

City of Rio Rancho Impact Fee Capital Improvement Policy

Purpose:

In order to promote consistency and continuity in decision making related to impact fee system improvement planning and to set the general parameters for how impact fee spending and impact fee credit decisions are made, the following policy is established for the City's Impact Fee Capital Improvements Plan (IFCIP). As a matter of general policy, the goals of the City's IFCIP are:

1. Consistently make decisions related to impact fee spending and issuance of impact fee credits that are aligned with overall City goals and objectives regarding the physical and economic development of the community, asset management, and the provision of public services.
2. Promote financial stability and focus attention on the City's long term financial capacity to meet growth needs.
3. Effectively communicate the City's priorities and plans for undertaking impact fee projects to internal and external stakeholders.

The policy is designed to capture the following elements of the IFCIP:

1. Impact Fee Project Formulation
2. IFCIP relationship to the Capital Budget
3. Impact Fee Project Financing
4. Issuance of Impact Fee credits including excess credits
5. Post Impact Fee Project Evaluation

Impact Fee Project Formulation:

The IFCIP is a plan required by the New Mexico Development Fees Act that identifies capital improvements or facility expansions for which impact fees may be assessed.

IFCIP

The IFCIP consists of cross departmental activities designed to identify, plan, finance, and undertake construction of long lived capital assets necessary to meet growth service level goals and objectives. The IFCIP functions as:

1. A multi-year projection of the City's Impact Fee needs and revenues.
2. A formal mechanism for decision making related to planning and budgeting for impact fee spending and issuance of impact fee credits.
3. A link to the City's long range plans concerning the economic and physical development of the community, and the provision of public services.
4. A financial management tool identifying future financing requirements for impact fee spending and issuance of impact fee credits over the planning period.

5. A communications device for reporting to internal and external stakeholders the City's Impact Fee priorities and plans for implementing Impact Fee projects.

The major output of the IFCIP is the annually updated proposed impact fee projects. The IFCIP plans for the allocation of existing and anticipated resources to expand, or acquire new capital stock, facilities, and infrastructure. The IFCIP is a six (6) year plan identifying the priority, scheduling, and impact fee capital projects to be undertaken over the planning period. The IFCIP represents a management and financial plan to guide Impact Fee capital financing and acquisition activities and is subject to annual review and modification by City staff and approval by the Governing Body as part of the budget process.

Definition Statement of a Impact Fee Capital Project

Notwithstanding the definition of capital items and fixed assets established for capital budgeting and accounting, impact fee capital projects shall be defined for the purposes of the IFCIP as follows:

An impact fee capital improvement is: Any of the following facilities that have a life expectancy of ten or more years and are owned and operated by or on behalf of the City:

- (1) Roadway facilities, including roads, bridges, bus bays, rights-of-way, traffic signals, landscaping and local components of state and federal highways;
- (2) Bikeways and trails;
- (3) Parks, recreational areas, open space trails and related areas and facilities;
- (4) Buildings for fire, police and rescue essential equipment costing \$10,000 or more and having a life expectancy of ten years or more.
- (5) Water and wastewater facilities, including wells, transmission mains, storage reservoirs, collection mains, lift stations, wastewater treatment plants.
- (6) Drainage facilities, including regional facilities typically constructed by the Southern Sandoval County Arroyo Flood Control Authority and local facilities typically constructed by the City of Rio Rancho. Regional facilities include storm water conveyances of more than 500 cubic feet per second.

Projects meeting the above definition shall be eligible for consideration and inclusion in the annually updated IFCIP. Questions regarding the definition of an Impact Fee capital project should contact the Development Services Department (DSD).

IFCIP Development Responsibility

All impact fee implementing Departments, DSD, and Department of Financial Services (DFS) shall have responsibility to identify the Impact Fee Capital Improvement projects contained in the IFCIP. Each implementing Department shall be the lead in coordinating the tasks and activities necessary to successfully implement the Impact Fee Capital Improvement projects in their respective Department.

All impact fee implementing Departments, DSD and DFS shall be responsible for project evaluation and project rating.

The DFS shall be responsible for developing the IFCIP document for Governing Body approval and monitoring implementation of the impact fees projects.

