

**GCG**

GOODWIN CONSULTING GROUP



CITY OF  
**ELK GROVE**

**CITY OF ELK GROVE  
SOUTH EAST POLICY AREA  
PARK AND TRAIL IMPACT FEES  
NEXUS STUDY**

**May 22, 2019**

**CITY OF ELK GROVE  
SOUTH EAST POLICY AREA  
PARK AND TRAILS IMPACT FEE  
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## ***EXECUTIVE SUMMARY***

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The Southeast Policy Area (“SEPA”) is an employment-oriented development located in the southern portion of the City of Elk Grove (the “City”). The City is located in the south central portion of Sacramento County along Highway 99, approximately 20 miles south of downtown Sacramento. The SEPA lies west of Highway 99, south of Poppy Ridge Road, east of Big Horn Boulevard and Bruceville Road, and north of Kammerer Road. A map identifying the Southeast Policy Area and the Park and Trail Fee Program boundaries is shown on page 2 of this report.

The SEPA is envisioned to provide a wide range of land uses that will provide a balanced mix of retail, office, light industrial, mixed use, and residential developments. At build out SEPA is projected to include almost 4,000 residential units, including 2,429 single family units and 1,543 multi-family units. The SEPA will also include approximately 446,000 square feet of building space zoned for commercial and mixed use non-residential development, approximately 4.4 million square feet of office space, and just over 900,000 square feet of building zoned for industrial/flex space.

### **PURPOSE OF STUDY**

As the SEPA develops, park and trail facilities will be constructed to meet the demands of future development. Park and trail facilities that will serve development in the SEPA will be funded through fee revenue from the proposed Southeast Policy Area Park and Trail Fee Program (“Fee Program”). The SEPA park fee (“Park Fee”) and the SEPA trail fee (“Trail Fee”) will apply to all future development within the SEPA. This Southeast Policy Area Park and Trail Impact Fee Nexus Study report (“Nexus Study”) provides the supporting basis for the Fee Program.

The Fee Program is compliant with the requirements set forth in the Mitigation Fee Act, also commonly known as AB 1600, and ensures that a rational nexus exists between future development in the SEPA and (i) the use and need for the proposed park and trail facilities, and (ii) the cost or portion of the cost of the public facilities attributable to future development. This Nexus Study demonstrates that a reasonable relationship exists between the Park Fee and the Trail Fee and the cost of the facilities attributable to development in SEPA that these fees will be levied on.

## **PARK AND TRAIL FACILITIES AND PUBLIC LAND REQUIREMENTS**

The Fee Program provides funding for the project-specific park and trail facilities in the SEPA. These project-specific park and trail facilities, as described in the Southeast Policy Area Community Plan and the Southeast Policy Area Specific Planning Area Report, are planned to serve the SEPA. A detailed review was conducted by City staff to identify all eligible park, trails, and land costs. The result of this effort serves as the basis for the Fee Program. The total cost associated with park and trail facilities and public land included in the Fee Program is estimated to be \$74.8 million and includes the following:

- Community Park Development \$4.8 million
- Local and Neighborhood Parks Development \$32.7 million
- Trails Development \$30.5 million
- Trails Land Acquisition \$6.8 million

Detailed cost estimates for the above-referenced facilities are shown in Appendix B of this report. Exhibits 3 and 4 on pages 13 and 15 of this report identify the locations of the park and trail facilities included in the Fee Program. Park land in the SEPA will be dedicated through the Quimby park land requirement. The City will require actual dedication of land pursuant to the Quimby Act requirements or payment of an in-lieu fee at final map approval.

### **PARK FEE**

The Park Fees are presented in Table ES-1. Table ES-1 identifies the three components of the Park Fee, namely Shared Park Facilities, Residential-Focused Park Facilities, and the City's administration fee. The City will charge an administration fee that equals 4.0% of the total costs. Calculations performed by City staff for other City fee programs show that expenditures for program administration equal and often exceed 4.0% of the fee program's expenditures. Fee program administration costs include, but are not limited to, preparation of the nexus study; preparation of updates to the nexus study; preparation of annual reports for the fee; and administration costs for maintaining the fee fund. The City should monitor its costs in the following years and adjust the rate, as necessary.

### **TRAIL FEE**

The Trail Fees are presented in Table ES-2. Table ES-2 identifies the three components of the Trail Fee, namely Trail Facilities, Trails Land, and the City's 4.0% administration fee component.

**Table ES-1  
PARK FEE SUMMARY**

<b>Land Use</b>	<b>Shared Park Facilities A</b>	<b>Residential- Focused Park Facilities B</b>	<b>Administration (4%) C = (A + B) x .04</b>	<b>Total Park Fee D = A + B + C</b>
<b><u>Residential</u></b>				
			<i>per Unit</i>	
Single Family	\$2,103	\$8,223	\$413	<b>\$10,739</b>
Multi-Family	\$1,519	\$5,940	\$298	<b>\$7,757</b>
<b><u>Non-Residential</u></b>				
			<i>per Acre</i>	
Commercial	\$1,713	\$0	\$69	<b>\$1,782</b>
Office	\$3,098	\$0	\$124	<b>\$3,222</b>
Industrial/Flex	\$897	\$0	\$36	<b>\$933</b>

**Table ES-2  
TRAIL FEE SUMMARY**

<b>Land Use</b>	<b>Trail Facilities A</b>	<b>Trail Land Component B</b>	<b>Administration (4%) C = (A + B) x .04</b>	<b>Total Trail Fee D = A + B + C</b>
<b><u>Residential</u></b>				
			<i>per Unit</i>	
Single Family	\$7,627	\$1,691	\$373	<b>\$9,691</b>
Multi-Family	\$5,510	\$1,222	\$269	<b>\$7,001</b>
<b><u>Nonresidential</u></b>				
			<i>per Acre</i>	
Commercial	\$6,212	\$1,378	\$304	<b>\$7,894</b>
Office	\$11,239	\$2,493	\$549	<b>\$14,281</b>
Industrial/Flex	\$3,253	\$721	\$159	<b>\$4,133</b>

## **5.0 ACRES PER 1,000 RESIDENTS LAND DEDICATION REQUIREMENT**

Pursuant to the requirements of the Quimby Act, development in SEPA will be required to dedicate 5.0 acres of park land per 1,000 residents in SEPA. Base on the estimated residential development planned for the SEPA, a total of 59.4 acres of park land will be required to be dedicated to the City. Table B-3 in Appendix B of this report shows that the total park land planned in the SEPA equals 59.4 acres and trail acreage totals 45.1 acres. Since the park land will be dedicated to the City, only the cost of the trails acreage, 45.1 acres, is included in the Fee Program.

The City will require all development in the SEPA to dedicate 5.0 acres of park land per thousand residents or pay an in-lieu fee if unable to dedicate sufficient land to meet their obligation. The City will determine the appropriate land in-lieu fee, pursuant to the provisions of Elk Grove Municipal Code section 22.40.040 (Calculation of in-lieu fees), prior to the approval of a final map. Additional details regarding this land dedication requirement are included in Section VI of this report.

## **FEE ADJUSTMENTS**

The Park Fee and the Trail Fee may be adjusted in future years to reflect revised facility costs, receipt of funding from alternative sources, or changes in demographics or development land use plans within the SEPA. In addition to such adjustments, the Park Fee and the Trail Fee will be automatically inflated each year by the construction cost index, as outlined in Section VI in this report.

## ***I. INTRODUCTION***

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The Southeast Policy Area is an employment-oriented development located in the southern portion of the City of Elk Grove. The City is located in the south central portion of Sacramento County along Highway 99, approximately 20 miles south of downtown Sacramento. The SEPA lies west of Highway 99, south of Poppy Ridge Road, east of Big Horn Boulevard and Bruceville Road, and north of Kammerer Road. The SEPA is envisioned to provide a wide range of land uses that will provide a balanced mix of retail, office, light industrial, mixed use, and residential developments. The SEPA is projected to include almost 4,000 residential units, including 2,429 single family units and 1,543 multi-family units and will also include approximately 446,000 square feet of building space zoned for commercial and mixed use non-residential development, approximately 4.4 million square feet of office space, and just over 900,000 square feet of building zoned for industrial/flex space. A map identifying the Southeast Policy Area and the Park and Trails Fee Program boundaries is shown on page 2 of this report.

In 2003, as part of the adoption of the City's General Plan, the Elk Grove City Council declared the SEPA a special land use policy area. The policies regarding this designation required the preparation of the Southeast Policy Area Community Plan ("Community Plan") and the Southeast Policy Area Special Planning Area Report ("Special Planning Area Report"). The Community Plan illustrates the location and planned uses for properties within the SEPA and established guiding principles and standards for park and trail facilities. The Special Planning Area Report specifies features, amenities, and design requirements for park and trail facilities in the plan area.

### **IMPACT FEE NEXUS REQUIREMENTS (AB 1600)**

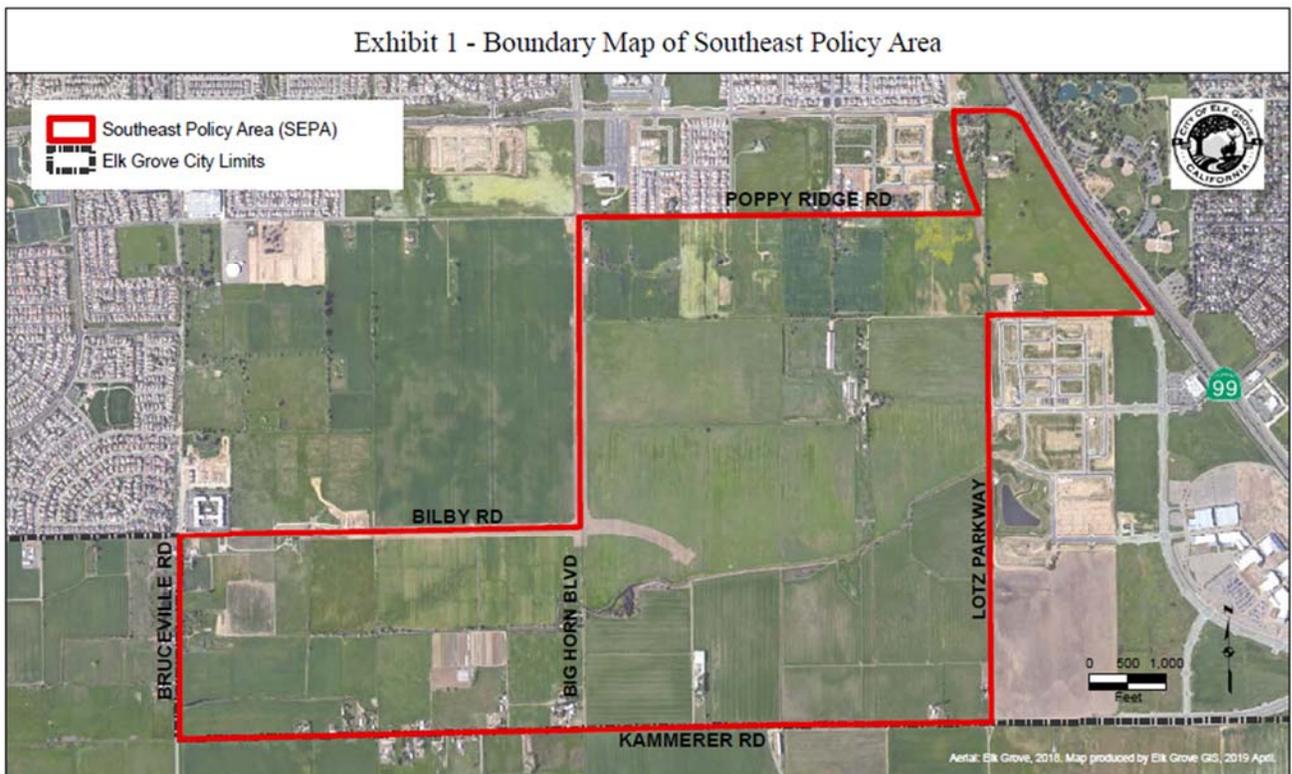
Assembly Bill (AB) 1600, which was enacted by the State of California in 1987, created Section 66000 et seq. of the Government Code. AB 1600, which created the Mitigation Fee Act, requires that all public agencies satisfy the following requirements when establishing, increasing, or imposing a fee as a condition of development:

1. Identify the purpose of the fee
2. Identify the use to which the fee will be put
3. Determine how there is a reasonable relationship between:
  - A. The fee's use and the type of development project on which the fee is imposed

- B. The need for the public facility and the type of development project on which the fee is imposed.
- C. 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.

The purpose of this Nexus Study is to demonstrate that the fees calculated herein comply with the Mitigation Fee Act. The assumptions and cost allocation methodology that are used to establish the nexus between the proposed Park Fee, Trail Fee, and the development on which they will be levied are summarized in the subsequent sections of this report.

