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DEVELOPMENT SERVICES
DEPARTMENT

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Memorandum

DATE: June 8, 2023

TO: Jaylen French, Director of Development Services

FROM: Veronica Child, Management Analyst II

SUBJECT: Tracy Infrastructure Master Plans Development Impact Fees and NEI Area Future Phases Water and Wastewater Impact Fees, Annual Engineering News Record (ENR) Adjustment

The following information is provided regarding the annual adjustment of the Tracy Infrastructure Master Plans Development Impact Fees and Northeast Industrial (NEI) Area Future Phases Water and Wastewater Development Impact Fees, scheduled to take effect on July 1, 2023.

On January 7, 2014, City Council adopted Resolution 2014-010, approving the establishment of development impact fees for all new developments, commonly known as Tracy Infrastructure Master Plan Development Impact (TIMP or "Master Plan") Fees.

The resolution for the adoption and establishment of the TIMP fees included the following section for the annual adjustment:

"The Development Services Director is authorized to update the development impact fees with the Engineering News Record (ENR) Construction Cost Index (CCI) for San Francisco on an annual basis using the November 2013 index as the initial index, pursuant to Section 13.04.070(a) of the Tracy Municipal Code."

The TIMP Fees were adjusted in 2018, 2019, 2020, 2021, and 2022 by the June ENR CCI for San Francisco.

On October 2, 2018, City Council adopted Resolution 2018-204, approving the update for the expanded NEI and Eastside Industrial Area Development Impact Fees to update the required infrastructure and consolidate the drainage basins. The fees were adjusted in 2019, 2020, 2021, and 2022 by the June ENR CCI for San Francisco with the TIMP Fees.

In addition, several fee updates and the establishment of new fees occurred as follows:

June 8, 2023

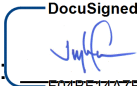
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- NEI Area Future Phases Water and Wastewater Development Impact Fees were established on November 5, 2019 through Resolution No. 2019-211 to fund the remaining water distribution and wastewater conveyance facilities required to serve the buildout of NEI. The fees were adjusted in 2020, 2021, and 2022 by the June ENR CCI for San Francisco with the TIMP Fees.
- Lammers and Mountain House Watershed Storm Drainage Fees were updated on November 5, 2019 through Resolution No. 2019-217 to re-define the master plan storm drainage infrastructure for the Lammers and Mountain House Watershed and adjust the drainage sub-basin boundaries. The fees were adjusted in 2020, 2021, and 2022 by the June ENR CCI for San Francisco with the TIMP Fees.
- Public Safety Impact Fees were updated on October 1, 2019 through Resolution 2019-196 to account for revisions to the fire master plan. The fees were adjusted in 2020, 2021, and 2022 by the June ENR CCI for San Francisco with the TIMP Fees.

The resolutions mentioned above included a clause that gave the Development Services Director the authority to annually adjust the fees starting on July 1, 2020.

The ENR Index for San Francisco has increased from 15356.33 in June 2022 to 15367.26 in June 2023, resulting in a 0.071% increase. At this time, the adjusted 2023 fees are calculated by applying this increase to the 2022 fees.

A worksheet detailing the 2023 adjusted fees (Attachment A), along with a worksheet that compares the 2023 adjusted fees to the prior fees adjusted in 2022 (Attachment B) is attached. The 2023 adjusted fees will be used for TIMP fee collection effective July 1, 2023. This memorandum will serve as official documentation that you have authorized the TIMP fee update for 2023.

