



**Development Impact Fee Annual Report
("AB1600" Report)
Fiscal Year 2024-2025**

**Accounting of Fund Information as Required by Sections 66000-66008 of the California
Government Code**

Traffic Development Impact Fee

City Council Resolution 2-2021 updated the Streets/Traffic Impact Fee for new and expanded development within the City of Healdsburg incorporating an alternative fee schedule effective upon the closure of the City emergency declaration for COVID-19. Fee revenues will only be used to pay for the portion of various streets facilities that support new development within the City. The fee amount is based on the use of the respective development, measured by the number of units of the new development, and the new developments proportionate cost to construct the improvements required to serve the use generated by the new development. The purpose of this fee is to raise capital revenues necessary to mitigate the cost of traffic facilities necessary to serve new development.

Fee Amount:

Residential

Single Family: \$4,916.67 per dwelling unit

Multi-Family: \$3,277.78 per dwelling unit

Non-Residential

Commercial: \$6,166.83 per 1,000 Building Sq. Ft

Office: \$7,848.27 per 1,000 Building Sq. Ft

Industrial: \$4,656.75 per 1,000 Building Sq. Ft

Hotel Room: \$2,889.05 per Hotel Room

Beginning Fund Balance \$ 1,623,185

Fees collected	166,498
Interest earned	<u>102,414</u>
Total Revenue	268,913

Total Expenditures -

Ending Fund Balance \$ 1,892,098

There were no interfund transfers or loans made from the fund. There were no refunds made pursuant to subdivision (e) of Section 6601 or allocation made pursuant to subdivision (f) of Section 6601.

Planned Use:

US-101 and Dry Creek Road Interchange

<i>Funding Source</i>	<i>FY 24-25</i>	<i>%</i>	<i>Planned Use</i>	<i>Total Budget</i>
Traffic Impact Fee	\$ -	-	\$ 1,971,000	\$ 1,971,000
Grants	\$ -	-	\$ 13,234,000	\$ 13,234,000
County Contribution	\$ -	-	\$ 2,000,000	\$ 2,000,000
Total Project	\$ -		\$17,205,000	\$ 17,205,000

The US-101 and Dry Creek Road Interchange project is anticipated to begin the project initiation document phase in Fall 2025. The total cost of the project was previously anticipated to be \$14,575,000 with funding comprised of \$14,075,000 of Impact Fees and \$500,000 of County Grants. Updated cost estimates value the project at \$17,205,000. A grant application for \$13,234,000 has been submitted and the county has proposed a contribution of \$2,000,000. If the grant is awarded, construction is anticipated in Spring 2030. If the grant is not awarded the project will not be constructed until the City secures an alternate grant or collects sufficient Traffic Impact Fees to support the full cost of the project.

*Rounding may result in minor discrepancies.

Water Capacity Charge

City Council Resolution 98-2013 established the current Water Capacity Charges for development within the City of Healdsburg. The Water Capacity Charges are based on a system buy-in methodology that assures new developments pay estimated reasonable costs associated with the use of existing capacity in the City's water system. Fee revenues will be used for the fair share of the City's acquisition and construction costs of the existing water systems, costs of financing system improvements, and existing capital reserves. The fee amount is based on the use of the respective development, measured by the number of units of the new development, and the new developments proportionate costs to construct the improvements required to serve the use generated by the new development. The purpose of this fee is to raise capital revenues necessary to mitigate the cost of Water facilities necessary to serve new development.

Fee Amount:

Residential

Single Family: \$7,945.98 per dwelling unit

Multi-Family: \$4,765.92 per dwelling unit

Non-Residential

up to 1" meter: \$13,269.03 per meter

1 1/2" meter: \$26,462.04 per meter

2" meter: \$42,359.94 per meter

3" meter: \$79,476.41 per meter

4" meter: \$132,494.34 per meter

Beginning Fund Balance	\$1,449,183
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Fees collected	133,895
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Interest earned	127,966
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Interfund Transfers/Loans	1,000,000
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Total Revenue	1,261,862
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Healdsburg Ave Utility Replacements-SE004	12,686
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Groundwater Supply Wells/ASR-WA006	25,804
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Total Expenditures	38,490
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Ending Fund Balance	\$2,672,555
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*Rounding may result in minor discrepancies.

