City of Pomona Annual Report
on
Development Impact Fees
for
Fiscal Year Ended
June 30, 2025

Table of Contents

City of Pomona
Annual Compliance Report – AB 1600
Fiscal Year Ended June 30, 2025

Background Information and Legal Requirements

This report contains the status of the City of Pomona's Development Impact Fees for the Fiscal Year 2024-25. The State of California Government Code Sections 66001 and 66006 require local agencies that impose Development Impact Fees to prepare an annual report providing specific information about those fees. This report is presented to comply with these requirements, also referred to as AB 1600 requirements.

Summarized in this report are the following code requirements:

- A brief description of the type of fee in the account or fund.
- The amount of the fee.
- The beginning and ending balance of the account or fund.
- The amount of fees collected and interest earned.
- An identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees.
- A description of each interfund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and, in the case of an interfund loan, the date on which the loan will be repaid and the rate of interest that the account or fund will receive on the loan.
- The amount of refunds made due to sufficient funds being collected to complete financing on incomplete public improvements, including the number of persons or entities identified to receive those refunds, and the amount of any allocation of funds made due to administrative costs of refunding unexpended and the amount of allocation of funds made due to administrative costs of refunding unexpended revenues exceeding the amount to be refunded pursuant to Government Code, section 66001(f).

Also, Per Section 66006(b)(1)(F):

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

(ii) An identification of each public improvement identified in a previous report pursuant to clause (i) and whether construction began on the approximate date noted in the previous report.

(iii) For a project identified pursuant to clause (ii) for which construction did not commence by the approximate date provided in the previous report, the reason for the delay and a revised approximate date that the local agency will commence construction.

Description and Purpose of Development Impact Fees

Traffic and Signal Control Device Fee – To provide for the construction or reimbursement for construction of traffic signals and control devices or to reimburse the City of Pomona for the cost to design and construct such facilities, which are required due to the expansion of development and increased populations in the City, which yield as a byproduct increased vehicular movement. These fees are to be used for eligible traffic projects listed in the City of Pomona Annual Five Year Capital Improvement Program Budget Document.

Road and Highway Fee – To provide for the construction or reimbursement for construction of road improvements, streetscape and street lights which are required due to expansion of development and increased populations in the City, which yield as a byproduct increased vehicular movement. These fees are to be used for eligible street projects listed in the City of Pomona Annual Five Year Capital Improvement Program Budget Document.

Public Safety Improvement Fee – To provide for the construction or reimbursement for construction of public safety improvements that are required due to expansion of development and populations in the City, which yield as a byproduct increased vehicular movement and environmental impacts requiring more public safety facilities. These fees are to be used for eligible public safety projects listed in the City of Pomona Annual Five Year Capital Improvement Program Budget Document.

Park and Recreation Improvement Fee – To provide for the development, expansion or improvement of park and recreation facilities which are required due to expansion of development and increased populations in the City, which yield as a byproduct a need for expanded park and recreation areas and facilities. These fees are to be used for eligible parks projects listed in the City of Pomona Annual Five Year Capital Improvement Program Budget Document.

Sewer Connection Fee – To provide funding for the construction of infrastructure needed to provide service to new development.

Water Connection Fee – To provide funding for the construction of infrastructure needed to provide service to new development.

Storm Drain Fee (New fee with the Post-October 1, 2021 Fee Structure) – To provide funding for the following identified Storm Drain Capital Improvements which are listed in Table 6.3 on the next page and on page 39 of the City of Pomona Development Impact Fee Update Study performed by Willdan Financial Services which is located in Appendix A-1.

Table 6.3: Storm Drain Capital Improvements

Project Name	Total Project Cost	Allocation to New Development	Cost Allocated to New Development
Alley Drainage Improvements - Acacia Street	$ 517,327	30.5%	$ 157,785
Catch Basin - Mission Boulevard (at Phillips Drive)	202,540	30.5%	61,775
City Facilities Drainage Upgrade	50,000	30.5%	15,250
Storm Drain - East End Avenue (Mission Blvd to San Antonio Wash)	1,500,000	30.5%	457,500
Storm Drain Facility and Pavement Reconstruction - Lincoln Ave & Como Dr	125,000	0.0%	-
Storm Drain Facility - Mission Boulevard and Reservoir Street	150,000	30.5%	45,750
Storm Drain Facility - Paige Drive (N/O Sunset Dr)	175,000	30.5%	53,375
Storm Drain Facility Reconstruction - 515 E. McKinley Avenue	125,000	0.0%	-
Storm Drain Facility Reconstruction - Palomares Street and First Street	170,000	0.0%	-
Storm Drain Facility Upgrade - 1234 W. Eighth Street	175,000	30.5%	53,375
Storm Drain Improvements - 1257 Colfax Court	100,000	30.5%	30,500
Storm Drain Improvements - Densmore Street and Alvarado Street	115,000	30.5%	35,075
Storm Drain Improvements - Holt Avenue and Fairplex Drive (N/W Corner)	1,400,000	30.5%	427,000
Storm Drain Improvements - Pavilion Drive and Breon Street	150,000	30.5%	45,750
Storm Drain Inlet Full Capture Trash Devices	-	30.5%	-
Storm Drains - Regional Basins	3,140,000	30.5%	957,700
Storm Drain Study and Improv - Jefferson/Eleanor & McKinley/Palomares	1,500,000	30.5%	457,500
Storm Water Lift Stations Rehabilitation	-	0.0%	-
Total	$ 9,594,867		$ 2,798,334

Schedule of Development Impact Fees Effective October 1, 2021

On August 2, 2021, the City Council adopted Resolution 2021-89, adopting revised Development Impact and Connection fees. There are seven development impact fees in place under the new fee structure. The effective date is October 1, 2021. All projects filed after October 1, 2021 will be subject to the new fee schedule.

Fees (Effective October 1, 2021)

Fee Type	Final Fee Amounts		
Traffic Signal and Control Device Fee	$5.00 per trip generated by new construction		
Road and Highway Fee	$5.00 per trip generated by new construction		
Public Safety Improvement Fee	$0.25 per square foot for new construction		
Park and Recreation Improvement Fee	**Residential**	**In-fill**	**Subdivisions**
	0 to 500 sq. ft.	$6,422	$10,119
	501 to 1,499 sq. ft.	$9,649	$15,204
	1,500+ sq. ft.	$11,475	$18,080
Sewer Connection Fee	**Residential**		**Non-Residential (per 1,000 sq. ft.)**
	0 to 500 sq. ft. $2,884		Commercial $405
	501 to 1,499 sq. ft. $4,326		Office $1,758
	1,500+ sq. ft. $5,135		Warehouse $175
			Manufacturing $879
			Institutional $3,253
			Hotel Room $1,758

Water Connection (New Fee)	**Residential** 0 to 500 sq. ft. $2,880 501 to 1,499 sq. ft. $4,321 1,500+ sq. ft. $5,129	**Non-Residential (per 1,000 sq. ft.)** Commercial $404 Office $1,756 Warehouse $175 Manufacturing $878 Institutional $3,250 Hotel Room $1,756
Storm Drain (New Fee)	**Residential** 0 to 500 sq. ft. $45 501 to 1,499 sq. ft. $45 1,500+ sq. ft. $77	**Non-Residential (per 1,000 sq. ft.)** Commercial $144 Office $170 Warehouse $193 Manufacturing $193 Institutional $88 Hotel Room $63

Accessory Dwelling Units (ADUs):

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

ADU Square Feet / Primary Residence Square X Total Impact Fee per unit[1] = ADU Impact Fee

[1]New utility connections for potable and recycled water and sewer service, and associated capacity charges and connection fees, may not be required for ADUs that are within the proposed space of a single-family dwelling unit or existing space of a single family dwelling or accessory structure, including an expansion of not more than 150 square feet beyond the physical dimensions of the existing accessory structure to accommodate ingress and egress.

Example: In the case of an 800 square foot ADU and a 1,600 square foot primary residence, the impact fees for the ADU would be 50 percent (800 square feet / 1,600 square feet = 50%) of the impact fees charged for that size single family dwelling unit. No capacity fees would be charged, since no new single-family unit was constructed.

Financial Summary Report of All Development Impact Fees for FY 2024-25

On page 8 is a chart summarizing the Fiscal Year 2024-25: 1) fees received and spent of each DIF fee type and 2) the beginning and ending fund balances for the following Fees:

- Traffic Signal and Control Devices Fee
- Road and Highway Fee
- Public Safety Improvement Fee
- Park and Recreation Improvement Fee
- Storm Drain Fee (New fee with the Post-October 1, 2021 Fee Structure)
- Sewer Connection DIF Fees
- Water Connection DIF Fees

The following findings are also to be noted:

- There are no loans made from any of these fee accounts.
- As of this report posting date, the FY 2024-25 Audit has not been finalized.
- There were no refunds made during the FY 2024-25.

Financial Summary Report

Statement of Revenues, Expenditures and Changes in Account Balance

For the Year Ended June 30, 2025

Description	Development Impact Fees									
	Traffic Signal and Control Devices Fee (439-2590-40101-00000)	Road and Highway Fee (438-2590-40102-00000)	Public Safety Improvement Fee (418-2590-40103-70616)[1]	Public Safety Improvement Fee (443-2590-40103-00000)	Park and Recreation Improvement Fee (418-4090-40425-70613)[1]	Park and Recreation Improvement Fee - Infill (437-2590-40425-51348)	Park and Recreation Improvement Fee - Subdivision (437-2590-40425-51349)	Storm Drain Fees (571-2590-40341-51350)	Sewer Connection Fee (581-2565-40228-51352)	Water Connection Fee (571-8110/2590-40228-51351)
REVENUES										
Fees	30,667	30,667	-	51,075	41,175	981,289	-	4,311	31,474	32,243
Interest	-	-	-	-	-	-	-	-	-	-
Other Revenues*	-	-	-	-	-	-	-	-	-	-
Total Revenues	30,667	30,667	-	51,075	41,175	981,289	-	4,311	31,474	32,243
EXPENDITURES										
Expenditures	40,024 [3]	-	-	-	786,375 [3]	590,119 [3]	-	-	-	-
Deposit Refunds	-	-	-	-	-	-	-	-		
Total Expenditures	40,024	-	-	-	786,375	590,119	-	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	(9,356)	30,667	-	51,075	(745,200)	391,170	-	4,311	31,474	32,243
Account Balance, Beginning of Year	57,645	57,645	38,552	524,117	745,200	2,932,811	34,425	96,070	358,888	357,052
Account Balance, End of Year	48,289	88,313	38,552 [1]	575,192 [2]	(0) [1]	3,323,980	34,425	100,381	390,362	389,295

*Other Revenues include GASB 31 Adjustment

[1]Remaining fees based on the pre-October, 2021 Fee Structure - Entire balance is appropriated to "Fire Station 182 Improvements & New Emergency Operations Center - White Avenue," Project No. 428-71068 - Effective 7/1/25

[2]$545,820 of this amount was appropriated to "Fire Station 182 Improvements & New Emergency Operations Center - White Avenue," Project No. 428-71068 - Effective 7/1/25

[3]Details of Expenditures are listed on Page 9 of this report.

Identification of Public Improvements where DIF fees were expended in FY 2024-25 by Fee Type

Identification of Public Improvements and DIF Fees % of Total Improvement Cost as of June 30, 2025					
DIF Fee Type	**Identification of each public improvement on which fees were expended during FY 24-25**	**Amount spent during FY 24-25**	**Demonstrate a reasonable relationship between the fee and the purpose it was charged**	**Identify all sources and amounts of funding anticipated to complete financing in incomplete improvements**	**% of Total Improvement Cost provided by DIF Fee Funding Appropriation**
Park and Recreation Improvement Fee	"Civic Center Plaza - New Playground and Amenities," 428-2590-XXXXX-71063	$ 1,376,494.09	To provide for the development, expansion or improvement of park and recreation facilities which are required due to expansion of development and increased populations in the City, which yield as a byproduct a need for expanded park and recreation areas and facilities. These fees are to be used for eligible parks projects listed in the City of Pomona Annual Five Year Capital Improvement Program Budget Document.	**Civic Center Project Other Funding Types:** ARP Funds ($4.263M), CDBG Grant Funds ($567.8K), State of CA General Fund Grant Funds ($1.1M), Mayoral CIP Carrryover Discretionary Funds ($36.9K), General Funds ($3.976M), Measure A Funds ($753K), Measure R Funds ($240K)	25% and eventually up to 41% as incoming Park and Recreation Improvement Fees replace appropriated General Fund appropriations being utilized to construct the Project.
Traffic Signal and Control Devices Fee	"Traffic Signal Improvements - Towne Avenue (Mission Boulevard to Philadelphia Street)," Project No. 428-2590-XXXXX-68596	$ 40,023.78	To provide for the development, expansion or improvement of Traffic Signal & Control Devices which are required due to expansion of development and increased populations in the City, which yield as a byproduct a need for expanded and upgraded Traffic Signal and Control Device infrastructure. These fees are to be used for eligible traffic projects listed in the City of Pomona Annual Five Year Capital Improvement Program Budget Document.	No other funding sources on this project.	100% of project expenses
Total DIF Funds spent in FY 2024-25		**$ 1,416,517.87**			

Identification of Public Improvements for Which Sufficient funding has been Collected

DIF Fee Type	Identification of each public improvement on which fees are determined to be sufficient to fund the project	Identify the approximate date that construction commenced for projects where sufficient funds have been collected.
Traffic Signal and Control Devices Fee	"Traffic Signal Improvements - Towne Avenue (Mission Boulevard to Philadelphia Street)," Project No. 428-2590-XXXXX-68596	February, 2025
Park and Recreation Improvement Fee	"Civic Center Plaza - New Playground and Amenities," 428-2590-XXXXX-71063	November, 2024

City of Pomona

Appendix

New Development Impact Fees
Resolution 2021-089 & Ordinance 4309
Effective October 1, 2021 (New Fee Structure)

RESOLUTION NO. 2021-89

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POMONA, CALIFORNIA, ADOPTING A DEVELOPMENT IMPACT FEE UPDATE STUDY BY WILLDAN FINANCIAL SERVICES, THE FINDINGS CONTAINED THEREIN AND ESTABLISHING CERTAIN DEVELOPMENT FEES

WHEREAS, the City Council of the City of Pomona wishes to ensure that new development within the City mitigates its impacts on the following public facilities:

1. Road and Highway Facilities Fund
2. Traffic Signal and Control Device Facilities Fund
2. Public Safety Facilities Fund
3. Park and Recreation Improvement Facilities Fund
4. Storm Drain Facilities Fund
5. Potable and Recycled Water Facilities Fund
6. Sewer Facilities Fund

WHEREAS, the City has identified the need for new and/or expanded facilities to accommodate expected population growth and new development; and,

WHEREAS, it is the City's policy that future new development should pay its fair share of public facilities and services in accordance with good fiscal management as determined by the City Council, including the current costs for providing the facilities in direct proportion to the demand for these facilities generated by new development; and

WHEREAS, the City retained Willdan Financial to conduct a comprehensive review of the facilities needed to accommodate growth and prepare a Development Impact Fee Study ("Study") in accordance with California Government Code §§ 66000 et seq.; and

WHEREAS, the Study provided the City with information and data regarding the nexus between the planned public improvements and the benefiting land uses that would pay the impact fees at time of issuance of a building permit; and

WHEREAS, the Study provides the City with the findings necessary to establish the City's proposed impact fees in accordance with Government Code § 66001; and

WHEREAS, certain of the impact fees for water, stormwater and sewer facilities are "capacity charges" within the meaning of Government Code section 66013, and the Study provides evidence that such capacity fees do not exceed the reasonable cost of providing the services for which such fees are imposed; and

WHEREAS, on August 2, 2021, the City Council held a duly noticed public hearing on the proposed development impact fees with an opportunity for the public to be heard, pursuant to the provisions of Government Code §§66016--66018; and

WHEREAS, the Study has been available for public review and comment pursuant to the provisions of Government Code §66016 and §6062a; and

WHEREAS, in addition to this Resolution the City Council is considering Ordinance No. 4309 which revises the sections of the Pomona Municipal Code to clarify administration of adopted impact fees; and

WHEREAS, the City Council of the City of Pomona desires to impose and adopt the development impact fees, attached hereto as Exhibit "A" and by this reference incorporated herein, and to adopt the findings set forth in the Study as the findings of the City Council, which Study is attached hereto as Exhibit "B" and by this reference incorporated herein.

