

DEVELOPMENT FEES

Prepared for:

City of Yuma, Arizona

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TABLE OF CONTENTS

EXECUTIVE SUMMARY	4
CALCULATION FORMULA.....	4
Figure 1: Development Fee Calculation Formula	4
PROPOSED DEVELOPMENT FEES.....	4
Figure 2: Proposed Development Fees.....	5
COMPARISON TO CURRENT DEVELOPMENT FEES.....	6
Figure 3: March 2012 Development Fees.....	6
Figure 4: Changes between Proposed and Current Development Fees.....	6
PARKS AND RECREATIONAL FACILITIES	7
OVERVIEW	7
SERVICE AREA	7
PROPORTIONATE SHARE	7
DEVELOPMENT FEES FOR PARKS AND RECREATIONAL FACILITIES	7
Figure 5: Parks and Recreational Facilities Development Fees	8
FIRE FACILITIES	9
OVERVIEW	9
SERVICE AREA	9
PROPORTIONATE SHARE	9
DEVELOPMENT FEES FOR FIRE FACILITIES	9
Figure 6: Fire Facilities Development Fees	10
POLICE FACILITIES	11
OVERVIEW	11
SERVICE AREA	11
PROPORTIONATE SHARE	11
DEVELOPMENT FEES FOR POLICE FACILITIES	11
Figure 7: Police Facilities Development Fees.....	12
GENERAL GOVERNMENT FACILITIES.....	13
OVERVIEW	13
SERVICE AREA	13
PROPORTIONATE SHARE	13
DEVELOPMENT FEES FOR GENERAL GOVERNMENT FACILITIES	13
Figure 8: General Government Facilities Development Fees	14
STREET FACILITIES.....	15
OVERVIEW	15
SERVICE AREA	15
PROPORTIONATE SHARE	15
DEVELOPMENT FEES FOR STREET FACILITIES	15
Figure 9: Street Facilities Development Fees	16
APPENDIX A – CASH FLOW ANALYSIS.....	17
PARKS AND RECREATIONAL FACILITIES.....	17
Figure A-1: Cash Flow Analysis for Parks and Recreation Facilities Development Fees and IIP	17
FIRE FACILITIES.....	18
Figure A-2: Cash Flow Analysis for Fire Facilities Development Fees and IIP	18
POLICE FACILITIES.....	18
Figure A-3: Cash Flow Analysis for Police Facilities Development Fees and IIP.....	19

GENERAL GOVERNMENT FACILITIES	19
Figure A-4: Cash Flow Analysis for General Government Facilities Development Fees and IIP	19
STREET FACILITIES.....	20
Figure A-5: Cash Flow Analysis for Street Facilities Development Fees and IIP	20

EXECUTIVE SUMMARY

The City of Yuma has engaged TischlerBise to update its Infrastructure Improvements Plans and development fees for several categories of necessary public services pursuant to Arizona Revised Statutes 9-463.05. TischlerBise has twice previously calculated development fees for the City, most recently in 2006.

Municipalities in Arizona may assess development fees to offset infrastructure costs to a municipality associated with providing necessary public services to a development. The development fees must be based on an Infrastructure Improvements Plan. Development fees cannot be used for, among other things: projects not included in the Infrastructure Improvements Plan, projects related to existing development, or costs related to operations and maintenance.

This update of the City's Infrastructure Improvements Plan and associated update to its development fees includes the following necessary public services:

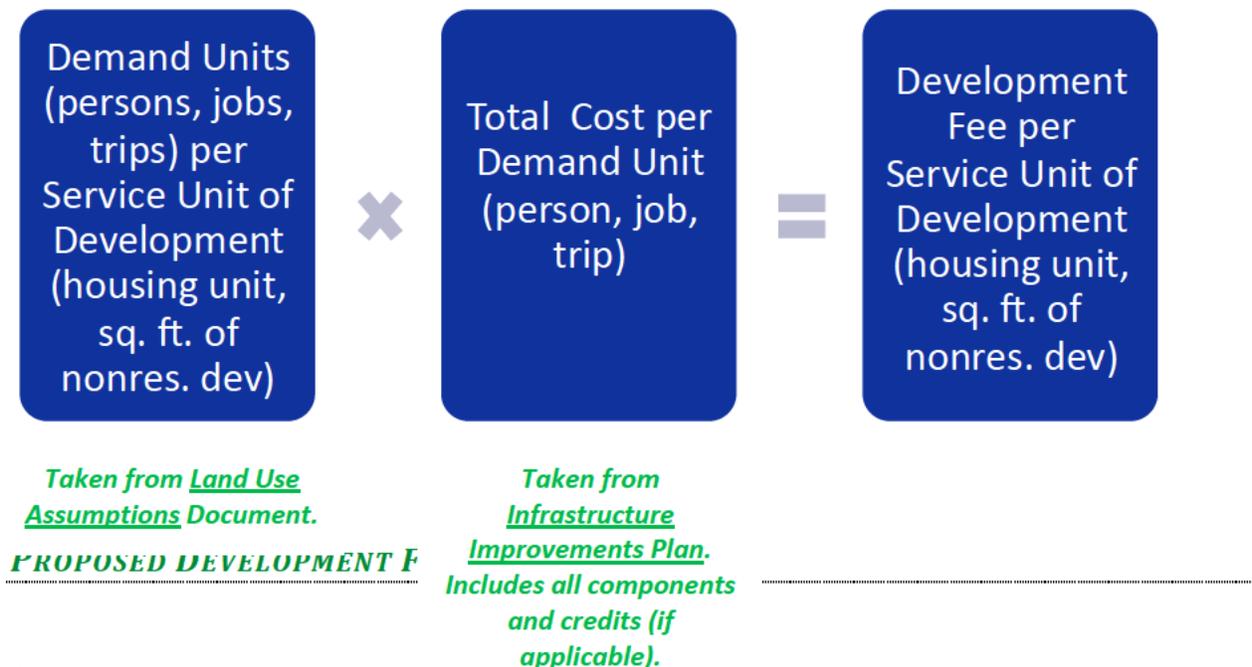
- Parks and Recreational Facilities
- Fire Facilities
- Police Facilities
- General Government Facilities
- Streets Facilities