### Exhibit 1 – Boundary Map of Southeast Policy Area



## **ORGANIZATION OF REPORT**

The remainder of this report has been organized into the following sections:

- |             |  |
|-------------|--|
| Section II  | Provides a general explanation of the methodology used to calculate the fees.  |
| Section III | Discusses the SEPA land use categories used in the calculation of the fees.  |
| Section IV  | Discusses various types of park and trail facilities and public land in the Fee Program and their costs.   |
| Sections V  | Presents the nexus findings and discusses the calculation of the Park Fee and the Trail Fee.   |
| Section VI  | Addresses future fee adjustments, credit and cash reimbursement policies, and exemptions for the Fee Program as well as other administration issues relevant to the Fee Program. |

## ***II. FEE CALCULATION METHODOLOGY***

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When impact fees are calculated, an analysis must be presented in enough detail to demonstrate that logical and thorough consideration was applied in the process of determining how the fee relates to the impact created by new development. Various findings pursuant to AB 1600 must be made to ensure that there is a reasonable relationship between the amount of the fee and the development on which that fee will be levied. The following section of the report outlines the methodology used in this Nexus Study to calculate the Park Fee and the Trail Fee.

### **FEE METHODOLOGY**

The methodology used to calculate the fees ensures that each land use category funds its equitable share of park and trail facilities and public land based on the estimated benefit that the development type will receive from the park and trail facilities. Following is a summary of the steps used to calculate the Fees:

- 1) Facilities Fee components of the Park and Trail Fees:
  - (a) Determine residential and non-residential development, by land use category, expected within the SEPA. Determine the amount of parks and trails needed to serve this development.
  - (b) Based on the SEPA planning documents, determine the community park facilities, local and neighborhood park facilities, and trail facilities needed to serve development in the SEPA.
  - (c) Based on current park and trail development standards, estimate the cost of park and trail facilities identified in Step (b).
  - (d) Based on development projections of residential units and non-residential building square feet, apply the average persons per household and a user-equivalent employees per 1,000 square feet of building space, to calculate a dwelling unit equivalent (DUE) factor for each residential and non-residential land use category.
  - (e) Calculate the total DUEs in the SEPA that will be generated from future development for all residential and non-residential land use categories by multiplying the total development for each land use category by its DUE factor.
  - (f) Divide the total DUEs for each land use category by the total DUEs for all land use categories in the SEPA to determine each land use's percent share of the total DUEs.
  - (g) Multiply each land use's percent share of the total DUEs by the park and trail

- facilities costs to determine the cost attributable to each land use category.
- (h) Divide the cost attributable to each land use category by the quantity (i.e., units or building square feet) of each land use type to determine the community park facilities and local and neighborhood park facilities fee components of the Park Fee and the trail facilities fee component of the Trail Fee for each residential and non-residential land use category.
- 2) Land component of the Trail Fee:
- (a) Based on SEPA planning documents, determine the amount of land needed for trails in the SEPA.
  - (b) Estimate the total cost of the land included in the Fee Program. The City estimates the cost of trail land is \$150,000 per acre based upon a review of land values and recent property transactions for similar properties in the City.
  - (c) Apply the average persons per household and a user-equivalent employee per 1,000 square feet of building space to calculate a DUE factor for each residential and non-residential land use category.
  - (d) Calculate the total DUEs that will be generated from future development in all land use categories by multiplying each land use type by its DUE factor and taking the sum of the DUEs.
  - (e) Divide the total DUEs for each land use category by the total DUES for all land uses to determine each land use's percent share of the total DUEs.
  - (f) Multiply each land use's percent share of the total DUEs by the land cost to determine the cost attributable to each land use category.
  - (g) Divide the cost attributed to each land use category by the units or building square feet for each land use type to determine the land fee component of the Trail Fee.
- 3) Sum the separate fee components for the Park and Trail Fees
- 4) Apply a 4% charge to the total of the park and trail fee components to determine the Fee Program's administration fee. The City will charge an administration fee that equals 4.0% of the total costs. Calculations performed by City staff for other City fee programs show that expenditures for program administration equal and often exceed 4.0% of the fee program's expenditures. Fee program administration costs include, but are not limited to, preparation of the nexus study; preparation of updates to the nexus study; preparation of annual reports for the fee; and administration costs for maintaining the fee fund.

By applying this fee methodology, the Park and Trail Fees calculated for each land use category is based on the estimated benefit received from the park and trail facilities and land, and thus a nexus, or reasonable relationship, is established between the amount of the fee and the cost of the facilities attributable to each type of development.

### **DWELLING UNIT EQUIVALENT (DUE) FACTORS**

Development in the SEPA will create demand for park and trail facilities. This Nexus Study measures demand by the number of user-equivalents anticipated in the plan area. By allocating facilities costs to each land use category based on its anticipated demand for park and trail facilities, this Nexus Study ensures that each land use category will fund its fair-share of the required facilities.

A dwelling unit equivalent, or DUE, is a factor that quantifies the demand for park and trail facilities of different land use types relative to the demand of a single family unit. A single family unit is assigned a DUE factor of 1.0 and the DUE factor for each of the other land use categories is determined based on the number of user-equivalents expected for each land use category relative to the user-equivalents for a single family unit. For example, a single family unit is assumed to have 3.35 persons per household, based upon a review of Census data for the City of Elk Grove (2016 American Community Survey, 5-year average). If each person were assumed to equal one user-equivalent, then a single family unit equals 3.35 user-equivalents. A multi-family unit with an average of 2.42 persons per household would generate 2.42 park user-equivalents. By dividing 2.42 by 3.35, a DUE factor of approximately 0.72 is calculated for a multi-family residential unit.

For non-residential development, employees will also be users of SEPA parks and trails, but to a much lesser degree than residents. To establish a relative relationship of the demand for parks and trails between residents and employees, the Nexus Study estimates the potential amount of available time that a resident and employee can use parks and trails. In this case, a resident has the potential to use parks and trails about 12 hours per day, seven days a week; or 84 hours a week. An employee is assumed to have the potential to use parks and trails about 1.5 hours per day, five days a week; or 7.5 hours per week. Based on these assumptions, an employee's demand for parks and trails is about 9% of a resident's demand. For example, 7.5 hours divided by 84 hours equals approximately 9%. So an employee's demand for parks and trails equals approximately 0.09 of a user-equivalent.

To convert this demand into DUE factors for non-residential development, the number of employees per 1,000 square feet of building space is multiplied by 9% to determine the number of user-equivalents. For Commercial development, there are 0.18 user-equivalents per 1,000 square feet. The DUE factor is then calculated by dividing 0.18 user-equivalents by 3.35 user-equivalents to get a DUE factor of 0.05 for Commercial development. Table A-2 in Appendix A shows the calculation of DUE factors for each residential and non-residential land use type.

### ***III. LAND USE CATEGORIES***

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The Mitigation Fee Act requires that a reasonable relationship exist between the need for public facilities and the type of development on which an impact fee is imposed. The need for public facilities is related to the level of service demanded, which may vary in proportion to the number of residents or employees generated by a particular land use type. Therefore, land use categories have been defined in order to distinguish between relative impacts on facilities. The Park Fee and the Trail Fee have been calculated per dwelling unit for each residential land use categories and per acre for non-residential land use categories. The following land use categories are identified for purposes of the Fee Program:

- Single Family:** All single family residential development categories, including estate residential, low density residential, and medium density residential. Also includes, but is not limited to, duplexes, halfplexes, row houses, townhomes, and other similar residential developments.
- Multi-family:** All multi-family residential development categories, including high density residential and mixed use residential. Examples include, but are not limited to, apartment complexes, regardless of income or age restrictions.
- Commercial:** Buildings in which retail and service businesses are the primary uses, including, but not limited to, retail stores, clothing stores, book stores, video rental stores, drug stores, professional services (i.e., barber shops, dry cleaners), hospitals, movie theaters, appliance and electronics stores, home supply stores, tire stores, auto parts stores, auto service centers, oil change service centers and other retail-based businesses providing auto-related products and services, restaurants, supermarkets, gas stations, day/child care facilities, private schools, motels/hotels, residential care facilities (as defined in EGMC Title 23) and health clubs.
- Office:** Includes, but is not limited to, buildings in which the primary uses are professional, insurance, real estate, banking, administrative or in-office medical or dental activities.

**Industrial/Flex:** Includes, but is not limited to, warehouses, mini-storage facilities, manufacturing, heavy and light industrial uses, processing, fabricating, assembly, refining, repairing, packaging, or treatment of goods, material, or produce, sheet metal and welding shops, wholesale lumber yards, contractor yards, auto wrecking yards, or similar.

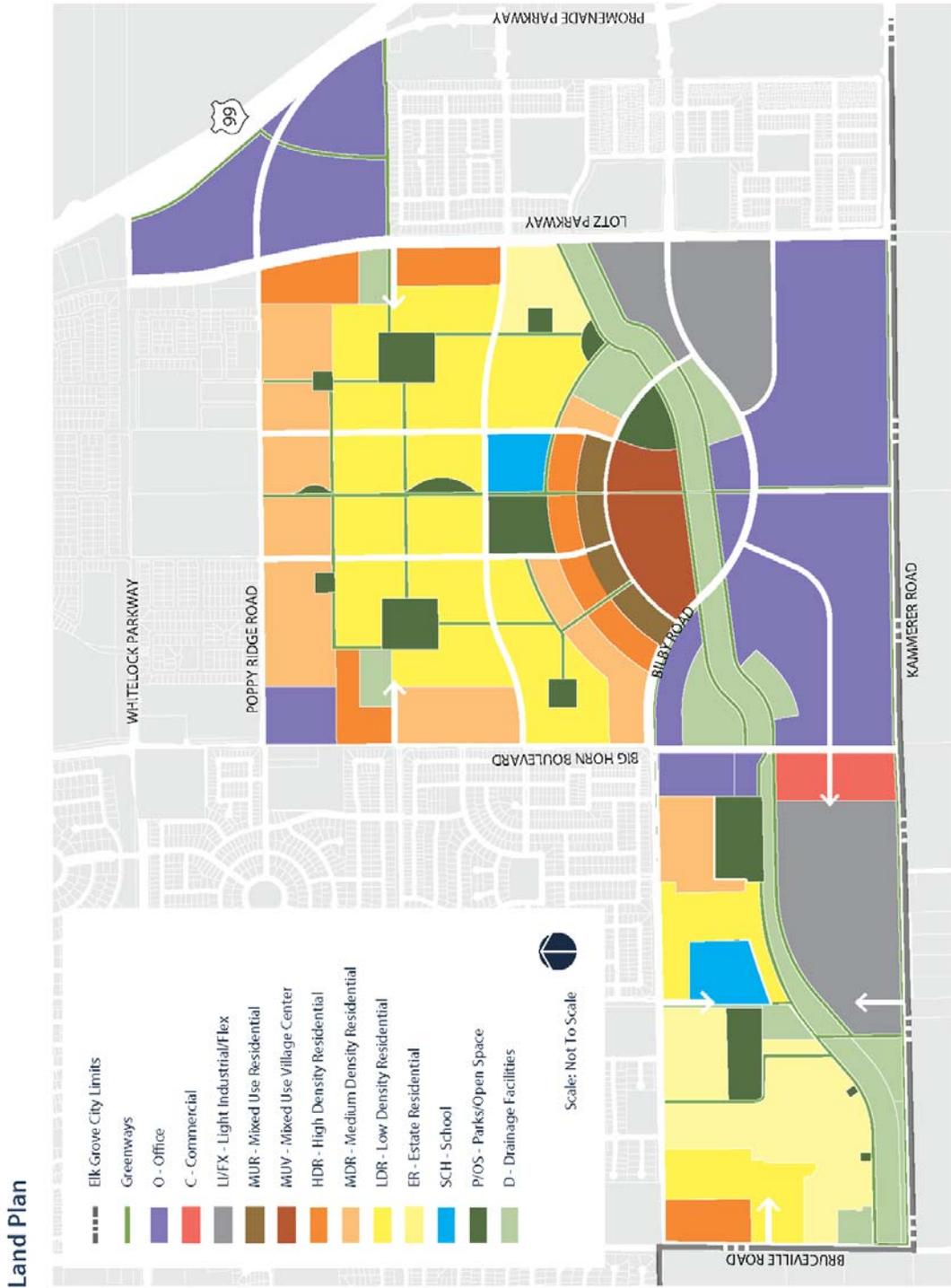
The City will make the final determination as to which land use category a particular development will be assigned. The Finance Director is authorized to determine the land use category that corresponds most directly to the land use. Alternatively, the Finance Director can determine that no land use category adequately corresponds to the development in question and may determine a mixed rate or an applicable ad hoc fee.

## **LAND USES**

The SEPA encompasses approximately 1,200 gross acres, of which approximately 1,000 acres are planned for residential and non-residential development. The remainder of the SEPA is slated for public uses, which include parks, open space, trails, drainage facilities, schools, and major and minor roadways. Exhibit 2 on page 9 is a map that identifies the land uses in the SEPA.

Table A-1 summarizes the estimated total residential units and non-residential square feet anticipated within the SEPA. The SEPA is planned for almost 4,000 residential units, including 2,429 single family units and 1,543 multi-family units. In addition, approximately 5.7 million square feet of non-residential building space is proposed, including approximately 4.4 million square feet of office space, approximately 446,000 square feet of commercial and non-residential mixed-use space, and 900,000 square feet of industrial/flex space.