There were no interfund transfers or loans made from the fund. There were no refunds made pursuant to subdivision (e) of Section 6601 or allocation made pursuant to subdivision (f) of Section 6601.

Interfund Transfers/Loans of \$1,000,000 represent the transfer of previously collected fee revenue that was used to fund the Capital Reserve established on Resolution 96-2022. Ordinance number 1240 was subsequently adopted and eliminated the Capital Reserve, resulting in the funds being returned to the Water Capacity Fund.

There were no projects funded by capacity fees that were completed in the current year.

Planned Use:

Healdsburg Ave Utility Replacements-SE004

<i>Funding Source</i>	<i>FY 24-25</i>	<i>%</i>	<i>Planned Use</i>	<i>Total Budget</i>
Water Capacity	\$ 12,686	18%	\$ 598,925	\$ 622,257
Water Operations	\$ 10,571	15%	\$ 430,282	\$ 449,725
Sewer Operations	\$ 19,733	28%	\$ 824,148	\$ 860,442
Sewer Capacity	\$ 8,457	12%	\$ 403,518	\$ 419,072
Drainage Impact	\$ 19,029	27%	\$ 879,340	\$ 914,337
Total Project	\$ 70,476		\$ 3,136,213	\$ 3,265,833

Groundwater Supply Wells/ASR-WA006

<i>Funding Source</i>	<i>FY 24-25</i>	<i>%</i>	<i>Planned Use</i>	<i>Total Budget</i>
Water Capacity	\$ 25,804	29%	\$ 3,500,000	\$ 3,525,804
Grants	\$ 61,691	71%	\$ 10,500,000	\$ 10,565,865
Total Project	\$ 87,495		\$ 14,000,000	\$ 14,091,669

The Healdsburg Avenue Utility Replacement Project (SE004) began as scheduled in July 2023 and is currently in the design phase. As the project continues through design, additional costs have been identified, and the total budget has increased. The Groundwater Supply Wells/Aquifer Storage Recovery Project (WA006) commenced the design phase in October 2024. The project was funded by a FEMA Building Resilient Infrastructure and Communities (BRIC) grant that required a 30% local match to be funded by Water Capacity Fees. The grant application identified additional funding for construction; however, the grant program was cancelled during fiscal year 2024–2025. The project design is complete but additional funding is required to complete construction. The City has applied for a FEMA Hazard Mitigation Grant, and the project is expected to enter the construction phase upon grant award anticipated in July 2028 or when sufficient Water Capacity Fees are available to support the full estimated project cost of \$14,091,669.

*Rounding may result in minor discrepancies.

Sewer Capacity Charge

City Council Resolution 98-2013 established the current Sewer Capacity Charges for development within the City of Healdsburg. The Sewer Capacity Charges are based on a system buy-in methodology that assures new developments pay estimated reasonable costs associated with the use of existing capacity in the City's sewer system. Fee revenues will be used for the fair share of the City's acquisition and construction costs of the existing sewer systems, costs of financing system improvements, and existing capital reserves. The fee amount is based on the use by the respective development, measured by the number of units of the new development, and the new development's proportionate costs to construct the improvements required to serve the use generated by the new development. The purpose of this fee is to raise capital revenues necessary to mitigate the cost of Sewer facilities necessary to serve new development.

Fee Amount:

Residential

Single Family: \$13,178.75 per dwelling unit

Multi-Family: \$11,860.16 per dwelling unit

Non-Residential

up to 1" meter

Low Strength: \$22,009.73 per meter

Medium Strength: \$32,559.62 per meter

High Strength: \$48,173.60 per meter

1 1/2" meter

Low Strength: \$43,893.54 per meter

Medium Strength: \$64,930.36 per meter

High Strength: \$96,062.11 per meter

2" meter

Low Strength: \$70,260.55 per meter

Medium Strength: \$103,928.50 per meter

High Strength: \$153,758.06 per meter

3" meter

Low Strength: \$131,826.73 per meter

Medium Strength: \$194,995.41 per meter

High Strength: \$288,483.31 per meter

4" meter

Low Strength: \$219,757.55 per meter
 Medium Strength: \$325,059.28 per meter
 High Strength: \$480,904.51 per meter

Beginning Fund Balance		\$ 3,656,006
	Fees collected	114,081
	Interest earned	237,998
	Interfund Transfers/Loans	<u>500,000</u>
	Total Revenue	852,080
	Healdsburg Ave Utility Replacements-SE004	<u>8,457</u>
	Total Expenditures	8,457
Ending Fund Balance		\$ 4,499,628

There were no interfund transfers or loans made from the fund. There were no refunds made pursuant to subdivision (e) of Section 6601 or allocation made pursuant to subdivision (f) of Section 6601.