This update also includes all necessary elements required to be in full compliance with SB 1525.

CALCULATION FORMULA

The general formula for calculating the development fees is illustrated below:

Figure 1: Development Fee Calculation Formula



Under the new requirements of the development fee enabling legislation, development fees may be used only for construction, acquisition or expansion of public facilities that are necessary public services. "Necessary public service" means any of the following categories of facilities that have a life expectancy of three or more years and that are owned and operated by or on behalf of the municipality:

- Water Facilities
- Wastewater Facilities
- Storm Water, Drainage, and Flood Control Facilities
- Library Facilities
- Streets Facilities
- Fire and Police Facilities
- Neighborhood Parks and Recreational Facilities
- Any facility that was financed before June 1, 2011 and that meets the following requirements:
 1. Development fees were pledged to repay debt service obligations related to the construction of the facility.
 2. After August 1, 2014, any development fees collected are used solely for the payment of principal and interest on the portion of the bonds, notes or other debt service obligations issued before June 1, 2011 to finance construction of the facility.

Based on the data, assumptions, and calculation methodologies in the *Land Use Assumptions* document and *Infrastructure Improvements Plan*, the proposed development fees are listed in the figure below. According to the new enabling legislation, development fees for Arts & Cultural Facilities, Sanitation, and Public Works are no longer possible in the City of Yuma.

Figure 2: Proposed Development Fees

RESIDENTIAL		DEVELOPMENT FEES					
<i>Type of Development</i>		<i>Parks</i>	<i>Police</i>	<i>Fire</i>	<i>General Government</i>	<i>Streets</i>	TOTAL
Single Family	per Housing Unit	\$1,011	\$506	\$339	\$20	\$696	\$2,572
Multi-family	per Housing Unit	\$797	\$399	\$267	\$15	\$479	\$1,957
All Other Types	per Housing Unit	\$612	\$306	\$205	\$12	\$363	\$1,498
NONRESIDENTIAL		DEVELOPMENT FEES					
<i>Type of Development</i>		<i>Parks</i>	<i>Police</i>	<i>Fire</i>	<i>General Government</i>	<i>Streets</i>	TOTAL
Commercial/Retail	per Sq Ft of Building	N/A	\$0.949	\$0.152	\$0.013	\$0.804	\$1.918
Office/Institutional	per Sq Ft of Building	N/A	\$0.468	\$0.258	\$0.022	\$0.436	\$1.184
Light Industrial	per Sq Ft of Building	N/A	\$0.296	\$0.171	\$0.015	\$0.276	\$0.758
Warehousing	per Sq Ft of Building	N/A	\$0.211	\$0.068	\$0.006	\$0.196	\$0.481
Manufacturing	per Sq Ft of Building	N/A	\$0.162	\$0.132	\$0.011	\$0.151	\$0.456
Hotel	per Room	N/A	\$239	\$33	\$3	\$223	\$498

COMPARISON TO CURRENT DEVELOPMENT FEES

The City’s development fee schedule adopted in March 2012 is shown in Figure 3. The differences between the current and proposed fees are shown in Figure 4.

Figure 3: March 2012 Development Fees

RESIDENTIAL		DEVELOPMENT FEES					
Type of Development		Parks	Police	Fire	General Government	Streets	TOTAL
Single Family	per Housing Unit	\$1,011	\$506	\$339	\$20	\$856	\$2,732
Multi-family	per Housing Unit	\$797	\$399	\$267	\$15	\$590	\$2,068
All Other Types	per Housing Unit	\$612	\$306	\$205	\$12	\$446	\$1,582

NONRESIDENTIAL		DEVELOPMENT FEES					
Type of Development		Parks	Police	Fire	General Government	Streets	TOTAL
Commercial/Retail	per Sq Ft of Building	N/A	\$0.949	\$0.152	\$0.013	\$0.986	\$2.100
Office/Institutional	per Sq Ft of Building	N/A	\$0.468	\$0.258	\$0.022	\$0.535	\$1.283
Light Industrial	per Sq Ft of Building	N/A	\$0.296	\$0.171	\$0.015	\$0.339	\$0.821
Warehousing	per Sq Ft of Building	N/A	\$0.211	\$0.068	\$0.006	\$0.241	\$0.526
Manufacturing	per Sq Ft of Building	N/A	\$0.162	\$0.132	\$0.011	\$0.186	\$0.491
Hotel	per Room	N/A	\$239	\$33	\$3	\$274	\$548