## Exhibit 2 – Map of SEPA Land Use Plan



#### ***IV. PARK AND TRAIL FACILITIES***

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The SEPA Park and Trails Fee Program will provide funding for the park and trail facilities to serve development in the SEPA. These facilities were originally described in the Special Planning Area Report and Community Plan. An analysis was conducted by City staff to identify the park and trail facilities as well as their associated costs. The total cost of the facilities included in the Fee Program is estimated to be \$74.8 million and includes the following components:

##### Park Fee

- Reardan Community Park (9.0 acres)
- Local and Neighborhood Parks

##### Trail Fee

- Trail Facilities
- Trail Public Land Acquisition

Each of these components are described in more detail below. The Cosumnes Community Services District (CCSD), in partnership with the City, will oversee the development and construction of park and trail facilities included in the Fee Program. Detailed cost estimates for all park and trail facilities and public land are shown in Tables B-1 through B-3 of Appendix B. Exhibits 3 and 4 on pages 13 and 15 identify the locations of the park and trail facilities included in the Fee Program.

#### **COMMUNITY PARK**

The Fee Program includes funding for Reardan Community Park. Reardan Park, located just north of Poppy Ridge Road, is planned to be a 26-acre community park. The Fee Program provides development funding for 9.0 acres of the park, with the rest coming from the Laguna Ridge Specific Plan (LRSP) Supplemental Park Fee.

The community park is intended as a place for large groups to gather and includes amenities such as active sports facilities (e.g., ball fields, full court basketball, and tennis courts). Improvement costs of \$522,500 per acre included in the Fee Program are based upon park classifications consistent with the CCSD's park design principles. In addition, approximately \$10,450 per acre is included for public art; this amount equals two percent of the park's cost per acre and is consistent with City's requirements pursuant to Resolution No. 2016-226, which implemented the arts program for SEPA and LRSP parks. Overall, the Fee Program includes funding for approximately \$4.8 million in community park facilities.

**LOCAL AND NEIGHBORHOOD PARK**

The Fee Program includes funding for various local and neighborhood parks in SEPA totaling approximately 50.4 acres. The SEPA park improvement plans include 12 local parks, 2 pocket parks, and 2 neighborhood parks. Table IV-1 below identifies the planned local and neighborhood parks and their associated acreage. Parks range in size from less than one acre to over nine acres. Local and neighborhood park facilities are estimated to cost \$32.7 million.

**TABLE IV-1  
LOCAL AND NEIGHBORHOOD PARKS**

<b>Park</b>	<b>Acres</b>
A - Pocket Park	0.2 Acres
B - Pocket Park	0.2 Acres
C - Neighborhood Park	9.4 Acres
D - Local Park	3.7 Acres
E - Local Park	1.4 Acres
F - Local Park	3.3 Acres
G - Local Park	3.2 Acres
H - Local Park	4.5 Acres
I - Local Park	2.1 Acres
J - Local Park	4.7 Acres
K - Neighborhood Park	9.7 Acres
L - Local Park	2.2 Acres
M - Local Park	1.3 Acres
N - Local Park	1.3 Acres
O - Local Park	2.1 Acres
P - Local Park	1.3 Acres
<b>Total</b>	<b>50.4 Acres</b>

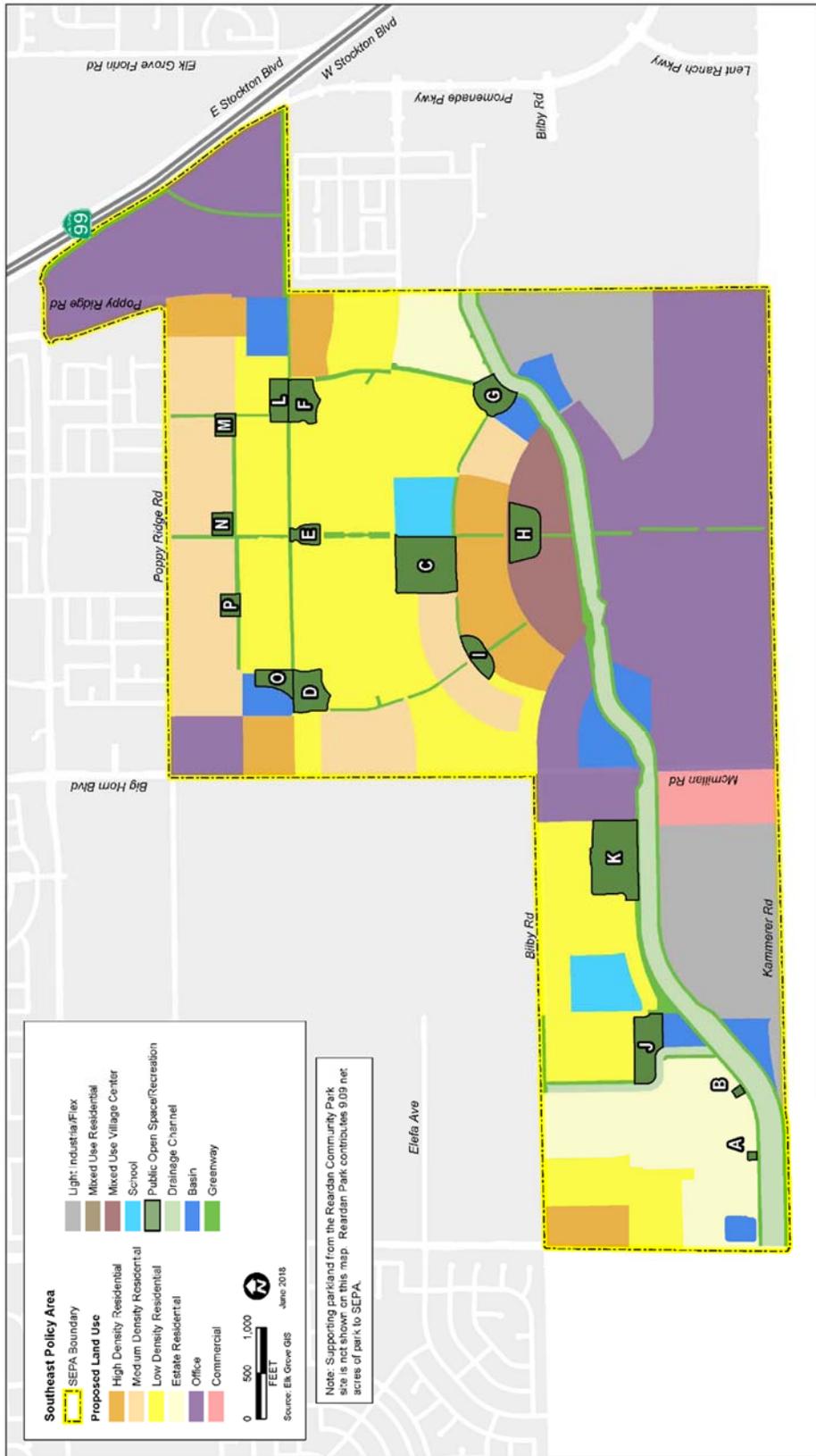
**TRAIL FACILITIES**

In addition to community, local and neighborhood park facilities, the Fee Program includes approximately \$31.7 million in development costs for trails within the SEPA. A total of 38 trail segments totaling 47,896 linear feet are included in the Fee Program and are estimated to cost \$28.5 million. The remaining \$3.2 million in development costs includes funding for trail crossings and bridges. The costs for the trail crossings and bridges included in the Fee Program will be supplemented with \$1.3 million anticipated to be funded by the City’s Roadway Fee Program. Table IV-2 on the following page shows that trail segments range in size from 119 linear feet to 5,701 linear feet. See Appendix C for design and cost details regarding each trail type included in the Fee Program.

**TABLE IV-2  
TRAIL FACILITIES**

<b>Facility</b>	<b>Trail Type</b>	<b>Units</b>
<b><u>Trails – Map ID</u></b>		
1	3	857 L.F.
2	7B	970 L.F.
3	7A	559 L.F.
4	7A	5,651 L.F.
5	6B	5,701 L.F.
6	5	1,277 L.F.
7	2	488 L.F.
8	2	584 L.F.
9	5	601 L.F.
10	5	1,088 L.F.
11	4	382 L.F.
12	2	1,445 L.F.
13	2	1,240 L.F.
14	2	944 L.F.
15A	4	830 L.F.
15B	4	119 L.F.
16	5	820 L.F.
17A	4	841 L.F.
17B	4	160 L.F.
18	4	767 L.F.
19	4	906 L.F.
20	4	454 L.F.
21	1	666 L.F.
22	4	749 L.F.
23	1	530 L.F.
24	1	541 L.F.
25	1	351 L.F.
26	6A	1,806 L.F.
27	6A	2,292 L.F.
28	6A	498 L.F.
29	7A	982 L.F.
30	6B	1,917 L.F.
31	6B	2,322 L.F.
32	6B	1,692 L.F.
33	1	416 L.F.
34	1	666 L.F.
35	1	659 L.F.
36	1	1,633 L.F.
37	1	1,413 L.F.
38	1	883 L.F.
39	1	1,196 L.F.
<b><u>Shed C Crossings</u></b>		
Bilby Road		1
Big Horn Blvd		1
Village Center Ped Crossing		1
LRSP Outfall Pedestrian Crossing		1
Bruceville Meadows Ped Crossing		1
<b>Total</b>		<b>47,896 L.F.</b>

### Exhibit 3 – Map of Proposed Park Sites in the SEPA



**TRAIL LAND**

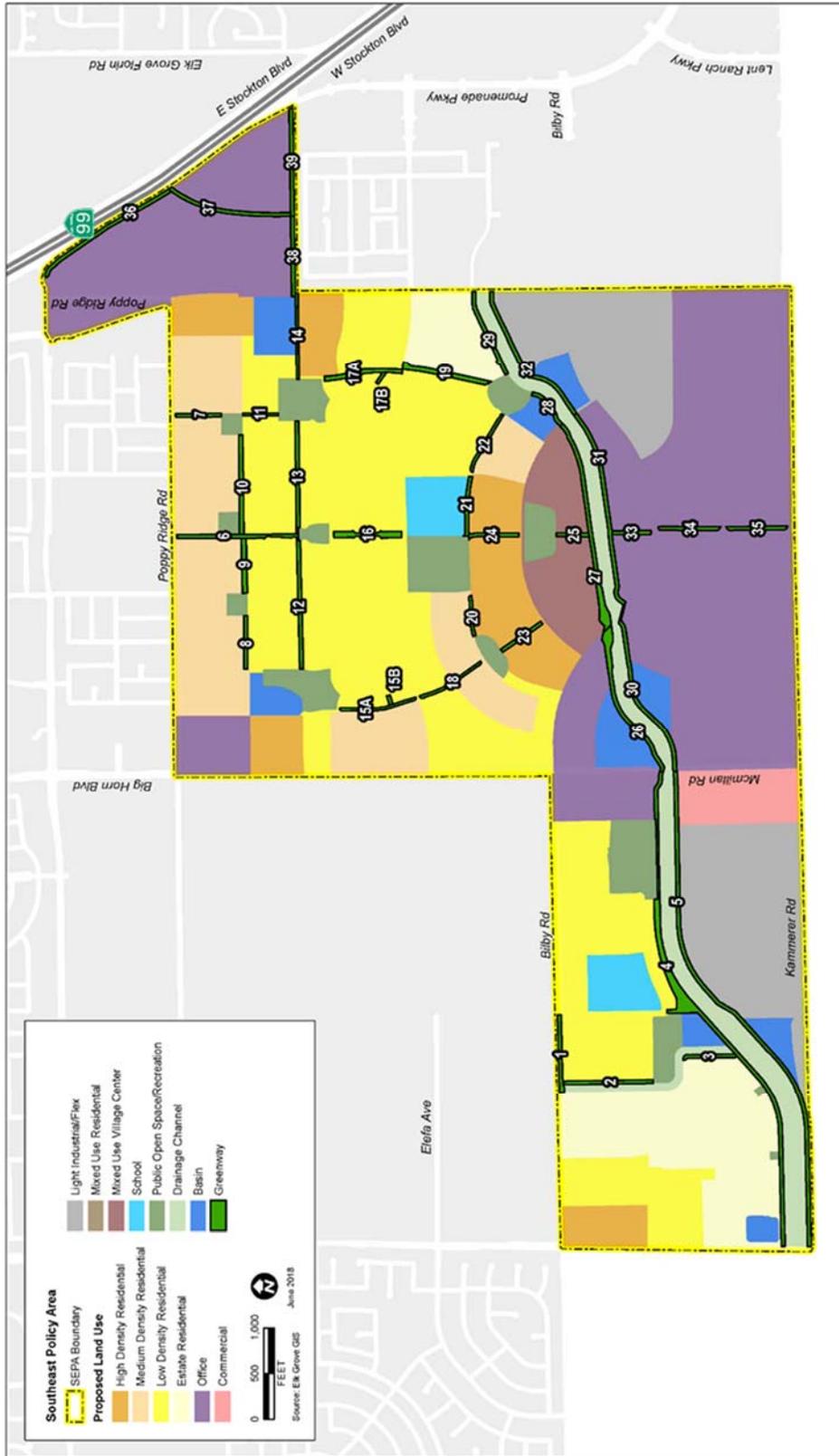
Developing community, local, and neighborhood parks and trails will require acquiring the land for these facilities. Funding for park land totaling to 5.0 acres per 1,000 residents, or approximately 59.4 acres, is not included in the Fee Program and instead will be dedicated to the City pursuant to the Quimby Act land dedication requirements (EGMC 22.40.040). The City will require actual dedication of land from those developers with land or payment of an in-lieu fee for developers that do not have sufficient land to dedicate. The City will determine the appropriate land in-lieu fee prior to the approval of a final map. Those who dedicate will be reimbursed with credits.