Approved By:  _____ Date: 6/9/2023 | 9:44 AM PDT

Attachment A – City of Tracy Citywide Master Plan Fees and NEI Area Future Phases Water and Wastewater Development Impact Fees, Effective July 1, 2023

Attachment B – City of Tracy Citywide Master Plan and NEI Area Future Phases Water and Wastewater Development Impact Fees Comparison 2022 to 2023

ATTACHMENT A

**City of Tracy
Citywide Master Plan Fees and NEI Area Future Phases Water and Wastewater Impact Fees
2023 Annual ENR Adjustment ¹**

Land Use	Transportation	Water			Recycled Water	Wastewater			Parks		Public Safety Fee ²				Public Facilities	NEI Future Area Additional Fees ³		
		Distribution	Supply	Treatment		Treatment Plant	East Conveyance	West Conveyance	Neighborhood Parks	Community Parks	Fire	Police	Communication Facilities	Program Administration		Water Conveyance	Wastewater Conveyance	Program Administration
	Per Unit														Per Unit			
Residential-Very Low Density	\$ 7,312.00	\$ 5,972.00	\$ 2,555.00	\$ 4,646.00	\$ 3,742.00	\$ 9,483.00	\$ 3,390.00	\$ 2,269.00	\$ 8,095.00	\$ 2,559.00	\$ 797.00	\$ 965.00	\$ 325.00	\$ 105.00	\$ 4,163.00	NA	NA	NA
Residential-Low Density	\$ 7,312.00	\$ 5,972.00	\$ 2,555.00	\$ 4,646.00	\$ 3,742.00	\$ 9,483.00	\$ 3,390.00	\$ 2,269.00	\$ 8,095.00	\$ 2,559.00	\$ 797.00	\$ 965.00	\$ 325.00	\$ 105.00	\$ 4,163.00	NA	NA	NA
Residential-Medium Density (attached 2-4)	\$ 4,461.00	\$ 4,299.00	\$ 1,840.00	\$ 3,344.00	\$ 3,217.00	\$ 7,759.00	\$ 2,775.00	\$ 1,857.00	\$ 6,624.00	\$ 2,093.00	\$ 650.00	\$ 788.00	\$ 268.00	\$ 86.00	\$ 3,405.00	NA	NA	NA
Residential-High Density (attached 4+)	\$ 4,461.00	\$ 3,044.00	\$ 1,304.00	\$ 2,368.00	\$ 2,171.00	\$ 6,323.00	\$ 2,260.00	\$ 1,513.00	\$ 5,397.00	\$ 1,706.00	\$ 531.00	\$ 642.00	\$ 217.00	\$ 70.00	\$ 2,776.00	NA	NA	NA
	Per Acre														Per Acre			
Commercial/Retail	\$ 223,273.00	\$ 24,841.00	\$ 10,633.00	\$ 19,322.00	\$ 21,063.00	\$ 40,950.00	\$ 14,641.00	\$ 9,801.00	\$ -	\$ -	\$ 241.22	\$ 292.31	\$ 98.83	\$ 31.61	\$ 108.11	NA	NA	NA
Office	\$ 178,091.00	\$ 18,630.00	\$ 7,973.00	\$ 14,492.00	\$ 17,173.00	\$ 40,950.00	\$ 14,641.00	\$ 9,801.00	\$ -	\$ -	\$ 402.04	\$ 487.16	\$ 164.71	\$ 52.71	\$ 180.20	NA	NA	NA
Industrial	\$ 101,839.00	\$ 18,630.00	\$ 7,973.00	\$ 14,492.00	\$ 17,173.00	\$ 37,932.00	\$ 13,562.00	\$ 9,079.00	\$ -	\$ -	\$ 80.41	\$ 97.45	\$ 32.94	\$ 10.54	\$ 36.05	\$ 354.00	\$ 10,401.00	\$ 537.00