Figure 4: Changes between Proposed and Current Development Fees

RESIDENTIAL		DEVELOPMENT FEES				
Type of Development		Parks	Police	Fire	General Government	Streets
Single Family	per Housing Unit	\$0	\$0	\$0	\$0	(\$160)
Multi-family	per Housing Unit	\$0	\$0	\$0	\$0	(\$111)
All Other Types	per Housing Unit	\$0	\$0	\$0	\$0	(\$83)

NONRESIDENTIAL		DEVELOPMENT FEES				
Type of Development		Parks	Police	Fire	General Government	Streets
Commercial/Retail	per Sq Ft of Building	N/A	\$0.000	\$0.000	\$0.000	(\$0.182)
Office/Institutional	per Sq Ft of Building	N/A	\$0.000	\$0.000	\$0.000	(\$0.099)
Light Industrial	per Sq Ft of Building	N/A	\$0.000	\$0.000	\$0.000	(\$0.063)
Warehousing	per Sq Ft of Building	N/A	\$0.000	\$0.000	\$0.000	(\$0.045)
Manufacturing	per Sq Ft of Building	N/A	\$0.000	\$0.000	\$0.000	(\$0.035)
Hotel	per Room	N/A	\$0	\$0	\$0	(\$51)

PARKS AND RECREATIONAL FACILITIES

OVERVIEW

The Parks and Recreational Facilities Development Fees include components for area parks and the cost of preparing the Parks and Recreational Facilities IIP and development fees. The plan-based methodology is used to calculate the Parks and Recreational Facilities IIP.

SERVICE AREA

The City of Yuma plans to provide a uniform level-of-service and equal service for parks and recreational facilities throughout the City. The City's parks and recreation programs are structured and provided to make full use of the City's inventory of facilities. As a result, the service area for the Parks and Recreational Facilities IIP is citywide.

PROPORTIONATE SHARE

ARS 9-463.05 (B)(3) states that the development fee shall not exceed a proportionate share of the cost of necessary public services needed to provide necessary public services to the development. The Parks and Recreational IIP and development fees are assessed only on residential development as this type of development creates 100% of the burden for additional parks and recreational facilities. Nonresidential development does not create additional burden for parks and recreational facilities, thus its proportionate share is 0% and is not assessed this IIP and development fees.

DEVELOPMENT FEES FOR PARKS AND RECREATIONAL FACILITIES

The proposed development fees for Parks and Recreational Facilities is shown in the figure below. For residential development, the development fee is calculated by multiplying the number of persons by type of housing unit by the total cost per person.

Figure 5: Parks and Recreational Facilities Development Fees

RESIDENTIAL DEVELOPMENT			COST PER PERSON ²					Development Fee per Service Unit
Type	Service Unit	# of Persons ¹	Parks	Linear Parks, Paths, Trails	IIP and Development Fee Study	Less Revenue Credit	TOTAL	
Single Family	1 Unit	3.24	\$335.14	\$0.00	\$4.96	(\$27.73)	\$312.36	\$1,011
Multi-family	1 Unit	2.55	\$335.14	\$0.00	\$4.96	(\$27.73)	\$312.36	\$797
All Other Types of Housing	1 Unit	1.96	\$335.14	\$0.00	\$4.96	(\$27.73)	\$312.36	\$612

1. Land Use Assumptions document.
2. Infrastructure Improvement Plan

FIRE FACILITIES

OVERVIEW

The Fire Facilities Development Fees include components for stations (including apparatus), communications equipment, and the cost of preparing the Fire Facilities IIP and development fees. The plan-based methodology utilizing the City's Capital Improvement Program, Fiscal Year 2012-2022 is used to calculate each of the components of the Fire Facilities IIP.

SERVICE AREA

The City's Fire Services and Facilities Plan utilizes a Citywide goal of an average drive time of 4 minutes for the first unit and 6 minutes for the second unit for emergency calls. The City's networks of fire stations are planned and operate as an integrated network. Depending on the number and type of calls, apparatus can be dispatched across the City from any of the stations. As a result, the service area for the Fire Facilities IIP is citywide.

PROPORTIONATE SHARE

ARS 9-463.05 (B)(3) states that the development fee shall not exceed a proportionate share of the cost of necessary public services needed to provide necessary public services to the development.

The Fire Facilities IIP and development fees are assessed on both residential and nonresidential development as both types of development create a burden for additional fire facilities. Calls for service by land use are used to determine the proportionate share of this burden. Over the last ten years, approximately 75% of non-road related calls were to residential addresses with the remaining 25% going to nonresidential addresses. Road related calls are omitted from this analysis because the origin and destination of these trips is unknown and thus these calls cannot be attributed to residential or nonresidential development.