NOW THEREFORE, the City Council of the City of Pomona does hereby find, order, and resolve as follows:

SECTION 1: That the City Council of the City of Pomona finds and determines that the Study complies with California Government Code §66001 by establishing the basis for the imposition of the impact fees on new development. The City Council hereby adopts the findings set forth in the Study attached hereto as Exhibit "B" as the findings of the City Council, which contain the following findings with respect to each development impact fee, which are by this reference incorporated herein as if fully stated herein.

(a) Identifies the purpose of the fee;

(b) Identifies the use to which the fee will be put;

(c) Shows a reasonable relationship between the use of the fee and the type of development project on which the fee is imposed;

(d) Demonstrates a reasonable relationship between the need for the public facilities and the type of development projects on which the fee is imposed; and

(e) Demonstrates a reasonable relationship between the amount of the fee and the cost of the public facilities or portion of the public facilities attributable to the development on which the fee is imposed.

Detailed descriptions of the required findings are contained in the Study within the description of each fee. (See Final Draft Dated June 29, 2021)

Further, the City Council finds that, based on the evidence set forth in the Study, the impact fees that are "capacity charges" within the meaning of Government Code section 66013 do not exceed the reasonable cost of providing the services for which such capacity fees are imposed.

SECTION 2. That the City Council hereby determines that the development impact fees collected pursuant to this resolution shall be used to finance the public improvements described or identified in the Study or such other public facility master plans or capital improvement program as may from time to time be adopted by the City Council.

SECTION 3. The City Council has considered the specific project descriptions and the cost estimates identified in the Study and hereby approves such project descriptions and cost estimates and finds them reasonable as the basis for calculating and imposing the development impact fees.

SECTION 4. That the City Council finds that the projects and fee methodology identified in the Study are consistent with the City's General Plan and the requirements of the California Mitigation Fee Act (California Government Code, Section 660001 et seq.).

SECTION 5. That the City Council approves the schedule of development impact fees contained in and attached hereto as Exhibit "A". The development impact fees shall be imposed upon property owners or developers when applying for a building permit or due at final inspection or issuance of a certificate of occupancy, as provided in Article III, Chapter 70 of the Pomona Municipal Code.

SECTION 6. Within 180 days after the close of the fiscal year during which the first deposit of fees into a Development Impact fee account has occurred and every year thereafter as required by Government Code Sec. 66006, the City shall make available to the public and the City Council shall review:

1. The amount of the fee;

2. The beginning and ending balance of the account or fund;

3. The amount of the fees collected, and interest earned;

4. Identification of each public improvement on which fee revenues were expended and the amount of the expenditures on each improvement, including the percentage of the cost of the public improvement that was funded with fee revenues;

5. Identification of the approximate date by which the construction of a public improvement will commence, if the City determines sufficient funds have been collected financing of an incomplete public improvement;

6. A description of each inter-fund transfer or loan made from the account or fund, including interest rates, repayment dates, and a description of the improvements on which the transfer or loan will be expended.

For those impact fees that are "capacity charges" within the meaning of Government Code section 66013, within 180 days after the last day of each fiscal year, the City shall provide the following information (which may be included in the City's annual financial report:

1. A description of the capacity charges deposited in the fund created for such capacity charges.

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

3. The amount of capacity charges collected in that fiscal year.

4. An identification of all of the following:

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

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

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

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

Section 7. At least once every five years as required by Government Code Sec. 66001(d), the City Council shall review the basis for the impact fees, except for those fees that are "capacity charges" within the meaning of Government Code section

66013, to determine whether the fees are still reasonably related to the needs of new development and make the following findings for any fee revenues that remain unexpended:

1. Identify the purpose to which the fee will be put.

2. Demonstrate the 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 of incomplete improvements for which the impact fees are to be used.

4. Designate the approximate dates on which the funding necessary to complete financing of those improvements will be deposited in to the appropriate account of fund.

SECTION 8.

a. The City, as lead agency under the California Environmental Quality Act ("CEQA"), has evaluated the potential environmental impacts of adopting the impact fees. As the decision making body for the City, the City Council has reviewed and considered the information contained in the administrative record for the adoption of the impact fees.

b. The City Council finds that the impact fees are intended to fund as-yet unknown, future projects, programs, and capital improvement projects related to the City's need to finance capital improvements to provide adequate infrastructure to meet growth-related needs. These impact fees do not commit the City to approve any particular project, program, or capital improvement, but will be placed in separate funds for potential future projects. These impact fees are in response to the City's projected need for additional facilities and infrastructure to provide services to its existing customers and new development. Any activities, including infrastructure improvements, to be funded by these impact fees will be subject to future environmental review under CEQA, as applicable, prior to City approval.

c. The City Council therefore finds that the impact fees are not subject to environmental review under CEQA. First, the impact fees, in and of themselves, do not have the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment and therefore are not considered a "project" under CEQA. (Pub. Resources Code, § 21065, 14 Cal. Code Regs., § 15378, subd. (a).) Second, the impact fees are covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment; here, there is no possibility that the impact fees, in and of themselves, may have a significant effect on the environment. (14 Cal. Code Regs., § 15061, subd. (b)(3).) And third, the impact fees are considered a government funding mechanism that do

not involve any commitment on behalf of the City to any specific project which may result in a potentially significant physical impact on the environment. (14 Cal. Code Regs., § 15378, subd. (b)(4).)

d. The City Council has considered any comments received at the public meeting on August 2, 2021, prior to adoption of this Resolution.

e. The determination that the impact fees are not subject to CEQA review reflects the City Council's independent judgment and analysis.

f. The documents and materials that constitute the record of proceedings on which these findings have been based are located at City of Pomona City Hall, Development Services Department, Pomona, California.

505 S. Garey Avenue
Pomona, CA 91769

The custodian for these records is the City Clerk and Development Services Director.

SECTION 9. That the new fees attached hereto shall become effective sixty (60) days following the adoption of this Resolution by the City Council.

PASSED, APPROVED AND ADOPTED this 2nd day of August, 2021.

CITY OF POMONA:

Tim Sandoval
Mayor

APPROVED AS TO FORM:

Sonia R. Carvalho

Sonia Carvalho
City Attorney

ATTEST:

Rosalia A. Butler, MMC
City Clerk

I, HEREBY CERTIFY that the foregoing resolution was duly adopted by the City Council of the City of Pomona at a regular meeting thereof held on August 2, 2021 by the following vote of the Council:

AYES:	Nolte, Preciado, Garcia, Lustro, Sandoval
NOES:	Ontiveros-Cole, Torres
ABSTAIN:	None
ABSENT:	None

Rosalia A. Butler, MMC
City Clerk

Exhibit "A"
Development Impact Fee Schedule

Fee Type	Final Fee Amounts			
Traffic Signal and Control Device Facilities Fund	$5.00 per trip generated by new construction			
Road and Highway Facilities Fund	$5.00 per trip generated by new construction			
Public Safety Facilities Fund	$0.25 per square foot generated by new construction			
Park and Recreation Improvement Fee	**Residential**		**In-fill[1]**	**Subdivisions[2]**
	0 to 500 sq. ft.		$6,422	$10,119
	501 to 1,499 sq. ft.		$9,649	$15,204
	1,500+ sq. ft.		$11,475	$18,080
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	501 to 1,499 sq. ft.	$4,321	Office	$1,756
	1,500+ sq. ft.	$5,129	Warehouse	$175
			Manufacturing	$878
			Institutional	$3,250
			Hotel Room	$1,756
Storm Drain (New Fee)	**Residential**		**Non-Residential (per 1,000 sq. ft.)**	
	0 to 500 sq. ft.	$45	Commercial	$144
	501 to 1,499 sq. ft.	$45	Office	$170
	1,500+ sq. ft.	$77	Warehouse	$193
			Manufacturing	$193
			Institutional	$88
			Hotel Room	$63

[1] Park fees charged under the Mitigation Fee Act for infill development.

[2] Fees in lieu of land dedication charged under the Quimby Act for subdivisions.

Exhibit "B"
Development Impact Fee Study

Exhibit "B"

CITY OF POMONA

DEVELOPMENT IMPACT FEE UPDATE STUDY

FINAL DRAFT

JUNE 29, 2021

WILLDAN
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www.willdan.com

Other Regional Offices
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Seattle, WA
Washington, DC

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TABLE OF CONTENTS

Executive Summary

This report summarizes an analysis of development impact fee and capacity charges needed to support future development in the City of Pomona through 2040. It is the City's intent that the costs representing future development's share of public facilities and capital improvements be imposed on that development in the form of a development impact fee, also known as a public facilities fee. The public facilities and improvements included in this analysis are divided into the fee categories listed below:

- Roadway Facilities and Traffic Signals
- Public Safety Facilities
- Parks and Recreation Facilities
- Storm Drainage Facilities
- Potable and Recycled Water Facilities
- Sewer Facilities

Background and Study Objectives

The primary policy objective of a development impact fee program is to ensure that new development pays the capital costs associated with growth. Although growth also imposes a services. The primary purpose of this report is to calculate and present fees that will enable the City to expand its inventory of public facilities, as new development creates increases in service demands. Two types of fees are identified in this report:

1. This study identifies the maximum justified development impact fees for roadway facilities, traffic signals, public safety facilities, storm drain facilities and parks and recreation facilities fees under authority granted by the *Mitigation Fee Act (*the *Act)*, contained in *California Government Code* Sections 66000 *et seq*. Each chapter that includes fees collected under the *Act* provides the necessary findings required by the *Act* for adoption of the fees presented in the fee schedules contained herein.
2. The water, recycled water and sewer facilities fees calculated in this report are also known as capacity charges and are subject to the requirements of *Government Code Section 66013*, which defines a capacity charge as "a charge for public facilities in existence at the time a charge is imposed or charges for new public facilities to be acquired or constructed in the future that are of proportional benefit to the person or property being charged, including supply or capacity contracts for rights or entitlements, real property interests, and entitlements and other rights of the local agency involving capital expense relating to its use of existing or new public facilities. A "capacity charge" does not include a commodity charge." Capacity charges based on the buy-in method are a reimbursement for past capital costs. Capacity charges are not subject to the nexus findings required for impact fees, and are typically triggered by a new or upsized connection to the utility.

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

Facility Standards and Costs

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

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

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

The **buy-in method** is typically used when the existing system has sufficient capacity to serve new development now and into the future. Under the buy-in methodology, new development "buys" a proportionate share of existing capacity at the current value of the existing facilities. This approach is typically used for utility fees, where existing facilities are built with excess capacity to serve future development. **This approach is used for the water, recycled water, and sewer capacity charges in this report.**

Use of Fee Revenues

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

Revenue from the capacity charges for water, recycled water and sewer facilities can be used to reimburse the City for prior infrastructure investments. Once reimbursed, the City is able to spend fee revenue as it desires.

In that the City cannot predict with certainty how and when development within the City will occur during the 20-year planning horizon assumed in this study, the City may need to update and revise the project lists funded by the fees documented in this study. Any substitute projects should be funded within the same facility category, and the substitute projects must still benefit and have a relationship to new development. The City could identify any changes to the projects funded by the impact fees when it updates the CIP. The impact fees could also be updated if significant changes to the projects funded by the fees are anticipated.

Development Impact Fee Schedule Summary

Table E.1 summarizes the development impact fees that meet the City's identified needs and comply with the requirements of the *Mitigation Fee Act*.

E.1: Maximum Justified Development Impact Fee Schedule

Land Use	Roadways	Traffic Signals	Public Safety	Parks (Infill)[1]	Parks (Subdivisions)[2]	Storm Drain[3]	Water	Recycled Water[4]	Sewer	Total (Infill)	Total (Subdivisions)
Residential - per Dwelling Unit											
Less than 500 Square Feet	$ 6,688	$ 581	$ 2,619	$ 6,422	$ 10,119	$ 42	$ 2,880	$ -	$ 2,884	$ 22,116	$ 25,813
500 – 1,499 Square Feet	10,033	871	3,935	9,649	15,204	42	4,321	-	4,326	33,177	38,732
1,500 + Square Feet	11,984	1,041	4,680	11,475	18,080	72	5,129	-	5,135	39,516	46,121
Nonresidential - per 1,000 Square Feet or Hotel Room											
Commercial	$ 13,284	$ 1,154	900	$ -	$ -	$ 136	$ 404	$ -	$ 405	$ 16,283	$ 16,283
Office	16,908	1,469	1,142	-	-	161	1,756	-	1,758	23,194	23,194
Industrial											
Warehouse	$ 2,879	$ 250	$ 133	$ -	$ -	$ 193	$ 175	$ -	$ 175	$ 3,805	$ 3,805
Manufacturing	9,569	831	612	-	-	193	878	-	879	12,962	12,962
Institutional	5,388	468	243	-	-	84	3,250	-	3,253	12,686	12,686
Hotel Room	6,224	541	224	-	-	59	1,756	-	1,758	10,562	10,562

[1] Park fees charged under the Mitigation Fee Act for infill development.
[2] Fees in lieu of land dedication charged under the Quimby Act for subdivisions.
[3] Assumes that units 1,500 square feet and larger are single family units for the purpose of this fee schedule summary.
[4] Charged on a case by case basis at $2.05 per GPD.

Sources: Tables 3.5, 3.6, 4.5, 5.7, 6.5, 7.4 and 8.4.