Land Use	Storm Drainage ⁴									
	Keenan	Westside Residential	NW WSO	Larch Clover	Eastside Industrial ⁵	Northeast Area ^{5,6}	South MacArthur and Rocha	Mountain House ⁷	Lammers Watershed ⁷	Kagehiro and West Larch Clover ⁸
	Per Unit									
Residential-Very Low Density	NA	NA	NA	NA	NA	\$ 3,807.00	\$ 6,860.00	NA	\$ 2,071.00	\$ 866.00
Residential-Low Density	\$ 3,019.00	\$ 6,443.00	NA	NA	NA	\$ 2,631.00	\$ 6,300.00	NA	\$ 1,902.00	\$ 751.00
Residential-Medium Density (attached 2-4)	\$ 2,039.00	\$ 4,317.00	NA	NA	NA	\$ 1,625.00	\$ 4,189.00	NA	\$ 1,265.00	\$ 528.00
Residential-High Density (attached 4+)	\$ 1,822.00	\$ 3,850.00	NA	NA	NA	\$ 1,496.00	\$ 3,749.00	NA	\$ 1,133.00	\$ 470.00
	Per Acre									
Commercial/Retail	NA	NA	\$ 23,096.00	\$ 14,175.00	\$ 55,702.00	\$ 44,581.00	\$ 114,892.00	\$ 22,792.00	\$ 34,731.00	NA
Office	NA	NA	\$ 23,096.00	NA	NA	\$ 44,581.00	NA	\$ 22,792.00	\$ 34,731.00	NA
Industrial	NA	NA	\$ 23,096.00	NA	\$ 55,702.00	\$ 44,581.00	NA	\$ 22,792.00	\$ 34,731.00	NA

- Notes:
- 1) All 2023 fees have been adjusted from 2022 to 2023 by the June Engineering News Record Construction Cost Index for San Francisco (ENR), an increase of 0.071%.
 - 2) Updated Public Safety Fees were adopted on October 1, 2019 through Resolution No. 2019-196. Fees have been adjusted by ENR in 2020, 2021, 2022, and 2023.
 - 3) The Northeast Industrial Area Future Phases Water and Wastewater Development Impact Fees was established to fund the remaining water distribution and wastewater conveyance facilities required to serve the buildout of NEI. Fees were adopted on November 5, 2019 through Resolution No. 2019-211 and have been adjusted by ENR in 2020, 2021, 2022, and 2023.
 - 4) Please see the storm drainage shed fee studies for the split between outfall versus program infrastructure.
 - 5) Updated expanded Northeast Industrial Area and Eastside Industrial Area Storm Drainage Fees were adopted on October 2, 2018 through Resolution No. 2018-204. Fees have been adjusted by ENR in 2019, 2020, 2021, 2022, and 2023.
 - 6) Chrisman & East UR-1 areas has been revised to be incorporated into the expanded Northeast Industrial Storm Drainage Area.
 - 7) Updated Lammers and Mountain House Watershed Storm Drainage Fees were adopted on November 5, 2019 through Resolution No. 2019-217. Fees have been adjusted by ENR in 2020, 2021, 2022, and 2023.
 - 8) Kagehiro and West Larch Clover only pay the Westside Outfall fee. No additional program infrastructure is required by Kagehiro and the West Larch Clover area is discharged directly to the existing detention basin.

ATTACHMENT B

City of Tracy
 Citywide Master Plan Fees and NEI Area Future Phases Water and Wastewater Impact Fees
 FY 2022/23 & 2023/24 Fee Comparison