DEVELOPMENT FEES FOR FIRE FACILITIES

The proposed development fees for Fire Facilities are shown in the figure below. For residential development, the development fee is calculated by multiplying the number of persons by type of housing unit by the total cost per person. Nonresidential development fees are calculated by multiplying the number of jobs per square foot of building space by the total cost per job.

Figure 6: Fire Facilities Development Fees

RESIDENTIAL DEVELOPMENT			COST PER PERSON ²				Development Fee per Service Unit
Type	Service Unit	# of Persons ¹	Facilities	Communications Equipment	IIP and Development Fee Study	TOTAL	
Single Family	1 Unit	3.24	\$95.39	\$4.68	\$4.67	\$104.74	\$339
Multi-family	1 Unit	2.55	\$95.39	\$4.68	\$4.67	\$104.74	\$267
All Other Types of Housing	1 Unit	1.96	\$95.39	\$4.68	\$4.67	\$104.74	\$205

NONRESIDENTIAL DEVELOPMENT			COST PER JOB ²				Development Fee per Service Unit
Type	Service Unit	# of Jobs ¹	Facilities	Communications Equipment	IIP and Development Fee Study	TOTAL	
Commercial/Retail	1 sq ft of building	0.00205	\$69.62	\$3.07	\$1.27	\$73.97	\$0.152
Office/Institutional	1 sq ft of building	0.00349	\$69.62	\$3.07	\$1.27	\$73.97	\$0.258
Light Industrial	1 sq ft of building	0.00231	\$69.62	\$3.07	\$1.27	\$73.97	\$0.171
Warehousing	1 sq ft of building	0.00092	\$69.62	\$3.07	\$1.27	\$73.97	\$0.068
Manufacturing	1 sq ft of building	0.00179	\$69.62	\$3.07	\$1.27	\$73.97	\$0.132
Hotel (per room)	1 hotel room	0.44	\$69.62	\$3.07	\$1.27	\$73.97	\$33

1. *Land Use Assumptions* document.
2. *Infrastructure Improvement Plan*

POLICE FACILITIES

OVERVIEW

The Police Facilities Development Fees include components for facilities, vehicles, communications equipment, and the cost of preparing the Police Facilities IIP and development fees. The plan-based methodology utilizing the City's Capital Improvement Program, Fiscal Year 2012-2022 is used to calculate the stations and communications equipment components of the Police Facilities IIP. The incremental expansion methodology is used to calculate the vehicles component.

SERVICE AREA

The City Police Department strives to provide a uniform response time across the City. The City's network of Police stations and substations are planned and operate as an integrated network. Patrol vehicles and equipment are dispatched from across the City. As a result, the service area for the Police Facilities IIP is citywide.

PROPORTIONATE SHARE

ARS 9-463.05 (B)(3) states that the development fee shall not exceed a proportionate share of the cost of necessary public services needed to provide necessary public services to the development.

The Police Facilities IIP and development fees are assessed on both residential and nonresidential development as both types of development create a burden for additional police facilities. Calls for service by land use are used to determine the proportionate share of this burden. Based on three years of call data, approximately 53% of non-road related calls were to residential addresses with the remaining 47% going to nonresidential addresses. Road related calls are omitted from this analysis because the origin and destination of these trips is unknown and thus these calls cannot be attributed to residential or nonresidential development.

DEVELOPMENT FEES FOR POLICE FACILITIES

The proposed development fees for Police Facilities are shown in the figure below. For residential development, the development fee is calculated by multiplying the number of persons by type of housing unit by the total cost per person. Nonresidential development fees are calculated by multiplying the number of vehicle trips per square foot of building space by the total cost per vehicle trip.

Figure 7: Police Facilities Development Fees

RESIDENTIAL DEVELOPMENT			COST PER PERSON ²					Development Fee per Service Unit
Type	Service Unit	# of Persons ¹	Facilities	Vehicles	Communications Equipment	IIP and Development Fee Study	TOTAL	
Single Family	1 Unit	3.24	\$122.49	\$29.04	\$1.62	\$3.28	\$156.44	\$506
Multi-family	1 Unit	2.55	\$122.49	\$29.04	\$1.62	\$3.28	\$156.44	\$399
All Other Types of Housing	1 Unit	1.96	\$122.49	\$29.04	\$1.62	\$3.28	\$156.44	\$306

NONRESIDENTIAL DEVELOPMENT			COST PER NONRESIDENTIAL TRIP ²					Development Fee per Service Unit
Type	Service Unit	Adjusted Trip Ends ²	Facilities	Vehicles	Communications Equipment	IIP and Development Fee Study	TOTAL	
Commercial/Retail	1 sq ft of building	0.0112	\$67.53	\$16.01	\$0.79	\$0.62	\$84.96	\$0.949
Office/Institutional	1 sq ft of building	0.0055	\$67.53	\$16.01	\$0.79	\$0.62	\$84.96	\$0.468
Light Industrial	1 sq ft of building	0.0035	\$67.53	\$16.01	\$0.79	\$0.62	\$84.96	\$0.296
Warehousing	1 sq ft of building	0.0025	\$67.53	\$16.01	\$0.79	\$0.62	\$84.96	\$0.211
Manufacturing	1 sq ft of building	0.0019	\$67.53	\$16.01	\$0.79	\$0.62	\$84.96	\$0.162
Hotel (per room)	1 hotel room	2.82	\$67.53	\$16.01	\$0.79	\$0.62	\$84.96	\$239

1. Land Use Assumptions document.
2. Infrastructure Improvement Plan

GENERAL GOVERNMENT FACILITIES

OVERVIEW

The City has outstanding debt service for City Hall which meets the definition of necessary public service. Given that this existing facility was oversized in anticipation of new development, the buy-in methodology is used to calculate this component of the General Government Facilities development fee. The cost of preparing the General Government Facilities IIP and Development Fees is also included in the General Government Facilities Development Fees.