1. Introduction

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

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

Public Facilities Financing in California

The changing fiscal landscape in California during the past 40 years has steadily undercut the financial capacity of local governments to fund infrastructure. Three dominant trends stand out:

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

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

Study Objectives

The primary policy objective of a public facilities fee program is to ensure that new development pays the capital costs associated with growth. *Policy 7D.P18* of the General Plan states: "Ensure that new developments provide an integrated pattern of streets and pedestrian paths that provide connections between neighborhoods." *Policy 6C.P7* states, "If any new residential development is permitted as a result of any subsequent land use study in the future, require provision of new public neighborhood and community parks at a ratio consistent with City standards." *Policy 7E.P33* states, "Require that all new development or expansion of existing facilities bear the cost of expanding the wastewater disposal system to handle the increased loads anticipated by development."

The primary purpose of this report is to update the City's impact fees and capacity charges based on the most current available facility plans and growth projections. The maximum justified fees will enable the City to expand its inventory of public facilities as new development leads to increases in service demands. This report supports the General Plan policies stated above.

The City collects development impact fees under authority granted by the Mitigation Fee Act (the Act), contained in California Government Code Sections 66000 et seq. This report provides the

necessary findings required by the Act for adoption of the fees presented in the fee schedules presented in this report.

Though nearing buildout, Pomona is forecast to see moderate growth through this study's planning horizon of 2040. This growth will create an increase in demand for public services and the facilities required to deliver them. Given the revenue challenges described above, Pomona has decided to continue to use a development impact fee program to ensure that new development funds its share of facility costs associated with growth. This report makes use of the most current available growth forecasts and facility plans to update the City's existing fee program to ensure that the fee program accurately represents the facility needs resulting from new development.

Fee Program Maintenance

Once a fee program has been adopted it must be properly maintained to ensure that the revenue collected adequately funds the facilities needed by new development. To avoid collecting inadequate revenue, the inventories of existing facilities and costs for planned facilities must be updated periodically for inflation, and the fees recalculated to reflect the higher costs. The use of established indices for each facility included in the inventories (land, buildings, and equipment), such as the *Engineering News-Record*, is necessary to accurately adjust the impact fees. For a list of recommended indices, see Chapter 9.

While fee updates using inflation indices are appropriate for annual or periodic updates to ensure that fee revenues keep up with increases in the costs of public facilities, it is recommended to conduct more extensive updates of the fee documentation and calculation (such as this study) when significant new data on growth forecasts and/or facility plans become available. For further detail on fee program implementation, see Chapter 9.

Study Methodology

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

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

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

Types of Facility Standards

There are three separate components of facility standards:

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

New Development Facility Needs and Costs

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

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

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

Existing Inventory Method

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

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

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

Planned Facilities Method

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

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

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

Buy-In Method

The buy-in method is based on the value of the existing system's capacity. This method is typically used when the existing system has sufficient capacity to serve new development now and into the future. Under the buy-in methodology, new development "buys" a proportionate share of existing capacity at the current value of the existing facilities.

The buy-in fee is determined by taking the current value of assets (replacement cost new, less depreciation) divided by the current capacity provided by the system. Responsibility for new capital improvements is then shared equally by all customers. A simplified version of the calculation equation is:

$$\frac{\text{Present Value of Existing Facilities}}{\text{Existing System Capacity}} = \text{cost per unit of demand}$$

This approach is typically used for utility fees, where existing facilities are built with excess capacity to serve future development. **This approach is used for the water, recycled water, and sewer fees in this report.**

Organization of the Report

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

Chapters 3 through 8 identify facility standards and planned facilities, allocate the cost of planned facilities between new development and other development, and identify the appropriate development impact fee or capacity charge for each of the following facility categories:

- Roadway Facilities and Traffic Signals
- Public Safety Facilities
- Parks and Recreation Facilities
- Storm Drainage Facilities
- Potable and Recycled Water Facilities
- Sewer Facilities

Chapter 9 details the procedures that the City must follow when implementing a development impact fee program. Impact fee program adoption procedures are found in *California Government Code* Sections 66016 through 66018.

2. Growth Forecasts

Growth projections are used as indicators of demand to determine facility needs and allocate those needs between existing and new development. This chapter explains the source for the growth projections used in this study based on a 2020 base year and a planning horizon of 2040.

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

- The estimate of existing development in 2020 is used as an indicator of existing facility demand and to determine existing facility standards.
- The estimate of total development at the 2040 planning horizon is used as an indicator of future demand to determine total facilities needed to accommodate growth and remedy existing facility deficiencies, if any.
- Estimates of growth from 2020 through 2040 are used to (1) allocate facility costs between new development and existing development, and (2) estimate total fee revenues.

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

Land Use Types

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

- **Residential:** All residential dwelling units, including single family and multifamily units. The fee schedule is divided into three categories, based on the square footage of the dwelling unit:
  - Less than 500 Square Feet
  - 500 – 1,499 Square Feet
  - 1,500 + Square Feet
- **Commercial:** All commercial, retail, educational, and service development
- **Office:** All general, professional, and medical office development
- **Industrial:**

  Warehousing: Facilities that are used on a permanent basis for the receipt, storage, and redistribution of goods generally handled in containers, such as boxes, barrels, and/or drums, using equipment, such as forklifts, pallets, and racks.

  Manufacturing: Facilities that fabricate, process, assemble, or blend materials into products. Manufacturing includes large machining operations, use of metal products, operations that have a combination of manufacturing, warehouse, and assembly in a space primarily occupied by very large machinery or other large fabrication and storage that may serve a variety of industries.
- **Institutional:** Includes non-commercial uses such as hospitals, schools, social or religious institutions, and public institutions
- **Hotel:** Places of lodging that provide sleeping accommodations, including all suite hotels and business hotels.

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

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

Accessory Dwelling Units

The California State Legislature recently amended requirements on local agencies for the imposition of development impact fees and capacity charges on accessory dwelling units (ADU) with Assembly Bill AB 68 in 2020. California Government Code §65852.2(f) regulates how impact fees and capacity charges are applied to ADUs. A high-level summary of these regulations is shown here, and the full text of California Government Code §65852.2(f) is reproduced in the appendix of this report for reference.

New utility connections for water and sewer service, and associated capacity charges and connection fees, may not be required for ADUs that are within the proposed space of a single-family dwelling or existing space of a single family dwelling or accessory structure, including an expansion of not more than 150 square feet beyond the physical dimensions of the existing accessory structure to accommodate ingress and egress.

Impact fees cannot be charged to ADUs less than 750 square feet. ADUs greater than 750 square feet can be charged impact fees (and Quimby fees in-lieu of land dedication) in proportion to the size of the primary dwelling unit.

Calculating Impact Fees for Accessory Dwelling Units

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

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

In the case of an 800 square foot ADU and a 1,600 square foot primary residence, the impact fees would be 50 percent (800 square feet / 1,600 square feet = 50%) of the single family dwelling unit fee. No capacity fees would be charged, since no new single family unit was constructed.

Existing and Future Development

Table 2.1 shows the estimated number of residents, dwelling units, employees, and building square feet in Pomona, both in 2020 and in 2040. The base year estimates of household residents and dwelling units comes from the California Department of Finance. Estimates of residents and housing units in 2040 are based on the Southern California Association of Government's (SCAG) 2016-2040 RTP/SCS Final Growth Forecast.

Base year employees were estimated based on the latest data from the US Census' OnTheMap application and exclude 671 local government (public administration) employees. Estimates of workers in 2040 are also based on the SCAG growth projections and are allocated to the land use categories based on the current proportion of workers in each general category.

Table 2.1: Existing and New Development

	2020	2040	Increase
Residents [1]	150,830	190,400	39,570
Dwelling Units [2]			
Single Family	28,306	34,586	6,280
Multifamily	13,516	16,514	2,998
Total	41,822	51,100	9,278
Employment [3]			
Commercial	16,557	26,203	9,646
Office	15,101	23,899	8,798
Industrial	10,804	17,098	6,294
Total	42,462	67,200	24,738
Building Square Feet (1,000s) [4]			
Commercial	7,076	11,198	4,122
Office	5,085	8,047	2,962
Industrial	11,163	17,666	6,503
Total	23,323	36,911	13,588

[1] Current population from California Department of Finance. 2040 projection from SCAG.
[2] Current values from California Department of Finance. 2040 projection from SCAG allocated to single and multifamily based on current proportions.
[3] Current estimates of primary jobs from the US Census' OnTheMap. 2040 projection from SCAG. Assumes current ratio among land uses will be maintained.
[4] Estimated building square feet calculated based on increase of employees and density factors in Table 2.2. The average employment density of warehouse and manufacturing uses is used to estimate industrial building square feet.

Sources: California Department of Finance, Table E-5, 2020; SCAG 2016-2040 RTP/SCS Final Growth Forecast by Jurisdiction; OnTheMap Application, http://onthemap.ces.census.gov; Table 2.2, Willdan Financial Services.

Occupant Densities

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

Occupant densities (residents per dwelling unit or workers per building square foot) are the most appropriate characteristics to use for most impact fees. The fee imposed should be based on the land use type that most closely represents the probable occupant density of the development.

This conversion is done with average household size factors that vary by dwelling unit square footage, shown in **Table 2.2**. The residential density factors are based on data for Pomona from

the 2019 American Housing Survey and the U.S. Census' 2019 American Community Survey, the most recent data available. The factors were calculated as follows:

1. **Calculate persons per dwelling unit, by dwelling unit square footage category.** Willdan examined data for the Los Angeles-Long Beach Metropolitan Statistical Area (MSA) from the American Housing Survey (AHS), 2019. The data regarding residents per dwelling unit was aggregated by the increments shown in Table 2.2. The total residents for the dwelling units within each square footage category was divided the total count of dwelling units in that square footage category to estimate the average residents per dwelling unit, by square footage category.
2. **Adjust for Pomona.** The estimate of persons per dwelling unit, per square footage category for the Los Angeles-Long Beach MSA was then adjusted using based on difference in average dwelling unit density for Pomona compared to the Los Angeles-Long Beach MSA as calculated from American Community Survey (ACS) data. These adjustments were necessary because data for the City of Pomona is not specifically available from the AHS, and the ACS does not provide data at the granularity needed to estimate persons per dwelling unit, by dwelling unit square footage. Tables B25024 and B25033 from the ACS were used to estimate the average occupancy density across all dwelling units for both the Los Angeles-Long Beach MSA and the City of Pomona.

Note that the estimates of residents per dwelling unit includes all dwelling units, as opposed to residents per household, which only includes occupied housing units. Estimates of residents per household are higher than residents per dwelling unit, but since the impact fees are applied to all new dwelling units, it is appropriate to use estimates of residents per dwelling unit to allocate costs though an impact fee.

The nonresidential occupancy factors are derived from data from the Institute of Traffic Engineers Trip Generation Manual, 10th Edition.

Table 2.2: Occupant Density Assumptions

Residents per Dwelling Unit, by Dwelling Unit Square Footage		
Less than 500 Square Feet	2.11	Residents per dwelling unit
500 – 1,499 Square Feet	3.17	Residents per dwelling unit
1,500 + Square Feet	3.77	Residents per dwelling unit
Nonresidential		
Commercial	2.34	Employees per 1,000 square feet
Office	2.97	Employees per 1,000 square feet
Industrial		
Warehouse	0.34	Employees per 1,000 square feet
Manufacturing	1.59	Employees per 1,000 square feet
Institutional	0.63	Employees per 1,000 square feet
Hotel	0.58	Employees per room

Sources: Tables B25024 and B25033 from the U.S. Census Bureau, 2019 American Community Survey 1-Year Estimates; 2019 American Housing Survey for the Los Angeles-Long Beach MSA; ITE Trip Generation Manual, 10th Edition; Willdan Financial Services.

Land Cost Assumptions

Table 2.3 displays the land cost assumption used throughout this report. The assumption was developed based on an analysis of land sales in Pomona within the past year, as reported by CoStar.

Table 2.3: Land Cost

Area	Value Per Acre
Weighted Average Cost per Acre	$ 982,000

Note: Includes land sales within the past year within Pomona, as reported by CoStar.

Sources: CoStar; Willdan Financial Services.

3. Roadway and Traffic Signal Facilities

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

Trip Demand

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

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

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

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

Table 3.1 shows the calculation of trip demand factors by land use category based on the adjustments described above. Data is based on extensive and detailed trip surveys conducted by the Institute of Traffic Engineers (ITE) and the San Diego Association of Governments (SANDAG), respectively. The pass-by trip assumptions and trip rates come from ITE. The trip length assumptions come from SANDAG, as these assumptions are not published locally by the Southern California Association of Governments (SCAG). The surveys provide one of the most comprehensive databases available of trip generation rates, pass-by trips factors, and average trip length for a wide range of land uses. Though urban development patterns differ between San Diego and the City of Pomona, the use of this data is appropriate as a means of allocating trips across multiple land use categories. This analysis assumes that the patterns of trip generation, trip purpose and trip length are roughly similar between the San Diego region and the Los Angeles region. Both regions are generally automobile-dependent and public transit limited—factors which drive trip generation characteristics. It should be noted that the projections of current and future trip generation in this report are based on data specific to the City of Pomona.

Table 3.1: Trip Rate Adjustment Factors

	Pass-by Trips[1]	Primary and Diverted Trips	Average Trip Length[2]	Adjust-ment Factor[3]	ITE Category	PM Peak Hour Trips[4]	Trip Demand Factor[5]
	A	B = 1 - A	C	D = B x C / Avg.		E	F = D x E
Residential - per Dwelling Unit[6]							
Single Family	0%	100%	7.9	1.14	Single Family Housing (210)	1.00	1.14
Multifamily	0%	100%	7.9	1.14	Multifamily Housing (Low-Rise) (220)	0.67	0.76
Residential - per Dwelling Unit[7]							
Less than 500 Square Feet	0%	100%	7.9	1.14	Single Family Housing (210)	0.63	0.72
500 – 1,499 Square Feet	0%	100%	7.9	1.14	Single Family Housing (210)	0.95	1.08
1,500 + Square Feet	0%	100%	7.9	1.14	Single Family Housing (210)	1.13	1.29
Nonresidential - per 1,000 Sq. Ft.							
Commercial	34%	66%	3.6	0.34	Shopping Center (820)	4.21	1.43
Office	0%	100%	8.8	1.28	General Office (710)	1.42	1.82
Industrial							
Warehousing	0%	100%	9.0	1.30	Warehousing (150)	0.24	0.31
Manufacturing	0%	100%	9.0	1.30	Manufacturing (140)	0.79	1.03
Institutional	0%	100%	4.8	0.70	High School (530)	0.83	0.58
Hotel Room	0%	100%	7.6	1.10	Hotel (310)	0.61	0.67

[1] Percent of total trips. A pass-by trip is made as an intermediate stop on the way from an origin to a primary trip destination without a route diversion. Pass-by trips are not considered to add traffic to the road network. Assumption based on ITE Trip Generation Handbook data.