The Fee Program only includes the estimated cost of land for trail facilities in the SEPA. Table IV-3 below shows the calculation of the number of trail acres required to serve future development in the SEPA. Approximately 45.1 acres of land, with an estimated cost of \$150,000 per acre, or a total of approximately \$6.8 million, is included in the Fee Program.

**TABLE IV-3  
CALCULATION OF PARK AND TRAILS LAND FOR SEPA**

<b>Land Use</b>	<b>Units</b>	<b>Persons per Household</b>	<b>Total Population</b>
Single Family	2,429	3.35	8,137
Multi-Family	1,543	2.42	3,734
Age Restricted	0	1.86	0
<b>Total</b>	<b>3,972</b>		<b>11,871</b>
Total Residents		11,871	
Quimby Standard per 1,000 population		<u>5.00</u>	Acres
Total Park Acres Required per Quimby		59.4	
Total Acres of Park and Trail Land in SEPA		104.4	Acres
Total Park Acres Planned in SEPA		<u>59.4</u>	Acres
<b>Trails Acreage in Fee Program</b>		<b>45.1</b>	<b>Acres</b>

## Exhibit 4 – Map of Proposed Trail Sites in the SEPA



## ***V. NEXUS FINDINGS AND FEES***

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Development of the SEPA will create demand for various park and trail facilities to serve future residents and employees. The Fee Program will fund construction of a portion of one community park, 16 local and neighborhood parks, various trails, and acquisition of approximately 45.1 acres of public land for trails. The Park Fee and the Trail Fee, as calculated in this Nexus Study meet the AB 1600 nexus requirements, as outlined below.

### **Purpose of Fee**

The purpose of the Park Fee is to fund community, local, and neighborhood park facilities to serve future residents and employees within the SEPA. The purpose of the Trail Fee is to fund trail facilities and land to serve future residents and employees within the SEPA.

### **Use of Fee**

Fee revenue will be used to fund community, local and neighborhood parks, and trails and the land for the trail facilities. These facilities and lands are identified in Tables B-1 through B-3 of Appendix B and their costs are summarized in Table A-3 of Appendix A.

### **Reasonable Relationship Between the Fee's Use and the Type of Development**

New development will generate residents and employees who will require park and trail facilities. Parks, trails, and land will be funded by fee revenue from both residential and non-residential development since these facilities provide amenities and services that will serve residents and employees. Therefore, the cost of these facilities is allocated to residential and non-residential development.

Table B-1 in Appendix B of this report identifies the parks and their costs. Parks shown in Table B-1 are categorized as either Shared Parks or Residential-Focused Parks based on the expected usage by residents and employees in SEPA. Shared Parks, for example, due to their proximity to residential and non-residential development, are expected to be utilized by residents and employees. The Shared Parks category includes Local Park H and Neighborhood Park K.

Residential-Focused Parks include the 14 remaining local and neighborhood parks, not including Parks H and K, and also the 9.0 acre portion of Reardan Community Park. These parks are expected to be used primarily by residents since non-residential development in SEPA will not be in close proximity to them.

Reardan Community Park and all local and neighborhood parks in the SEPA will be located near

residential developments in SEPA and will be easily accessible to SEPA residents. As a result, all residential development in SEPA will be allocated a proportionate share of the total cost of these facilities.

Non-residential development in SEPA, on the other hand, will be located in close proximity only to Local Park H and Neighborhood Park K. Therefore, employees of non-residential development in SEPA will have the opportunity to use these two parks. As a result, non-residential development is allocated a proportionate share of the costs of these two parks.

Exhibit 4 in this report shows a map of the trails planned for SEPA. Trails are planned throughout the SEPA and are interconnected so that all development in SEPA will have access to the trail system. Because all development in SEPA will have access to the trails, the costs of trails development and land are allocated to all residential and non-residential development in the SEPA.

#### **Reasonable Relationship Between the Need for the Facility and the Type of Development**

New development in the SEPA will generate residents and employees that will require park and trail facilities. However, a resident and an employee will not create the same amount of demand for park and trail facilities. To estimate the relative amount of demand from each, residents and employees are converted into user-equivalents, which quantify the relative demand that residents and employees create for park and trail facilities.

The assumption that determines this conversion factor is the estimated potential for residents and employees to use park and trail facilities. A resident, for example, can potentially utilize park and trail facilities 12 hours per day 7 days a week, or a total of 84 hours per week. An employee has the potential to use parks and recreation facilities, on average, about 1.5 hours per day, 5 days a week, or a total of 7.5 hours per week. The conversion factor to determine relative demand between a resident and an employee is calculated by dividing 7.5 hours by 84 hours, which is approximately 0.09. Therefore, since a resident is assigned a user-equivalent factor of 1.00; an employee, relative to a resident, would be 0.09 of one user-equivalent. In effect, it is assumed that an employee will have 9% of the impact on park and trail facilities that a resident will.

While Residential-Focused Parks, due to their locations in SEPA, will serve primarily residents, Shared Parks and trail facilities are designed to serve the entire SEPA, including all residential and non-residential development. Therefore, the Nexus Study allocates Residential-Focused Parks costs only to residential development in the SEPA. Shared Parks, trail facilities, and all

trail land acquisition costs are allocated to residential and non-residential development. The user-equivalent factor mentioned in the prior paragraph is utilized to determine DUE factors for all land use categories which, in turn, are used to allocate the cost of the facilities to the future residential and non-residential development.

### **Reasonable Relationship Between the Amount of the Fee and the Cost of the Facility**

The Fee Program provides funding for the park and trail facilities needed to serve development in the SEPA. These park and trail facilities have been designed to benefit primarily development in the SEPA and therefore, are entirely attributable to the SEPA. The relationship between the amount of the fee and the portion of the facilities costs attributable to the development type is based on DUEs.

Although residents are the primary beneficiaries of Residential-Focused Parks, both residents and employees benefit from the Shared Parks and trails facilities. As such, a fair-share portion of the cost of these facilities has been allocated to residential and non-residential development based on an estimate of the number of user-equivalents for each development type in the SEPA at buildout.

Based on the potential benefit from facilities funded through the Fee Program to residents and employees, a proportionate share of the cost for park and trail facilities is allocated to residential and non-residential land uses in the SEPA. This cost allocation establishes the Park Fee and the Trail Fee for each land use category and also establishes a reasonable relationship between the fee and the cost of facilities attributable to each development type in the SEPA.

## **FACILITIES AND COSTS IN THE FEE PROGRAM**

The Fee Program will provide funding for the park and trail facilities in the SEPA. City staff conducted a thorough review of all park and trail facilities to determine those eligible for the Fee Program; the result of this effort serves as the basis for the Fee Program. The total cost associated with park and trail facilities and public land included in the Fee Program is estimated at \$74.8 million, and includes costs for the following:

- Community Park Development \$4.8 million
- Local and Neighborhood Parks Development \$32.7 million
- Trails Development \$30.5 million
- Trails Land Acquisition \$6.8 million

## **FEE CALCULATION**

Park and trail facilities and land funded through the Fee Program are designed to serve residents and employees in the SEPA. The total Fee Program cost of \$74.8 million is allocated to future residential and non-residential land uses in the SEPA based on the DUE factors calculated in Table A-2 of Appendix A. The fee for each development type, or land use category, is based on the cost allocation calculations for the community park, local and neighborhood parks, trails, and land costs, as shown in Tables A-4 through Table A-7 in Appendix A. Fees are presented on a per unit basis for residential development and per acre for non-residential development.

## **PARK FEE**

The Park Fees for the land use categories in the SEPA are identified on the following page in Table V-1. Table V-1 identifies the three components of the Park Fee, namely Shared Park Facilities, Residential-Focused Park Facilities, and the City's administration fee. The administration fee is a 4.0% add-on fee that will reimburse the City for costs associated with administering the Fee Program.

## **TRAIL FEE**

The Trail Fees for the land use categories in the SEPA are identified in Table V-2 on the following page. Table V-2 identifies the three components of the Trail Fee, namely Trail Facilities, Trail Land, and the City's administration fee.

**Table V-1  
PARK FEE SUMMARY**

<b>Land Use</b>	<b>Shared Park Facilities</b> <i>A</i>	<b>Residential- Focused Park Facilities</b> <i>B</i>	<b>Administration (4%)</b> <i>C = (A + B) x .04</i>	<b>Total Park Fee</b> <i>D = A + B + C</i>
<hr/>				
<b><u>Residential</u></b>			<i>per Unit</i>	
Single Family	\$2,103	\$8,223	\$413	<b>\$10,739</b>
Multi-Family	\$1,519	\$5,940	\$298	<b>\$7,757</b>
<b><u>Non-Residential</u></b>			<i>per Acre</i>	
Commercial	\$1,713	\$0	\$69	<b>\$1,782</b>
Office	\$3,098	\$0	\$124	<b>\$3,222</b>
Industrial/Flex	\$897	\$0	\$36	<b>\$933</b>

**Table V-2  
TRAIL FEE SUMMARY**

<b>Land Use</b>	<b>Trail Facilities</b> <i>A</i>	<b>Trail Land Component</b> <i>B</i>	<b>Administration (4%)</b> <i>C = (A + B) x .04</i>	<b>Total Trail Fee</b> <i>D = A + B + C</i>
<hr/>				
<b><u>Residential</u></b>			<i>per Unit</i>	
Single Family	\$7,627	\$1,691	\$373	<b>\$9,691</b>
Multi-Family	\$5,510	\$1,222	\$269	<b>\$7,001</b>
<b><u>Nonresidential</u></b>			<i>per Acre</i>	
Commercial	\$6,212	\$1,378	\$304	<b>\$7,894</b>
Office	\$11,239	\$2,493	\$549	<b>\$14,281</b>
Industrial/Flex	\$3,253	\$721	\$159	<b>\$4,133</b>

## ***VI. ADMINISTRATION OF THE FEE PROGRAM***

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The City will administer the Fee Program. This will include, but not limited to, the following ongoing duties:

- Annually update the Park Fee and the Trail Fee rates due to inflation
- Update Nexus Study as necessary
- Collect fee revenues and allocating to separate fee accounts
- Enter into credit/reimbursement agreements for land dedications, park improvements, or trail improvements
- Manage and track existing fee credits and reimbursements
- Complete annual and five year reporting requirements pursuant to the Mitigation Fee Act

### **ANNUAL INFLATION UPDATE**

In January of each calendar year, the Park Fee and the Trail Fee rates, facilities costs, and land costs in the Fee Program should be inflated automatically based on the average change in the San Francisco Construction Cost Index (CCI) and the change in the 20-city CCI as reported in the *Engineering News Record* for the 12-month period ending October of the previous year, or equivalent, as determined by the Finance Director if these numbers are not available. For example, the adjustment for January 2020 will be determined by calculating the change from October 2018 to October 2019 in the 20-city and San Francisco CCIs. These two rates of change will be averaged, and the resulting value will be the adjustment factor that will be applied to the Park Fee and the Trail Fee in January 2020.

### **FEE ACCOUNTS**

The City may establish fee accounts for the individual components of the Park Fee and the Trail Fee. For the Park Fee, this may include separate accounts for the community park facilities fee component, the local and neighborhood parks fee component, and the administration fee. For the Trail Fee, this may include separate accounts for the facilities fee component, the trail land component, and the administration fee. The City will also determine whether it will allow interfund borrowing between the separate accounts to whether to allow funding of priority projects. Interfund loans must be repaid at some future date.

## **ADMINISTRATION FEE COMPONENT**

The Park and Trails Fees include an administration fee component that equals 4.0% of the Fees' components. The City will charge an administration fee that equals 4.0% of the total costs. Calculations performed by City staff for other City fee programs show that expenditures for program administration equal and often exceed 4.0% of the fee program's expenditures. Fee program administration costs include, but are not limited to, preparation of the nexus study; preparation of updates to the nexus study; preparation of annual reports for the fee; and administration costs for maintaining the fee fund. The City should monitor its costs in the following years and adjust the rate, as necessary. The 4.0% rate will be applied only to the cash fee amount that is collected. If fee rates are reduced due to public land dedications or improvements, the 4.0% administration fee will be applied only to the reduced fee.

## **NEXUS STUDY UPDATES**

The Nexus Study will be subject to periodic updates based on changes in developable land, land uses, facilities and land costs, or economic conditions. The City will periodically review the costs, fees, and account balances to determine if an update to either the Park Fee and/or the Trail Fee is warranted. During the periodic reviews, the City may analyze the following items that would impact the Fee Program:

- Changes to the required facilities included in the Fee Program
- Actual changes in land costs that are inconsistent with the inflated cost of land
- Changes in zoning or density
- Changes in the cost to administer the Fee Program

## **FEE CREDITS AND REIMBURSEMENTS**

Fee credits and reimbursements will be available as part of the Fee Program. Fee credits and reimbursements will not be available for the administration component of the Park Fee or the Trail Fee. The City will determine which park or trail facilities and land dedications will be eligible for developers to construct or dedicate. Facilities that have not yet been accepted by the City prior the adoption of this Nexus Study must meet City standards for acquisition projects in order to be eligible for fee credits or reimbursements. All future construction contracts, construction work, and requests for credit/reimbursement associated with park and trail facilities must be performed in conformance with the most current "Reimbursement Policies and Procedures for Privately Constructed Public Facilities", which is available from the City

Engineer. Developers will be responsible for complying with all applicable laws, codes, and regulations relating to contracting and construction of public projects that are not currently under contract with the City.