SERVICE AREA

City Hall is a single, unique facility which serves the City as a whole. Thus the General Government Facilities Development Fee is assessed Citywide.

PROPORTIONATE SHARE

ARS 9-463.05 (B)(3) states that the development fee shall not exceed a proportionate share of the cost of necessary public services needed to provide necessary public services to the development.

The General Government Facilities development fees use a functional population concept to allocate the proportionate burdens and costs between residential and nonresidential development. The time at home (2/3 of a day, 16 hours) is distinguished versus time at work (1/3 of a day, 8 hours) and accounts for commuting patterns in Yuma. According to 2005-2009 data from the Census Bureau's *American Community Survey* and Arizona Department of Commerce, 27% of workers living in the City go to work outside of the City. Based on the total number of jobs in Yuma, there is also in-migration of non-resident workers. According to the functional population analysis, residential development accounts for 83% of the demand for General Government facilities and nonresidential development accounts for 17% of the infrastructure demand.

DEVELOPMENT FEES FOR GENERAL GOVERNMENT FACILITIES

The proposed development fees for General Government Facilities are shown in the figure below. For residential development, the development fee is calculated by multiplying the number of persons by type of housing unit by the total cost per person. Nonresidential development fees are calculated by multiplying the number of jobs per square foot of building space by the total cost per job.

Figure 8: General Government Facilities Development Fees

RESIDENTIAL DEVELOPMENT			COST PER PERSON ²				Development Fee per Service Unit
Type	Service Unit	# of Persons ¹	City Hall	IIP and Development Fee Study	Less Revenue Credit	TOTAL	
Single Family	1 Unit	3.24	\$223.49	\$2.74	(\$220.16)	\$6.07	\$20
Multi-family	1 Unit	2.55	\$223.49	\$2.74	(\$220.16)	\$6.07	\$15
All Other Types of Housing	1 Unit	1.96	\$223.49	\$2.74	(\$220.16)	\$6.07	\$12

NONRESIDENTIAL DEVELOPMENT			COST PER JOB ²				Development Fee per Service Unit
Type	Service Unit	# of Jobs ¹	City Hall	IIP and Development Fee Study	Credit	TOTAL	
Commercial/Retail	1 sq ft of building	0.00205	\$102.00	\$0.47	(\$96.10)	\$6.37	\$0.013
Office/Institutional	1 sq ft of building	0.00349	\$102.00	\$0.47	(\$96.10)	\$6.37	\$0.022
Light Industrial	1 sq ft of building	0.00231	\$102.00	\$0.47	(\$96.10)	\$6.37	\$0.015
Warehousing	1 sq ft of building	0.00092	\$102.00	\$0.47	(\$96.10)	\$6.37	\$0.006
Manufacturing	1 sq ft of building	0.00179	\$102.00	\$0.47	(\$96.10)	\$6.37	\$0.011
Hotel (per room)	1 hotel room	0.44	\$102.00	\$0.47	(\$96.10)	\$6.37	\$3

1. Land Use Assumptions document.
2. Infrastructure Improvement Plan

STREET FACILITIES

OVERVIEW

The Street Facilities Development Fees include components for arterial street improvements, arterial intersection improvements, and the cost of preparing the Street Facilities IIP and development fees. The plan-based methodology utilizing the City's Capital Improvement Program, Fiscal Year 2012-2022 (CIP) is used to calculate the Street Facilities IIP.

SERVICE AREA

The "Guiding Policy" section of the City's Major Roadways Plan states the objective to "develop and maintain a transportation network that provides reasonable and efficient access throughout the community and supports existing and expanding economic activities." The Street Facilities IIP includes improvements to arterial streets and intersections. The Major Roadways Plan described arterial streets as "carrying trips of longer length and distribute traffic to the greatest geographic area".

Given these characteristics of how the City plans and designs its arterial street network, the service area for the Street Facilities Development Fees is Citywide.

PROPORTIONATE SHARE

ARS 9-463.05 (B)(3) states that the development fee shall not exceed a proportionate share of the cost of necessary public services needed to provide necessary public services to the development.

Trip generation rates and trip adjustment factors from Trip Generation published by the Institute of Transportation Engineers is used to determine the proportionate impact of residential, commercial, office, and industrial land uses on the City's streets network.

DEVELOPMENT FEES FOR STREET FACILITIES

The proposed development fees for Street Facilities are shown in the figure below. For residential development, the development fee is calculated by multiplying the number of trips by type of housing unit by the total cost per trip. Nonresidential development fees are calculated by multiplying the number of trips per square foot of building space by the total cost per trip.