Project Requests and Consideration

In order to evaluate the merits and allow due process of proposed impact fee project requests, each proposed project shall be accompanied, at a minimum, by the following information:

1. Project Title, Physical Description, and Definition of Scope
2. Demonstration/Justification of Need
3. Project Schedule
4. Capital Cost Estimate
5. Statement of Impact on the Operating Budget
6. Relationship to other Planned Projects
7. Project's Department Rank Priority
8. Recommended/Anticipated additional Funding Sources

The DFS shall establish forms, instructions, deadlines, and procedures for project submittal and review.

Project Selection

To ensure Impact Fee capital programming and financial decisions are consistent with community goals, values, and needs, the City shall utilize, to the greatest extent possible and where appropriate, specific logical methods of decision making to:

1. Develop options for meeting growth capital needs and evaluating project alternatives.
2. Develop an IFCIP.

IFCIP relationship to the Capital Budget:

The IFCIP represents the City's multi-year projection of impact fee capital needs and is a picture of future financing requirements, plans, and project scheduling. The IFCIP does not impart spending authority for capital projects, but rather constitutes the primary basis upon which the annual capital budget is formulated. While the IFCIP is a management plan, the capital budget is the current year spending authorization for impact fee expenditures. The following policies apply to the relationship between the IFCIP and the capital budget, and the formulation of the annual capital budget:

1. The City shall enact an annual impact fee capital budget based on impact fee projections, project priorities and schedules as established in multi-year IFCIP.

2. The annual Impact Fee capital budget shall be developed and adopted concurrently with the annual operating budget. Operating impacts of Impact Fee expenditures shall be projected and included in operating budget forecasts.
3. An Impact fee project proceeds from a planned expenditure in the IFCIP to an appropriated one in the annual Impact Fee budget and shall be achieved through the annual budget process by which staff submits capital outlay requests as part of their overall budget requests for the upcoming fiscal year.

Impact Fee Project Financing:

The City recognizes that an effective Impact Fee funding strategy requires a fiscally constrained budget. The City will maintain a fiscally constrained impact fee budget and shall consider the following factors in evaluating the suitability of impact fees for particular projects:

1. Legality
2. Equity
3. Effectiveness
4. Acceptability
5. Affordability
6. Ease of Administration
7. Efficiency

Issuance of Impact Fee Credits including Excess Credits:

Impact fee credit is the value of payments, contributions, dedication and improvements made by developments towards the cost of existing or future system improvements. System improvements are capital improvements that are public facilities designed to provide service to more than one development project or to the community at large. Excess impact fee credit is that portion of the credit granted to the credit holder for system improvements which exceed the value of the impact fees otherwise due from the development. Impact fee credits are assigned to specific categories of improvements. The specific categories are roadways, bikeways and trails, parks, public safety facilities, water and wastewater utilities and drainage facilities.

Impact fee credits shall only be issued for implementing system level improvements that are contained in the IFCIP. The amount of impact fee credits, including excess credit, issued in any given year may not exceed the amount identified in the IFCIP for that given year. Impact fee credits shall be granted in accordance with the City's Impact Fee Ordinance.

A development agreement (DA) consistent with the general provisions of the Impact Fee Ordinance specifying the project and memorializing the terms of the construction, the estimated cost of the system improvements, the schedule for initiation and completion of the system improvements, a requirement that the system improvements be completed to accepted city standards, and such other terms and conditions as deemed necessary by the

city to provide a complete understanding for the issuing of impact fee credits shall be executed prior to any credits being issued. A DA shall not substitute for a financial guarantee.

The DSD shall be responsible for preparing the DA and identifying project and the specific project items that are eligible for impact fee credits. DSD will seek and consider comments from the City implementing Departments.

Post Impact Fee Project Evaluation:

Capital Inventory

The City shall maintain its capital asset inventory at a level adequate to protect the City's capital investment, avoid disruption of service delivery, and to minimize future maintenance and replacement costs. To that end, the City shall conduct and prepare a capital assets inventory biannually to report on the age, condition, and replacement cost of major capital assets.

Project Progress Reporting

The DFS shall establish procedural guidelines for project progress reporting as part of the annual capital budget and IFCIP development processes.