Fee credits and reimbursements will be given only to projects included in the Fee Program that are fully completed and have been accepted by the City. The City will reimburse the developer for acquisition or installation of facilities under the applicable fee based upon the lesser of either of the following:

1. The actual construction cost of the eligible facilities, as determined at the sole discretion of the City through its review of the construction contract, plus allowance for soft costs (e.g., engineering, mobilization, staking) associated with the actual construction costs, as determined by the City; or
2. Where the actual costs exceed the value of the improvements as provided in the program (as listed in the schedule of quantities and values, plus annual cost inflation adjustments, as applicable), the value of those improvements as provided in the program.

In no instance will the City provide credit or reimbursement in excess of the lesser of the value in the program or the actual construction costs. Costs are subject to binder review (including certified payroll) by the City. For example, if the value of the improvements under the schedule is \$2.0 million and the contract value is \$1.7 million, the City will only reimburse or provide credit to a maximum of \$1.7 million. Likewise, if the value of the improvements under the schedule is \$2.0 million and the contract value is \$2.3 million, the City will only reimburse or provide credit to a maximum of \$2.0 million.

Fee credits will be provided up to the total fee obligation for the developer and reimbursement will be provided for any remaining amount. Project costs incurred in excess of the cost shown in the Nexus Study will not be credited or reimbursed.

The City will determine the most efficient method of applying fee credits. It may allow application of full fee credits on a per unit basis until the entire credit amount is exhausted or it may calculate a reduced net fee that proportionately allocates the total credit to all lots within a final subdivision map. The developer must enter into a credit agreement with the City.

The Finance Director will determine the priority of the reimbursement, and the reimbursement will only be paid after the City has accepted the developer-funded facility or land dedication. All reimbursements will be an obligation of the individual fee funds accounts (i.e., Shared Park facilities fee account for reimbursements resulting from oversizing of park facilities and the Trail Land fee account for reimbursements resulting from land dedications) within the Fee Program. For example, if a developer over-dedicates public land and is due reimbursement, only monies from the Trail Fee land component fund can be used to reimburse the developer. The same would be true for reimbursements for Shared Park facilities oversizing.

### **PARK LAND EXCLUDED FROM THE FEE PROGRAM**

As determined by the City, land in an amount equal to 5.0 acres per 1,000 residents is excluded from the Fee Program. Table B-3 in Appendix B of this report shows that the total park and trail acreage in the SEPA totals 104.4 acres. However, because the City has chosen to include only acreage in excess of 5.0 acres per 1,000 residents, 45.1 acres of trails land are included in the Fee Program. For the excluded 59.4 acres, the City will require actual dedication of land pursuant to the Quimby Act requirements or payment of an in-lieu fee at final map approval.

### **FEE EXEMPTIONS**

All determinations regarding the exemptions provided in this section shall be made by the City Finance Director or his/her designee. The following shall be exempted from payment of the Park Fee and the Trail Fee:

#### Public Agencies

All federal and state agencies, public school districts, fire stations, and the City of Elk Grove will be exempt from the Park Fee and the Trail Fee. Other non-City public agencies will be subject to payment of the fees; however, the City may choose to waive some or all of the Park Fee and/or the Trail Fee in certain cases.

#### Replacement/Reconstruction

- a. Any replacement or reconstruction (no change in use) of any residential unit that is damaged or destroyed as a result of fire, flood, explosion, wind, earthquake, riot, or other calamity, or act of God shall be exempt from the Park Fee and the Trail Fee, provided the fee was properly remitted to the City at the time the now damaged structure was originally built. However, if the residential unit(s) replaced or reconstructed exceeds the documented total number of units of the

- damaged/destroyed residential structure, the excess units are subject to the Park Fee and the Trail Fee. If a residential structure has been vacant for more than five years, the exemption will not apply.
- b. If a residential and/or non-residential structure is replaced with an alternative land use, such as replacing an office building with a retail building, then City staff will determine the appropriate Park Fee and Trail Fee adjustment to reflect the different characteristics of the original and new land uses that may require the payment of additional fees. No refund will be granted. If replaced with additional square footage, then the additional square footage is subject to the fee. If a structure has been vacant for more than five years, the exemption will not apply.
  - C. Any replacement of existing square footage (non-residential) will be assessed for the additional square footage.

## **ANNUAL AND FIVE-YEAR REPORTING REQUIREMENTS**

The Mitigation Fee Act requires the City to report every year and every fifth year certain financial information regarding the fees. The City must make available within 180 days after the last day of each fiscal year the following information from the prior fiscal year:

- 1) A brief description of the type of fee in the account or fund
- 2) The amount of the fee
- 3) The beginning and ending balance in the account or fund
- 4) The amount of the fee collected and the interest earned
- 5) An identification of each public improvement for which fees were expended and the amount of expenditures
- 6) An identification of an approximate date by which time construction on the improvement will commence if it is determined that sufficient funds exist to complete the project
- 7) A description of each interfund transfer or loan made from the account and when it will be repaid
- 8) Identification of any refunds made once it is determined that sufficient monies have been collected to fund all fee-related projects

The City must make this information available for public review and must also present it at the next regularly scheduled public meeting not less than 15 days after this information is made available to the public.

For the fifth fiscal year following the first deposit into the fee account, and every five years thereafter, the City must make the following findings with respect to any remaining funds in the fee account, regardless of whether those funds are committed or uncommitted:

- 1) Identify the purpose to which the fee is to be put
- 2) Demonstrate a reasonable relationship between the fee and the purpose for which it is charged
- 3) Identify all sources and amounts of funding anticipated to complete financing any incomplete improvements
- 4) Designate the approximate dates on which funding in item (3) above is expected to be deposited into the fee account

As with the annual disclosure, the five-year report must be made public within 180 days after the end of the City's fiscal year and must be reviewed at the next regularly scheduled public meeting. The City must make these findings, otherwise, the law requires that the City refund the money on a prorated basis to the then current record owners of the development project.

# ***APPENDIX A***

## **SEPA PARK AND TRAIL FEE PROGRAM CALCULATIONS**

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**Table A-1**  
**Land Use Summary for SEPA**

<b><u>Residential</u></b>	<b><u>PPH</u></b>	<b><u>Residents</u></b>	<b><u>Units</u></b>	
Single Family <sup>1</sup>	3.35	8,137	2,429	
Multi-Family <sup>2</sup>	2.42	3,734	1,543	
Total		11,871	3,972	
<b><u>Non-Residential</u></b>	<b><u>FAR</u></b>	<b><u>Sq. Ft.</u></b>	<b><u>Gross Acres</u></b>	<b><u>Net Acres</u></b> <sup>4</sup>
Commercial <sup>3</sup>	0.35	446,052	34.4	29.3
Office	0.38	4,377,641	311.1	264.5
Industrial/Flex	0.22	901,487	110.7	94.1
Total		5,725,180	456.2	387.8

<sup>1</sup> Includes estate, low density, and medium density residential units.

<sup>2</sup> Includes high density and mixed use residential units.

<sup>3</sup> Includes anticipated non-residential development within the mixed use area.

<sup>4</sup> Assumes a 15% reduction to account for local streets and roads such that the square footage of the building is determined by the FAR against the net lot area only and not the gross lot area.

Source: City of Elk Grove; Goodwin Consulting Group, Inc.

**Table A-2**  
**DUE Summary**

Land Use	Persons per Household (PPH)	Square Feet per Employee	Persons Per Unit or Empl. per 1,000 sf	User Equivalents	User Equivalents per Unit	DUE Factor per Unit
<b><u>Residential</u></b>						
			<i>per Unit</i>	<i>per Resident</i>	<i>per Unit</i>	<i>per Unit</i>
Single Family	3.35	--	3.35	1.00	3.35	1.00
Multi-Family	2.42	--	2.42	1.00	2.42	0.72
<b><u>Non-Residential</u></b>						
			<i>Empl./1,000 SF</i>	<i>per Employee<sup>1</sup></i>	<i>per 1,000 SF</i>	<i>per 1,000 SF</i>
Commercial	--	500	2.00	0.09	0.18	0.05
Office	--	300	3.33	0.09	0.30	0.09
Industrial/Flex	--	600	1.67	0.09	0.15	0.04

<sup>1</sup> Assumes a resident can utilize parks an average of 12 hours per day 7 days a week (84 hours) and an employee can utilize parks an average of 1.5 hours per day 5 days a week (7.5 hours); this translates to 1.0 employee equal to approximately 0.09 residents ( $7.5/84 = 0.09$ ) in terms of potential park utilization.

Source: City of Elk Grove; Goodwin Consulting Group, Inc.

**Table A-3**  
**Cost Summary - Capital Improvement Program**

<b>Improvement</b>	<b>%</b>	<b>Cost</b>
Shared Parks	11%	\$8,403,000
Residential-Focused Parks	39%	\$29,138,000
Trails Development	41%	\$30,481,000
Trails Land Acquisition <sup>1</sup>	9%	\$6,759,000
<b>Total</b>	<b>100%</b>	<b>\$74,781,000</b>

<sup>1</sup> Includes the trails acreage

Source: City of Elk Grove

**Table A-4**  
**Cost Allocation - Shared Parks Development**

Land Use	Units	DUE Factor	Total DUEs	Percent Allocation	Total Costs	Cost per Unit or Acre
<b>Cost</b>	<b>\$8,403,000</b>					
<i>Residential</i>						
	<i>Units</i>	<i>per Unit</i>				<i>per Unit</i>
Single Family	2,429	1.000	2,429.0	60.8%	\$5,107,341	\$2,103
Multi-Family	1,543	0.722	1,114.6	27.9%	\$2,343,710	\$1,519
Subtotal	3,972		3,543.6	88.7%	\$7,451,050	
<i>Non-Residential</i>						
	<i>SF</i>	<i>per 1,000 SF</i>				<i>per Acre</i>
Commercial	446,052	0.053	23.8	0.6%	\$49,994	\$1,713
Office	4,377,641	0.089	388.9	9.7%	\$817,755	\$3,098
Industrial/Flex	901,487	0.044	40.0	1.0%	\$84,200	\$897
Subtotal	5,725,180		452.7	11.3%	\$951,950	
<b>Total<sup>1</sup></b>			<b>3,996.4</b>	<b>100.0%</b>	<b>\$8,403,000</b>	

1. Total DUEs are rounded.

Source: Goodwin Consulting Group, Inc.

**Table A-5**  
**Cost Allocation - Residential-Focused Parks Development**

Land Use	Units	DUE Factor	Total DUEs	Percent Allocation	Total Costs	Cost per Unit or Acre
<b>Cost</b>	<b>\$29,138,000</b>					
<i>Residential</i>						
	<i>Units</i>	<i>per Unit</i>				<i>per Unit</i>
Single Family	2,429	1.000	2,429.0	68.5%	\$19,972,714	\$8,223
Multi-Family	1,543	0.722	1,114.6	31.5%	\$9,165,286	\$5,940
Subtotal	3,972		3,543.6	100.0%	\$29,138,000	
<i>Non-Residential</i>						
	<i>SF</i>	<i>per 1,000 SF</i>				<i>per Acre</i>
Commercial	446,052	n/a	0.0	0.0%	\$0	n/a
Office	4,377,641	n/a	0.0	0.0%	\$0	n/a
Industrial/Flex	901,487	n/a	0.0	0.0%	\$0	n/a
Subtotal	5,725,180		0.0	0.0%	\$0	
<b>Total</b>			<b>3,543.6</b>	<b>100.0%</b>	<b>\$29,138,000</b>	

Source: Goodwin Consulting Group, Inc.

**Table A-6**  
**Cost Allocation - Trail Facilities**

Land Use	Units	DUE Factor	Total DUEs	Percent Allocation	Total Costs	Cost per Unit or Acre
<b>Cost</b>	<b>\$30,481,000</b>					
<i>Residential</i>						
	<i>Units</i>	<i>per Unit</i>				<i>per Unit</i>
Single Family	2,429	1.00	2,429	60.8%	\$18,526,342	\$7,627
Multi-Family	1,543	0.72	1,115	27.9%	\$8,501,560	\$5,510
Subtotal	3,972		3,544	88.7%	\$27,027,903	
<i>Non-Residential</i>						
	<i>SF</i>	<i>per 1,000 SF</i>				<i>per Acre</i>
Commercial	446,052	0.05	24	0.6%	\$181,349	\$6,212
Office	4,377,641	0.09	389	9.7%	\$2,966,322	\$11,239
Industrial/Flex	901,487	0.04	40	1.0%	\$305,427	\$3,253
Subtotal	5,725,180		453	11.3%	\$3,453,097	
<b>Total</b>			<b>3,996</b>	<b>100.0%</b>	<b>\$30,481,000</b>	

Source: Goodwin Consulting Group, Inc.

**Table A-7**  
**Cost Allocation - Trail Land Acquisition**

Land Use	Units	DUE Factor	Total DUES	Percent Allocation	Total Costs	Cost per Unit or Acre
<b>Cost</b>	<b>\$6,759,000</b>					
<i>Residential</i>						
	<u>Units</u>	<u>per Unit</u>				<u>per Unit</u>
Single Family	2,429	1.00	2,429	60.8%	\$4,108,118	\$1,691
Multi-Family	1,543	0.72	1,115	27.9%	\$1,885,176	\$1,222
Subtotal	3,972		3,544	88.7%	\$5,993,294	
<i>Non-Residential</i>						
	<u>SF</u>	<u>per 1,000 SF</u>				<u>per Acre</u>
Commercial	446,052	0.05	24	0.6%	\$40,213	\$1,378
Office	4,377,641	0.09	389	9.7%	\$657,766	\$2,493
Industrial/Flex	901,487	0.04	40	1.0%	\$67,727	\$721
Subtotal	5,725,180		453	11.3%	\$765,706	
<b>Total</b>			<b>3,996</b>	<b>100.0%</b>	<b>\$6,759,000</b>	

Source: Goodwin Consulting Group, Inc.

# ***APPENDIX B***

## **DETAILED PARK AND TRAIL COST ESTIMATES**

<b><u>Table</u></b>	<b><u>Page</u></b>
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**Table B-1**  
**Detailed Park Improvement Costs**

Facility ID	Units	Cost per Unit <sup>1</sup>	Public Art Component <sup>2</sup>	Total Cost
<b><u>Shared Parks</u></b>				
H - Local Park	4.5 Acres	\$707,200	\$14,144	\$3,260,475
K - Neighborhood Park	9.7 Acres	\$522,500	\$10,450	\$5,142,968
<i>Subtotal (Rounded)</i>				\$8,403,442
<b><u>Residential-Focused Parks<sup>3</sup></u></b>				
A - Pocket Park	0.2 Acres	\$707,200	\$14,144	\$151,482
B - Pocket Park	0.2 Acres	\$707,200	\$14,144	\$173,123
C - Neighborhood Park	9.4 Acres	\$522,500	\$10,450	\$5,031,048
D - Local Park	3.7 Acres	\$707,200	\$14,144	\$2,632,906
E - Local Park	1.4 Acres	\$707,200	\$14,144	\$1,038,735
F - Local Park	3.3 Acres	\$707,200	\$14,144	\$2,373,222
G - Local Park	3.2 Acres	\$707,200	\$14,144	\$2,286,660
I - Local Park	2.1 Acres	\$707,200	\$14,144	\$1,493,182
J - Local Park	4.7 Acres	\$707,200	\$14,144	\$3,375,890
L - Local Park	2.2 Acres	\$707,200	\$14,144	\$1,550,890
M - Local Park	1.3 Acres	\$707,200	\$14,144	\$908,893
N - Local Park	1.3 Acres	\$707,200	\$14,144	\$901,680
O - Local Park	2.1 Acres	\$707,200	\$14,144	\$1,514,822
P - Local Park	1.3 Acres	\$707,200	\$14,144	\$908,893
Reardan Park	9.0 Acres	\$522,500	\$10,450	\$4,796,550
<i>Subtotal (Rounded)</i>				\$29,137,977
<b>Total (rounded)</b>	<b>59.4 Acres</b>			<b>\$37,541,000</b>

<sup>1</sup> Costs include soft costs, construction costs, construction engineering, and preliminary engineering.

Soft Costs include:

- Design costs
- Plan inspection and Construction Management
- Assumptions for site improvements
- Utility fees/connections (e.g., SCWA, SASD, SMUD)
- Hawk/Ag mitigation

<sup>2</sup> The Public Art Component equals two percent of the park's cost per acre.

<sup>3</sup> Developers must pay environmental cost, rough grading, frontage improvements, and water fees for local and neighborhood parks.

**Table B-2**  
**Detailed Trail Improvement Costs**

<b>Facility</b>	<b>Trail Type</b>	<b>Area SF</b>	<b>Units</b>	<b>Cost per Unit</b>	<b>Total Cost</b>
<b><u>Trails - Map ID</u></b>					
1	x	0	857 L.F.		\$0
2	7B	38,804	970 L.F.	\$678	\$657,364
3	7A	22,372	559 L.F.	\$633	\$353,911
4	7A	302,593	5,651 L.F.	\$633	\$3,575,685
5	6B	228,020	5,701 L.F.	\$678	\$3,862,801
6	5	63,865	1,277 L.F.	\$625	\$798,696
7	2	19,536	488 L.F.	\$528	\$257,778
8	2	23,360	584 L.F.	\$528	\$308,235
9	5	30,055	601 L.F.	\$625	\$375,868
10	5	54,405	1,088 L.F.	\$625	\$680,389
11	4	11,466	382 L.F.	\$736	\$281,223
12	2	57,784	1,445 L.F.	\$528	\$762,460
13	2	49,580	1,240 L.F.	\$528	\$654,208
14	2	28,326	944 L.F.	\$528	\$498,349
15A	4	24,909	830 L.F.	\$736	\$610,935
15B	4	4,756	119 L.F.	\$736	\$87,487
16	5	49,170	820 L.F.	\$625	\$512,433
17A	4	25,233	841 L.F.	\$736	\$618,881
17B	4	4,806	160 L.F.	\$736	\$117,875
18	4	23,013	767 L.F.	\$736	\$564,432
19	4	27,168	906 L.F.	\$736	\$666,340
20	4	13,608	454 L.F.	\$736	\$333,759
21	1	26,648	666 L.F.	\$430	\$286,666
22	4	22,470	749 L.F.	\$736	\$551,114
23	1	21,188	530 L.F.	\$430	\$227,930
24	1	21,644	541 L.F.	\$430	\$232,835
25	1	14,056	351 L.F.	\$430	\$151,207
26	6A	78,408	1,806 L.F.	\$633	\$1,142,918
27	6A	104,544	2,292 L.F.	\$633	\$1,450,573
28	6A	19,900	498 L.F.	\$633	\$314,806
29	7A	39,296	982 L.F.	\$633	\$621,638
30	6B	76,664	1,917 L.F.	\$678	\$1,298,736
31	6B	92,880	2,322 L.F.	\$678	\$1,573,445
32	6B	67,680	1,692 L.F.	\$678	\$1,146,542
33	1	16,632	416 L.F.	\$430	\$178,919
34	1	26,624	666 L.F.	\$430	\$286,408
35	1	26,372	659 L.F.	\$430	\$283,697
36	1	65,317	1,633 L.F.	\$430	\$702,644
37	1	56,504	1,413 L.F.	\$430	\$607,847
38	1	35,330	883 L.F.	\$430	\$380,059
39	1	47,844	1,196 L.F.	\$430	\$514,687
<i>Subtotal (Rounded)</i>		1,962,830	47,896 L.F.		\$28,532,000
Acres		45.1			
<b><u>Shed C Crossings</u></b>					
Bilby Road			1	\$530,000	\$530,000
Big Horn Blvd			1	\$400,000	\$400,000
Village Center Ped Crossing			1	\$612,000	\$612,000
LRSP Outfall Pedestrian Crossing			1	\$612,000	\$612,000
Bruceville Meadows Ped Crossing			1	\$1,050,000	\$1,050,000
<i>Subtotal (Rounded)</i>					\$3,204,000
LESS Roadway Fee Revenue					\$ (1,254,698)
<b>Total</b>			<b>47,896 L.F.</b>		<b>\$30,481,000</b>

Source: City of Elk Grove; Goodwin Consulting Group, Inc.

**Table B-3**  
**Detailed Land Costs for Parks and Trails**

<b>Facility ID</b>	<b>Description</b>	<b>Total Acreage in SEPA</b>	<b>Estimated Land Value per Acre</b>	<b>Total Value</b>
<b><u>Parks</u></b>				
Reardan Park	Community Park	9.0	\$0	\$0
A	Pocket Park	0.2	\$150,000	\$31,500
B	Pocket Park	0.2	\$150,000	\$36,000
C	Neighborhood Park	9.4	\$150,000	\$1,416,000
D	Local Park	3.7	\$150,000	\$547,500
E	Local Park	1.4	\$150,000	\$216,000
F	Local Park	3.3	\$150,000	\$493,500
G	Local Park	3.2	\$150,000	\$475,500
H	Local Park	4.5	\$150,000	\$678,000
I	Local Park	2.1	\$150,000	\$310,500
J	Local Park	4.7	\$150,000	\$702,000
K	Neighborhood Park	9.7	\$150,000	\$1,447,500
L	Local Park	2.2	\$150,000	\$322,500
M	Local Park	1.3	\$150,000	\$189,000
N	Local Park	1.3	\$150,000	\$187,500
O	Local Park	2.1	\$150,000	\$315,000
P	Local Park	1.3	\$150,000	\$189,000
<i>Subtotal</i>		<b>59.4</b>		<b>\$7,557,000</b>
<b><u>Trails</u></b>				
1	x	0.0	\$150,000	\$0
2	7B	0.9	\$150,000	\$133,623
3	7A	0.5	\$150,000	\$77,039
4	7A	6.9	\$150,000	\$1,041,987
5	6B	5.2	\$150,000	\$785,193
6	5	1.5	\$150,000	\$219,921
7	2	0.4	\$150,000	\$67,273
8	2	0.5	\$150,000	\$80,441
9	5	0.7	\$150,000	\$103,495
10	5	1.2	\$150,000	\$187,345
11	4	0.3	\$150,000	\$39,483
12	2	1.3	\$150,000	\$198,981
13	2	1.1	\$150,000	\$170,730
14	2	0.7	\$150,000	\$97,541
15A	4	0.6	\$150,000	\$85,775
15B	4	0.1	\$150,000	\$16,377
16	5	1.1	\$150,000	\$169,318
17A	4	0.6	\$150,000	\$86,890
17B	4	0.1	\$150,000	\$16,550
18	4	0.5	\$150,000	\$79,246
19	4	0.6	\$150,000	\$93,554
20	4	0.3	\$150,000	\$46,860
21	1	0.6	\$150,000	\$91,763
22	4	0.5	\$150,000	\$77,376
23	1	0.5	\$150,000	\$72,961
24	1	0.5	\$150,000	\$74,532
25	1	0.3	\$150,000	\$48,402
26	6A	1.8	\$150,000	\$270,000
27	6A	2.4	\$150,000	\$360,000
28	6A	0.5	\$150,000	\$68,526
29	7A	0.9	\$150,000	\$135,317
30	6B	1.8	\$150,000	\$263,994
31	6B	2.1	\$150,000	\$319,835
32	6B	1.6	\$150,000	\$233,058
33	1	0.4	\$150,000	\$57,273
34	1	0.6	\$150,000	\$91,680
35	1	0.6	\$150,000	\$90,813
36	1	1.5	\$150,000	\$224,920
37	1	1.3	\$150,000	\$194,575
38	1	0.8	\$150,000	\$121,659
39	1	1.1	\$150,000	\$164,754
<i>Subtotal</i>		<b>45.1</b>		<b>\$6,759,057</b>
<b>Total</b>		<b>104.4</b>		<b>\$14,316,057</b>
<b>Acreage Provided Through Quimby</b>		<b>59.4</b>		
<b>Total Acreage Funded<sup>1</sup> (rounded)</b>		<b>45.1</b>		<b>\$6,759,000</b>

<sup>1</sup> Excludes park acreage that the City will acquire through the Quimby process.

**Table B-4**  
**Calculation of Public Land in Excess of 5.0 Acres per 1,000 Residents**

Land Use	Units	Persons per Household	Total Population
Single Family	2,429	3.35	8,137
Multi-Family	1,543	2.42	3,734
<b>Total</b>	<b>3,972</b>		<b>11,871</b>
Total Residents		11,871	
Quimby Standard per 1,000 population		<u>5.00</u> Acres	
Total Park Acres required per Quimby		59.4	
Total Acres of Park and Trail Land in SEPA		104.4 Acres	
Total Acres required per Quimby		<u>59.4</u> Acres	
<b>Trails Acreage in Fee Program Requiring Funding</b>		<b>45.1 Acres</b>	

Source: City of Elk Grove; Goodwin Consulting Group, Inc.

