



2023 Specific Plan Infrastructure Fee (SPIF) Adjustment Presentation to the Folsom City Council – November 14, 2023



Folsom Plan Area Specific Plan Infrastructure Fee



- The Folsom Plan Area Specific Plan Infrastructure Fee (SPIF) program is the mechanism to equalize the costs of the Infrastructure, Public Lands and Community Parkland in the Folsom Plan Area (FPA).
- The program includes public infrastructure improvements such as roadways, sewer facilities, potable water facilities, recycled water facilities, storm drainage facilities, and habitat mitigation and other costs in the FPA as provided in the PFFP.

Background

- On September 8, 2015, the City Council established the Folsom Plan Area Specific Plan Infrastructure Fee (SPIF).
- On January 9, 2018, the Nexus Study Fiscal Year 2017-2018 update was approved and set the updated amount of the SPIF fees.
- On June 11, 2019, the City Council adopted Ordinance No. 1293 which changed the Off-Site Roadway Improvement fee to a Set-Aside Fee to be collected at building permit issuance rather than prior to final map approval.
- On July 28, 2020, the City Council approved the Nexus Study Fiscal Year 2020-21 Update, setting the updated amount of the SPIF Fees and introduced Ordinance No. 1307 pertaining to the Set-Aside Component of the Folsom Plan Area Specific Plan Infrastructure Fees. On August 25, 2020, the City Council adopted Ordinance No. 1307.
- In addition to these adjustments, there have been periodic Construction Cost Index (CCI) updates. The most recent update was July 1, 2023.

2023 Fee Adjustment

- An August 2023 SPIF Fee Adjustment was done at the request of the SPIF Administrator, the City, and the landowners to update the construction cost estimates used to calculate the SPIF Infrastructure Fees.
- This 2023 SPIF Adjustment alters the fee amounts based on updated construction costs and the amount of development remaining in the FPA.
- The updated cost estimates are in addition to the Construction Cost Index (CCI) update that occurred on July 1, 2023, and will ensure the fees are reflective of the cost of SPIF backbone infrastructure construction.

2023 Fee Adjustment

- After the August 2023 update, the City's consultants identified additional eligible infrastructure costs that needed to be included.
- The Adjusted Folsom Plan Area SPIF Fees, if approved, will become effective January 15, 2024.

2023 Fee Adjustment

The SPIF Fee increased between approximately \$1,944 and \$3,862 per unit for residential uses

Table 1
Folsom Plan Area Specific Plan
Specific Plan Infrastructure Fee (SPIF) 2023 Adjustment
SPIF Summary per Dwelling Unit/Bldg. Sq. Ft.

SPIF Summary

Item	Residential - SPIF Per Dwelling Unit					
	Single-Family		Multifamily			
	Low Density	High Density	Low Density	Med. Density	High Density	Mixed Use
Specific Plan Infrastructure Fee (SPIF)						
On- and Off-Site Roadways	\$18,198	\$16,544	\$14,890	\$13,235	\$12,408	\$11,581
Dry Utilities	\$3,967	\$3,967	\$2,975	\$2,975	\$2,975	\$2,975
On-Site Water	\$18,483	\$11,591	\$7,205	\$5,952	\$5,639	\$5,012
Off-Site Water	\$1,670	\$1,047	\$651	\$538	\$509	\$453
Recycled Water	\$5,157	\$3,234	\$2,010	\$1,661	\$1,573	\$1,399
Drainage	\$9,146	\$7,381	\$7,715	\$4,628	\$4,235	\$5,561
Sewer	\$2,623	\$2,623	\$1,967	\$1,967	\$1,967	\$1,967
Habitat Mitigation	\$2,008	\$1,013	\$706	\$363	\$291	\$339
Administration (3% of sum of all SPIF costs)	\$1,838	\$1,422	\$1,144	\$940	\$888	\$879
Total SPIF Cost per Dwelling Unit/Bldg. Sq. Ft.	\$63,090	\$48,822	\$39,263	\$32,259	\$30,486	\$30,166
FY 2023-24 SPIF Fee Summary (Including Admin.)	\$59,228	\$45,755	\$36,703	\$30,200	\$28,541	\$28,193
Difference from FY 2023-2024 SPIF Fee						
Amount	\$3,862	\$3,066	\$2,559	\$2,059	\$1,944	\$1,973
Percentage	6.5%	6.7%	7.0%	6.8%	6.8%	7.0%

Source: City of Folsom; MacKay & Somp; EPS.

2023 Fee Adjustment

The SPIF Fee increased between \$2.58 and \$3.38 per building square foot for nonresidential uses

Table 1
Folsom Plan Area Specific Plan
Specific Plan Infrastructure Fee (SPIF) 2023 Adjustment
SPIF Summary per Dwelling Unit/Bldg. Sq. Ft.

SPIF Summary

Item	Nonresidential - SPIF Per Bldg. Sq. Ft				
	Mixed Use Commercial	Industrial/Office Park (IND/OP)	General Commercial	Community Commercial	Regional Commercial
Specific Plan Infrastructure Fee (SPIF)					
On- and Off-Site Roadways	\$22.28	\$18.73	\$26.33	\$26.33	\$19.23
Dry Utilities	\$3.12	\$2.10	\$2.53	\$2.86	\$2.27
On-Site Water	\$5.84	\$4.71	\$4.44	\$5.02	\$3.78
Off-Site Water	\$0.53	\$0.43	\$0.40	\$0.45	\$0.34
Recycled Water	\$1.63	\$1.32	\$1.24	\$1.40	\$1.06
Drainage	\$12.67	\$8.52	\$10.27	\$11.62	\$9.23
Sewer	\$0.26	\$0.52	\$0.26	\$0.26	\$0.26
Habitat Mitigation	\$0.77	\$0.52	\$0.63	\$0.71	\$0.56
Administration (3% of sum of all SPIF costs)	\$1.41	\$1.11	\$1.38	\$1.46	\$1.10
Total SPIF Cost per Dwelling Unit/Bldg. Sq. Ft.	\$48.51	\$37.95	\$47.48	\$50.12	\$37.85
FY 2023-24 SPIF Fee Summary (Including Admin.)	\$45.13	\$35.37	\$44.23	\$46.67	\$35.22
Difference from FY 2023-2024 SPIF Fee					
Amount	\$3.38	\$2.58	\$3.25	\$3.45	\$2.62
Percentage	7.5%	7.3%	7.3%	7.4%	7.4%

Source: City of Folsom; MacKay & Soms; EPS.

Staff Recommendation



- Staff recommends the City Council conduct the public hearing and then adopt Resolution No. 11129 – A Resolution Adopting the November 2023 Adjustment for the Folsom Plan Area Specific Plan Infrastructure Fees (SPIF) and Setting the Updated Amount of the SPIF Fees.