Interfund Transfers/Loans of \$500,000 represent the transfer of previously collected fee revenue that was used to fund the Capital Reserve established on Resolution 96-2022. Ordinance number 1240 was subsequently adopted and eliminated the Capital Reserve, resulting in the funds being returned to the Sewer Capacity Fund.

There were no projects funded by capacity fees that were completed in the current year.

Planned Use:

*Rounding may result in minor discrepancies.

Healdsburg Ave Utility Replacements-SE004

<i>Funding Source</i>	<i>FY 24-25</i>	<i>%</i>	<i>Planned Use</i>	<i>Total Budget</i>
Sewer Capacity	\$ 8,457	12%	\$ 515,000	\$ 515,000
Water Capacity	\$ 12,686	18%	\$ 598,925	\$ 622,257
Water Operations	\$ 10,571	15%	\$ 430,282	\$ 449,725
Sewer Operations	\$ 19,733	28%	\$ 824,148	\$ 860,442
Drainage Impact	\$ 19,029	27%	\$ 879,340	\$ 914,337
Total Project	\$ 70,476		\$ 3,247,695	\$ 3,361,761

Grove Street and Vine Street Trunk Main Replacement

<i>Funding Source</i>	<i>FY 24-25</i>	<i>%</i>	<i>Planned Use</i>	<i>Total Budget</i>
Sewer Capacity	\$ -	-	\$ 4,050,000	\$ 4,050,000
Total Project	\$ -		\$ 4,050,000	\$ 4,050,000

The Healdsburg Avenue Utility Replacement Project (SE004) began as scheduled in July 2023 and is currently in the design phase. As the project continues through design, additional costs have been identified, and the total budget has increased.

The Grove Street and Vine Street Trunk Main Replacement project previously had a planned start date of July 2026. The project start date has been revised to July 2028 to realign with other projects and the total project costs has been updated to reflect inflation.

*Rounding may result in minor discrepancies.

Drainage Development Impact

City Council Resolution 2-2021 updated the Drainage Impact Fee for new and expanded development within the City of Healdsburg incorporating an alternative fee schedule effective upon the closure of the City emergency declaration for COVID-19. Fee revenues will only be used to pay for the portion of various drainage facilities that support new development within the City. The fee amount is based on the use of the respective development, measured by the number of units of the new development, and the new developments proportionate cost to construct the improvements required to serve the use generated by the new development. The purpose of this fee is to raise capital revenues necessary to mitigate the cost of drainage facilities necessary to serve new development.

Fee Amount:

Residential

Single Family: \$6,500.61 per dwelling unit

Multi-Family: \$2,600.70 per dwelling unit

Non-Residential

Commercial: \$1,819.35 per 1,000 Building Sq. Ft.

Office: \$2,925.50 per 1,000 Building Sq. Ft.

Industrial: \$2,794.90 per 1,000 Building Sq. Ft.

Hotel Room: \$2,145.29 per Hotel Room

Beginning Fund Balance \$ 1,513,860

Fees collected	111,146
Interest earned	93,809
Total Revenue	204,955

Healdsburg Ave Utility Replacements-SE004	19,029
Total Expenditures	19,029

Ending Fund Balance \$ 1,699,787

There were no interfund transfers or loans made from the fund. There were no refunds made pursuant to subdivision (e) of Section 6601 or allocation made pursuant to subdivision (f) of Section 6601.

Planned Use:

*Rounding may result in minor discrepancies.