**Table B-5**  
**Funding Sources for Shed C Crossings**

<b>Location</b>	<b>Type Selection</b>	<b>Description</b>	<b>Total Cost Estimate</b>	<b>Roadway Fee Portion</b>	<b>Capital Facilities Fee Portion</b>	<b>SEPA Trails Fee Portion</b>
<i>Roadways</i>						
Lotz Parkway	Culvert		TBD	100%		
Road B @ Shed C	Culvert		TBD	100%		
Bilby Road @ Shed C	Slab on grade	86'x110'	\$ 3,210,000.00	\$ 1,946,000.00	\$ 734,000.00	\$ 530,000.00
Big Horn Blvd @ Shed C	Slab on grade		\$ 2,420,000.00	\$ 2,020,000.00	-	\$ 400,000.00
Bruceville @ Shed C	Culvert	Double 14'x5'; 124' L, 31'W	\$ 1,990,000.00	\$ 1,990,000.00	-	-
LRSP Outfall	Culvert		TBD	100%		
<i>Pedestrian Only</i>						
Village Center Ped Crossing	Steel Truss Bridge	90'x12'	\$ 612,000.00	-	-	\$ 612,000.00
LRSP Outfall Pedestrian Crossing	Steel Truss Bridge	90'x10'	\$ 612,000.00	-	-	\$ 612,000.00
Bruceville Meadows Ped Crossing	Steel Truss Bridge	200'x10'	\$ 1,050,000.00	-	-	\$ 1,050,000.00

Source: City of Elk Grove

# *APPENDIX C*

## SEPA TRAIL TYPE CROSS SECTIONS AND COST ESTIMATES

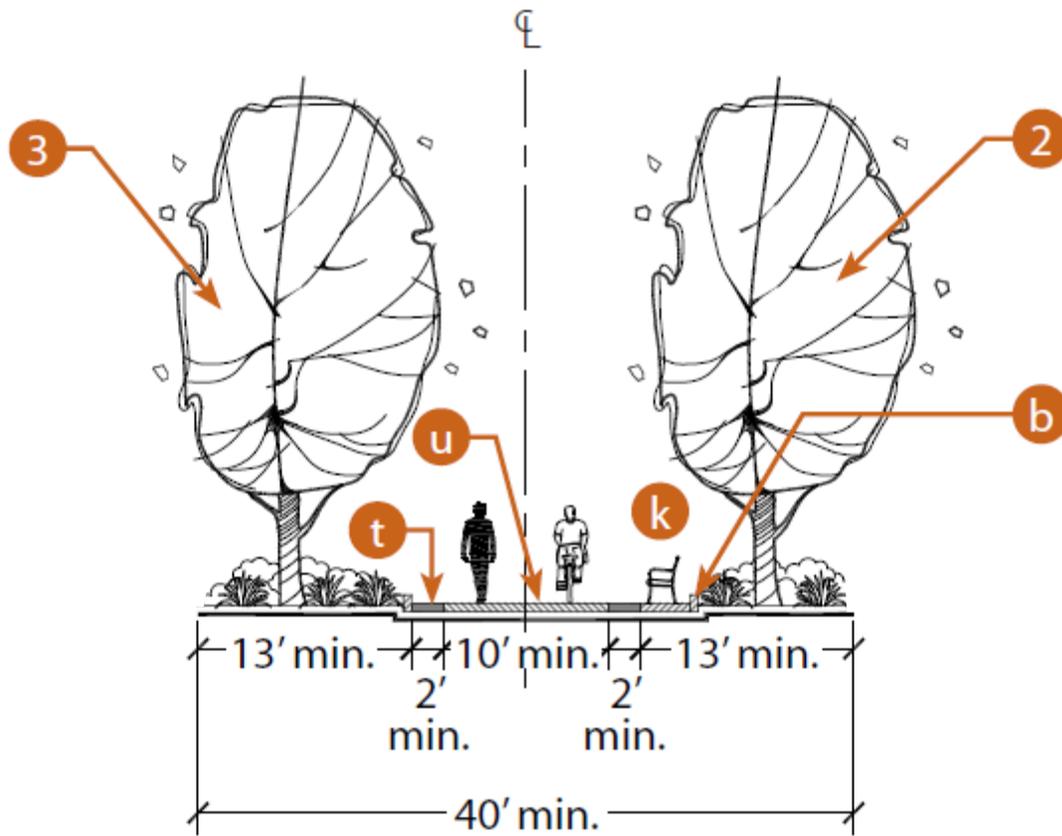
**SEPA Trails Fee Program  
Trail Type Cross Sections - Basis of Cost Estimates**

**January 2019**

*Note: The following diagrams are for estimating purposes only. Final design and improvements shall conform to the SEPA Landscape Planning and Prototype Manual and any applicable conditions of approval or provisions of a Development Agreement.*

**Trail Type 1 – Standard Trail between land uses other than SFR**

**Cost Estimate per LF: \$430.00**



**Characteristics**

- 40' total section width
- 10' AC w/ 2' DG each side
- No walls/fences (trail located between commercial, HDR, or park sites when not required for security purposes)
- Landscape along either side of trail, minimum 13' width each side
- Includes benches, trash receptacles, drinking fountain, lighted bollard, and all other requirements for a safe and aesthetically pleasing facility pursuant to the Landscape Planning and Prototype Manual at regular intervals

**Legend**

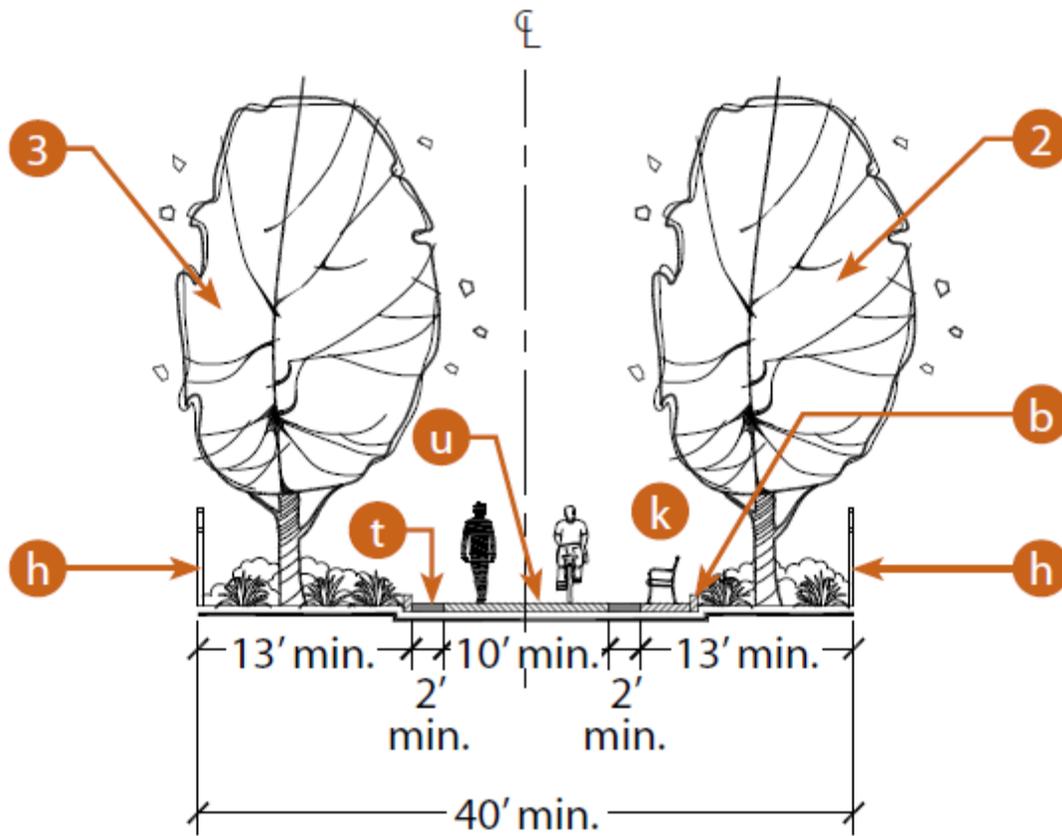
- 2. Primary tree
- 3. Secondary tree
- b. Type 3 concrete curb
- k. Bench
- t. Shoulder (2' DG)
- u. Pathway (10' AC or PCC)

**Not shown:**

- Root barrier
- Planting details

**Trail Type 2 – Standard Trail between SFR uses, both sides**

**Cost Estimate per LF: \$528.00**



**Characteristics**

- 40' total section width
- 10' AC w/ 2' DG each side
- Fence/wall along both sides. Assumed design is 2' block with 4' tubular steel fence above; pilaster every 100' OC, or at direction changes, 6'8" tall with stone veneer and cap.
- Landscape along either side of trail, minimum 13' width each side
- Includes benches, trash receptacles, drinking fountain, lighted bollard, and all other requirements for a safe and aesthetically pleasing facility pursuant to the Landscape Planning and Prototype Manual at regular intervals

**Legend**

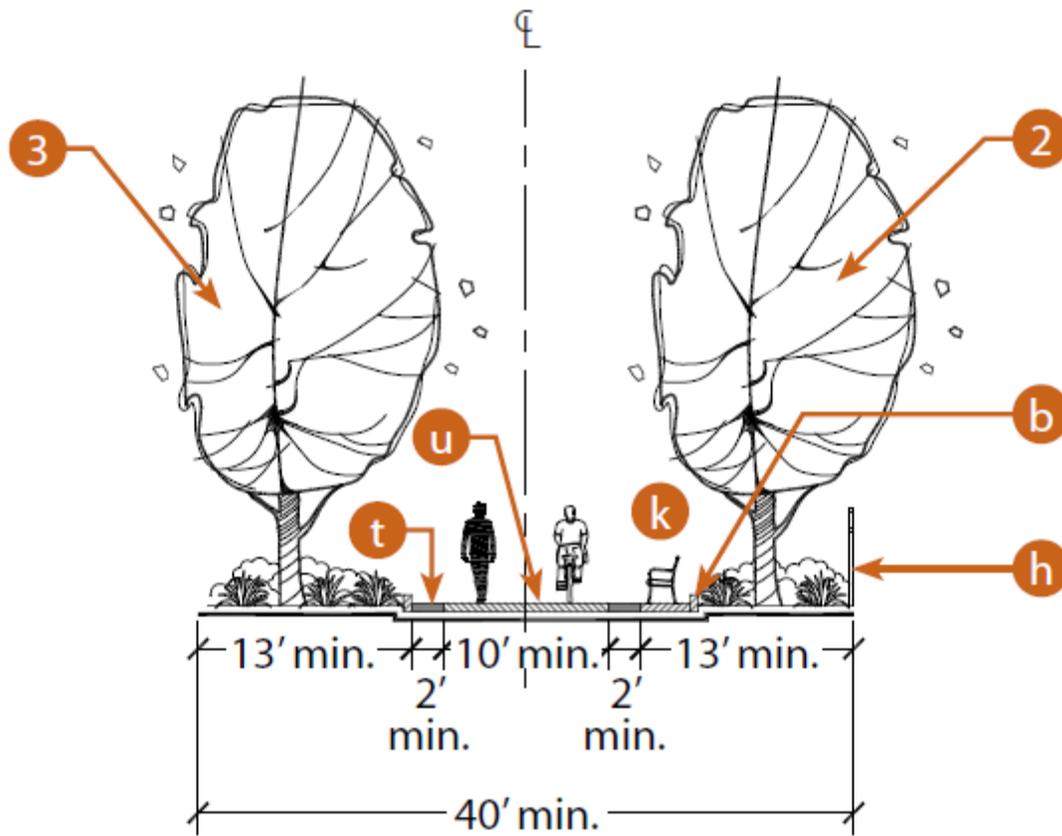
- 2. Primary tree
- 3. Secondary tree
- b. Type 3 concrete curb
- h. Fencing/wall
- k. Bench
- t. Shoulder (2' DG)
- u. Pathway (10' AC or PCC)

**Not shown:**

- Root barrier
- Planting details

**Trail Type 3 – Standard Trail between road and SFR one side**

**Cost Estimate per LF: \$853.00**



**Characteristics**

- 40' total section width
- 10' AC w/ 2' DG each side
- Wall along one side. Assumed design is 6' high Proto II Wall with wall cap; pilaster every 100' OC, or at direction changes, 6'8" tall with stone veneer and cap.
- Landscape along either side of trail, minimum 13' width each side
- Includes benches, trash receptacles, drinking fountain, lighted bollard, and all other requirements for a safe and aesthetically pleasing facility pursuant to the Landscape Planning and Prototype Manual at regular intervals

**Legend**

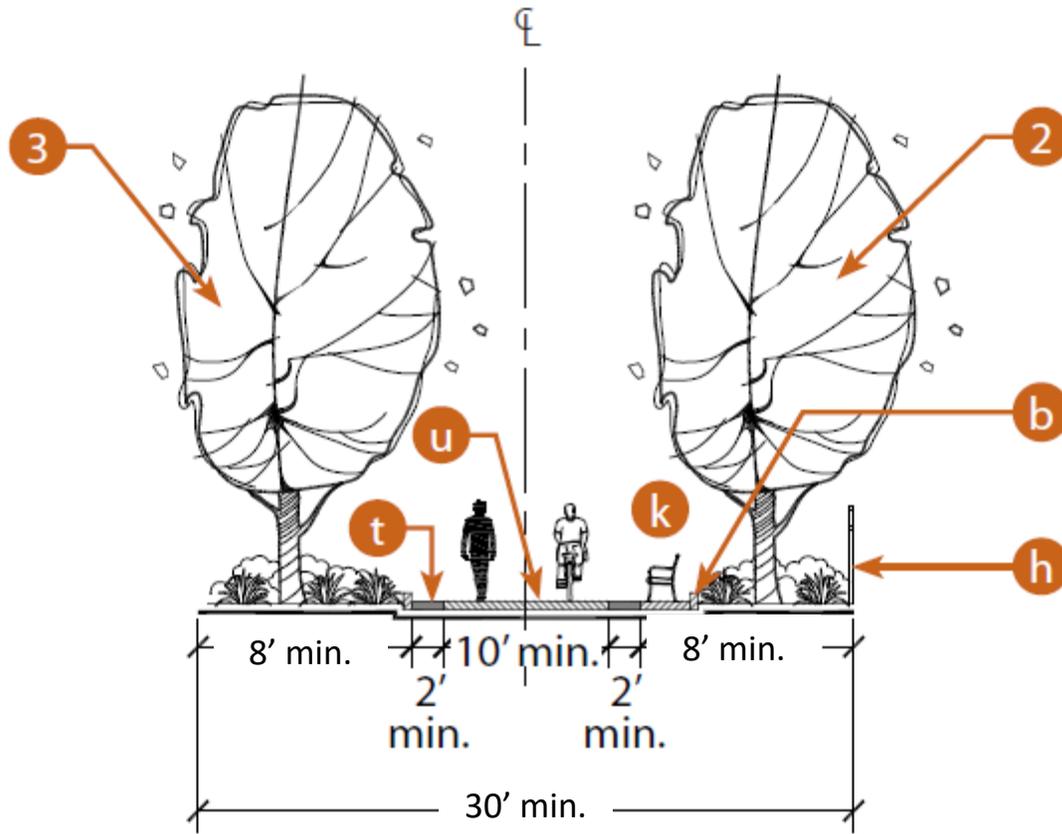
- 2. Primary tree
- 3. Secondary tree
- b. Type 3 concrete curb
- h. Fencing/wall
- k. Bench
- t. Shoulder (2' DG)
- u. Pathway (10' AC or PCC)

