



GOVERNMENT BUILDING FACILITIES FEE NEXUS STUDY UPDATE

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DEVELOPMENT IMPACT FEES (DIFS)

OVERVIEW

Development Impact Fees (DIFs) are fees imposed by a local government on new development projects to ensure public services and infrastructure will be sufficient to serve new development.

- Governing law for DIFs is Assembly Bill 1600 (Mitigation Fee Act) (GC 66000)
- Fees are established on new development's **fair share** based on a rational nexus test
 - DIFs are a one-time fee on **new development** to mitigate their impacts
 - Only includes cost attributable to **new development**
 - Fees can only fund **capital costs**
 - Fees **cannot** fund **existing deficiencies, ongoing maintenance or salaries**
 - Funds must be used for the projects for which they were intended
- AB602 (July 2022) made several amendments to state law to fees and fee studies
 - Encourages charging fees on residential land uses per square foot
 - Nexus Study must identify the existing level of service for each public facility, identify the proposed new level of service, and include an explanation of why the new level of service is necessary
 - Requires the Nexus Study to include a Capital Improvement Program (CIP)
 - Requires Nexus Studies to be updated every 8 years

DEVELOPMENT IMPACT FEES (DIF)

OVERVIEW

- **Why are impact fees important?**
 - New development pays for their fair share of new infrastructure without burdening existing development.
 - DIFs equitably, and roughly proportionately, distribute the costs related to new infrastructure to all potential new developments.
- **Why are fees updated/adjusted?**
 - Without an update to old fees and annual adjustments to adopted DIFs, there would not be adequate funding to support infrastructure for future growth as estimated by the City's General Plan.
 - Last updated in 2024
 - Significant updates in cost for construction of the future new police headquarters and training facility that were not available in the 2024 update
 - Updated assumptions for 2025
 - Comply with the legal requirements of the Mitigation Fee Act (AB 1600) and AB 602.

NEXUS STUDY PURPOSE

- This report updates the **Government Building Facilities Impact Fee** for the City of Manteca by incorporating new estimates for construction of the future new police headquarters, escalates costs to 2025 dollars, and updates land uses and assumptions.
- Satisfies AB 1600 Nexus requirements, AB 602 guidance, and provides the necessary technical analysis to support the adoption of the updated fees.
- Fees are effective 60 days after the City's final action establishing and authorizing the collection of the fees.



CITY OF MANTECA: GOVERNMENT FACILITIES FEE UPDATES

- Updated Data: Coordinated with City staff to obtain updated infrastructure/facilities inventory, value of existing facilities and vehicles, and permit data. Also updated population and household density.
- Updated Construction Costs: Updated Police Facilities construction costs prepared by LDA Partners and remaining costs using Engineering News Record (ENR) Construction Cost Index (CCI).
- Methodology: Methodology complies with AB 602 – including review of existing level of service, residential fees per square foot, and capital improvement plan to the Nexus Study. Took into consideration the Sheetz and Patterson cases.
 - The fee has an essential nexus to the City’s interest in ensuring that there are adequate government facilities to serve new development. The methodology demonstrates that the fees are roughly proportionate to the need for new government facilities created by new development.
 - Methodologies are from CA Department of Housing and Community Development Impact Fee Nexus Study Template.
- Coordination Meetings: Harris scheduled teleconferences with the City to discuss facility needs to support new development, costs, fee methodology, and key assumptions. City staff reviewed the draft tables and draft Nexus Study.



POLICE FACILITIES COSTS

WHY UPDATE THEM NOW?

- The City has a design development budget for the new police headquarters
- Costs exceed simple Engineering News Record Construction Cost Index (ENR CCI) adjustments
- ENR CCI does not capture local conditions, contractor availability, regulatory requirements, or project specific complexities
- Public Works projects are heavily influenced by prevailing wages, underground utility work, asphalt and aggregate pricing, specialty equipment
- Public facility construction has historically escalated at rates significantly higher than the ENR CCI
- Municipal projects face rising soft costs, additional regulatory requirements, traffic control, environmental mitigation, and contract risk premiums

ADDITIONAL POLICE TRAINING FACILITIES

WHY ARE THEY NEEDED ?

- As the City continues to grow, additional demands are placed on police staffing and therefore police facilities/infrastructure because of increases in:
 - Population
 - Calls for service
 - Geographic service area
- New development and the resulting growth create a direct need to expand and modernize the City's public safety infrastructure. Police departments hire additional personnel to maintain appropriate response times, coverage standards, and public safety service levels.
- Training Capacity must scale with development
- The City currently relies on limited access to facilities managed by outside agencies
- The demand for additional training facilities is directly attributable to new development because the facility provides capacity to train officers hired specifically to serve new residents, businesses, and neighborhoods created by growth.
- The facilities are needed to maintain public safety service levels

UPDATED POLICE HEADQUARTERS FACILITIES COSTS

	Budget
Construction Costs	
Police Department Headquarters ¹	\$ 41,754,681
Support Building (Non-Essential Service Facility)	\$ 3,351,538
Site Improvements	\$ 18,314,666
Signalized Intersection	\$ 1,500,000
Emergency Communication System	\$ 76,666
<i>Subtotal Construction</i>	<i>\$ 64,997,551</i>
Geotechnical	
Soils Reports (Buildings, Parking Areas)	\$ 33,500
<i>Subtotal Geotechnical</i>	<i>\$ 33,500</i>
Environmental	
CEQA - Modified Initial Study	\$ 36,000
<i>Subtotal Environmental</i>	<i>\$ 36,000</i>
Deputy Testing and Inspection	
Continuous Inspections	\$ 297,600
<i>Subtotal Deputy Testing and Inspections</i>	<i>\$ 297,600</i>

	Budget
A/E Services	
Conceptual Design ²	\$ 4,548,610
ASR 1: Master Planning for North Parcel	\$ 63,020
Intersection Signal Design	\$ 135,000
<i>Subtotal A/E Services</i>	<i>\$ 4,746,630</i>
Miscellaneous Consultants	
Structural Peer Review	\$ 50,000
Commissioning, MEP Peer Review	\$ 150,000
Roofing and Waterproofing Peer Review	\$ 25,000
ADA Peer Review	\$ 15,000
As-Built Communications Cabling Infrastructure	\$ 25,000
Plan Review and Inspections	\$ 500,000
<i>Subtotal Miscellaneous Consultants</i>	<i>\$ 765,000</i>
Fixtures, Furnishing, & Equipment (FFE)	
Buildings	\$ 1,900,000
Site	\$ 50,000
<i>Subtotal FFE</i>	<i>\$ 1,950,000</i>
Electronic Systems and Special Equipment³	
AV Systems	\$ 3,350,000
<i>Subtotal Electronic Systems</i>	<i>\$ 3,350,000</i>

	Budget
Program & Construction Management (PCM)	
Design Management	\$ 197,380
Construction Management and Reimbursement	\$ 2,375,000
<i>Subtotal PCM</i>	<i>\$ 2,572,380</i>
Utility Company Connection Services and Fees	
Electric	\$ 40,000
Water	\$ 40,000
Sewer	\$ 40,000
Gas	\$ 40,000
Phone / Data / Cable	\$ 40,000
<i>Subtotal Utilities</i>	<i>\$ 200,000</i>
Contingency	
Course of Construction	\$ 6,499,800
Soft Cost	\$ 1,305,980
<i>Subtotal Contingency</i>	<i>\$ 7,805,780</i>
Total Project Costs⁴	\$ 86,754,441

1. Includes communications tower infrastructure.

2. