use pattern yields a land use based estimate of population and employment at buildout.

Planning Department memos - These include analyses of overall city land use patterns, vacant land inventory and housing development trends.

Developer scenarios for projects approved by the voters - These plans are subject to change but represent the most likely development scenarios for these areas at the current time.

Data from these various sources was integrated to develop the forecasts used in the Fiscal and Public Facilities Study. These forecasts were for points in the future for which no city data existed (1995 and 2005), and for specially delineated areas of north Stockton (i.e., developed areas within city limits, undeveloped areas within city limits, etc.).

In preparing the basis for implementation of a city-wide impact fee program, RHA allocated the north Stockton forecasts to different geographic areas and developed similar forecasts for south Stockton as well. The data sources described above were consulted in developing the forecasts, and discussions with city planning staff ensured consistency in the underlying assumptions about the rate at which development would take place.

The amount of population and employment growth projected for the Stockton area is shown in Table 1. Population is expected to increase by 77,100 persons. Employment in the city is expected to reach 144,600 persons, up from the current metropolitan area estimate of 99,900. About one-half of this increase will occur in south Stockton, which is expected to gain almost as many jobs as residents.

As a check on the reasonableness of RHA's estimates, Table 2 compares totals for Stockton's planning area with a forecast currently being used by the San Joaquin County Council of Governments (COG) for planning purposes. The two sets of forecasts differ by less than two percent in the amount of population and employment growth projected.

Subarea Forecasts

In order to address the issue of differential fees for subareas within the city's sphere of influence RHA developed forecasts for specific subareas. The sphere of influence can be logically broken into six subareas based on the amount of future growth relative to existing development, and a preliminary understanding of the adequacy of existing public facilities to serve the projected growth. The six subareas, which are shown on the following map, are as follows:

North Stockton

FA1 - Fee Area 1 includes the undeveloped growth areas of north Stockton outside of the 1987 city limits, as well as the majority of vacant residential land within city limits. It includes the six major projects which were the focus of the prior fiscal study (Brookside, Harbor Cove, Spanos Park, Morada, the Auto Center Phase Two and the Christian Life Center), the major infill projects such as Weber Ranch, and the undeveloped areas outside of the city limits bounded by the eastern boundary of Spanos Park to the west, Eight Mile Road to the north, the Traction Railroad tracks to the east, and the Calaveras River to the south. It also includes about one-third of the developed city land north of the Calaveras. The majority of Fee Area 1 is undeveloped, and will require the construction of a variety of new facilities.

TABLE 1
STOCKTON GENERAL PLAN AREA
POPULATION AND EMPLOYMENT FORECAST, 1987-2005

	<u>Population</u>	<u>Employment</u>	<u>Population + Employment</u>
<u>1987</u>			
North Stockton ¹	106,100 ²	20,000 ³	126,100
South Stockton	<u>123,600³</u>	<u>79,900³</u>	<u>203,500</u>
	229,700	99,900	329,600
<u>2005⁵</u>			
North Stockton	163,200	44,200	207,400
South Stockton	<u>145,600</u>	<u>100,400</u>	<u>246,000</u>
Total	308,800	144,600	453,400
<u>1987-2005 Change</u>			
North Stockton	57,100 ²	24,200 ²	81,300
South Stockton	<u>22,000⁴</u>	<u>20,500⁴</u>	<u>42,500</u>
Total	79,100	44,700	123,800

¹ North of the Calaveras River.

² From Fiscal and Public Facilities Study.

³ Based on land use inventory data for areas inside and outside city limits.

⁴ Based on discussions with Stockton Community Development Department.

⁵ Assumes household size in already developed areas remains constant.

Sources: California Department of Finance, California Employment Development Department, Stockton Community Development Department and Recht Hausrath & Associates.

TABLE 2
COMPARISON OF POPULATION AND EMPLOYMENT
DATA WITH SAN JOAQUIN COUNCIL OF
GOVERNMENTS (COG) FORECAST FOR STOCKTON PLANNING AREA

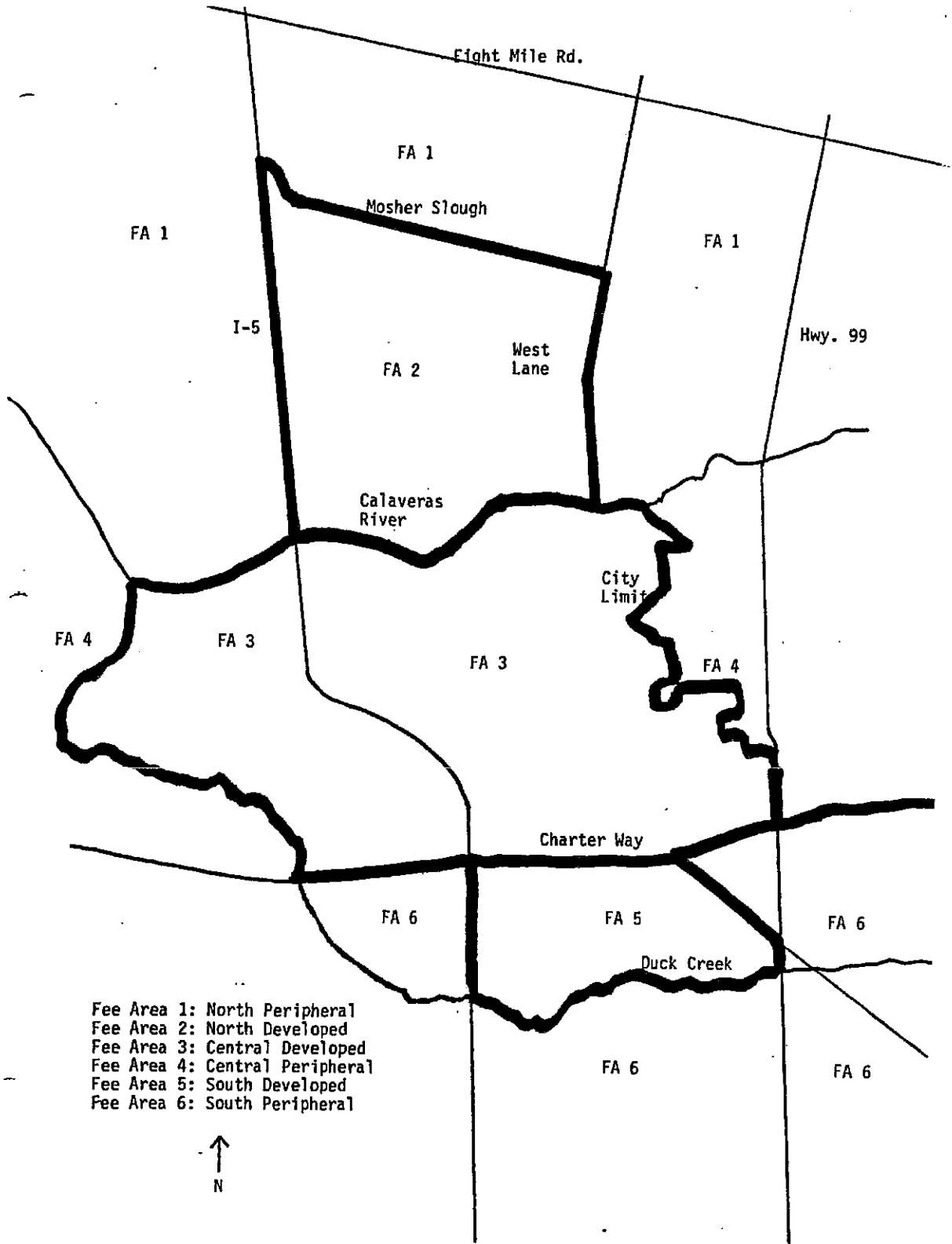
	<u>RHA Forecast</u>	<u>San Joaquin COG Forecast</u>
<u>Population</u>		
1987	229,700	236,412
2005	308,800	314,341 ¹
Change	79,100	77,929
<u>Employment</u>		
1987	99,900	101,471
2005	144,600	147,027 ¹
Change	44,700	45,556

Note:

¹Based on compound growth rate implicit in 2000 and 2010 forecasts.

Sources: San Joaquin Council of Governments and Recht Hausrath & Associates

FA2 - Fee Area 2 is bounded on the south by the Calaveras River, on the west by I-5, on the east by West Lane, and on the North by Mosher Slough. It includes about two-thirds of the area within the 1987 city limits north of the Calaveras River. This area is largely developed; only about 60 acres of vacant residential land remain. This infill development will potentially be able to make use of existing facilities to a greater extent than the growth areas in Fee Area 1. On the other hand, much of the development in this area has occurred in the last decade, a period in which public facilities have often been unfunded. Many facilities are consequently lacking.



Central & South Stockton

FA3 - Fee Area 3 encompasses the central portion of the city between the Calaveras River to the north, the city limits to the east, Charter Way to the south and the San Joaquin River to the west. Most of Fee Area 3 is fully developed with additional infill and intensification expected to be modest.

FA4 - Fee Area 4 consists of areas to the east and west of Fee Area 3, and extending in those directions to the boundaries of the city's general plan area.

FA5 - Fee Area 5 includes the area of Stockton south of Charter Way which is largely developed. This area is bounded on the south by Duck Creek, on the west by I-5 and on the east primarily by Mariposa Road.

FA6 - Fee Area 6 includes the remainder of Stockton's southern planning area not in other fee areas. The proposed Weston Ranch project lies in this fee area, as well as a great deal of vacant industrial land. The majority of the land in this area is not expected to develop until after 2005.

Allocation of Forecast Totals to Fee Areas

The population and employment forecasts for the planning area have been allocated to the six subareas based on market demand and land supply data from the city's land use inventory. Overall growth in North Stockton reflects the forecasts presented in the Fiscal and Public Facilities Study. It has been allocated to Fee Areas 1 and 2 in proportion to the amount of vacant commercial and residential land in each area. Population and employment in 1987 have been allocated based on knowledge of the existing distribution of commercial activity and housing in North Stockton.

The remaining increment of growth is allocated to the four fee areas in south Stockton according to the proportion of residential or commercial vacant land in each area. Fee Area 3, the central developed area, for example, has little vacant land left and so gets a relatively small share of future growth. However, the amount of growth allocated to each area has been checked against known development plans or trends, such as the proposed Weston Ranch project, and adjusted where appropriate.

Population is allocated to fee areas based on the amount of single and multifamily land available. Single and multifamily units differ dramatically in the average number of residents per household, so it is necessary to distinguish between the amount of land available for each housing type to properly allocate growth.

Employment is allocated based on the amount of office, retail and warehouse/manufacturing land available. As with population, each type of commercial land use produces a different amount of employment. A given amount of office land, for example, can potentially have two to three times as much employment as the same amount of manufacturing land.

The allocation of population and employment growth to fee areas is shown in tables 3, 4 and 5.

TABLE 3
POPULATION PROJECTIONS BY FEE AREA

Fee Area	1987 Population	2005 Population	1987-2005 Change
1	42,400	98,300	55,900
2	63,700	64,900	1,200
No. Stockton Total	106,100	163,200	57,100
3	76,500	79,900	3,400
4	18,500	19,800	1,300
5	19,500	23,100	3,600
6	9,100	22,800	3,700
So. Stockton Total	123,600	145,600	22,000
Total	229,700	308,800	79,100

Source: Recht Hausrath & Associates.

TABLE 4
EMPLOYMENT PROJECTIONS BY FEE AREA

<u>Fee Area</u>	<u>1987 Employment</u>	<u>2005 Employment</u>	<u>1987-2005 Change</u>
1	4,000	25,800	21,800
2 ¹	<u>16,000</u>	<u>18,400</u>	<u>2,400</u>
No. Stockton Total	20,000	44,200	24,200
3	43,500	46,100	2,600
4	6,600	8,400	1,800
5	7,600	8,400	800
6	<u>22,200</u>	<u>37,500</u>	<u>15,300</u>
So. Stockton Total	79,900	100,400	20,500
Total	99,900	144,600	44,700

Source: Recht Hausrath & Associates.

TABLE 5
POPULATION PLUS EMPLOYMENT PROJECTIONS
BY FEE AREA

<u>Fee Area</u>	<u>1987 Plus</u>	<u>2005 Plus</u>	<u>1987-2005 Change</u>
1	46,400	124,100	77,700
2	<u>79,700</u>	<u>83,300</u>	<u>3,600</u>
No. Stockton Total	126,100	207,400	81,300
3	120,000	126,000	6,000
4	25,100	28,200	3,100
5	27,100	31,500	4,400
6	<u>31,300</u>	<u>60,300</u>	<u>29,000</u>
So. Stockton Total	203,500	246,000	42,500
Total	329,600	453,400	123,800

Source: Recht Hausrath & Associates.

PUBLIC FACILITIES

POLICE STATION SPACE

The Police Department intends to construct an addition to the existing central police station to serve new development and to relieve current overcrowding. About one-half of the space is needed to accommodate new development.

Space Needed

Mounce Associates prepared a plan for police department space needs. The Mounce facility provided 171 square feet per department employee. This standard is 50 percent greater than the present 113 square feet per employee, but less than the 195 square feet per employee at the time the existing station was constructed.

The space needed for the current staff at a standard of 171 square feet per employee is 67,000 square feet. Since the existing facility contains only 44,400 square feet, there is an existing deficiency of 22,600 square feet.

There are currently (1987) 392 police department employees serving a combined total of 329,600 residents and employees in Stockton. The ratio of police employees to residents/employees served is therefore 1.19 per 1,000.

Stockton is forecast to gain an additional 123,800 residents and employees by 2005, requiring that an additional 147 employees be added to maintain the current level of service.

The additional 147 employees projected to serve new development will require 25,100 square feet of space. The total amount of new space needed is thus 47,700. This is approximately the space provided in the Mounce design. Fifty-three percent of the space is needed to accommodate new development; the remainder is to cure the existing deficiency.

Cost

The Mounce study estimated the cost of their recommended facility. Adjusted to 1990 construction costs and for a 47,700 square foot size, the costs are as follows:

Site work	\$ 435,000
New Building	7,121,000
Utility Buildings	445,000
Furnishings & Equipment	1,149,000
Plans & Construction Management	1,666,000
Remodel Existing Building	<u>1,139,000</u>
Subtotal	\$11,955,000
Underground Garage	1,211,000
Supplemental Parking	<u>2,629,000</u>
Subtotal	\$ 3,840,000
Total	\$15,795,000

New development is assigned the financial responsibility for all of the parking cost (\$3.8 million) plus 53 percent of the building costs (\$6.3 million). The total cost on which the development fee is based is thus estimated to be \$10.2 million.

Fee Determination

The Fiscal and Public Facilities Study concluded that police staff needs were best projected on the basis of a total of population plus employment. Apportioning the \$10.2 million cost among new development yields a cost of \$82 per resident or employee.

<u>\$10.2 million cost</u>	= \$82 per new resident
123,800 new residents and employees	or employee

Since the single police station serves the entire city, the lack of space to accommodate service to new development applies throughout the city. The fees for the various development types are as follows:

<u>Type of Development</u>	<u>Fee Areas 1-6</u>
Single-Family	\$82 * 2.97 residents = \$244 per unit
Multiple-Family	\$82 * 1.75 residents = \$144 per unit
Guestrooms	\$82 * 1.25 occupants = \$103 per room
Office/High Employment Density	\$82 * <u>1 employee</u> = 27.3¢ per sq. ft. 300 square feet
Retail/Medium Employment Density	\$82 * <u>1 employee</u> = 16.4¢ per sq. ft. 500 square feet
Industrial/Warehouse/ Low Employment Density	\$82 * <u>1 employee</u> = 11.7¢ per sq. ft. 700 square feet

CITY OFFICE SPACE

Stockton will need additional office space to accommodate the additional city employees needed to maintain the current level of service as the city grows. The city anticipates constructing the space on land near the present City Hall.

Space Needed

Existing city office space is currently fully utilized. New growth, wherever it occurs throughout the City, will cause a need for additional space. Therefore there is no difference in facility needs, and hence costs, among the six fee areas.

Costs

As described in the Basis for Public Facilities Fee report, the cost for new office space to accommodate development through 2005 is estimated at \$2.44 million (in January 1, 1990 dollars).

Fee Determination

The \$2.44 million cost divided equally among the projected new growth of 123,800 residents and employees equals \$20 per resident or employee. The fees for all fee areas within the city are therefore as follows:

<u>Type of Development</u>	<u>Fee Areas 1-6</u>
Single-Family	\$20 * 2.97 residents = \$59 per unit
Multiple-Family	\$20 * 1.75 residents = \$35 per unit
Guestrooms	\$20 * 1.25 occupants = \$25 per room
Office/High Employment Density	\$20 * <u>1 employee</u> = 6.7¢ per sq. 300 square feet ft.
Retail/Medium Employment Density	\$20 * <u>1 employee</u> = 4.0¢ per sq. 500 square feet ft.
Industrial/Warehouse/ Low Employment Density	\$20 * <u>1 employee</u> = 2.9¢ per sq. 700 square feet ft.

STREETS AND INTERSECTIONS

The City of Stockton will continue to require the provision of street improvements adjoining new development. These are required by city ordinances and are not affected by public facilities fees. Street fees are collected to provide a specific set of off-site, nonadjacent traffic improvements necessary to accommodate the increase in traffic generated by new development.

Facilities Needed

The Omni-Means transportation consulting firm has conducted studies which have identified the street and intersection improvements needed north of Charter Way to accommodate the projected growth, and their cost. The firm is currently updating the earlier study and including the city's planning area south of Charter Way.

The developed areas of central and south Stockton require substantially less improvements to accommodate growth than the peripheral areas and the developed portion of north Stockton. In the prior Omni-Means study, most of the improvements identified were for streets and intersections north of the Calaveras River. Some costly developments have already been identified in the undeveloped southern portion of the City.

Cost

The total cost of the facilities needed north of Charter Way to accommodate growth is estimated at \$36.4 million. This total is reduced by \$9.6 million, the cost developers would incur in building their portion of adjacent streets. The resulting cost to be covered by the public facilities fees is \$26.8 million. The cost of improvements needed to accommodate development south of Charter Way was not estimated in the prior study.

Fee Determination

The fee for street improvements is currently based on the known costs of areas north of Charter Way. When the more comprehensive Omni-Means analysis is complete the fee will be recalculated, presumably with different fees for various parts of the City; this is expected to occur late in 1989.

The \$26.8 million cost is allocated among new development based on peak hour trips generated by various types of development. As described in the Basis for Public Facilities Fees report, the estimated number of trips resulting from growth is 38,100, or \$703 per trip in 1990 dollars.

Based on a preliminary analysis of the cost of improvements needed south of Charter Way, it appears that the cost will be greater than \$703 per trip. Interim use of this figure until the south Stockton traffic analysis is completed would therefore not generate fees which exceed potential costs.

As noted earlier, the central and south developed portions of Stockton (Fee Areas 3 and 5) will require substantially less improvements than peripheral areas, although some street widening and intersection work is needed. Public works staff and RHA have determined that a reduction of the fee by 50 percent in these areas appears permissible. The fee is therefore set at \$352 per trip for these areas until the traffic study provides more definitive information.

The fee paid is based on the peak hour trip generation. The fees for each development type can be estimated as follows using the assumptions used by the traffic consultants. It should be remembered, however, that the actual fee imposed will be based on peak hour trips generated as set forth in a standard reference manual.

Type of Development	Fee Area 1,2,4,6	Fee Area 3,5
Single-Family	\$703 *1.0 trips per unit = \$703 per unit	\$352 *1.0 trips per unit = \$352 per unit
Multi-Family	\$703 *0.7 trips per unit = \$492 per unit	\$352 *0.7 trips per unit = \$264 per unit
Guestrooms	\$703 *0.5 trips per unit = \$352 per unit	\$352 *0.5 trips per room = \$176 per room
Office/High Employment Density	\$603 *2.4 trips/1,000 sq. ft. = \$1.687 per sq. ft.	\$352 *2.4 trips/1,000 sq. ft. = \$0.845 per sq. ft.
Retail ¹ /Medium Employment Density	\$703 *2.4 trips/1,000 sq. ft. = \$1.687 per sq. ft.	\$352 *2.4 trips/1,000 sq. ft. = \$0.845 per sq. ft.
Industrial/Warehouse/ Low Employment Density	\$703 *1.3 trips/1,000 sq. ft. = \$0.914 per sq. ft.	\$352 *1.3 trips/1,000 sq. ft. = \$0.458 per sq. ft.

¹ The trip generation figure is an average for retail establishments. It reflects peak hour trip generation reduced by 25 percent to account for mid-trip stops. The actual fee imposed depends on the trips projected for the specific type of retail space being developed.

COMMUNITY RECREATION CENTERS

Stockton has five community recreation centers, four of which are in south Stockton. The city plans to add two centers to the one currently existing in north Stockton. One will be located in Panella Park, on the northeastern edge of the city. The second will be built to serve developments in northwest and north central areas. This will result in three centers in north Stockton by 2005, each one serving a population of approximately 50,000 persons.

Existing centers in the central and south developed portions of south Stockton are adequate to serve the current population. Growth in the peripheral portions of south Stockton (Fee Areas 4 and 6), however, will require either that new centers be built or existing centers be expanded to accommodate the growth. The large majority of the additional population will reside on the western side, as the south central and

east areas are planned for non-residential development. This population will be served by a small community center in Weston Ranch and/or expansion of the Van Buskirk Park center.

Cost

The cost for each full center has been preliminarily estimated at \$1,884,000 in 1990 dollars. The Weston Ranch center and/or the Van Buskirk Park expansion would be appropriately scaled to reflect the population served and keep the cost in line with the funds provided.

Fee Determination

With approximately 100,000 persons currently residing in north Stockton, the City has an existing deficiency in that area equal to one center. The City will therefore be funding almost all of the cost of one of the two centers to be built there. Dividing the \$1,884,000 cost of the remaining center among the 50,000 residents to be served yields a per resident cost of \$38.

Construction of new centers in the south or expansion of existing centers to serve growth are expected to cost about the same per square foot as the center in north Stockton. Use of a similar fee figure therefore appears appropriate.

Fees are not necessary in Fee Areas 3 and 5 as community recreation centers are already adequate in these areas.

The fees for different types of residential development are as follows:

<u>Type of Development</u>	<u>Fee Areas 1,2,4,6</u>	<u>Fee Areas 3,5</u>
Single-Family	\$38 *2.97 residents = \$113 per unit	No Fee
Multiple-Family	\$38 x 1.75 residents = \$67 per unit	No Fee
Guestrooms	\$38 x 1.25 occupants = \$48 per room	No Fee

FIRE STATIONS

The City of Stockton fire department's standard of emergency response is that 80 percent of calls will have a response time of 3.5 minutes or less. The stations are located and new ones added with this standard in mind. Growth on the periphery of the city which results in response times greater than the standard will contribute to the need for additional fire stations.

Stations Needed

The fire department is now initiating a study of the locations for new stations. Based on the amount and location of growth forecast, the fire department has already identified the need for one additional fire station each in northwest and northeast Stockton to accommodate growth in north Stockton. An additional ladder company would also be needed.

In southwest Stockton the fire department has preliminarily determined that by relocating two existing engine companies growth can be accommodated without negatively affecting the level of service to existing residents and businesses. The department proposes to relocate stations No. 1 and 5 each about one mile to the south. Relocating No. 5 south would allow it to serve the Weston Ranch development, which is projected to have approximately 16,500 residents and 3,000 employees when completed. Station No. 1, which is currently located adjacent to the Port of Stockton, could be moved about one mile south. It would remain within 1.5 miles of the Port, which has a large stake in maintaining a high level of fire protection, but could also serve part of the response area vacated by Station No. 5. There is a possibility that new development in the southwest area could be served by one entirely new station and engine company, rather than two relocated station companies. If so, only one station should be the financial responsibility of new development.

It also appears that a new station will be required to serve development in the southeast portion of the planning area. It is uncertain at this time whether it will be staffed by a new company or the relocation of an existing company.

Cost

The cost of each of the north Stockton stations is as follows:

Land (one acre)	\$135,000
Construction	484,000
Engine	<u>178,000</u>
Total	\$797,000

In addition a ladder truck costing \$431,000 will be needed, though half of the cost of this truck is the responsibility of post-2005 development. On the other hand, ten percent of the costs (10% of \$1,594,000 + \$431,000, or \$203,000) is an existing deficiency.

Two fire stations	\$1,594,000
Half of ladder truck	216,000
Existing deficiency	<u>(203,000)</u>
Total	\$1,607,000

Fee Determination

The sum of population and employment growth in north Stockton is projected to be 81,300. The \$1.61 million cost of the stations apportioned among this growth gives a per resident and per employee cost of \$20.

Construction of two new stations in south Stockton to accomplish the relocation being considered is expected to result in similar per station construction costs. The amount of population and employment growth

forecast is less, however. It is therefore reasonable to use an assumption of \$20 per resident and employee for fire station costs in Fee Area 6 as the fees allocated will not exceed the cost of the facilities. It is anticipated that the fee will be reevaluated after completion of the station location study.

Fees are not necessary in Fee Areas 3, 4 and 5 as fire station facilities are already adequate in these areas. The fees for the various development types are as follows:

<u>Type of Development</u>	<u>Fee Areas 1,2,6</u>	<u>Fee Areas 3,4,5</u>
Single-Family	\$20 x 2.97 residents = \$59 per unit	No Fee
Multiple-Family	\$20 x 1.75 residents = \$35 per unit	No Fee
Guestrooms	\$20 x 1.25 occupants = .25 per room	No Fee
Office/High Empl. Density	\$20 * <u>1 employee</u> = 6.7¢ per sq.ft. 300 square feet	No Fee
Retail/Medium Empl. Density	\$20 * <u>1 employee</u> = 4.0¢ per sq.ft. 500 square feet	No Fee
Industrial/ Warehouse/Low Empl. Density	\$20 * <u>1 employee</u> = 2.9¢ per sq.ft. 700 square feet	No Fee

LIBRARIES

The Stockton-San Joaquin County Public Library system operates four branch libraries in the Stockton metropolitan area, three of which are located in south Stockton. The library master plan study anticipates the need for two additional libraries in north Stockton, one each in the northwest and northeast areas. It similarly identifies the need for one standard sized library in south Stockton, and perhaps a second smaller facility to provide geographic accessibility to all residents.

Central Stockton contains the Central Branch library, the county's largest, as well as the Fair Oaks branch. The approximately 45,000 square feet of space in these two buildings devoted to branch functions amounts to about 74 percent of all branch library space in the city. As

a result the residents and employees of central Stockton are well served both in terms of library space and number of books available. The library department's standards in this area are exceeded and sufficient capacity exists to meet projected growth. The central area (Fee Area 3) can therefore be excluded from collection of library fees.

No future branches are planned for Fee Area 4, which lies to the east and west of Fee Area 3. The proximity of this area to the large amount of space in the Central and Fair Oaks branches ensures that the future level of service to residents will remain high, even with the growth projected to occur. Fee Area 4 is therefore also excluded from the collection of library fees.

Space Needs

The population growth projected in the areas needing new libraries (excluding areas 3 and 4) is 74,400. The City of Stockton has developed for planning purposes a library standard of 0.41 square feet of space and 1.8 books per resident. Calculated on this basis, the projected 1987-2005 growth of 74,400 residents thus results in a need for 30,500 square feet of additional space and 133,900 additional books. Because a significant portion of this need actually arises from business use of the library system, the standards can be expressed as 0.266 square feet of space and 1.17 books for each resident or employee. The need for 114,700 residents plus employees calculated using these measures is obviously the same.

Costs

The cost of the required facilities is estimated based on the following factors. The amount of land needed for new libraries is equal to 2.75 times the library floor area. Land costs are estimated at \$136,000 per acre. Construction costs, including furnishings, are estimated at \$149 per square foot. The library's current cost of acquiring and cataloging books is \$29 per volume.

The costs of accommodating the projected growth, based on the standards and cost factors described above, is shown below:

	<u>Amount Needed</u>	<u>Unit Cost</u>	<u>Total Cost</u>
Land	83,900 sq. ft.	\$3.12/sq. ft.	\$ 262,000
Buildings and Furnishings	30,500 sq. ft.	\$149/sq. ft.	\$4,545,000
Books	133,900 books	\$29/book	<u>\$3,883,000</u>
		Total	\$8,690,000

Fee Determination

The total estimated cost of \$8.69 million is apportioned among the projected growth of 114,700 residents and employees, yielding a per resident and per employee cost of \$76. Fees are not necessary in Fee Areas 3 and 4 as the library facilities in these areas are already adequate. The fees for the various categories of development are as follows:

<u>Type of Development</u>	<u>Fee Area 1,2,5,6</u>	<u>Fee Area 3,4</u>
Single-Family	\$76 * 2.97 residents = \$226 per unit	No Fee
Multiple-Family	\$76 * 1.75 residents = \$133 per unit	No Fee
Guestrooms	\$76 * 1.25 occupants = \$95 per room	No Fee
Office/High Employment Density	\$76 * <u>1 employee</u> = 25.3¢ per sq.ft. 300 square feet	No Fee
Retail/Medium Employment Density	\$76 * <u>1 employee</u> = 15.2¢ per sq.ft. 500 square feet	No Fee
Industrial/ Warehouse/Low Employment Density	\$76 * <u>1 employee</u> = 10.9¢ per sq.ft. 700 square feet	No Fee

PARKS

Residential growth will require that Stockton build additional parks to serve new residents. The capital costs of parks include land purchase, landscaping, irrigation, and development of recreational facilities such as playground apparatus and multi-use courts.

Parks Needed

Stockton's general plan standard calls for one acre of neighborhood park space and one acre of community park space per 1,000 residents. Neighborhood parks are generally less than 15 acres in size and serve residents within a radius of one half mile. Community parks are 15 to 30 acres in size and serve residents within a distance of one mile.

Cost

Parks are somewhat different from the other public facilities for which fees are levied, in that land acquisition costs are a much larger component of total development cost. For example, land currently comprises about three percent of the cost of a new library, but 35 percent of the cost of parks. In addition, in recent years land costs have increased more rapidly than construction costs.

It therefore appears inappropriate to base the annual adjustment of park fees solely on the Engineering News Record (ENR) cost index, the index used to adjust the other public facilities fees. If current trends continue, land cost increases will outpace construction cost increases and an annual adjustment based on the ENR index would tend to underestimate the cost of park acquisition and development.

Use of an index which reflects changes in the cost of acquiring land, as well as changes in construction costs, would more accurately track changes in actual park development costs. Unfortunately, there is no readily available published source of data on land prices in the Stockton metropolitan area.

As an interim solution, the city could use data published by the Real Estate Research Council of Northern California, which describes trends in the value of residential land and improvements in the Bay Area, Sacramento and Monterey regions. The data is based on appraisals of houses and condominiums in developed areas, and breaks the total appraised value into land and improvement components. Although no data is given for Stockton, the East Bay or Sacramento areas could be used to give some indication of trends in land prices.

In the year ending in October, 1988, for example, land values in the East Bay rose at an annual rate of 18.1 percent, while land values in Sacramento rose 3.9 percent. An average of these two rates, or 11.0 percent between 1987 and 1988, could be used to account for the last year's land cost changes in Stockton. Every few years the land value can be calculated based on Stockton land costs, with the land cost in the intervening years adjusted based on the wider Bay Area-Sacramento indices.

In the following table the January, 1987 park development costs shown in the Fiscal and Public Facilities Study have been updated to January 1990 using the following methodology. The 65 percent of park development costs currently attributable to construction, landscaping, etc. have been increased by 2.3 percent annually, reflecting the ENR cost index for 1987 and 1988, and projecting a similar increase for 1989. The 35 percent of parks costs attributable to land acquisition have been increased by 6.7 percent for 1987 and 11.0 percent for 1988 and 1989, reflecting the average of East Bay and Sacramento area land cost increases, according to the Real Estate Research Council of Northern California. The resulting total increase in park development costs for the three year period is 15.6 percent. This adjustment is applied to only parks fees. The other public facilities fees are adjusted based exclusively on the ENR index.

Because community parks are larger, park development costs are about 10 percent less than for neighborhood parks, expressed on a per acre basis. Projected (January, 1990) park development costs for the city are shown below:

	<u>Neighborhood</u>	<u>Community</u>
Land Cost Per Acre	\$48,600	\$43,700
Development Cost Per Acre	<u>73,700</u>	<u>66,300</u>
Total Cost Per Acre	\$122,300	\$110,000

Fee Determination

The Fiscal and Public Facilities Study determined that the developed portions of Stockton are adequately served by park facilities. The parks and recreation department therefore has no plans to build additional parks in fee areas 2, 3 and 5. Even with the minor growth which is forecast to occur in these areas they will remain above the city standard for park acreage.

The peripheral areas (fee areas 1, 4, 6) will all require construction of additional parks to serve new residents. The projected population increase in these areas between 1987 and 2005 is 70,900. Based on the city's parks standard, 71 acres of neighborhood parks and 71 acres of community parks will be required. The total cost of these facilities is shown below:

Neighborhood Parks	71 acres	X	\$122,300/acre	=	\$8,683,000
Community Parks	71 acres	X	\$110,000/acre	=	<u>\$7,810,000</u>
			TOTAL		\$16,493,000

The cost per new resident is estimated at \$233 (\$16.5 million ÷ 70,900). The fees for the various types of new residential development are as follows:

<u>Type of Development</u>	<u>Fee Area 1, 4, 6</u>	<u>Fee Area 2, 3, 5</u>
Single-Family	\$233 * 2.97 residents = \$692 per unit	No Fee
Multi-Family	\$233 * 1.75 residents = \$408 per unit	No Fee
Guestrooms	\$233 * 1.25 occupants = \$291 per unit	No Fee

SUMMARY FEE SCHEDULES

The following tables summarize the development fees for each fee area and type of development. The fees are given for January 1, 1990. It should again be noticed that the fee for street improvements will be based on \$703 per trip generated in all areas except 3 and 5 and \$352 per trip generated in these two areas. The administrative fee is equal to 2.5 percent of the fee total.

FISCAL 1989-1990 DEVELOPMENT FEES BY FEE AREA
FOR SINGLE FAMILY UNITS
 (Per Unit)

<u>Public Facility</u>	<u>Fee Areas</u>				
	<u>1,6</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
Police Station	\$244	\$244	\$244	\$244	\$244
Office Space	59	59	59	59	59
Streets	703	703	352	703	352
Community Centers	113	113	-	113	-
Fire Stations	59	59	-	-	-
Library	<u>226</u>	<u>226</u>	<u>-</u>	<u>-</u>	<u>226</u>
Subtotal	1,404	1,404	655	1,119	881
Parklands	<u>692</u>	<u>-</u>	<u>-</u>	<u>692</u>	<u>-</u>
Subtotal	2,096	1,404	655	1,811	881
Administration @ 2.5%	<u>52</u>	<u>35</u>	<u>16</u>	<u>45</u>	<u>22</u>
 TOTAL	 \$2,148	 \$1,439	 \$671	 \$1,856	 \$903

Note: Current fees for wastewater, water and traffic signals, not shown above, continue unchanged.