Healdsburg Ave Utility Replacements-SE004

Funding Source	FY 24-25	%	Planned Use	Total Budget
Drainage Impact	\$ 19,029	27%	\$ 879,340	\$ 914,337
Water Capacity	\$ 12,686	18%	\$ 598,925	\$ 622,257
Water Operations	\$ 10,571	15%	\$ 430,282	\$ 449,725
Sewer Operations	\$ 19,733	28%	\$ 824,148	\$ 860,442
Sewer Capacity	\$ 8,457	12%	\$ 403,518	\$ 419,072
Total Project	\$ 70,476		\$ 3,136,213	\$ 3,265,833

Grove Street Neighborhood Plan Implementation-ST007

Funding Source	FY 24-25	%	Planned Use	Total Budget
Drainage Impact	\$ -	-	\$ 464,061	\$ 464,061
Go Sonoma	\$ -	-	\$ 283,000	\$ 283,000
Measure T	\$ 242,650	100%	\$ 346,896	\$ 770,000
Grants	\$ -	-	\$ 2,217,000	\$ 2,217,000
Total Project	\$ 242,650		\$ 3,310,957	\$ 3,734,061

Center Street Storm Drain Replacement

Funding Source	FY 24-25	%	Planned Use	Total Budget
Drainage Impact	\$ -	-	\$ 125,000	\$ 125,000
Total Project	\$ -		\$ 125,000	\$ 125,000

Pordon Lane Storm Drain Improvements - Phase 2

Funding Source	FY 24-25	%	Planned Use	Total Budget
Drainage Impact	\$ -	-	\$ 300,000	\$ 300,000
Total Project	\$ -		\$ 300,000	\$ 300,000

Healdsburg Avenue Storm Drain Replacement

Funding Source	FY 24-25	%	Planned Use	Total Budget
Drainage Impact	\$ -	-	\$ 150,000	\$ 150,000
Total Project	\$ -		\$ 150,000	\$ 150,000

Powell Avenue (Armory) Catch Basin Replacement

Funding Source	FY 24-25	%	Planned Use	Total Budget
Drainage Impact	\$ -	-	\$ 100,000	\$ 100,000
Total Project	\$ -		\$ 100,000	\$ 100,000

*Rounding may result in minor discrepancies.

The Healdsburg Avenue Utility Replacement Project (SE004) began as scheduled in July 2023 and is currently in the design phase. As the project continues through design, additional costs have been identified, and the total budget has increased. The project is expected to enter the construction phase in Fall 2026.

The Grove Street Neighborhood Plan Implementation Project began the design phase in May 2023, and during the design phase necessary drainage improvements have been identified. Construction of drainage improvements to increase capacity is planned to be funded by drainage impact fees when construction commences in Summer 2026.

The anticipated start date of the Center Street, Pordon Lane – Phase 2, and Healdsburg Avenue storm drain replacement projects have been updated from July 2026 to July 2027, due to staff capacity constraints and alignment with other capital projects.

The Powell Avenue (Armory) Catch Basin Replacement Project is still anticipated to commence in July 2026.

Planned Use:

Badger Substation Bank Replacement

<i>Funding Source</i>	<i>FY 24-25</i>	<i>%</i>	<i>Planned Use</i>	<i>Total Budget</i>
Electric Capacity	\$ -	-	\$ 1,960,000	\$ 1,960,000
Electric Operations	\$ -	-	\$ 7,840,000	\$ 7,840,000
Total Project	\$ -		\$ 9,800,000	\$ 9,800,000

No changes from the prior year. Project requires additional capacity fees to begin. Anticipated start date is July 2029.

*Rounding may result in minor discrepancies.

Park Development Impact

City Council Resolution 74-1997 updated the Park Development Impact Fee for development within the City of Healdsburg. The fee is assessed on new commercial, industrial and residential units to mitigate the impact of development on park facilities. Fee revenues will be used to fund the expansion and improvement of park facilities. The fee amount is based on the use by the respective development, measured by the number of units of the new development, and the new development's proportionate costs to construct the improvements required to serve the use generated by the new development. The purpose of this fee is to raise capital revenues necessary to mitigate the cost of park facilities necessary to serve new development.

Fee Amount:

Residential

Single Family: \$2,057 per dwelling unit

Multi-Family: \$2,057 per dwelling unit

None-Residential

Commercial & Industrial: \$0.35 per sq. ft.