Fee Description		Update Fiscal Year ¹	Residential				Commercial/ Retail	Office	Industrial
			Very Low Density	Low Density	Medium Density (Attached 2-4)	High Density (Attached 4+)			
			Per Unit	Per Unit	Per Unit	Per Unit			
Public Safety Fee ²	Fire	FY 2022/23	\$ 796	\$ 796	\$ 650	\$ 531	\$ 241.05	\$ 401.75	\$ 80.35
		FY 2023/24	\$ 797	\$ 797	\$ 650	\$ 531	\$ 241.22	\$ 402.04	\$ 80.41
	Police	FY 2022/23	\$ 964	\$ 964	\$ 787	\$ 642	\$ 292.10	\$ 486.81	\$ 97.38
		FY 2023/24	\$ 965	\$ 965	\$ 788	\$ 642	\$ 292.31	\$ 487.16	\$ 97.45
	Communication Facilities	FY 2022/23	\$ 325	\$ 325	\$ 268	\$ 217	\$ 98.76	\$ 164.59	\$ 32.92
		FY 2023/24	\$ 325	\$ 325	\$ 268	\$ 217	\$ 98.83	\$ 164.71	\$ 32.94
	Program Administration	FY 2022/23	\$ 105	\$ 105	\$ 86	\$ 70	\$ 31.59	\$ 52.67	\$ 10.53
		FY 2023/24	\$ 105	\$ 105	\$ 86	\$ 70	\$ 31.61	\$ 52.71	\$ 10.54
Public Facilities		FY 2022/23	\$ 4,160	\$ 4,160	\$ 3,403	\$ 2,774	\$ 108.03	\$ 180.07	\$ 36.02
		FY 2023/24	\$ 4,163	\$ 4,163	\$ 3,405	\$ 2,776	\$ 108.11	\$ 180.20	\$ 36.05
			Per Unit	Per Unit	Per Unit	Per Unit	Per Acre	Per Acre	Per Acre
Transportation		FY 2022/23	\$ 7,307	\$ 7,307	\$ 4,458	\$ 4,458	\$ 223.115	\$ 177,965	\$ 101,767
		FY 2023/24	\$ 7,312	\$ 7,312	\$ 4,461	\$ 4,461	\$ 223.273	\$ 178,091	\$ 101,839
Water	Distribution	FY 2022/23	\$ 5,968	\$ 5,968	\$ 4,296	\$ 3,042	\$ 24,823	\$ 18,617	\$ 18,617
		FY 2023/24	\$ 5,972	\$ 5,972	\$ 4,299	\$ 3,044	\$ 24,841	\$ 18,630	\$ 18,630
	Supply	FY 2022/23	\$ 2,553	\$ 2,553	\$ 1,839	\$ 1,303	\$ 10,625	\$ 7,967	\$ 7,967
		FY 2023/24	\$ 2,555	\$ 2,555	\$ 1,840	\$ 1,304	\$ 10,633	\$ 7,973	\$ 7,973
	Treatment	FY 2022/23	\$ 4,643	\$ 4,643	\$ 3,342	\$ 2,366	\$ 19,308	\$ 14,482	\$ 14,482
		FY 2023/24	\$ 4,646	\$ 4,646	\$ 3,344	\$ 2,368	\$ 19,322	\$ 14,492	\$ 14,492
Recycled Water		FY 2022/23	\$ 3,739	\$ 3,739	\$ 3,215	\$ 2,169	\$ 21,048	\$ 17,161	\$ 17,161
		FY 2023/24	\$ 3,742	\$ 3,742	\$ 3,217	\$ 2,171	\$ 21,063	\$ 17,173	\$ 17,173
Wastewater	Treatment Plant	FY 2022/23	\$ 9,476	\$ 9,476	\$ 7,753	\$ 6,319	\$ 40,921	\$ 40,921	\$ 37,905
		FY 2023/24	\$ 9,483	\$ 9,483	\$ 7,759	\$ 6,323	\$ 40,950	\$ 40,950	\$ 37,932
	East Conveyance	FY 2022/23	\$ 3,388	\$ 3,388	\$ 2,773	\$ 2,258	\$ 14,631	\$ 14,631	\$ 13,552