Figure 9: Street Facilities Development Fees

RESIDENTIAL DEVELOPMENT				COST PER TRIP ²						Development Fee per Service Unit
Type	Service Unit	Trip Ends ¹	Trip Adjustment Factor ¹	Average Trip Length (miles)	Trip Length Adjustment Factor	Cost per VMT	Arterial Improvements Cost per Average Length Trip	IIP and Development Fee Study	Total Cost per Average Length Trip	
Single Family	Housing Unit	9.57	57%	6.12	122%	\$16.85	\$125.80	\$1.93	\$127.73	\$696
Multi-family	Housing Unit	6.59	57%	6.12	122%	\$16.85	\$125.80	\$1.93	\$127.73	\$479
All Other Types	Housing Unit	4.99	57%	6.12	122%	\$16.85	\$125.80	\$1.93	\$127.73	\$363

NONRESIDENTIAL DEVELOPMENT				COST PER TRIP ²						Development Fee per Service Unit
Type	Service Unit	Trip Ends ¹	Trip Adjustment Factor ¹	Average Trip Length (miles)	Trip Length Adjustment Factor	Cost per VMT	Arterial Improvements Cost per Average Length Trip	IIP and Development Fee Study	Total Cost per Average Length Trip	
Commercial / Retail	Sq Ft of Building	0.0429	26%	6.12	68%	\$16.85	\$70.12	\$1.93	\$72.05	\$0.804
Office / Institutional	Sq Ft of Building	0.0110	50%	6.12	75%	\$16.85	\$77.34	\$1.93	\$79.27	\$0.436
Light Industrial	Sq Ft of Building	0.0070	50%	6.12	75%	\$16.85	\$77.34	\$1.93	\$79.27	\$0.276
Warehousing	Sq Ft of Building	0.0050	50%	6.12	75%	\$16.85	\$77.34	\$1.93	\$79.27	\$0.196
Manufacturing	Sq Ft of Building	0.0038	50%	6.12	75%	\$16.85	\$77.34	\$1.93	\$79.27	\$0.151
Hotel	Room	5.63	50%	6.12	75%	\$16.85	\$77.34	\$1.93	\$79.27	\$223

1. Land Use Assumptions.
2. Infrastructure Improvement Plan.

APPENDIX A – CASH FLOW ANALYSIS

This cash flow analysis is based on the proposed development fees, data, and methodologies in the accompanying Land Use Assumptions document and Infrastructure Improvements Plan. FY2012 (beginning July 1, 2011) is the first projection year (note: all figures are in thousands of dollars).

This cash flow analysis is based on several assumptions:

- 100% of all future residential and nonresidential development will pay 100% of the proposed development fees.
- Future development will occur at the pace and magnitude outlined in the Land Use Assumptions document.

To the extent these assumptions change, the cash flow analysis will change correspondingly. Also, the cash flow analysis is based on the proposed fees and IIP over a ten year time frame. TischlerBise recommends that communities review and recalibrate their fees on a regular basis. Thus, it is likely the fee amounts, land use assumptions, and IIP will change over the course of the ten year cash flow analysis.

PARKS AND RECREATIONAL FACILITIES

The table shows the cash flow analysis for the Parks and Recreational Facilities Development Fees over the next ten years. The City could collect a total of \$1.6 million. The capital expenditures are taken from the City's FY2012-FY2022 Capital Improvement Plan.

The deficits shown at the bottom of the table are the result of several factors. The planned projects are the result of both existing and new development. Development fees will fund new development's share of the planned projects while the City will have to use non-development fee revenues to fund the portion of the projects attributable to existing development. The City plans to construct facilities with excess capacity for future development. It would be inefficient and costly in the long term if the City constructed facilities that are at capacity upon completion. Future development beyond the date of construction will repay the City for oversizing infrastructure. To a lesser extent, the deficits are also the result of the future revenue credit for debt service payments for land for Yuma Valley Area Park.

Figure A-1: Cash Flow Analysis for Parks and Recreation Facilities Development Fees and IIP

PARKS AND RECREATIONAL FACILITIES													Ave.
Development Fee Revenues (\$1,000's)													Annual
	Fiscal Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	TOTAL	
Residential Development		\$154	\$154	\$155	\$156	\$157	\$157	\$158	\$159	\$160	\$161	\$1,570	\$157
TOTAL		\$154	\$154	\$155	\$156	\$157	\$157	\$158	\$159	\$160	\$161	\$1,570	\$157
Capital Expenditures (\$1,000's)													Ave.
	Fiscal Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	TOTAL	Annual
Yuma Valley Area Park		\$1,100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,100	\$110
Yuma East Athletic Park		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,400	\$9,400	\$940
IIP and Development Fee Study		\$2	\$2	\$2	\$2	\$2	\$2	\$3	\$3	\$3	\$3	\$25	\$2
TOTAL		\$1,102	\$2	\$2	\$2	\$2	\$2	\$3	\$3	\$3	\$9,403	\$10,525	\$1,052
Annual Surplus/(Deficit)		(\$949)	\$152	\$153	\$153	\$154	\$155	\$156	\$156	\$157	(\$9,242)		
Cumulative Surplus/(Deficit)		(\$949)	(\$797)	(\$645)	(\$491)	(\$337)	(\$182)	(\$27)	\$130	\$287	(\$8,955)		

FIRE FACILITIES

The table shows the cash flow analysis for the Fire Facilities Development Fees over the next ten years. The City could collect a total of \$983,000. The capital expenditures are taken from the City's FY2012-FY2022 Capital Improvement Plan.