[2] In miles. Based on SANDAG data.

[3] The trip adjustment factor equals the percent of non-pass-by trips multiplied by the average trip length and divided by the systemwide average trip length of 6.9 miles.

[4] Trips per dwelling unit or per 1,000 building square feet.

[5] The trip demand factor is the product of the trip adjustment factor and the trip rate.

[6] PM peak hour trip rates of 1.0 for single family units, and 0.67 for multifamily units are used to estimate existing and future trips in Table 3.2 because estimates of existing and future development were not available by dwelling unit square footage.

[7] Trip rate is based on the average PM peak hour trip rate per person (0.30 is the average of single family and multifamily PM Peak hour trips per person) and residents per dwelling unit assumptions from Table 2.2.

Sources: Institute of Traffic Engineers, Trip Generation Manual, 10th Edition; Institute of Traffic Engineers, Trip Generation Handbook, 3rd Edition; SANDAG; Willdan Financial Services.

Trip Demand Growth

The planning horizon for this analysis is 2040. **Table 3.2** lists the 2020 and 2040 land use assumptions used in this study. The trip demand factors calculated in Table 3.1 are multiplied by the existing and future dwelling units and building square feet to determine the increase in trip demand attributable to new development. For residential development, the increase in dwelling units will generate more trips and consequently more demand for transportation facilities. For nonresidential development, increases in building square footage accommodate more employees, who then generate more trips and consequently more demand for transportation facilities.

Table 3.2: Land Use Scenario and Trip Demand

Land Use	Trip Demand Factor	2020 Units / 1,000 SF	2020 Trips	Growth 2020 to 2040 Units / 1,000 SF	Growth 2020 to 2040 Trips	Total - 2040 Units / 1,000 SF	Total - 2040 Trips
Residential Dwelling Unit							
Single Family	1.14	28,306	32,269	6,280	7,159	34,586	39,428
Multifamily	0.76	13,516	10,272	2,998	2,279	16,514	12,551
Subtotal		41,822	42,541	9,278	9,438	51,100	51,979
Nonresidential - per 1,000 Sq. Ft.							
Commercial	1.43	7,076	10,118	4,122	5,895	11,198	16,013
Office	1.82	5,085	9,254	2,962	5,391	8,047	14,645
Industrial[1]	0.67	11,163	7,479	6,503	4,358	17,666	11,837
Subtotal		23,323	26,851	13,588	15,644	36,911	42,495
Total			69,392		25,082		94,474
			73.5%		26.5%		100%

[1] The average of warehouse and manufacturing trip demand factors is used to estimate industrial trip demand.

Sources: Tables 2.1 and 3.1.

Existing Roadway and Traffic Signal Inventory

The City of Pomona has made considerable investments in its transportation infrastructure. **Table 3.3** summarizes the City's existing transportation inventory in 2020. The inventory is limited to primary arterial and collector streets that provide connectivity between neighborhoods and activity centers within the City, and that provide connectivity to neighboring cities and regional transportation facilities. As new development occurs, that development will need to fund these same types of facilities to ensure that the City can maintain its existing level of service.

The City provided the replacement cost assumptions for use in this analysis. In total, the City owns nearly $631 million worth of roadways and nearly $55 million worth of traffic signals.

Table 3.3: Traffic Facilities Existing Inventory

Infrastructure Type	Length (Feet)	Avg. Width (Feet)	Area	Units	Unit Conversion	Unit Cost	Total Replacement Cost
Roadways							
Arterials	1,795,200	52	93,350,000	Sq. ft.			
Collectors[1]	924,000	36	33,264,000	Sq. ft.			
Total			126,614,000	Sq. ft.	1,171,180 ton[2]	$ 86	$ 100,721,437
Sidewalks	3,500,640	10	35,006,000	Sq. ft.	N/A	$ 9	$ 315,054,000
Curb and Gutter	NA	NA	3,432,000	Linear ft.	N/A	$ 63	$ 216,216,000
Total Roadways Replacement Cost							$ 631,991,437
Signals	NA	NA	183	Intersections		$ 300,000	$ 54,900,000
Total Traffic Facilities Replacement Cost							**$ 686,891,437**

Note: Inventory limited to arterial and collector streets that provide connectivity between neighborhoods and activity centers within the City, and that provide connectivity to neighboring cities and regional transportation facilities. Local streets used primarily for access to one specific neighborhood or development site are not included.

[1] Includes bike lanes.

[2] 126,614,000 sf x 0.125 ft x 0.074 ton/cf = 1,171,180 tons.

Sources: City of Pomona; Willdan Financial Services.

Fee per Trip Demand Unit

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

Table 3.4 displays the calculation of the cost the cost per trip demand unit by dividing the existing traffic facility replacement cost from Table 3.3 by existing trip demand from Table 3.2 for roadways and traffic signals, respectively.

If an applicant believes that their project does not fit into the land use categories for which fees have been calculated, at the discretion of the Public Works Director, the fee can be calculated by multiplying the cost per trip by the number of PM peak hour trips identified in the latest ITE Trip Generation Manual for the land use, adjusted by the applicable trip rate adjustment factors in Table 3.1.

Table 3.4: Existing Inventory Cost per Trip

	Roadways	Traffic Signals
Existing Inventory Replacement Cost	$631,991,437	$ 54,900,000
Existing Trip Demand	69,392	69,392
Cost per Trip	$ 9,108	$ 791

Sources: Tables 3.2 and 3.3.

Fee Schedules

Table 3.5 shows the maximum justified roadways facilities fee schedule and **Table 3.6** shows the maximum justified traffic signal facilities fee schedule. The City can adopt any fee up to these amounts. The maximum justified fees are based on the costs per trip shown in Table 3.4. The cost per trip is multiplied by the trip demand factors in Table 3.1 to determine a fee per unit of new development. The total fee includes a two percent (2%) administrative charge to fund costs that include: a standard overhead charge applied to all City programs for legal, accounting, and other departmental and administrative support, and fee program administrative costs including revenue collection, revenue, and cost accounting, mandated public reporting, and fee justification analyses.

If an applicant believes that their project does not fit into the land use categories for which fees have been calculated, at the discretion of the Public Works Director, the fee can be calculated by multiplying the costs per trip from Table 3.4 by the number of PM peak hour trips identified in the latest ITE Trip Generation Manual for the land use, adjusted by the applicable trip rate adjustment factors in Table 3.1

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

Table 3.5: Maximum Justified Roadway Facilities Impact Fee Schedule

Land Use	A Cost Per Trip	B Trip Demand Factor	C = A x B Base Fee[1]	D = C x 0.02 Admin Charge[1, 2]	E = C + D Total Fee[1]	E / 1,000 Fee per Sq. Ft.
Residential - per Dwelling Unit						
Less than 500 Square Feet	$ 9,108	0.72	$ 6,557	$ 131	$ 6,688	
500 – 1,499 Square Feet	9,108	1.08	9,836	197	10,033	
1,500 + Square Feet	9,108	1.29	11,749	235	11,984	
Nonresidential - per 1,000 Sq. Ft. or Hotel Room						
Commercial	$ 9,108	1.43	$ 13,024	$ 260	$ 13,284	$ 13.28
Office	9,108	1.82	16,576	332	16,908	16.91
Industrial						
Warehousing	$ 9,108	0.31	$ 2,823	$ 56	$ 2,879	$ 2.88
Manufacturing	9,108	1.03	9,381	188	9,569	9.57
Institutional	9,108	0.58	5,282	106	5,388	5.39
Hotel Room	9,108	0.67	6,102	122	6,224	6.22

[1] Fee per dwelling unit, per 1,000 square feet of nonresidential or per hotel room.

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

Sources: Tables 3.1 and 3.4.

Table 3.6: Maximum Justified Traffic Signals Impact Fee Schedule

Land Use	A Cost Per Trip	B Trip Demand Factor	C = A x B Base Fee[1]	D = C x 0.02 Admin Charge[1, 2]	E = C + D Total Fee[1]	E / 1,000 Fee per Sq. Ft.
Residential - per Dwelling Unit						
Less than 500 Square Feet	$ 791	0.72	$ 570	$ 11	$ 581	
500 – 1,499 Square Feet	791	1.08	854	17	871	
1,500 + Square Feet	791	1.29	1,021	20	1,041	
Nonresidential - per 1,000 Sq. Ft. or Hotel Room						
Commercial	$ 791	1.43	$ 1,131	$ 23	$ 1,154	$ 1.15
Office	791	1.82	1,440	29	1,469	1.47
Industrial						
Warehousing	$ 791	0.31	$ 245	$ 5	$ 250	$ 0.25
Manufacturing	791	1.03	815	16	831	0.83
Institutional	791	0.58	459	9	468	0.47
Hotel Room	791	0.67	530	11	541	0.54

[1] Fee per dwelling unit, per 1,000 square feet of nonresidential or per hotel room.

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

Sources: Tables 3.1 and 3.4.

Mitigation Fee Act Findings

The five statutory findings required for adoption of the roadway and traffic signal facilities fees documented in this chapter are presented below. All statutory references are to the *Mitigation Fee Act*.

Purpose of Fee

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

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

Use of Fee Revenues

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

If enacted by the City, fees documented in this chapter would be used to fund expanded facilities to serve new development. Facilities funded by these fees are designated to be located within the City's existing boundaries. Fees addressed in this chapter have been identified by the City to be restricted to funding roadways and traffic signals.

Benefit Relationship

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

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

Burden Relationship

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

The need for facilities is based on a facility standard that represents the demand generated by new development for those facilities. For roadways and traffic signals, demand is measured in terms of a cost per trip-- a single facility standard that can be applied across land use types to ensure a reasonable relationship to the type of development. New development will fund roadways and traffic signals at a level of service in terms of facilities cost per trip no greater than that which existing development has funded to date.

Proportionality

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

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

4. Public Safety Facilities

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

Service Population

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

Table 4.1 shows the existing and future projected service population for public safety facilities. While specific data is not available to estimate the actual ratio of demand per resident to demand by businesses (per worker) for this service, it is reasonable to assume that demand for these services is less for one employee compared to one resident, because nonresidential buildings are typically occupied less intensively than dwelling units. The 0.31-weighting factor for workers is based on a 40-hour workweek divided by the total number of non-work hours in a week (128) and reflects the degree to which nonresidential development yields a lesser demand for public safety facilities. Note that under this approach residents who also work within the City are weighted more heavily than a resident who works elsewhere. This is appropriate as that resident creates demand for public safety services while they are at home and while they are working.

Table 4.1: Public Safety Facilities Service Population

	A	*B*	*A x B = C*
	Persons	**Weighting Factor**	**Service Population**
Residents			
Existing (2020)	150,830	1.00	150,830
New Development	39,570	1.00	39,570
Total (2040)	190,400		190,400
Workers			
Existing (2020)	42,462	0.31	13,200
New Development	24,738	0.31	7,700
Total (2040)	67,200		20,900
Combined Residents and Weighted Workers			
Existing (2020)			164,030
New Development			47,270
Total (2040)			211,300

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

Sources: Table 2.1; Willdan Financial Services.

Existing Facility Inventory

The City's public safety facilities inventory is comprised of nine fire stations, a fire training tower, the public safety (police) station, traffic bureau and various accessory buildings. The land cost assumption was based on an analysis of recent land sales within the City of Pomona and is consistent with other chapters in the report. The value of buildings is based on the replacement cost for similar facilities provided by other Willdan clients. In total the City owns nearly $200 million worth of public safety facilities. **Table 4.2** displays the City's existing inventory of public safety facilities.

Table 4.2: Existing Public Safety Facilities Inventory

	Inventory	Unit	Unit Cost	Replacement Cost
Public Safety Building				
Land	2.39	acres	$ 982,000	$ 2,346,980
Building	28,643	sq. ft.	525	15,037,575
Subtotal				$ 17,384,555
Fire Station #181				
Land	-	acres	$ 982,000	$ -
Building	13,309	sq. ft.	525	6,987,225
Subtotal				$ 6,987,225
Fire Station #182				
Land	0.34	acres	$ 982,000	$ 333,880
Building	4,512	sq. ft.	525	2,368,800
Subtotal				$ 2,702,680
Fire Station #183				
Land	0.60	acres	$ 982,000	$ 589,200
Building	3,814	sq. ft.	525	2,002,350
Subtotal				$ 2,591,550
Fire Station #184				
Land	0.61	acres	$ 982,000	$ 599,020
Building	4,250	sq. ft.	525	2,231,250
Subtotal				$ 2,830,270
Fire Station #185				
Land	0.77	acres	$ 982,000	$ 756,140
Building	4,827	sq. ft.	525	2,534,175
Subtotal				$ 3,290,315
Fire Station #186				
Land	0.47	acres	$ 982,000	$ 461,540
Building	5,165	sq. ft.	525	2,711,625
Subtotal				$ 3,173,165

Sources: City of Pomona; Table 2.3, Willdan Financial Services.

Table 4.2: Existing Public Safety Facilities Inventory Continued

	Inventory	Unit	Unit Cost	Replacement Cost
Fire Station #187 + Fire Training Tower				
Land	6.47	acres	$ 982,000	$ 6,353,540
Building	15,480	sq. ft.	525	8,127,000
Subtotal				$ 14,480,540
Fire Station #188				
Land	0.53	acres	$ 982,000	$ 520,460
Building	3,300	sq. ft.	525	1,732,500
Subtotal				$ 2,252,960
Fire Station #189				
Land	128.60	acres	$ 982,000	$ 126,285,200
Building	1,000	sq. ft.	525	525,000
Subtotal				$ 126,810,200
Evidence Building				
Land	0.31	acres	$ 982,000	$ 304,420
Building	5,254	sq. ft.	525	2,758,350
Subtotal				$ 3,062,770
Pistol Range				
Land	9.76	acres	$ 982,000	$ 9,584,320
Building	5,510	sq. ft.	300	1,653,000
Subtotal				$ 11,237,320
Traffic Bureau [1]				
Land	1.23	acres	$ 982,000	$ 1,207,860
Building	3,015	sq. ft.	525	1,582,875
Subtotal				$ 2,790,735
Total Value - Existing Facilities				$ 199,594,285

[1] Assumes half of facility is used for public safety uses. Total acreage is 2.45 acres. Total building size is 6,030 square feet.

Sources: City of Pomona; Table 2.3, Willdan Financial Services.

Cost Allocation

Table 4.3 shows the calculation of the existing facilities standard per capita for public safety facilities. This cost is calculated by dividing the total existing value of all public safety facilities by the existing service population. The cost per capita is multiplied by the worker weighting factor of 0.31 to determine the cost per worker.

Table 4.3: Public Safety Facilities Existing Standard

Value of Existing Facilities	$	199,594,285
Existing Service Population		164,030
Cost per Capita	$	1,217
Facility Standard per Resident	$	1,217
Facility Standard per Worker[1]		377

[1] Based on a weighing factor of 0.31.

Sources: Tables 4.1 and 4.2.