Impact Fee Capital Improvement Plan (IFCIP): FY2014-2019

<u>DEVELOPMENT ASSUMPTIONS</u>	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	TOTAL
Number of Projected Single Family Units Permitted	400	500	500	509	514	524	2,947
Number of Projected Multifamily Units Permitted	0	0	0	0	0	0	0
Number of Retail Commercial Square Footage Permitted	63,208	62,836	63,841	64,862	65,900	66,955	387,602
Number of Office/Institutional Square Footage Permitted	65,187	66,188	67,843	69,539	71,277	73,059	413,093
Number of Industrial Square Footage Permitted	10,887	11,262	11,374	11,488	11,603	11,719	68,333
Total Number of Non Residential Square Footage Permitted	139,282	140,286	143,058	145,889	148,780	151,733	869,028

Impact Fee Facility Category/Fund	ICIP Rank							
<u>Roads/Fund 351</u>								
<i>Saratoga Sidewalks (PW1436)</i>	7	\$ 50,000	\$ 106,500	\$ -	\$ -	\$ -	\$ -	\$ 156,500
<i>Intersection Improvements-Cabezon Blvd./Western Hills Dr. (PW1051)</i>	19	\$ -	\$ 62,569	\$ -	\$ -	\$ -	\$ -	\$ 62,569
<i>Intersection Improvements-Sprint Blvd./Enchanted Hills Blvd. (PI0637)</i>	18	\$ -	\$ -	\$ 134,545	\$ -	\$ -	\$ -	\$ 134,545
<i>Pecos St. Sidewalks</i>	22	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000
<i>Southern Blvd. Reconstruction-NM528 to Golf Course Rd.</i>	23	\$ -	\$ -	\$ -	\$ -	\$ 160,000	\$ -	\$ 160,000
<i>Rockaway Signal at Northern Blvd. (PW1138)</i>	9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 160,000	\$ 160,000
<i>Edinburgh Area Roadway Infrastructure (Developer Contribution)</i>	DC	\$ 88,600	\$ 88,600	\$ 88,600	\$ 88,600	\$ 88,600	\$ -	\$ 443,000
<i>Roadway Improvements and Land Acquisition-Miscellaneous</i>		\$ 3,856	\$ -	\$ 25,001	\$ 188,058	\$ 30,399	\$ 34,111	\$ 281,425
<i>Existing Impact Fee Credit*</i>		\$ 396,108	\$ 1,578,463	\$ 1,572,311	\$ 1,603,924	\$ 1,624,987	\$ 1,746,999	\$ 8,522,792
Total Roads		\$ 538,564	\$ 1,836,132	\$ 1,845,457	\$ 1,880,582	\$ 1,903,986	\$ 1,941,110	\$ 9,945,831

*Existing Impact Fee Credits are estimated to reduce total projected impact fee resources by 85% to 90% due to existing development agreements for which the City is obligated to give credits as applications for development units are made during the planning period.

**The Fiscal Year 2014 budgetary ending fund balance is estimated to be \$209,726, \$26,928 of which of which is reserved for contingencies. Allocation of the ending fund balance shall be made to projects at the discretion of the Impact Fee Administrator, City Manager, and Governing Body.

Impact Fee Capital Improvement Plan (IFCIP): FY2014-2019

<u>DEVELOPMENT ASSUMPTIONS</u>	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	TOTAL
Number of Projected Single Family Units Permitted	400	500	500	509	514	524	2,947
Number of Projected Multifamily Units Permitted	0	0	0	0	0	0	0
Number of Retail Commercial Square Footage Permitted	63,208	62,836	63,841	64,862	65,900	66,955	387,602
Number of Office/Institutional Square Footage Permitted	65,187	66,188	67,843	69,539	71,277	73,059	413,093
Number of Industrial Square Footage Permitted	10,887	11,262	11,374	11,488	11,603	11,719	68,333
Total Number of Non Residential Square Footage Permitted	139,282	140,286	143,058	145,889	148,780	151,733	869,028

Impact Fee Facility Category/Fund	ICIP Rank										
<u>Bikeways and Trails/Fund 352</u>											
<i>Trail Connections (PR1213)</i>	20	\$ 1,863	\$ 1,729	\$ 1,745	\$ 1,807	\$ 1,849	\$ 2,445	\$ 11,436			
<i>Edinburgh Area Bikeway and Trail Infrastructure (Developer Contribution)</i>	DC	\$ 1,060	\$ 1,060	\$ 1,060	\$ 1,060	\$ 1,060	-	\$ 5,300			
<i>Bikeway and Trail Improvements-Miscellaneous</i>	NA	\$ -	\$ 3,728	\$ 3,745	\$ 3,807	\$ 3,848	\$ 4,444	\$ 19,573			
<i>Existing Impact Fee Credits*</i>		\$ 3,481	\$ 15,206	\$ 15,282	\$ 15,573	\$ 15,766	\$ 16,073	\$ 81,381			
Total Bikeways and Trails		\$ 6,404	\$ 21,723	\$ 21,831	\$ 22,247	\$ 22,523	\$ 22,962	\$ 117,690			

*Existing Impact Fee Credits are estimated to reduce total projected impact fee resources by 70% due to existing development agreements for which the City is obligated to give credits as applications for development units are made during the planning period.