The deficits shown at the bottom of the table are the result of several factors. The planned projects are the result of both existing and new development. Development fees will fund new development's share of the planned projects while the City will have to use non-development fee revenues to fund the portion of the projects attributable to existing development. The City plans to construct facilities with excess capacity for future development. It would be inefficient and costly in the long term if the City constructed facilities that are at capacity upon completion. Future development beyond the date of construction will repay the City for oversizing infrastructure.

Figure A-2: Cash Flow Analysis for Fire Facilities Development Fees and IIP

FIRE FACILITIES													
Development Fee Revenues (\$1,000's)													
	Fiscal Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	TOTAL	Ave. Annual
Residential Development		\$51	\$52	\$52	\$52	\$53	\$53	\$53	\$53	\$54	\$54	\$526	\$53
Nonresidential Development		\$43	\$44	\$44	\$45	\$45	\$46	\$46	\$47	\$48	\$48	\$456	\$46
TOTAL		\$95	\$95	\$96	\$97	\$98	\$99	\$99	\$100	\$101	\$102	\$983	\$98
Capital Expenditures (\$1,000's)													
	Fiscal Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	TOTAL	Ave. Annual
Fire Station 7		\$0	\$0	\$0	\$0	\$2,610	\$0	\$0	\$0	\$0	\$0	\$2,610	\$261
Fire Station 8		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,280	\$0	\$0	\$3,280	\$328
Fire Share of Fleet Services Building		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$611	\$611	\$61
Fire Share of Communications Equipment		\$704	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$704	\$70
IIP and Development Fee Study		\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$15	\$2
TOTAL		\$707	\$3	\$3	\$3	\$2,613	\$3	\$3	\$3,283	\$3	\$614	\$7,221	\$722
Annual Surplus/(Deficit)		(\$612)	\$92	\$93	\$94	(\$2,515)	\$95	\$96	(\$3,183)	\$98	(\$512)		
Cumulative Surplus/(Deficit)		(\$612)	(\$520)	(\$427)	(\$333)	(\$2,848)	(\$2,753)	(\$2,657)	(\$5,840)	(\$5,742)	(\$6,254)		

POLICE FACILITIES

The table shows the cash flow analysis for the Police Facilities Development Fees over the next ten years. The City could collect a total of \$2.8 million. The capital expenditures for facilities and communications equipment are taken from the City's FY2012-FY2022 Capital Improvement Plan. The incremental expansion methodology is used to calculate the vehicles component. The City may use these funds to purchase additional vehicles needed to maintain the current level-of-service. These funds may not be used to replace existing vehicles.

The deficits shown at the bottom of the table are the result of several factors. The planned projects are the result of both existing and new development. Development fees will fund new development's share of the planned projects while the City will have to use non-development fee revenues to fund the portion of the projects attributable to existing development. The City plans to construct facilities with excess capacity for future development. It would be inefficient and costly in the long term if the City constructed facilities that are at capacity upon completion. Future development beyond the date of construction will repay the City for oversizing infrastructure.

Figure A-3: Cash Flow Analysis for Police Facilities Development Fees and IIP

POLICE FACILITIES												
Development Fee Revenues (\$1,000's)												
Fiscal Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	TOTAL	Ave. Annual
Residential Development	\$77	\$77	\$78	\$78	\$78	\$79	\$79	\$80	\$80	\$80	\$785	\$79
Nonresidential Development	\$193	\$196	\$198	\$201	\$203	\$206	\$208	\$211	\$213	\$216	\$2,044	\$204
TOTAL	\$270	\$273	\$276	\$279	\$282	\$284	\$287	\$290	\$293	\$296	\$2,831	\$283
Capital Expenditures (\$1,000's)												
Fiscal Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	TOTAL	Ave. Annual
Police Substation	\$1,540	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,540	\$154
Police Storage Facility	\$375	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$375	\$38
Police Share of Fleet Services Building	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$611	\$611	\$61
Police Vehicles	\$51	\$51	\$52	\$52	\$53	\$53	\$54	\$54	\$55	\$55	\$531	\$53
Police Share of Communications Equipment	\$347	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$347	\$35
IIP and Development Fee Study	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$15	\$2
TOTAL	\$2,316	\$54	\$55	\$55	\$56	\$57	\$57	\$58	\$58	\$58	\$669	\$342
Annual Surplus/(Deficit)	(\$2,045)	\$219	\$221	\$223	\$226	\$228	\$230	\$233	\$235	(\$373)		
Cumulative Surplus/(Deficit)	(\$2,045)	(\$1,827)	(\$1,606)	(\$1,382)	(\$1,157)	(\$929)	(\$699)	(\$466)	(\$231)	(\$604)		

GENERAL GOVERNMENT FACILITIES

The table shows the cash flow analysis for the General Government Facilities Development Fees over the next ten years. The City could collect a total of \$70,000. The capital expenditures are taken from the City's *FY2012-FY2022 Capital Improvement Plan*.