Fee Revenue Projection

The City plans to use public safety facilities fee revenue to construct improvements and acquire capital facilities and equipment to add to the system of public safety facilities to serve new development. **Table 4.4** details a projection of fee revenue, based on the service population growth increment identified in Table 4.1. The City should program public safety facilities fee revenue to capacity expanding projects annually through its CIP and budget process.

Table 4.4: Revenue Projection - Existing Standard

Cost per Capita	$	1,217
Growth in Service Population (2020- 2040)		47,270
Fee Revenue	$	57,527,590

Sources: Tables 4.1 and 4.3.

Fee Schedule

Table 4.5 shows the maximum justified public safety facilities fee schedule. The City can adopt any fee up to this amount. The cost per capita is converted to a fee per unit of new development based on dwelling unit and employment densities (persons per dwelling unit or employees per 1,000 square feet of nonresidential building space). The total fee includes a two percent (2.0%) administrative charge to fund costs that include: a standard overhead charge applied to City programs for legal, accounting, and other departmental and administrative support, and fee program administrative costs including revenue collection, revenue and cost accounting and mandated public reporting.

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

Table 4.5: Public Safety Facilities Fee - Maximum Justified Fee Schedule

Land Use	A Cost Per Capita	B Density	C = A x B Base Fee[1]	D = C x 0.02 Admin Charge[1, 2]	E = C + D Total Fee[1]	F = E / 1,000 Fee per Sq. Ft.
Residential - per Dwelling Unit						
Less than 500 Square Feet	$ 1,217	2.11	$ 2,568	$ 51	$ 2,619	
500 – 1,499 Square Feet	1,217	3.17	3,858	77	3,935	
1,500 + Square Feet	1,217	3.77	4,588	92	4,680	
Nonresidential - per 1,000 Sq. Ft. or Hotel Room						
Commercial	$ 377	2.34	$ 882	$ 18	$ 900	$ 0.90
Office	377	2.97	1,120	22	1,142	1.14
Industrial						
Warehousing	$ 377	0.34	$ 130	$ 3	$ 133	$ 0.13
Manufacturing	377	1.59	600	12	612	0.61
Institutional	377	0.63	238	5	243	0.24
Hotel Room	377	0.58	220	4	224	0.22

[1] Fee per dwelling unit, per 1,000 square feet of nonresidential or per hotel room.

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

Sources: Tables 2.2 and 4.4.

Mitigation Fee Act Findings

The five statutory findings required for adoption of the public safety facilities fees documented in this chapter are presented below. All statutory references are to the *Mitigation Fee Act.*

Purpose of Fee

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

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

Use of Fee Revenues

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

Fees documented in this chapter, if enacted by the City, would be used to fund expanded public safety facilities to serve new development. In this context public safety refers to police and fire protection facilities, including but not limited to land, buildings vehicles, apparatus, and equipment. Facilities funded by these fees are designated to be located within the City's existing boundaries.

Benefit Relationship

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

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

Burden Relationship

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

Facilities need is based on a facility standard that represents the demand generated by new development for those facilities. For public safety facilities service population standards are calculated based upon the number of residents associated with residential development and the number of workers associated with non-residential development. To calculate a single, per capita standard, one worker is weighted less than one resident based on an analysis of the relative use demand between residential and nonresidential development.

Public safety facilities fees are calculated at the existing standard. Under this method new development will fund the expansion of facilities at the same standard currently serving existing development on a cost per capita basis.

Proportionality

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

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

5. Park and Recreation Facilities

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

Service Population

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

Table 5.1: Park and Recreation Facilities Service Population

	Residents
Existing (2020)	150,830
Growth (2020 to 2040)	39,570
Total (2040)	190,400

Source: Table 2.1.

Existing Park and Recreation Facilities Inventory

The City of Pomona maintains several park and recreation facilities throughout the city. **Table 5.2** summarizes the City's existing parkland inventory in 2020. All facilities are located within the City limits. In total, the inventory includes a total of 188.48 acres of improved parkland.

Table 5.2: Parkland Inventory

Name	Address	Developed Acres
Centennial Park	242 S. Gibbs St.	0.38
Cesar Chavez Park	2720 Barjud Ave.	1.07
Civic Center Plaza	235 W. 7th St.	0.89
Country Crossings Park (Lower Area)	10 Santa Clara Dr.	6.16
Country Crossings Park (Upper Area)	2 Pala Mesa Dr.	1.21
Esperanza y Alegria Park		0.16
Ganesha Park	1575 N. White Ave.	56.30
Garfield Park	801 E. Holt Ave.	2.56
Hamilton Park	317 N. Hamilton Blvd.	1.05
Jaycee Park	2000 N. San Antonio Ave.	5.30
Kellogg Park	690 Medina St.	2.53
John F. Kennedy Park	1150 Fairplex Dr.	7.82
Kiwanis Park	954 Weber St.	4.58
Lincoln Park	400 E. Lincoln Ave.	3.03
Memorial Park	655 W. 3rd St.	1.51
Martin Luther King, Jr. Park	800 W. Lexingon Ave.	5.22
Montvue Park	1555 Cordova St.	3.25
Palomares Park	499 E. Arrow Hwy.	16.70
Phil & Nell Soto Park	1225 N Park Ave.	1.99
Philadelphia Park	700 E. Philadelphia St.	5.26
Phillips Ranch Park	18 B Village Loop Rd.	5.01
Powers Park	600 W. Olive St.	0.73
Ralph Welch Park	1000 Buena Vista St.	8.22
Ted Greene Park	2105 N. Orange Grove Ave.	5.71
Tony Cerda Park	450 W. Grand Ave.	4.58
Washington Park	865 E. Grand Ave.	21.93
Westmont Park	1808 W. 9th St.	6.52
Willie White Park	3065 Battram St.	4.43
Soroptimist Redwood Grove	1000 W. McKinley Ave.	4.22
Garfield Neighborhood Center	563 N. Mountain View Ave.	0.15
Total		188.48

Source: City of Pomona.

Parkland and Park Facilities Unit Costs

Table 5.3 displays the unit costs necessary to develop parkland in Pomona. The land cost assumption was based on an analysis of recent land sales within the City of Pomona and is consistent with other chapters in the report. An estimate of $1,405,000 per acre for standard parkland improvements is based on the City's recent experience improving Phil & Nell Soto Park. Note that this estimate of improvement costs is conservative, as this park is a passive park. Parks with a greater level of amenities will cost more per acre than Phil & Nell Soto Park. In total, it costs approximately $2.4 million to acquire and improve an acre of parkland in Pomona.

Table 5.3: Park Facilities Unit Costs

	Cost Per Acre	Share of Total Costs
Standard Park Improvements[1]	$1,405,000	59%
Land Acquisition	982,000	41%
Total Cost per Acre	$2,387,000	100%

[1] Improvement cost per acre based on the cost of Phil & Nell Soto Park.

Sources: City of Pomona; Table 2.3, Willdan Financial Services.

Park Facility Standards

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

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

Quimby Act Standard

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

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

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

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

City of Pomona Park Facilities Standards

Table 5.4 shows the existing standard for improved park acreage per 1,000 residents based on the type of parkland. In total the City has an existing parkland standard of 1.25 acres per 1,000 residents. The fee analysis in this report will be based on maintaining a 1.25 acre per 1,000 service population standard as new development adds demand for parks in Pomona. Fees for subdivisions are calculated at the minimum *Quimby* standard of 3.0 acres per 1,000 residents.

[1] *California Government Code* §66477.

Table 5.4: Parkland Standards

Developed Park Acreage	188.48
Service Population (2020)	150,830
Existing Standard (Acres per 1,000 Residents)	1.25
Quimby Act Standard (Acres per 1,000 Residents)	3.00

Sources: Tables 1 and 2.

Facilities Needed to Accommodate New Development

Table 5.5 shows the park facilities needed to accommodate new development at the existing standard. To achieve the standard by the planning horizon, depending on the amount of development subject to the Quimby Act, new development must fund the purchase and improvement of between 49.46 and 118.71 parkland acres, at a total cost ranging between $118.1 and $186.1 million.

The facility standards and resulting fees under the Quimby Act are higher because development will be charged to provide 3.0 acres of parkland per 1,000 residents, and 1.25 acres of improvements, whereas development not subject to the Quimby Act will be charged to provide only 1.25 acres of parkland per 1,000 residents, and 1.25 acres of improvements. Since the exact amount of development that will be subject to the Quimby fees is unknown at this time, Table 5.5 presents the range of total facility costs that may be incurred depending on the amount of development subject to the Quimby Act.

Table 5.5: Park Facilities to Accommodate New Development

	Calculation	Parkland	Improvements	Total Range[1]
Parkland (Quimby Act), Improvements (Mitigation Fee Act)[2]				
Facility Standard (acres/1,000 capita)	*A*	3.00	1.25	
Service Population Growth (2020 to 2040)	*B*	39,570	39,570	
Facility Needs (acres)	*C = A x B/1000*	118.71	49.46	
Average Unit Cost (per acre)	*D*	$ 982,000	$ 1,405,000	
Total Cost of Facilities	*E = C x D*	$ 116,573,000	$ 69,491,000	$ 186,064,000
Parkland and Improvements - Mitigation Fee Act[3]				
Facility Standard (acres/1,000 capita)	*A*	1.25	1.25	
Service Population Growth (2020 to 2040)	*B*	39,570	39,570	
Facility Needs (acres)	*C = A x B/1000*	49.46	49.46	
Average Unit Cost (per acre)	*D*	$ 982,000	$ 1,405,000	
Total Cost of Facilities	*E = C x D*	$ 48,570,000	$ 69,491,000	$ 118,061,000

Note: Totals have been rounded to the thousands.

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

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

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

Sources: Tables 5.1, 5.3 and 5.4.

Parks and Recreation Facilities Cost per Capita

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

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

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

Table 5.6: Park Facilities Investment Per Capita

		Land		Improvements
	Calculation	Quimby Fee OR	Impact Fee AND	Impact Fee
Parkland Investment (per acre)	*A*	$ 982,000	$ 982,000	$ 1,405,000
Existing Standard (acres per 1,000 capita)	*B*	3.00	1.25	1.25
Total Cost Per 1,000 capita	*C = A x B*	$ 2,946,000	$1,227,500	$ 1,756,300
Cost Per Resident	*D = C / 1,000*	$ 2,946	$ 1,228	$ 1,756

Sources: Tables 5.3 and 5.4.

Use of Fee Revenue

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

Fee Schedule

To calculate fees by land use type, the investment in park facilities is determined on a per resident basis for both land acquisition and improvement. This investment factor (shown in Table 5.7) is the investment per capita based on the unit cost estimates and facility standards.

Table 5.7 shows the maximum justified park and recreation facilities fee based on the policy standard of 3.0 acres per capita under the Quimby Act and under the existing park standard under the Mitigation Fee Act, respectively. The investment per capita is converted to a fee per dwelling unit using the occupancy density factors from Table 2.2. The total fee includes an administrative charge to fund costs that include: (1) legal, accounting, and other administrative support and (2) impact fee program administrative costs including revenue collection, revenue, and cost accounting, mandated public reporting, and fee justification analyses.

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

Table 5.7: Park Facilities Impact Fee Schedule

Land Use	A Cost Per Capita	B Density	C = A x B Base Fee	D = C x 0.02 Admin Costs[1]	E = C + D Total Fee
Park Facilities Impact Fee Schedule - Quimby Act					
Less than 500 Square Feet					
Land Acquisition	$ 2,946	2.11	$ 6,216	$ 124	$ 6,340
Improvements	1,756	2.11	3,705	74	3,779
Total	$ 4,702		$ 9,921	$ 198	$ 10,119
500 – 1,499 Square Feet					
Land Acquisition	$ 2,946	3.17	$ 9,339	$ 187	$ 9,526
Improvements	1,756	3.17	5,567	111	5,678
Total	$ 4,702		$ 14,906	$ 298	$ 15,204
1,500 + Square Feet					
Land Acquisition	$ 2,946	3.77	$ 11,106	$ 222	$ 11,328
Improvements	1,756	3.77	6,620	132	6,752
Total	$ 4,702		$ 17,726	$ 354	$ 18,080
Park Facilities Impact Fee Schedule - Mitigation Fee Act					
Less than 500 Square Feet					
Land Acquisition	$ 1,228	2.11	$ 2,591	$ 52	$ 2,643
Improvements	1,756	2.11	3,705	74	3,779
Total	$ 2,984		$ 6,296	$ 126	$ 6,422
500 – 1,499 Square Feet					
Land Acquisition	$ 1,228	3.17	$ 3,893	$ 78	$ 3,971
Improvements	1,756	3.17	5,567	111	5,678
Total	$ 2,984		$ 9,460	$ 189	$ 9,649
1,500 + Square Feet					
Land Acquisition	$ 1,228	3.77	$ 4,630	$ 93	$ 4,723
Improvements	1,756	3.77	6,620	132	6,752
Total	$ 2,984		$ 11,250	$ 225	$ 11,475

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

Sources: Tables 2.2 and 5.6, Willdan Financial Services.

Mitigation Fee Act Findings

The five statutory findings required for adoption of the parks and recreation facilities fees documented in this chapter are presented below. All statutory references are to the *Mitigation Fee Act.*

Purpose of Fee

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

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

Use of Fee Revenues

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

Fees documented in this chapter, if enacted by the City, would be used to fund expanded parks and recreation facilities to serve new development. This includes, but is not limited to park land acquisition, park improvements, park amenities and other recreation facilities. Facilities funded by these fees are designated to be located within the City's existing boundaries.

Benefit Relationship

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

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

Burden Relationship

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

Facilities need is based on a facility standard that represents the demand generated by new development for those facilities. For parks and recreation facilities service population standards are calculated based upon the number of residents associated with residential development.

Parks and recreation facilities fees are calculated at the existing standard, in terms of existing park acres per 1,000 residents. Under this method new development will fund the expansion of facilities at the same standard currently serving existing development on a cost per resident basis.

Proportionality

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

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

6. Storm Drain Facilities

This chapter summarizes an analysis of the need for storm drain facilities to accommodate growth within the City of Pomona. This projects and associated costs in this chapter were identified it the City's most recent Capital Improvement Plan (CIP). This chapter documents a reasonable relationship between new development and a storm drain fee to fund storm drain facilities that serve new development.

Storm Drain Demand

Most new development generates storm water runoff that must be controlled through storm drain facilities by increasing the amount of land that is impervious to precipitation. **Table 6.1** shows the calculation of equivalent dwelling unit (EDU) demand factors based on impervious surface coefficient by land use category. The impervious surface coefficients are based on from California Environmental Protection Agency data. EDU factors relate demand for storm drain facilities in terms of the demand created by a single-family dwelling unit. Note that no distinction is made between warehousing and manufacturing industrial land uses. It is assumed that warehousing and manufacturing land uses generate similar amounts of impervious surface.