**Not shown:**

- Root barrier
- Planting details

**Trail Type 4 – Reduced Standard Trail between road and SFR one side**

Cost Estimate per LF: \$736.00



**Characteristics**

- 30' total section width
- 10' AC w/ 2' DG each side
- Wall along one side. Assumed design is 6' high Proto II Wall with wall cap; pilaster every 100' OC, or at direction changes, 6'8" tall with stone veneer and cap.
- Landscape along either side of trail, minimum 8' width each side
- Includes benches, trash receptacles, drinking fountain, lighted bollard, and all other requirements for a safe and aesthetically pleasing facility pursuant to the Landscape Planning and Prototype Manual at regular intervals

**Legend**

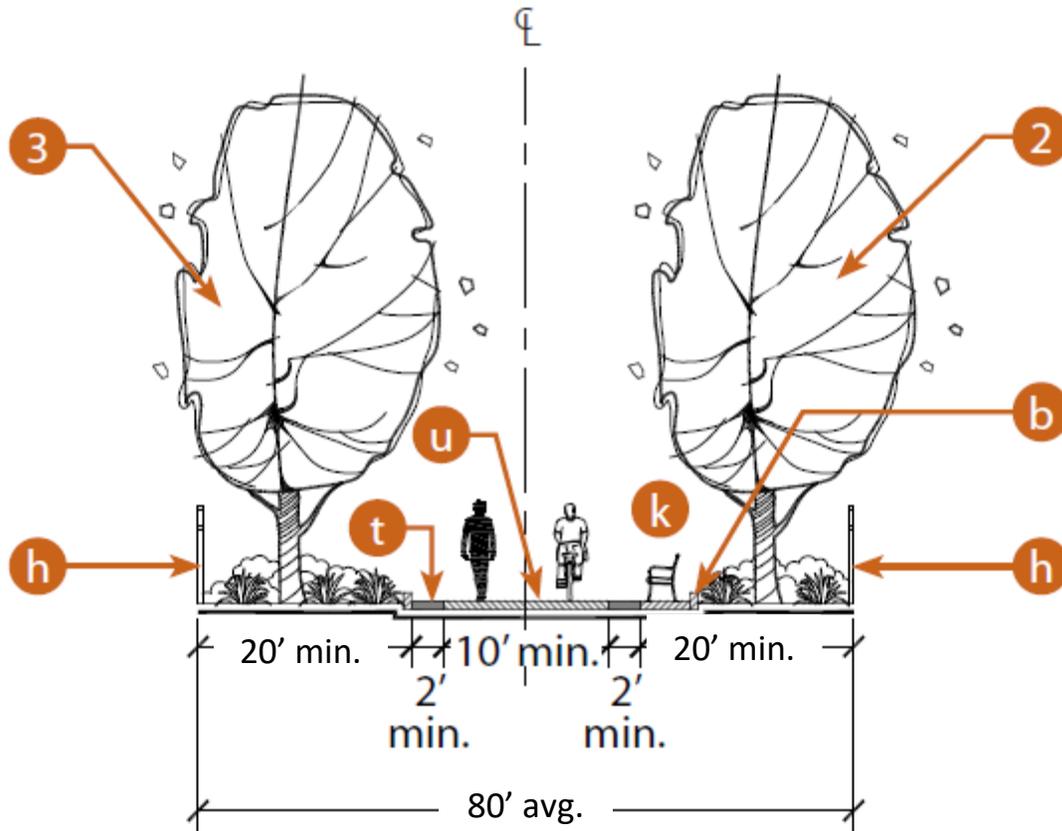
- 2. Primary tree
- 3. Secondary tree
- b. Type 3 concrete curb
- h. Fencing/wall
- k. Bench
- t. Shoulder (2' DG)
- u. Pathway (10' AC or PCC)

**Not shown:**

- Root barrier
- Planting details

**Trail Type 5 – Widened Trail between SFR uses, both sides,**

**Cost Estimate per LF: \$625.00**



**Characteristics**

- 80' average section width
- 10' AC w/ 2' DG each side
- Fence/wall along both sides. Assumed design is 2' block with 4' tubular steel fence above; pilaster every 100' OC, or at direction changes, 6'8" tall with stone veneer and cap.
- Landscape along either side of trail, minimum 20' width each side
- Includes benches, trash receptacles, drinking fountain, lighted bollard, and all other requirements for a safe and aesthetically pleasing facility pursuant to the Landscape Planning and Prototype Manual at regular intervals

**Legend**

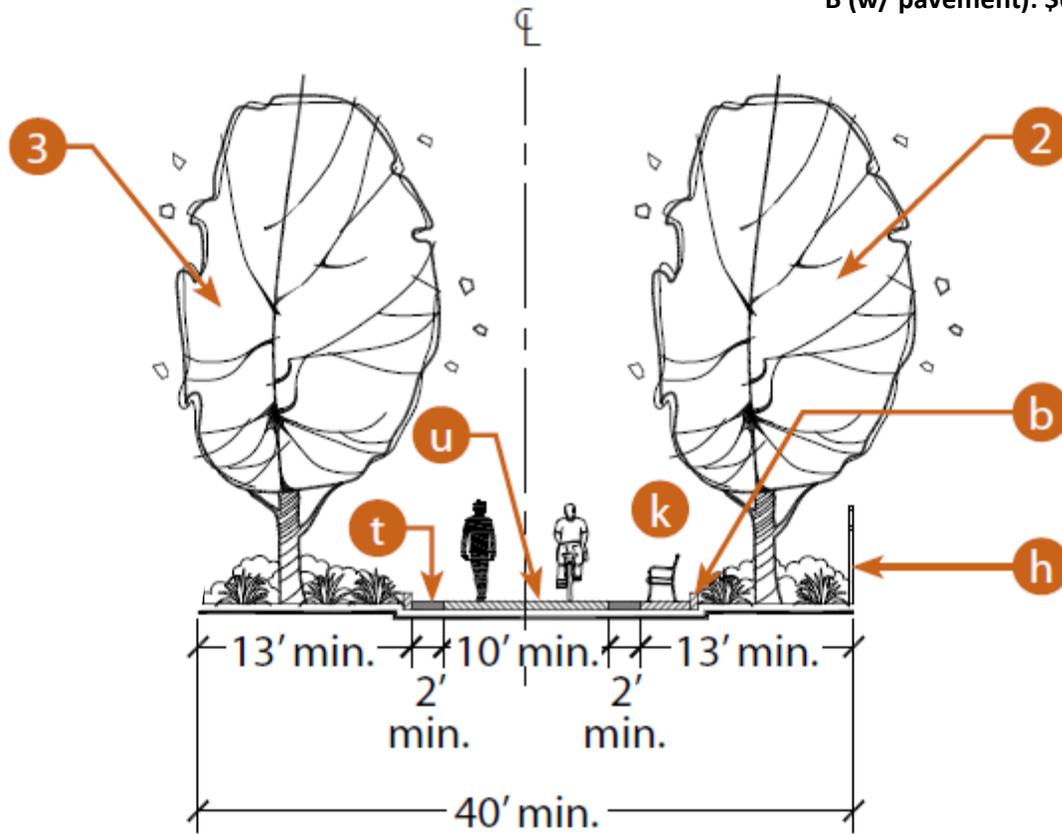
- 2. Primary tree
- 3. Secondary tree
- b. Type 3 concrete curb
- h. Fencing/wall
- k. Bench
- t. Shoulder (2' DG)
- u. Pathway (10' AC or PCC)

**Not shown:**

- Root barrier
- Planting details

**Trail Type 6 – Trail along Shed C and Basins, adjacent Park, VCMU, HDR, Office, LI/FX**

**Cost Estimate per LF:**  
**A (w/o pavement): \$633.00**  
**B (w/ pavement): \$678.00**



**Characteristics**

- 40' total section width
- 10' AC w/ 2' DG each side
- Fence along channel/basin side only.  
 Assumed design is:
  - Precast concrete split rail fence when adjacent to the channel (assumed 85% of the time)
  - Post and cable fence when adjacent to detention basins (assumed 15% of the time)
- Landscape along either side of trail, minimum 20' width each side
- Includes benches, trash receptacles, drinking fountain, lighted bollard, and all other requirements for a safe and aesthetically pleasing facility pursuant to the Landscape Planning and Prototype Manual at regular intervals

**Legend**

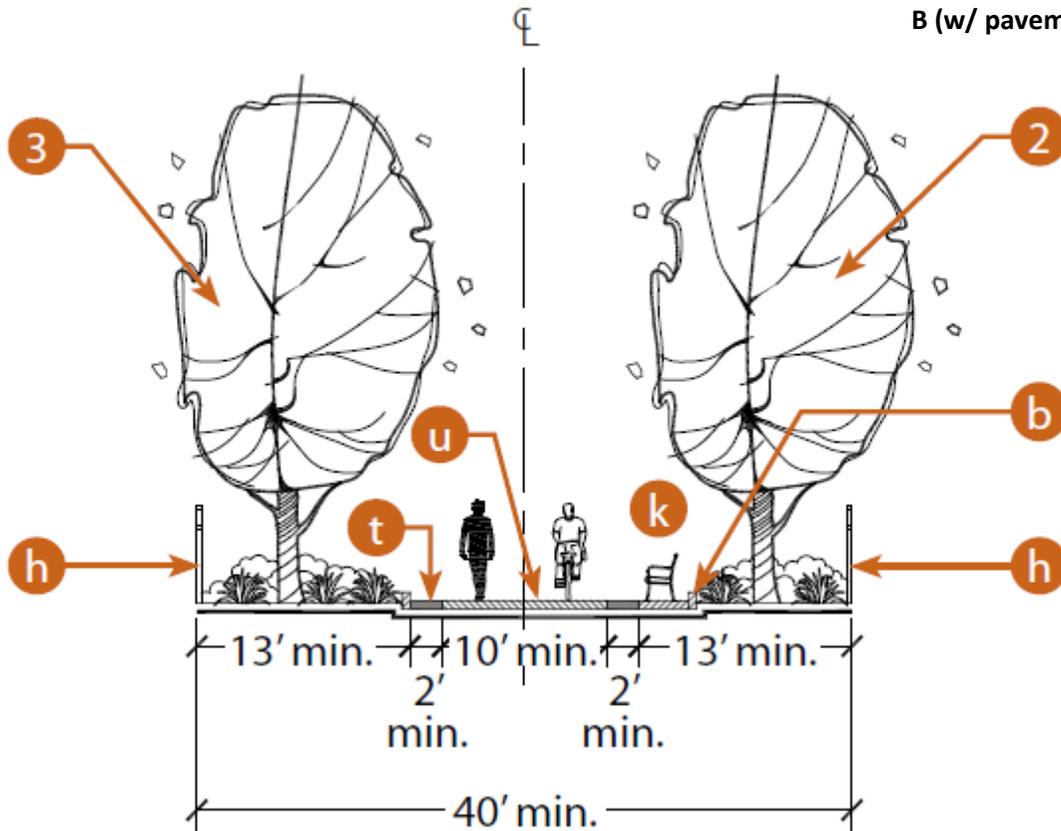
- 2. Primary tree
- 3. Secondary tree
- b. Type 3 concrete curb
- h. Fencing/wall
- k. Bench
- t. Shoulder (2' DG)
- u. Pathway (10' AC or PCC)

**Not shown:**

- Root barrier
- Planting details

**Trail Type 7 – Trail along Shed C and Basins, adjacent to SFR**

**Cost Estimate per LF:**  
**A (w/o pavement): \$633.00**  
**B (w/ pavement): \$678.00**



**Characteristics**

- 40' total section width
- 10' AC w/ 2' DG each side
- Fencing/wall:
  - Fence along channel/basin side. Assumed design is:
    - Precast concrete split rail fence when adjacent to the channel (assumed 85% of the time)
    - Post and cable fence when adjacent to detention basins (assumed 15% of the time)
  - Adjacent SFR, use fence/wall. Assumed design is 2' block with 4' tubular steel fence above; pilaster every 100' OC, or at direction changes, 6'8" tall with stone veneer and cap.
- Landscape along either side of trail, minimum 20' width each side
- Includes benches, trash receptacles, drinking fountain, lighted bollard, and all other requirements for a safe and aesthetically pleasing facility pursuant to the Landscape Planning and Prototype Manual at regular intervals

**Legend**

- 2. Primary tree
- 3. Secondary tree
- b. Type 3 concrete curb
- h. Fencing/wall
- k. Bench
- t. Shoulder (2' DG)
- u. Pathway (10' AC or PCC)

**Not shown:**

- Root barrier
- Planting details