		FY 2023/24	\$ 3,390	\$ 3,390	\$ 2,775	\$ 2,260	\$ 14,641	\$ 14,641	\$ 13,562
	West Conveyance	FY 2022/23	\$ 2,267	\$ 2,267	\$ 1,856	\$ 1,512	\$ 9,794	\$ 9,794	\$ 9,073
		FY 2023/24	\$ 2,269	\$ 2,269	\$ 1,857	\$ 1,513	\$ 9,801	\$ 9,801	\$ 9,079
Parks	Neighborhood Parks	FY 2022/23	\$ 8,089	\$ 8,089	\$ 6,619	\$ 5,393	\$ -	\$ -	\$ -
		FY 2023/24	\$ 8,095	\$ 8,095	\$ 6,624	\$ 5,397	\$ -	\$ -	\$ -
	Community Parks	FY 2022/23	\$ 2,557	\$ 2,557	\$ 2,092	\$ 1,705	\$ -	\$ -	\$ -
		FY 2023/24	\$ 2,559	\$ 2,559	\$ 2,093	\$ 1,706	\$ -	\$ -	\$ -
NEI Future Area Additional Fees ³	Water Conveyance	FY 2022/23	NA	NA	NA	NA	NA	NA	\$ 354
		FY 2023/24	NA	NA	NA	NA	NA	NA	NA
	Wastewater Conveyance	FY 2022/23	NA	NA	NA	NA	NA	NA	\$ 10,394
		FY 2023/24	NA	NA	NA	NA	NA	NA	\$ 10,401
	Program Administration	FY 2022/23	NA	NA	NA	NA	NA	NA	\$ 537
		FY 2023/24	NA	NA	NA	NA	NA	NA	\$ 537
Storm Drainage ⁴	Keenan	FY 2022/23	NA	\$ 3,017	\$ 2,038	\$ 1,821	NA	NA	NA
		FY 2023/24	NA	\$ 3,019	\$ 2,039	\$ 1,822	NA	NA	NA
	Westside Residential	FY 2022/23	NA	\$ 6,438	\$ 4,314	\$ 3,847	NA	NA	NA
		FY 2023/24	NA	\$ 6,443	\$ 4,317	\$ 3,850	NA	NA	NA
	NW WSO	FY 2022/23	NA	NA	NA	NA	\$ 23,080	\$ 23,080	\$ 23,080
		FY 2023/24	NA	NA	NA	NA	\$ 23,096	\$ 23,096	\$ 23,096
	Larch Clover	FY 2022/23	NA	NA	NA	NA	\$ 14,165	NA	NA
		FY 2023/24	NA	NA	NA	NA	\$ 14,175	NA	NA
	Eastside Industrial ⁵	FY 2022/23	NA	NA	NA	NA	\$ 55,662	NA	\$ 55,662
		FY 2023/24	NA	NA	NA	NA	\$ 55,702	NA	\$ 55,702
	Northeast Area ^{5,6}	FY 2022/23	\$ 3,804	\$ 2,629	\$ 1,624	\$ 1,495	\$ 44,549	\$ 44,549	\$ 44,549
		FY 2023/24	\$ 3,807	\$ 2,631	\$ 1,625	\$ 1,496	\$ 44,581	\$ 44,581	\$ 44,581
	South MacArthur and Rocha	FY 2022/23	\$ 6,855	\$ 6,296	\$ 4,186	\$ 3,746	\$ 114,810	NA	NA
		FY 2023/24	\$ 6,860	\$ 6,300	\$ 4,189	\$ 3,749	\$ 114,892	NA	NA
	Mountain House ⁷	FY 2022/23	NA	NA	NA	NA	\$ 22,776	\$ 22,776	\$ 22,776
		FY 2023/24	NA	NA	NA	NA	\$ 22,792	\$ 22,792	\$ 22,792
	Lammers Watershed ⁷	FY 2022/23	\$ 2,070	\$ 1,901	\$ 1,264	\$ 1,132	\$ 34,706	\$ 34,706	\$ 34,706
		FY 2023/24	\$ 2,071	\$ 1,902	\$ 1,265	\$ 1,133	\$ 34,731	\$ 34,731	\$ 34,731
Kagehiro and West Larch Clover ⁸	FY 2022/23	\$ 865	\$ 750	\$ 528	\$ 470	NA	NA	NA	
	FY 2023/24	\$ 866	\$ 751	\$ 528	\$ 470	NA	NA	NA	

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