Table 6.1: Storm Drain Facilities Equivalent Dwelling Units

	A DU, 1,000 Sq. Ft. or Hotel Rooms per acre[1]	*B* Average Percent Impervious per Acre	*C = (43,560 / A) x B* Impervious Square feet per DU, 1,000 Sq. Ft. or Hotel Room	*D = C / Single Family* Equivalent Dwelling Unit (EDU)[2]
Residential - per Dwelling Unit[3]				
Single Family	20.00	70%	1,525	1.00
Multifamily	40.00	81%	882	0.58
Nonresidential - per 1,000 Sq. Ft. or Hotel Room				
Commercial	13.07	86%	2,867	1.88
Office	10.89	85%	3,400	2.23
Industrial	8.71	81%	4,050	2.66
Institutional	10.89	44%	1,760	1.15
Hotel Room	30.00	86%	1,249	0.82

[1] Dwelling units for residential and thousand building square feet for non-residential. Nonresidential densities are based on floor-area-ratios of 0.3 for commercial, 0.25 for office and institutional, and 0.20 for industrial.
[2] EDUs per dwelling unit for residential development and per thousand square feet for nonresidential
[3] Impervious surface factors for single family and multifamily units are used to estimate existing and future storm drain EDUs in Table 6.2 because estimates of existing and future development were not available by dwelling unit square footage.

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

EDU Generation by New Development

Table 6.2 shows the estimated EDU generation from new development through 2040. New development will generate approximately 39,674 new EDUs, representing 30.5 percent of total storm drain demand in 2040.

Table 6.2: Storm Drain Facilities Equivalent Dwelling Units

Land Use	EDU Factor	2020 Units / 1,000 SF	2020 EDUs	Growth 2020 to 2040 Units / 1,000 SF	Growth 2020 to 2040 EDUs	Total - 2040 Units / 1,000 SF	Total - 2040 EDUs
Residential - per Dwelling Unit							
Single Family	1.00	28,306	28,306	6,280	6,280	34,586	34,586
Multifamily	0.58	13,516	7,839	2,998	1,739	16,514	9,578
Subtotal		41,822	36,145	9,278	8,019	51,100	44,164
Nonresidential - per 1,000 Sq. Ft.							
Commercial	1.88	7,076	13,302	4,122	7,750	11,198	21,052
Office	2.23	5,085	11,338	2,962	6,606	8,047	17,944
Industrial	2.66	11,163	29,694	6,503	17,299	17,666	46,993
Subtotal		23,323	54,334	13,588	31,655	36,911	85,989
Total			90,479		39,674		130,153
			69.5%		30.5%		100%

Sources: Tables 2.1 and 6.1.

Planned Facilities

Table 6.3 identifies the planned storm drain facilities to be funded by the fee. The new storm drain facilities were all identified in the City's 2020-21 CIP. Since drainage projects will benefit both existing development and new development, capacity expanding projects are allocated to new development based on new development's share of storm drain demand at the planning horizon. Projects that do not expand capacity are not allocated to the impact fee.

Table 6.3: Storm Drain Capital Improvements

Project Name	Total Project Cost	Allocation to New Development	Cost Allocated to New Development
Alley Drainage Improvements - Acacia Street	$ 517,327	30.5%	$ 157,785
Catch Basin - Mission Boulevard (at Phillips Drive)	202,540	30.5%	61,775
City Facilities Drainage Upgrade	50,000	30.5%	15,250
Storm Drain - East End Avenue (Mission Blvd to San Antonio Wash)	1,500,000	30.5%	457,500
Storm Drain Facility and Pavement Reconstruction - Lincoln Ave & Como Dr	125,000	0.0%	-
Storm Drain Facility - Mission Boulevard and Reservoir Street	150,000	30.5%	45,750
Storm Drain Facility - Paige Drive (N/O Sunset Dr)	175,000	30.5%	53,375
Storm Drain Facility Reconstruction - 515 E. McKinley Avenue	125,000	0.0%	-
Storm Drain Facility Reconstruction - Palomares Street and First Street	170,000	0.0%	-
Storm Drain Facility Upgrade - 1234 W. Eighth Street	175,000	30.5%	53,375
Storm Drain Improvements - 1257 Colfax Court	100,000	30.5%	30,500
Storm Drain Improvements - Densmore Street and Alvarado Street	115,000	30.5%	35,075
Storm Drain Improvements - Holt Avenue and Fairplex Drive (N/W Corner)	1,400,000	30.5%	427,000
Storm Drain Improvements - Pavilion Drive and Breon Street	150,000	30.5%	45,750
Storm Drain Inlet Full Capture Trash Devices	-	30.5%	-
Storm Drains - Regional Basins	3,140,000	30.5%	957,700
Storm Drain Study and Improv - Jefferson/Eleanor & McKinley/Palomares	1,500,000	30.5%	457,500
Storm Water Lift Stations Rehabilitation	-	0.0%	-
Total	$ 9,594,867		$ 2,798,334

Sources: City of Pomona 2020-21 Adopted Budget, CIP; Table 6.2, Willdan Financial Services.

Cost per Equivalent Dwelling Unit

This chapter uses the planned facilities approach to calculate the storm drain facilities cost standard. The cost of planned facilities allocated to new development is divided by the growth in EDUs to determine a cost standard per EDU. **Table 6.4** shows the facility cost standard for storm drain facilities.

Table 6.4: Cost per Equivalent Dwelling Unit

Project Costs Allocated to New Development	$ 2,798,334
Growth in EDUs	39,674
Cost per EDU	$ 71

Sources: Tables 6.2 and 6.3.

Fee Schedule

The maximum justified fee for storm drain facilities is shown in **Table 6.5**. The City can adopt any fee up to this amount. The cost per EDU from Table 6.4 is converted to a fee per unit of new development based on the EDU factors shown in Table 6.1. The total fee includes a two percent (2.0%) administrative charge to fund costs that include: a standard overhead charge applied to all City programs for legal, accounting, and other departmental and administrative support, and fee program administrative costs including revenue collection, revenue and cost accounting and mandated public reporting.

In Willdan's experience with impact fee programs, two percent of the base fee adequately covers the cost of fee program administration. The administrative charge should be reviewed and

adjusted during comprehensive impact fee updates to ensure that revenue generated from the charge sufficiently covers, but does not exceed, the administrative costs associated with the fee program.

Table 6.5: Storm Drain Facilities Impact Fee Schedule

	A Cost Per EDU	B EDU	C = A x B Base Fee[1]	D = C x 0.02 Admin Fee[1,2]	E = C + D Total Fee[1]	F = E / 1,000 Fee per Sq. Ft.
Residential - per Dwelling Unit						
Single Family	$ 71	1.00	$ 71	$ 1	$ 72	
Multifamily	71	0.58	41	1	42	
Nonresidential - per 1,000 Sq. Ft. or Hotel Room						
Commercial	$ 71	1.88	$ 133	$ 3	$ 136	$ 0.14
Office	71	2.23	158	3	161	0.16
Industrial (Warehousing or Manufacturing)	71	2.66	189	4	193	0.19
Institutional	71	1.15	82	2	84	0.08
Hotel Room	71	0.82	58	1	59	0.06

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

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

Sources: Tables 6.1 and 6.4.

Mitigation Fee Act Findings

The five statutory findings required for adoption of the storm drain facilities fees documented in this chapter are presented below. All statutory references are to the *Mitigation Fee Act.*

Purpose of Fee

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

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

Use of Fee Revenues

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

Fees documented in this chapter, if enacted by the City, would be used to fund expanded storm drain facilities to serve new development. This includes any infrastructure and facilities needed to

collect, convey, and store stormwater runoff. Facilities funded by these fees are designated to be located within the City's existing boundaries.

Benefit Relationship

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

The City will restrict fee revenue to the acquisition of right of way, construction of facilities and infrastructure, and purchase of related equipment, apparatus, vehicles, and services used to serve new development. Storm drain facilities funded by the fees are expected to provide a citywide network of facilities that serves the new development. Under *the Act*, fees are not intended to fund planned facilities needed to correct existing deficiencies. Thus, a reasonable relationship can be shown between the use of fee revenue and the new development residential and nonresidential use classifications that will pay the fees.

Burden Relationship

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

Facilities need is based on a facility standard that represents the demand generated by new development for those facilities. For storm drain facilities costs are allocated to new development based on the amount of impervious surface generated by each land use type.

Storm drain facilities fees are calculated at the planned facilities standard, where a share of projects that benefit new development has been allocated to the impact fee. Under this method new development will fund a portion of applicable costs, and the City must fund existing development's share of the identified improvements using a funding source other than impact fees.

Proportionality

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

The reasonable relationship between each facilities fee for a specific new development project and the cost of the facilities attributable to that project is based on the impervious surface generated by that development project. Fees for a specific project are based on the project's size. Larger new development projects can generate more impervious surface, which then produces more runoff that must be managed by City facilities, resulting in higher fee revenue than smaller projects in the same land use classification. Thus, the fees ensure a reasonable relationship between a specific new development project and the cost of the facilities attributable to that project.

7. Potable and Recycled Water Facilities

This chapter documents a reasonable relationship between new development and a potable water and recycled water facilities capacity charges to fund facilities that serve new development. It uses a buy-in approach to allocating the cost of excess capacity in the water and recycled water systems to new development.

Current Water System Asset Valuation

In this case, Replacement New Cost Less Depreciation (RCNLD) is the appropriate method to determine the current value of the water systems. RCNLD is a commonly used method, and it is often preferred to alternative methods such as Original Cost Less Depreciation (OCLD), Original Cost (OC), and Replacement Cost (RC) because of its better reflection of the system's value in today dollars. Unless the systems that have depreciated significantly due to lack of replacement and repair, RCNLD is more defensible because the replacement cost is inflation-adjusted to recover the cost of replacing that capacity in current dollars. RCNLD also accounts for depreciation and consequently address the fact that the system reflects its current condition.

The City provided original cost records for the fixed assets of the utility systems as of fiscal year-end 2020 (June 30, 2020). The City's asset inventory also identified the current depreciation for every asset. Original costs were adjusted to replacement cost new using the Construction Cost Index (CCI). Replacement cost new is the estimated expected cost of a similar facility constructed today. The Construction Cost Index is based on an average of costs among 20 cities and is published by the Engineering News Record.

Table 7.1 summarizes the City's current water and recycled water system asset valuations.

Table 7.1: Current Water System Asset Valuation

	Original Cost	Replacement Cost New	Accumulated Depreciation	Replacement Cost New Less Depreciation
Potable Water Component				
Land	$ 6,157,278	$ 6,157,278	$ -	$ 6,157,278
Treatment	23,120,314	36,588,322	6,005,888	30,582,434
Reservoirs	29,226,257	90,977,984	13,332,361	77,645,624
Potable Water Lines	59,056,467	267,823,881	36,340,033	231,483,848
Wells	13,511,427	28,599,416	2,639,642	25,959,774
Booster Pumps	2,442,143	7,001,412	911,030	6,090,381
Treatment equipment	1,943,361	3,404,085	1,895,566	1,508,518
Meters	630,940	1,044,222	617,246	426,976
Total	$ 136,088,187	$ 441,596,599	$ 61,741,767	$ 379,854,833
Recycled Water Component				
Reclaimed Well	$ 37,372	$ 731,647	$ 33,390	$ 698,257
Reclaimed Pumping	504,920	1,083,516	130,419	953,098
Reclaimed Transmission	1,315,102	4,838,379	684,679	4,153,700
Reclaimed Meter	14,295	39,623	14,295	25,328
Reclaimed Reservior	698,873	2,173,459	402,752	1,770,707
Total	$ 2,570,562	$ 8,866,624	$ 1,265,534	$ 7,601,091
Grand Total	$ 138,658,749	$ 450,463,224	$ 63,007,300	$ 387,455,923

Sources: Pomona Adjusted Depreciation Schedule - June 30, 2020; ENR Construction Cost Index; Willdan Financial Services.

Adjusted System Valuation

The City's water enterprise has $80.5 million in outstanding debt principal. This amount represents debt that ratepayers will pay back through monthly service charges on an ongoing basis, so this amount is subtracted from total asset value in calculating the total to be recovered as a buy-in component. Subtracting the outstanding debt principal from the current asset valuation yields the total adjusted system value. This calculation is shown below in **Table 7.2.**

Table 7.2: Adjusted System Valuation Calculation

Water Asset Valuation	$ 379,854,833
Outstanding Debt Principal	
Series BE	$ 32,355,000
Series BF	48,160,000
Total - Principal	$ 80,515,000
Net Valuation	$ 299,339,833

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

Fee per Gallon per Day

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

The calculation of the buy-in fee per GPD for potable water facilities and recycled water facilities, respectively, is shown in **Table 7.3**. The City provided the potable water system's production capacity, and the recycled water system's availability capacity, which are 17.4 million and 3.7 million gallons per day, respectively. City staff confirmed that the water and recycled water systems have sufficient capacity to accommodate new development within the planning horizon. The adjusted system value divided by the total capacity of each system yields the facilities impact fee per gallon per day of $17.22, for potable water facilities and $2.05 for recycled water facilities.

Table 7.3: Buy-in Fee per GPD

Potable Water Component	
Total Adjusted System Value	$ 299,339,833
System Production Capacity (Gallons per Day)	17,379,000
Fee per GPD	$ 17.22
Recycled Water Component	
Total System Value	$ 7,601,091
System Availability Capacity (Gallons per Day)	3,700,000
Fee per GPD	$ 2.05

Sources: City of Pomona; Table 7.2, Willdan Financial Services.

Fee Schedule

The maximum justified fee for potable water facilities is shown in **Table 7.4**. The fee per GPD is converted to a fee per unit of new development based on the GPD flow generation factors provided by the City and also shown in Table 7.4. To determine the average residential usage per capita, which was then used to develop the flow factors for the three types of residential dwelling units included in the fee schedule, billing for all single family residential customers were collected and averaged. The average usage for a 61-day billing cycle was determined to be 2,300 cubic feet of water (748 gallons per hundred cubic feet) per billing cycle. Assuming an average population per residential household is 3.64 persons, the average gallons per capita daily usage is 77.5 gallons.[2]

The total fee includes an administrative charge to fund costs that include: (1) a standard overhead charge applied to all City programs for legal, accounting, and other departmental and citywide administrative support, (2) capital planning, programming, project management costs

[2] The average residents per single family dwelling unit in Pomona is 3.64 residents, as calculated from 2019 American Community Survey data.

associated with the share of projects funded by the facilities fee, and (3) fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, and fee justification analyses.

Note that for recycled water facilities, the City will calculate the impact fee on a case-by-case basis using the $2.05 per GPD fee identified in Table 7.3 using each project's estimate of irrigation water demands required as a part of its development application. Project's that do not have separate irrigation needs will not be charged the recycled water facilities impact fee.