Beginning Fund Balance \$515,852

Fees collected	95,734
Interest earned	<u>37,827</u>
Total Revenue	133,561

Total Expenditures -

Ending Fund Balance \$649,413

There were no interfund transfers or loans made from the fund. There were no refunds made pursuant to subdivision (e) of Section 6601 or allocation made pursuant to subdivision (f) of Section 6601.

The Fitch Mountain Park and Open Space Project was completed in October 2024.

Planned Use:

*Rounding may result in minor discrepancies.

Badger Park Redevelopment-CS002

Funding Source	FY 24-25	%	Planned Use	Total Budget
Park Development Impact	\$ -	-	\$ 510,000	\$ 510,000
Measure M Parks	\$ -	-	\$ 494,000	\$ 494,000
Grants	\$ -	-	\$ 1,000,000	\$ 1,000,000
Quimby Fees	\$ 10,114	-	\$ 506,000	\$ 506,000
Total Project	\$ 10,114		\$ 2,510,000	\$ 2,510,000

Foley Pavilion-CS004

Funding Source	FY 24-25	%	Planned Use	Total Budget
Park Development Impact	\$ -	-	\$ 142,663	\$ 142,663
Donation	\$ 5,738,474	99%	\$ -	\$ 7,163,295
Community Services Ops	\$ -	-	\$ 1,745,829	\$ 1,745,829
Quimby Fees	\$ 75,215	1%	\$ 524,777	\$ 599,992
Parking In-Lieu	\$ -	-	\$ 410,000	\$ 410,000
Total Project	\$ 5,813,689		\$ 2,823,269	\$ 10,061,779

The Badger Park Redevelopment Project began in July 2023 and is currently in the planning phase. The project is anticipated to enter the design phase in Spring 2026.

The Foley Pavilion project experienced cost overruns associated with weather and material delays that resulted in increased total project costs. Additional donations were received towards the Foley Pavilion project relieving a portion of Park Development Impact fees to be reallocated towards the Badger Park Project. The Foley Pavilion Project commenced in July 2022, and is currently in the construction phase, with anticipated completion in February 2026.

*Rounding may result in minor discrepancies.

Parking In-Lieu

City Council Resolution 87-2015 established the current Parking In-Lieu fee for development within the Downtown In-Lieu Fee Area. The fee is assessed on new construction and change of use projects that do not provide the required off-street parking in the in-lieu fee area. Fee revenues will be used to fund parking improvements and alternative transportation, including bicycle and pedestrian, and improvements designed to reduce parking requirements. The fee amount is based on the use by the respective development, measured by development type, and the new development's proportionate costs to construct the improvements required to serve the use generated by the new development. The purpose of this fee is to raise capital revenues necessary to mitigate the cost of parking facilities necessary to serve new development.

Fee Amount:

New construction: \$18,543.60

Change of Use: \$7,669.69

Beginning Fund Balance \$ 430,537

Fees collected	-
Interest earned	25,432
Total Revenue	25,432

Total Expenditures -

Ending Fund Balance \$ 455,969

There were no interfund transfers or loans made from the fund. There were no refunds made pursuant to subdivision (e) of Section 6601 or allocation made pursuant to subdivision (f) of Section 6601.

Planned Use:

Foley Pavilion-CS004

Funding Source	FY 24-25	%	Planned Use	Total Budget
Parking In-Lieu	\$ -	-	\$ 410,000	\$ 410,000
Park Development Impact	\$ -	-	\$ 142,663	\$ 142,663
Donation	\$5,738,474	99%	\$ -	\$ 7,163,295
Community Services Ops	\$ -	-	\$ 1,745,829	\$ 1,745,829
Quimby Fees	\$ 75,215	1%	\$ 524,777	\$ 599,992
Total Project	\$5,813,689		\$ 2,823,269	\$ 10,061,779

West Plaza Parking Lot Resurfacing

Funding Source	FY 24-25	%	Planned Use	Total Budget
Parking In-Lieu	\$ -	-	\$ 55,000	\$ 55,000
Measure T	\$ -	-	\$ 610,000	\$ 610,000
Total Project	\$ -		\$ 665,000	\$ 665,000

The Foley Pavilion Project commenced in July 2022 and is currently in the construction phase with anticipated completion in February 2026.

The West Plaza Parking Lot Resurfacing project is anticipated to start July 2026.

*Rounding may result in minor discrepancies.