The deficits shown at the bottom of the table is the result of City Hall and related debt service being the result of both existing and new development. Development fees will fund new development's share of the debt service while the City will have to use non-development fee revenues to fund the portion of the payments attributable to existing development. The deficits are also the result of the future revenue credit for debt service payments to avoid possible "double payment" for the debt service through the development fees and other revenues.

Figure A-4: Cash Flow Analysis for General Government Facilities Development Fees and IIP

GENERAL GOVERNMENT FACILITIES												
Development Fee Revenues (\$1,000's)												
Fiscal Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	TOTAL	Ave. Annual
Residential Development	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$31	\$3
Nonresidential Development	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$39	\$4
TOTAL	\$7	\$70	\$7									
Capital Expenditures (\$1,000's)												
Fiscal Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	TOTAL	Ave. Annual
City Hall Debt Service Pymts	\$2,529	\$2,530	\$2,525	\$2,522	\$2,853	\$2,850	\$2,854	\$2,854	\$2,848	\$2,855	\$27,220	\$2,722
IIP and Development Fee Study	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$17	\$2
TOTAL	\$2,530	\$2,532	\$2,527	\$2,524	\$2,855	\$2,851	\$2,856	\$2,855	\$2,850	\$2,857	\$27,237	\$2,724
Annual Surplus/(Deficit)	(\$2,523)	(\$2,525)	(\$2,520)	(\$2,517)	(\$2,848)	(\$2,844)	(\$2,849)	(\$2,848)	(\$2,843)	(\$2,849)		
Cumulative Surplus/(Deficit)	(\$2,523)	(\$5,048)	(\$7,568)	(\$10,085)	(\$12,934)	(\$15,778)	(\$18,627)	(\$21,475)	(\$24,318)	(\$27,167)		

STREET FACILITIES

The table below shows the cash flow analysis for Street Facilities Development Fees over the next ten years. The City expects to collect a total of \$2.4 million. Capital expenditures are based on the City's *FY2012-FY2022 Capital Improvement Plan* and the growth-related need for arterial streets and intersection improvements, as identified in the Infrastructure Improvements Plan dated March 20, 2013.

The deficits shown at the bottom of the table are the result of several factors. Planned projects are the result of both existing and new development and development fees will only fund new development's share of the planned projects. The City will have to use non-development fee revenues to fund the portion of the projects attributable to existing development. Also, the City plans to construct facilities with excess capacity for future development. It would be inefficient and costly in the long term if the City constructed facilities that are at capacity upon completion. Future development beyond the date of construction will repay the City for oversized infrastructure.

Figure A-5: Cash Flow Analysis for Street Facilities Development Fees and IIP

Streets													
Development Fee Revenues (\$1,000's)													
	Rate per Dev Unit	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	TOTAL	Avg Annual
Single Family	\$696	\$60	\$60	\$60	\$61	\$61	\$61	\$62	\$62	\$62	\$62	\$611	\$61
Multi-family	\$479	\$31	\$31	\$32	\$32	\$32	\$32	\$32	\$32	\$32	\$33	\$319	\$32
All Other	\$363	\$16	\$16	\$16	\$16	\$16	\$16	\$16	\$16	\$16	\$17	\$162	\$16
Commercial	\$0.804	\$63	\$64	\$65	\$65	\$66	\$67	\$68	\$69	\$69	\$70	\$666	\$67
Office/Institutional	\$0.436	\$46	\$47	\$48	\$48	\$49	\$49	\$50	\$51	\$51	\$52	\$490	\$49
Industrial	\$0.276	\$15	\$15	\$15	\$15	\$15	\$15	\$16	\$16	\$16	\$16	\$154	\$15
TOTAL		\$231	\$233	\$235	\$237	\$239	\$241	\$243	\$245	\$248	\$250	\$2,401	\$240

Capital Expenditures (annualized in \$1,000's)												
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	TOTAL	Avg Annual
Planned Arterial Street Improvements	\$1,812	\$1,812	\$1,812	\$1,812	\$1,812	\$1,812	\$1,812	\$1,812	\$1,812	\$1,812	\$18,123	\$1,812
Planned Arterial Intersection Improvements	\$872	\$872	\$872	\$872	\$872	\$872	\$872	\$872	\$872	\$872	\$8,716	\$872
IIP and Development Fee Study	\$6	\$6	\$6	\$6	\$6	\$6	\$6	\$6	\$6	\$6	\$62	\$6
TOTAL	\$2,690	\$26,900	\$2,690									

Annual Surplus/(Deficit)	(\$2,459)	(\$2,457)	(\$2,455)	(\$2,453)	(\$2,451)	(\$2,449)	(\$2,447)	(\$2,445)	(\$2,442)	(\$2,440)		
Cumulative Surplus/(Deficit)	(\$2,459)	(\$4,917)	(\$7,372)	(\$9,825)	(\$12,276)	(\$14,725)	(\$17,172)	(\$19,617)	(\$22,059)	(\$24,499)		