Table 7.4: Maximum Justified Water Connection Impact Fee Schedule

	A	B	C = A x B	D = C x 0.02	E = C + D	E / 1,000
	Cost Per GPD	GPD	Base Fee[1]	Admin Charge[1, 2]	Total Fee[1]	Fee per Sq. Ft.
Potable Water Component						
Residential - per Dwelling Unit[3]						
Less than 500 Square Feet	$ 17.22	164	$ 2,824	$ 56	$ 2,880	
500 – 1,499 Square Feet	17.22	246	4,236	85	4,321	
1,500 + Square Feet	17.22	292	5,028	101	5,129	
Nonresidential - per 1,000 Sq. Ft. or Hotel Room						
Commercial	$ 17.22	23	$ 396	$ 8	$ 404	$ 0.40
Office	17.22	100	1,722	34	1,756	1.76
Industrial						
Warehousing	$ 17.22	10	$ 172	$ 3	$ 175	$ 0.18
Manufacturing	17.22	50	861	17	878	0.88
Institutional	17.22	185	3,186	64	3,250	3.25
Hotel Room	17.22	100	1,722	34	1,756	1.76

Note: GPD = Gallons per Day.

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

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

[3] Assumes 77.5 gallons per capita per day multiplied by the occupancy density factors from Table 2.2.

Sources: City of Pomona; Tables 2.2 and 7.3, Willdan Financial Services.

8. Sewer Facilities

This chapter documents a reasonable relationship between new development and a sewer capacity charge to fund sewer facilities that serve new development. It uses a buy-in approach to allocating the cost of excess capacity in the system to new development.

Current Sewer System Asset Valuation

In this case, Replacement New Cost Less Depreciation (RCNLD) is the appropriate method to determine the current value of the sewer systems. RCNLD is a commonly used method, and it is often preferred to alternative methods such as Original Cost Less Depreciation (OCLD), Original Cost (OC), and Replacement Cost (RC) because of its better reflection of the system's value in today dollars. Unless the systems that have depreciated significantly due to lack of replacement and repair, RCNLD is more defensible because the replacement cost is inflation-adjusted to recover the cost of replacing that capacity in current dollars. RCNLD also accounts for depreciation and consequently address the fact that the system reflects its current condition.

The City provided original cost records for the fixed assets of the utility systems as of fiscal year-end 2020 (June 30, 2020). The City's asset inventory also identified the current depreciation for every asset. Original costs were adjusted to replacement cost new using the Construction Cost Index (CCI). Replacement cost new is the estimated expected cost of a similar facility constructed today. The Construction Cost Index is based on an average of costs among 20 cities and is published by the Engineering News Record.

Table 8.1 summarizes the City's current sewer system asset valuation.

Table 8.1: Current Sewer System Asset Valuation

	Original Cost	Replacement Cost New	Accumulated Depreciation	Replacement Cost New Less Depreciation
Sewer Facilities				
Land	$ 228,184	$ 228,184	$ -	$ 228,184
Transmission	49,556,862	236,626,852	23,168,877	213,457,975
Total	$ 49,785,046	$ 236,855,036	$ 23,168,877	$ 213,686,159

Sources: Pomona Adjusted Depreciation Schedule - June 30, 2020; ENR Construction Cost Index; Willdan Financial Services.

Adjusted System Valuation

The City's sewer enterprise has nearly $24 million in outstanding debt principal. This amount represents debt that ratepayers will pay back through monthly service charges on an ongoing basis, so this amount is subtracted from total asset value in calculating the total to be recovered as a buy-in component. Subtracting the outstanding debt principal from the current asset valuation yields the total adjusted system value. This calculation is shown below in Table 8.2.

Table 8.2: Adjusted System Valuation Calculation

Asset Valuation	$ 213,686,159
Outstanding Debt Principal	
Series BB	$ 8,425,000
Series BD	2,830,000
Series BH	12,740,000
Total	$ 23,995,000
Net Valuation	$ 189,691,159

Sources: City of Pomona; Table 8.1, Willdan Financial Services.

Fee per Gallon per Day

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

The calculation of the buy-in fee per GPD for sewer facilities is shown in **Table 8.3.** The City provided the sewer system's production capacity, which is 11 million gallons per day. City staff confirmed that the sewer system has sufficient capacity to accommodate new development within the planning horizon. The adjusted system value divided by the total capacity of the system yields the facilities impact fee per gallon per day of $17.24 for sewer facilities.

Table 8.3: Fee per GPD

Total Adjusted System Value	$ 189,691,159
System Flow Capacity (Gallons per Day)	11,000,000
Fee per GPD	$ 17.24

Sources: City of Pomona; Table 8.2, Willdan Financial Services.

Fee Schedule

The maximum justified fee for sewer facilities is shown in **Table 8.4.** The fee per GPD is converted to a fee per unit of new development based on the GPD flow generation factors provided by the City and also shown in Table 8.4. The total fee includes an administrative charge to fund costs that include: (1) a standard overhead charge applied to all City programs for legal, accounting, and other departmental and citywide administrative support, (2) capital planning, programming, project management costs associated with the share of projects funded by the facilities fee, and (3) fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, and fee justification analyses.

Table 8.4: Maximum Justified Sewer Connection Impact Fee

	A	B	C = A x B	D = C x 0.02	E = C + D	E / 1,000
	Cost Per GPD	GPD	Base Fee[1]	Admin Charge[1, 2]	Total Fee[1]	Fee per Sq. Ft.
Residential - per Dwelling Unit[3]						
Less than 500 Square Feet	$ 17.24	164	$ 2,827	$ 57	$ 2,884	
500 – 1,499 Square Feet	17.24	246	4,241	85	4,326	
1,500 + Square Feet	17.24	292	5,034	101	5,135	
Nonresidential - per 1,000 Sq. Ft. or Hotel Room						
Commercial	$ 17.24	23	$ 397	$ 8	$ 405	$ 0.41
Office	17.24	100	1,724	34	1,758	1.76
Industrial						
Warehousing	$ 17.24	10	$ 172	$ 3	$ 175	$ 0.18
Manufacturing	17.24	50	862	17	879	0.88
Institutional	17.24	185	3,189	64	3,253	3.25
Hotel Room	17.24	100	1,724	34	1,758	1.76

Note: GPD = Gallons per Day.

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

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

[3] Assumes 77.5 gallons per capita per day multiplied by the occupancy density factors from Table 2.2.

Sources: City of Pomona; Tables 2.2 and 8.3, Willdan Financial Services.

9. Implementation

Impact Fee Program Adoption Process

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

Inflation Adjustment

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

The fee amounts can be adjusted based on the change in the index compared to the index in the base year of this study (2020).

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

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

Reporting Requirements

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

Table 9.1 summarizes the annual and five-year reporting requirements identified in the *Mitigation Fee Act*.

Table 9.1: Mitigation Fee Act - Annual and Five-year Administrative Requirements

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

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

Sources: California Government Code §6601 and §6606.

Programming Revenues and Projects with the CIP

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

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

Appendix

California Government Code §65852.2 (f)

(1) Fees charged for the construction of accessory dwelling units shall be determined in accordance with Chapter 5 (commencing with Section 66000) and Chapter 7 (commencing with Section 66012).

(2) An accessory dwelling unit shall not be considered by a local agency, special district, or water corporation to be a new residential use for purposes of calculating connection fees or capacity charges for utilities, including water and sewer service, unless the accessory dwelling unit was constructed with a new single-family dwelling.

(3) (A) A local agency, special district, or water corporation shall not impose any impact fee upon the development of an accessory dwelling unit less than 750 square feet. Any impact fees charged for an accessory dwelling unit of 750 square feet or more shall be charged proportionately in relation to the square footage of the primary dwelling unit.

(B) For purposes of this paragraph, "impact fee" has the same meaning as the term "fee" is defined in subdivision (b) of Section 66000, except that it also includes fees specified in Section 66477. "Impact fee" does not include any connection fee or capacity charge charged by a local agency, special district, or water corporation.

(4) For an accessory dwelling unit described in subparagraph (A) of paragraph (1) of subdivision (e), a local agency, special district, or water corporation shall not require the applicant to install a new or separate utility connection directly between the accessory dwelling unit and the utility or impose a related connection fee or capacity charge, unless the accessory dwelling unit was constructed with a new single-family home.

(5) For an accessory dwelling unit that is not described in subparagraph (A) of paragraph (1) of subdivision (e), a local agency, special district, or water corporation may require a new or separate utility connection directly between the accessory dwelling unit and the utility. Consistent with Section 66013, the connection may be subject to a connection fee or capacity charge that shall be proportionate to the burden of the proposed accessory dwelling unit, based upon either its square feet or the number of its drainage fixture unit (DFU) values, as defined in the Uniform Plumbing Code adopted and published by the International Association of Plumbing and Mechanical Officials, upon the water or sewer system. This fee or charge shall not exceed the reasonable cost of providing this service.

ORDINANCE NO. 4309

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF POMONA, CALIFORNIA, AMENDING AND RESTATING CHAPTER 70 OF ARTICLE III OF THE POMONA MUNICIPAL CODE RELATING TO DEVELOPMENT IMPACT FEE ADMINISTRATION AND SECTION 62-399(b) OF THE POMONA MUNICIPAL CODE RELATING TO SEWER CONNECTIONS

WHEREAS, the City Council of the City of Pomona hereby finds as follows:

A. The state of California, through the enactment of Government Code Sections 66001 through 66009 has, among other things, determined the nexus that must be established in the enactment of development fees.

B. The provision of new and expanded facilities and infrastructure is necessary to protect and promote the health, safety and welfare of all the citizens of Pomona by reducing the adverse effects of urbanization and development.

C. It is necessary to enact and implement certain development fees and other fees to assure that all development within the City pays its fair share of the costs of providing necessary public facilities and infrastructure to accommodate such new development.

D. A proper funding source for the costs associated with new development is a specific development or facilities fee for each type of facility related to the specific need created by the development and reasonably related to the relative cost of providing such necessary public facilities.

E. The primary purpose of the fees is to mitigate the impact on City facilities and infrastructure caused by increased demand for facilities and infrastructure from new residents and persons generated by new development.

F. The fees will be used to finance public facilities and infrastructure required to accommodate the needs of new development in the City.

G. The use of the fees to fund such public facilities and infrastructure is reasonably related to the impacts of residential development on the City.

H. The need for development fees to fund such public facilities is reasonably related to impacts on the City of residential development and other development.

I. To assure fair and legally sound implementation of the development fees established in this Article, such fees shall be reviewed annually and shall be set by separate resolution of the City Council following notice and hearing, in accordance with California law.

J. To assure fair implementation of the development fees established in this Article, the City must have the latitude to defer or waive such fees in special cases, where better or more fair financing arrangements would result from such deferral, or where imposition of such fees would cause inequities.

K. The provisions of this Article are in addition to all other provisions of the Pomona Municipal Code and all new residential, as defined in this Article, and shall be subject to the provisions of this Article and to all other provisions of the Pomona Municipal Code.

L. The provisions of this Article are intended to provide administrative guidance for certain existing fees that pre-date this Article, as well as any new fees adopted after the effective date of this Article.

M. Certain provisions in this Article are adopted in accordance with California Government Code, Section 66000 et. seq. and are intended to be interpreted consistently with that authority.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Pomona as follows:

SECTION 1. Recitals. The City Council hereby finds that the foregoing recitals are true and correct and are incorporated herein.

SECTION 2. CEQA Compliance. The City Council of the City of Pomona finds the adoption of this ordinance to be statutorily exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to CEQA Regulation 15061(b)(3). Under Regulation 15061(b)(3), the activity is covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the project is exempt from CEQA. This ordinance will not affect the physical environment by permitting a new use or intensifying an existing use. The ordinance establishes a policy commission. There is no potential for the changes to result in a significant effect on the environment.

SECTION 3. Chapter 70 of Article III of the City of Pomona Municipal Code is hereby amended and restated read as follows:

"ARTICLE III. - DEVELOPMENT FEE ADMINISTRATION

Sec. 70-66. Purpose and Applicability.

A. The City Council declares the purpose of this Article is to provide an administrative mechanism for the collection of fees that are collected to finance adequate infrastructure and other public improvements and facilities made necessary by

the impacts created by new development in the City of Pomona in order to promote the health, safety and welfare of the citizens of Pomona. This Article shall apply solely to development projects that propose construction of new dwelling units or additions to existing dwelling units in the City of Pomona.

B. The following are specifically exempt from the provisions of this Article:

1. Approved tentative subdivision maps or lots created by recorded maps that are otherwise vested pursuant to California Government Code, Sections 66498.1 through 66498.9 or other applicable vesting laws affecting development fees for the period of time authorized in Section 66498.1 and 66498.5. Such recorded lots and/or approved tentative subdivision maps shall pay the applicable development fees based upon the rates in effect at the time the subdivision map application was deemed complete. The Public Works Director and/or Planning Director or their designees are hereby empowered to determine, on a case by case basis, whether such tentative subdivision maps or recorded lots are vested for purposes of determining the applicable development fees.

2. Development projects that have previously paid a development fee in the fee category being charged.

C. These exemptions shall not apply to the payment of fees adopted and pursuant to other laws, including California Government Code, Section 66013.

Sec. 70-67. Definitions.

A. "Affected Territory" means the corporate boundaries of the City of Pomona as these may be amended from time to time.

B. "Development project" means any project undertaken for the purpose of development of residential land uses. "Development project" means and includes a project involving the issuance of a permit for construction or reconstruction, remodeling, or any work requiring any permit under the ordinances of the City of Pomona, as the same presently exist or may be amended from time to time hereafter. The term "development project" shall also include permits for erection of manufactured housing or additional or structures, and structures moved into the City.

C. "Effective Date" means the date that the fees in this Article are eligible for collection, that date being sixty (60) days after adoption of any Resolution establishing the development fees.

D. "Fee" means a monetary exaction, other than a tax or special assessment, which is charged by the City to an applicant in connection with approval of a development project for the purpose of defraying all or a portion of the cost of public facilities related to the development project, but does not include fees specified in Section 66477 of the California Government Code, fees for processing applications for

governmental regulatory actions or approvals, or fees collected under development agreements adopted pursuant to Article 2.5 (commencing with Section 65864) of Chapter 4, Division 1, Title 7 of the California Government Code. Fee also includes any connection fees adopted pursuant to resolution of the City Council and California Government Code, Section 66013.

E. "Work/live unit" means an area comprised of one or more rooms or floors in a building originally designed for industrial or commercial occupancy which has been or will be remodeled or altered to include:

(1) Cooking space and sanitary facilities;
(2) Sleeping space; and
(3) Working space reserved for persons residing therein

F. "Public facilities" means and includes public improvements, public services and community amenities to be funded by development fees.

G. "Secondary Residential Unit" or Accessory Dwelling Unit" means a second dwelling unit on the same lot as an existing primary residential unit, as described in Section.5809-26(C) of the Pomona Municipal Code.

Sec. 70-68. Establishment of development new fees.