**The Fiscal Year 2014 budgetary ending fund balance is estimated to be \$9,287, \$961 of which of which is reserved for contingencies. Allocation of the ending fund balance shall be made to projects at the discretion of the Impact Fee Administrator, City Manager, and Governing Body.

<u>Parks/Fund 353</u>											
<i>A Park Above (PR1129)</i>	4	\$ 190,836	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 190,836			
<i>Sports Complex North (PR0447)</i>	6	\$ -	\$ -	\$ 11,497	\$ 12,683	\$ 13,312	\$ 25,972	\$ 63,464			
<i>Sports Complex Addition (PR1131)</i>	17	\$ 24,421	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,421			
<i>Developer Park Plan Reviews (PR1049)</i>	21	\$ -	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 50,000			
<i>Edinburgh Area Regional Park Improvements (Developer Contribution)</i>	DC	\$ 41,400	\$ 41,400	\$ 41,400	\$ 41,400	\$ 41,400	\$ -	\$ 207,000			
<i>Park Improvements-Miscellaneous</i>		\$ -	\$ 11,508	\$ -	\$ -	\$ -	\$ 30,000	\$ 41,508			
<i>Existing Impact Fee Credit*</i>		\$ -	\$ 566,172	\$ 566,074	\$ 576,747	\$ 582,404	\$ 593,748	\$ 2,885,145			
Total Parks		\$ 256,657	\$ 629,080	\$ 628,971	\$ 640,830	\$ 647,116	\$ 659,720	\$ 3,462,374			

*Existing Impact Fee Credits are estimated to reduce total projected impact fee resources by 85% to 90% due to existing development agreements for which the City is obligated to give credits as applications for development units are made during the planning period.

**The Fiscal Year 2014 budgetary ending fund balance is estimated to be \$37,747, \$12,588 of which is reserved for contingencies. Allocation of the ending fund balance shall be made to projects at the discretion of the Impact Fee Administrator, City Manager, and Governing Body.

Impact Fee Capital Improvement Plan (IFCIP): FY2014-2019

<u>DEVELOPMENT ASSUMPTIONS</u>	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	TOTAL
Number of Projected Single Family Units Permitted	400	500	500	509	514	524	2,947
Number of Projected Multifamily Units Permitted	0	0	0	0	0	0	0
Number of Retail Commercial Square Footage Permitted	63,208	62,836	63,841	64,862	65,900	66,955	387,602
Number of Office/Institutional Square Footage Permitted	65,187	66,188	67,843	69,539	71,277	73,059	413,093
Number of Industrial Square Footage Permitted	10,887	11,262	11,374	11,488	11,603	11,719	68,333
Total Number of Non Residential Square Footage Permitted	139,282	140,286	143,058	145,889	148,780	151,733	869,028

Impact Fee Facility Category/Fund	ICIP Rank														
<u>Public Safety-Fund 354</u>															
FIRE															
<i>Fire and EMS Apparatus and Equipment > \$10K</i>	1	\$	25,422	\$	63,571	\$	-	\$	163,475	\$	-	\$	-	\$	252,468
POLICE															
<i>Public Safety Communications Upgrade</i>	1	\$	-	\$	15,971	\$	-	\$	-	\$	-	\$	-	\$	15,971
<i>Police Vehicles and Equipment > 10K</i>	2	\$	-	\$	47,600	\$	47,600	\$	47,600	\$	47,600	\$	47,600	\$	238,000
<i>Public Safety Improvements-Miscellaneous</i>		\$	42,424	\$	42,379	\$	194,833	\$	35,913	\$	202,468	\$	208,739	\$	726,756
Total Public Safety		\$	67,846	\$	169,521	\$	242,433	\$	246,988	\$	250,068	\$	256,339	\$	1,233,195
*Estimate cash revenues are divided equally between the Fire and Police functions for Fiscal Years 2014 through 2019, while the remaining balance of estimated impact fees resources is reserved for "public safety improvement-miscellaneous." Allocation of these resources, either in the form of impact fee credits or project budgets shall be made at the discretion of the Impact Fee Administrator, City Manager, and Governing Body.															
**The Fiscal Year 2014 budgetary ending fund balance is estimated to be \$151,646, \$25,442 of which is reserved for contingencies. Allocation of the ending fund balance shall be made to projects at the discretion of the Impact Fee Administrator, City Manager, and Governing Body.															