FISCAL 1989-1990 DEVELOPMENT FEES BY FEE AREA
FOR MULTIPLE FAMILY UNITS
 (Per Unit)

<u>Public Facility</u>	<u>Fee Areas</u>				
	<u>1,6</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
Police Station	\$144	\$144	\$144	\$144	\$144
Office Space	35	35	35	35	35
Streets	492	492	264	492	264
Community Centers	67	67	-	67	-
Fire Stations	35	35	-	-	-
Library	<u>133</u>	<u>133</u>	<u>-</u>	<u>-</u>	<u>133</u>
Subtotal	906	906	443	738	576
Parklands	<u>408</u>	<u>-</u>	<u>-</u>	<u>408</u>	<u>-</u>
Subtotal	1,314	906	443	1,146	576
Administration @ 2.5%	<u>33</u>	<u>23</u>	<u>11</u>	<u>29</u>	<u>14</u>
TOTAL	\$1,347	\$929	\$454	\$1,175	\$590

Note: Current fees for wastewater, water and traffic signals, not shown above, continue unchanged.

FISCAL 1989-1990 DEVELOPMENT FEES BY FEE AREA
FOR GUESTROOMS
 (Per Room)

<u>Public Facility</u>	<u>Fee Areas</u>				
	<u>1,6</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
Police Station	\$103	\$103	\$103	\$103	\$103
Office Space	25	25	25	25	25
Streets	352	352	176	352	176
Community Centers	48	48	-	48	-
Fire Stations	25	25	-	-	-
Library	95	95	-	-	95
Subtotal	648	648	304	528	399
Parklands	291	-	-	291	-
Subtotal	939	648	304	819	399
Administration @ 2.5%	23	16	8	20	10
TOTAL	\$962	\$664	\$312	\$839	\$409

Note: Current fees for wastewater, water and traffic signals, not shown above, continue unchanged.

FISCAL 1989-1990 DEVELOPMENT FEES BY FEE AREA
FOR OFFICE DEVELOPMENT
(OR OTHER HIGH EMPLOYMENT DENSITY DEVELOPMENT)
 (Per Square Foot)

<u>Public Facility</u>	<u>Fee Areas</u>				
	<u>1,6</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
Police Station	\$0.273	\$0.273	\$0.273	\$0.273	\$0.273
Office Space	0.067	0.067	0.067	0.067	0.067
Streets	1.687	1.687	0.845	1.687	0.845
Community Centers	-	-	-	-	-
Fire Stations	0.067	0.067	-	-	-
Library	<u>0.253</u>	<u>0.253</u>	-	-	<u>0.253</u>
Subtotal	2.347	2.347	1.185	2.027	1.438
Parklands	-	-	-	-	-
Subtotal	2.347	2.347	1.185	2.027	1.438
Administration @ 2.5%	<u>0.059</u>	<u>0.059</u>	<u>0.029</u>	<u>0.051</u>	<u>0.036</u>
 TOTAL	 \$2.406	 \$2.406	 \$1.214	 \$2.078	 \$1.474

Note: Current fees for wastewater, water and traffic signals, not shown above, continue unchanged.

FISCAL 1989-1990 DEVELOPMENT FEES BY FEE AREA
FOR RETAIL DEVELOPMENT
(OR OTHER MEDIUM EMPLOYMENT DENSITY DEVELOPMENT)
 (Per Square Foot)

<u>Public Facility</u>	<u>Fee Areas</u>				
	<u>1,6</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
Police Station	\$0.164	\$0.164	\$0.164	\$0.164	\$0.164
Office Space	0.040	0.040	0.040	0.040	0.040
Streets	1.687	1.687	0.845	1.687	0.845
Community Centers	-	-	-	-	-
Fire Stations	0.040	0.040	-	-	-
Library	<u>0.152</u>	<u>0.152</u>	-	-	<u>0.152</u>
Subtotal	2.083	2.083	1.049	1.891	1.201
Parklands	-	-	-	-	-
Subtotal	2.083	2.083	1.049	1.891	1.201
Administration @ 2.5%	0.052	0.052	0.026	0.047	0.030
 TOTAL	 \$2.135	 \$2.135	 \$1.075	 \$1.938	 \$1.231

Note: Current fees for wastewater, water and traffic signals, not shown above, continue unchanged.

FISCAL 1989-1990 DEVELOPMENT FEES BY FEE AREA
FOR INDUSTRIAL/WAREHOUSE DEVELOPMENT
(OR OTHER LOW EMPLOYMENT DENSITY DEVELOPMENT)
 (Per Square Foot)

<u>Public Facility</u>	<u>Fee Areas</u>				
	<u>1,6</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
Police Station	\$0.117	\$0.117	\$0.117	\$0.117	\$0.117
Office Space	0.029	0.029	0.029	0.029	0.029
Streets	0.914	0.914	0.458	0.914	0.458
Community Centers	-	-	-	-	-
Fire Stations	0.029	0.029	-	-	-
Library	<u>0.109</u>	<u>0.109</u>	-	-	<u>0.109</u>
Subtotal	1.198	1.198	0.604	1.060	0.713
Parklands	-	-	-	-	-
Subtotal	1.198	1.198	0.604	1.060	0.713
Administration @ 2.5%	<u>0.029</u>	<u>0.029</u>	<u>0.015</u>	<u>0.027</u>	<u>0.018</u>
 TOTAL	 \$1.227	 \$1.227	 \$0.619	 \$1.087	 \$0.731

Note: Current fees for wastewater, water and traffic signals, not shown above, continue unchanged.