In addition to any existing fees previously adopted, the City Council is hereby authorized to adopt and impose on all development projects seeking the issuance of building permits and/or certificates of occupancy for development projects or development certain development and other fees to accommodate the infrastructure needs of new development.

Sec. 70-69. Adoption of development fees by resolution.

The City Council shall, by resolution, set forth the specific amount of the development fees for the Affected Area, describe the benefit on which the fees are imposed, list the specific public improvements to be financed and describe the estimated cost of these facilities.

Sec. 70-70. Imposition of development fees.

A. Any person who, after the effective date of a resolution establishing new or revised development fees, that, seeks to develop land within the City by applying for a building permit or applying for any discretionary land use permit for residential development within the Affected Area, is hereby required to pay the appropriate development fees established pursuant to this Article in the manner, amount and for the purposes therein referenced and as referenced in any resolution adopted by the City Council adopting such fees.

B. Notwithstanding anything to the contrary set forth in subsection A of this section or in any other provision of this Article, development fees shall not apply to any development project described in Section 70-67(B) of this Article.

C. The fees authorized by this Article shall be cumulative such that each person seeking a permit for a development project shall be charged each applicable fee.

Sec. 70-71. Accounting and Disbursement of Fees.

A. Each of the fees paid pursuant to this Article or any applicable law and any resolution establishing new or increased development fees shall be placed in a separate fund, each of which may be further segregated by specific project. These funds shall be known, respectively, as:

1. Roadway and Traffic Signal Facilities Fund
2. Public Safety Facilities Fund
3. Park and Recreation Facilities Fund
4. Storm Drain Facilities Fund
5. Potable and Recycled Water Facilities Fund
6. Sewer Facilities Fund

B. These funds, and interest earned thereon, if any, shall be expended solely for construction and/or acquisition of the corresponding public facilities shown in a study justifying the fees or a capital improvement or similar master facility plan, or for reimbursement for construction and/or acquisition of those public facilities or as provided in the resolution establishing such fees.

Sec. 70-72. Payment of fees.

The fees established pursuant to authority of this Article shall be paid for the property on which a development project is proposed at the time of the issuance of any required building permit, except as otherwise provided below:

A. Fees imposed on residential development shall be collected in accordance with the provisions of California Government Code Section 66007 and 66013, as the same presently exists or may hereafter be amended from time to time.

B. Unless otherwise stated in this Article, applicants shall pay fees at time of certificate of occupancy.

C. Live/work units, up to 1,200 square feet shall be allowed to use the second tier category of 501 -14,999 square feet.

D. Accessory Dwelling Units over 750 square feet shall be charged a proportional amount based on the primary structure on-site.

Sec. 70-73. Development Fee Credits.

A. The owner of a parcel of property otherwise required to pay a fee under this Article may receive a credit for the corresponding development fee when that owner constructs or donates a facility, or a portion thereof, identified in a study justifying the fees or a capital improvement or similar master facility plan, regardless of how it may be financed, that serves the owner's parcel or parcels. The development fee credit shall offset, on a proportionate basis without interest, the corresponding development fee to be paid pursuant to this Article. The facility must be built in compliance with all applicable laws governing the construction of public improvements.

B. The amount of the development fee credit shall equal the City's most recent estimated cost of constructing and/or furnishing the facility, or the portion of the facility actually completed or purchased, by contract or utilizing City forces.

C. The owner of a parcel of property may be further entitled to a development fee credit where the City determines, on a case-by-case basis, that the construction of the facility, or a portion thereof, will be necessary to provide basic services to the entire City even though it does not directly serve the owner's project or is of greater capacity than that required to serve the owner's project adequately.

D. The amount of the development fee credit shall be determined after inspection and acceptance of the facility at the time of payment of the corresponding facilities fee.

E. Reserved.

F. To the extent that an owner is granted a development fee credit, such owner shall not be entitled to a future reimbursement for such facility, as applied to a different development project.

G. A development fee credit is an obligation of the City that runs with the land and inures to the benefit of each successor in interest of the original landowner until full credit has been received.

H. A developer shall also be entitled to a credit if the City and developer have executed an agreement or there is a preexisting ordinance which specifically exempts the developer from the payment of one or more of the fees enacted under this Article. The availability of the credit and its amount shall be determined by the City on a case-by-case basis based on the provisions of the applicable agreement.

Sec. 70-74. Reimbursement.

A. The owner of a parcel of property otherwise required to pay a development fee will be entitled to enter into a reimbursement agreement to reimburse

from subsequently collected development fees the direct and verifiable costs of installing or furnishing public improvements, or portions thereof, identified in the study justifying the fees or a capital improvement or similar master facility plan where all of the following conditions are satisfied:

1. The owner has constructed a public improvement, or portion thereof, that is identified in the appropriate a study justifying the fees or a capital improvement or similar master facility plan.

2. The City required that the public improvement be constructed to contain supplemental size, capacity, number or length for the benefit of property not within the owner's project.

3. The City approved, prior to construction or furnishing, the proposed budget for the project and finds any change to that budget fair and reasonable.

4. The public improvement, or portion thereof, has been dedicated to the public.

5. The public improvement, or portion thereof, has been built in compliance with all applicable laws governing the construction of public works.

B. The City shall not reimburse the owner for costs related to financing any public facility.

C. An owner shall only be entitled to reimbursement to the extent that any public facility project benefits property not within the owner's project. Thus, an owner may receive a development fee credit as for the portion of a public facility that serves the owner's project and reimbursement for the oversized or extra-capacity or extended portion of a public facility that benefits subsequently developed property.

D. In no event shall an owner receive a development fee credit and/or reimbursement in excess of the City's most recent estimated cost of constructing the facility, or the portion of the facility actually completed, by contract or by utilizing City forces.

E. Any reimbursement agreement entered into under this Article shall require the City, for a period of up to fifteen years, to reimburse the owner from the proceeds of the development fees collected from owners of new projects that directly benefit from the facilities financed by the fees and which are the subject of the reimbursement agreement. Reimbursement shall only be made from fees actually collected to fund improvements which are of the same type as the improvement constructed by the owner, and from no other source. The terms of the reimbursement shall be set forth in the reimbursement agreement.

Sec. 70-75. Deferrals & Waivers.

The City Council is empowered to grant a waiver of fees for units constructed as part of an inclusionary housing project complying with the City's Inclusionary Housing Ordinance. In addition, the City Council may establish a program to defer fees for rental housing projects that include 100% affordable units for low and very low income households. Such deferral shall require the execution of an agreement acceptable to the City that contains terms to guarantee the final payment of the fees deferred.

Sec. 70-76. Refund of fees paid.

A. If a building permit expires without commencement of construction, then the fee payer shall be entitled to a refund, without interest, of the development fee paid as a condition for its issuance, except that the City shall retain one percent of the fee to offset a portion of the costs of collection and refund. The fee payer must submit an application for such a refund to the Development Director within thirty calendar days of the expiration of the permit. Failure to timely submit the required application for refund shall constitute a waiver of any right to the refund.

B. In the event any fee collected pursuant to this Article remains unexpended or uncommitted in any fund established pursuant to this Article five or more years after deposit of the fee, the City shall make findings once each fiscal year to identify the purpose to which the fee is to be put and to demonstrate a reasonable relationship between the fee and the purpose for which it was charged.

C. The unexpended or uncommitted portion of the development fee, and any interest accrued thereon, for which need cannot be demonstrated pursuant to subsection B of this section shall be refunded to the then-current record owner or owners of lots or units of the development project or projects on a prorated basis.

D. The provisions of California Government Code Sections 66001(d), (e) and (f) shall apply fully to any refund of fees remaining unexpended or uncommitted in any such City fund for five or more years after deposit, and the provisions of subsections B and C of this section shall be subordinate to the section and shall be applied consistent therewith.

Sec. 70-77. Application to Subsequently Annexed Land.

As areas not presently situated within the City boundaries seek to annex to the City, the City Council shall determine the benefit to such land areas of the public facilities and infrastructure funded by this Article. The City Council shall impose development fees, in whole or in part, as established by this Article, upon such annexed areas to the extent necessary to assure that such areas pay their fair share of the actual costs of all necessary public facilities and infrastructure benefitting their projects, unless the City Council determines that such an imposition would cause inequities or that a better or fairer financing arrangement can and should be developed.

Sec. 70-78. Traffic signal and control devices.

A traffic signal and control device development program is hereby ordered and adopted pursuant to the following guidelines:

(1) *Development priorities.* The City Council shall annually establish a priority list of intersections eligible for construction of traffic signals. The City Council may authorize, as funding and needs dictate, the construction of signal control devices at any location included on the priority list.

(2) *Traffic signal and control device construction fee.* A traffic signal and control device construction fee is hereby established which shall be collected from all land developers in the City prior to the issuance of any building or public works permit by the City according to the resolution set forth by the City Council and incorporated by reference in this section.

(3) *Fee schedule basis.* The basis for the fee schedule in the resolution shall be the ratio of the traffic generated by the development for which a particular permit is requested compared to the traffic volume identified in the minimum Cal. Trans. warrant for a traffic signal in an urban area, multiplied by the average cost of a traffic signal system. The fee schedule is based, more specifically, on the following factors:

a. *Generated traffic.* Traffic generated by each development shall be calculated from the latest traffic generation data promulgated in the publication entitled "Trip Generation" (current edition), an information report as prepared by the Institute of Transportation Engineers.

b. *Minimum signal warrant.* The traffic volume equivalent to the minimum Cal. Trans. warrant for a traffic signal in an urban area shall be 12,800 vehicles per day from all approaches.

c. *Average traffic signal cost.* The average cost of a traffic signal shall be $150,000.00.

(4) *Traffic signal and control device fund.* The fees required pursuant to this section shall be paid to the City and deposited into a separate traffic signal and control device fee fund. Moneys in this fund shall be expended solely for the construction or reimbursement for construction of traffic signals and control devices or to reimburse the City for the cost to design and construct such facilities.

Sec. 70-79. Road and highway improvement.

A road and highway improvement program is hereby ordered and adopted in order to implement the City's capital facilities needs and to mitigate the various impacts caused by development projects within the City. The program shall be operated pursuant to the following guidelines:

(1) *Road and highway improvement fee.* A road and highway improvement fee is hereby established which shall be collected from all land developers in the City prior to the issuance of building or public works permits. The fee amount shall be as periodically set by resolution of the City Council.

(2) *Fee schedule basis.* The basis for the fees charged as shown in the City Council resolution shall be based on the traffic generated by the development for which a particular permit is requested. The fee represents the fair share cost of constructing the necessary public facilities outlined in the five-year capital improvement program. The traffic generated by each development shall be calculated from the latest generation data promulgated in the publication entitled "Trip Generation" (current edition), an information report as prepared by the Institute of Transportation Engineers.

(3) *Road and highway improvement fund.* The fees required pursuant to this section shall be paid to the City and deposited into a separate road and highway improvement fund. Moneys in this fund shall be expended solely for the construction or reimbursement for construction of road improvements, streetscapes and streetlights as shown in the five-year capital improvement program.

Sec. 70-80. Parks and recreation improvement.

(a) A parks and recreation improvement program is hereby ordered and adopted. This section is enacted pursuant to the authority granted by Government Code § 66477. The purpose of this section is to provide for the development of park and recreation facilities through subdivision regulations. Each person constructing any new dwelling unit, habitation unit or space for a mobile home in the City shall dedicate lands or pay fees in lieu thereof or a combination of both for park and recreational purposes. Dedication requirements shall be conveyed to the City concurrent to recordation of the final map or prior to issuance of building permits. In-lieu fees shall be paid to the City prior to issuance of building permits.

(b) Land dedication figures per dwelling unit and in-lieu fees per dwelling unit shall be based on a ratio of three acres of park per 1,000 persons pursuant to Government Code § 66477(b). The number of persons per dwelling unit shall reflect the most recent department of finance figures. The actual amount of land dedication or fee amount shall be as periodically set by resolution of the City Council.

(c) The fees required pursuant to this section shall be paid to the City and deposited into a separate park improvement fund. Moneys in this fund shall be expended solely for the construction or reimbursement for construction of park improvements or to reimburse the City for the cost to design and construct such facilities, in accordance with Government Code § 66477. .

Sec. 70-81. Public safety improvement program.

(a) *Established.* A public safety improvement program is hereby ordered and adopted in order to implement the City's capital facilities needs for public safety services. The needs are shown in the five-year capital improvement program.

(b) *Public safety improvement fee.* A public safety improvement fee is hereby established which shall be collected from all land developers in the City prior to the issuance of building or public works permits. The fee amount shall be as periodically set by resolution of the City Council.

(c) *Public safety improvement fund.* The fees required pursuant to this section shall be paid to the City and deposited into a separate public safety improvement fund. Moneys in this fund shall be expended solely for the construction or reimbursement for construction of public safety improvements as shown in the five-year capital improvement program."

SECTION 4. Section 62-399(b) of the Pomona Municipal Code is hereby amended to read as follows:

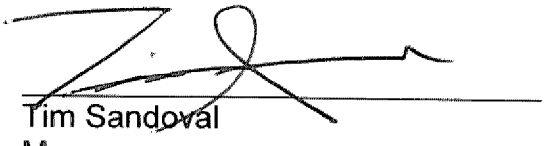
"(b) Every applicant for a new connection to the sewer service operated by the City of Pomona, Utility Services Department, shall pay to the utility services department a connection fee for such new service as set by resolution of the City Council. Such fee shall not be applicable as to any parcel where the applicant or their predecessor in interest previously paid such fee to the utility services department for such parcel."

SECTION 5. The City Clerk shall attest and certify to the passage and adoption of this Ordinance, and shall cause same to be posted as required by law and this Ordinance shall take effect thirty (30) days after its final adoption.

SECTION 6. If any section, subsection, sentence clause or phrase or word of this Ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction or preempted by state legislation, such decision or legislation shall not affect the validity of the remaining portions of this Ordinance. The City Council of the City of Pomona hereby declares that it would have passed this Ordinance and each and every section, subsection, sentence clause or phrase or word not declared invalid or unconstitutional without regard to any such decision or preemptive legislation.

PASSED, APPROVED AND ADOPTED this 2nd day of August, 2021.

CITY OF POMONA:



Tim Sandoval
Mayor

APPROVED AS TO FORM:

Sonia R. Carvalho

Sonia Carvalho
City Attorney

ATTEST:

Rosalia A. Butler, MMC
City Clerk

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF POMONA

I, ROSALIA A. BUTLER, MMC, CITY CLERK of the City of Pomona do hereby certify that the foregoing Ordinance was introduced for first reading at a regular meeting of the City Council of the City of Pomona held on July 19, 2021 and was adopted at second reading at a regular meeting of the City Council of the City of Pomona held on August 2, 2021 by the following vote:

AYES:	Garcia, Lustro, Preciado, Sandoval
NOES:	Nolte, Ontiveros-Cole, Torres
ABSENT:	None
ABSTAIN:	None

Rosalia A. Butler, MMC
City Clerk