<u>Drainage-Fund 355</u>															
<i>Industrial Park East Drainage (PW1439)</i>	2	\$	44,680	\$	111,639	\$	111,620	\$	113,724	\$	-	\$	-	\$	381,663
<i>City Center Drainage Facility Plan (PW1440)</i>	3	\$	55,000	\$	-	\$	-	\$	-	\$	-	\$	-	\$	55,000
<i>Christopher Point Drainage</i>	4	\$	-	\$	-	\$	-	\$	-	\$	44,680	\$	30,320	\$	75,000
<i>Grey Hawk Pond Rework</i>	5	\$	-	\$	-	\$	-	\$	-	\$	-	\$	25,000	\$	25,000
<i>Drainage Improvements and Land Acquisition-Miscellaneous</i>		\$	-	\$	-	\$	-	\$	-	\$	70,160	\$	61,757	\$	131,917
Total Drainage		\$	99,680	\$	111,639	\$	111,620	\$	113,724	\$	114,840	\$	117,077	\$	668,580
**The Fiscal Year 2014 budgetary ending fund balance is estimated to be \$149,413, \$22,340 of which is reserved for contingencies. Allocation of the ending fund balance shall be made to projects at the discretion of the Impact Fee Administrator, City Manager, and Governing Body.															

Impact Fee Capital Improvement Plan (IFCIP): FY2014-2019

<u>DEVELOPMENT ASSUMPTIONS</u>	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	TOTAL
Number of Projected Single Family Units Permitted	400	500	500	509	514	524	2,947
Number of Projected Multifamily Units Permitted	0	0	0	0	0	0	0
Number of Retail Commercial Square Footage Permitted	63,208	62,836	63,841	64,862	65,900	66,955	387,602
Number of Office/Institutional Square Footage Permitted	65,187	66,188	67,843	69,539	71,277	73,059	413,093
Number of Industrial Square Footage Permitted	10,887	11,262	11,374	11,488	11,603	11,719	68,333
Total Number of Non Residential Square Footage Permitted	139,282	140,286	143,058	145,889	148,780	151,733	869,028
Impact Fee Facility Category/Fund		ICIP Rank					
<u>Water-Fund 545</u>							
<i>Edinburgh Area Water Infrastructure (Developer Contribution)</i>	DC	\$ 26,000	\$ 26,000	\$ 26,000	\$ 26,000	\$ 26,000	\$ - \$ 130,000
<i>Booster Station and Transmission Line from Tank 8 to Tank 13</i>	14	\$ -	\$ 197,573	\$ 197,560	\$ -	\$ -	\$ - \$ 395,133
<i>Redrill Well #4 or #5; Equip w/ 1,500 gpm</i>	3	\$ -	\$ -	\$ -	\$ -	\$ 102,235	\$ - \$ 102,235
<i>Equip Well Site S-27</i>	15	\$ -	\$ -	\$ -	\$ 202,221	\$ 102,235	\$ - \$ 304,456
<i>Water Utility Improvements-Miscellaneous</i>		\$ 85,092	\$ 85,206	\$ 85,788	\$ 87,544	\$ 88,713	\$ 325,400 \$ 757,743
<i>Existing Impact Fee Credits*</i>		\$ 629,521	\$ 1,749,748	\$ 1,752,970	\$ 1,789,338	\$ 1,808,699	\$ 1,843,933 \$ 9,574,209
Total Water		\$ 740,613	\$ 2,058,527	\$ 2,062,318	\$ 2,105,103	\$ 2,127,881	\$ 2,169,333 \$ 11,263,775
*Existing Impact Fee Credits are estimated to reduce total projected impact fee resources by 85% due to existing development agreements for which the City is obligated to give credits as applications for development units are made during the planning period.							
**The Fiscal Year 2014 budgetary ending fund balance is \$451,202. Allocation of the ending fund balance shall be made to projects at the discretion of the Impact Fee Administrator, City Manager, and Governing Body.							

Impact Fee Capital Improvement Plan (IFCIP): FY2014-2019

<u>DEVELOPMENT ASSUMPTIONS</u>	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	TOTAL
Number of Projected Single Family Units Permitted	400	500	500	509	514	524	2,947
Number of Projected Multifamily Units Permitted	0	0	0	0	0	0	0
Number of Retail Commercial Square Footage Permitted	63,208	62,836	63,841	64,862	65,900	66,955	387,602
Number of Office/Institutional Square Footage Permitted	65,187	66,188	67,843	69,539	71,277	73,059	413,093
Number of Industrial Square Footage Permitted	10,887	11,262	11,374	11,488	11,603	11,719	68,333
Total Number of Non Residential Square Footage Permitted	139,282	140,286	143,058	145,889	148,780	151,733	869,028

Impact Fee Facility Category/Fund	ICIP Rank							
<u>Wastewater-Fund 555</u>								
<i>Lift Station 16 (Gateway South) Wet Well, Pumps, Flow Meter</i>	18	\$ -	\$ 90,000	\$ 90,000	\$ -	\$ -	\$ -	\$ 180,000
<i>Edinburgh Area Wastewater Infrastructure (Developer Contribution)</i>	DC	\$ 75,800	\$ 75,800	\$ 75,800	\$ 75,800	\$ 75,800	\$ -	\$ 379,000
<i>Sludge Dewatering Building at WWTP#2</i>	17	\$ -	\$ -	\$ -	\$ 160,678	\$ -	\$ -	\$ 160,678
<i>Barrancas Sewer Line-Phase II-Idalia to City Center</i>	19	\$ -	\$ -	\$ -	\$ -	\$ 27,183	\$ 165,415	\$ 192,598
<i>Wastewater Utility Improvements-Miscellaneous</i>		\$ 2,414	\$ 51,594	\$ 51,994	\$ -	\$ 135,077	\$ 63,681	\$ 304,760
<i>Existing Impact Fee Credit*</i>		\$ 443,210	\$ 1,231,900	\$ 1,234,169	\$ 1,245,607	\$ 1,260,062	\$ 1,298,210	\$ 6,713,158
Total Wastewater		\$ 521,424	\$ 1,449,294	\$ 1,451,963	\$ 1,482,085	\$ 1,498,122	\$ 1,527,306	\$ 7,930,194

*Existing Impact Fee Credits are estimated to reduce total projected impact fee resources by 80% to 85% due to existing development agreements for which the City is obligated to give credits as applications for development units are made during the planning period.

**The Fiscal Year 2013 budgetary ending fund balance is \$202,354. Allocation of the ending fund balance shall be made to projects at the discretion of the Impact Fee Administrator, City Manager, and Governing Body.

IMPACT FEE TOTAL	\$ 2,231,188	\$ 6,275,916	\$ 6,364,593	\$ 6,491,559	\$ 6,564,536	\$ 6,693,847	\$ 34,621,638
-------------------------	---------------------	---------------------	---------------------	---------------------	---------------------	---------------------	----------------------

Assumptions for FY2014-2019 Projection dated 11/30/2012: Single Family Residential permits for FY14: 400 (1.29% increase in total housing units count); FY15-19: 1.6% increase in total housing units count. Nonresidential square footage permit estimate based on 5 year average (FY09-13) excluding large office/institutional projects; Retail: 1.6% increase in total square footage; Office/Institutional: 2.5%; Industrial: 1%. Residential collection rates are based on recent collection of impact fees and are assumed to be: (Roads: 10%; Bikeways: 30%; Parks: 10%; Public Safety: 95%; Drainage: 100%; Water: 15%; WW: 15%). Nonresidential collection rates are based on recent collection of impact fees and are between 0% and 100% probability depending on the land use type and facility category. 5% of Single Family Residential permits are assumed to be in areas with obsolete platting for calculation of the Drainage impact fee projection, consistent with recent experience. 0% of Nonresidential permits are assumed to be in areas with obsolete platting for calculation of Drainage impact fee projection. While some development occurs in areas with obsolete platting, there is no clear trend that may be used to make a reliable assumption about non residential development that will pay the drainage impact fee.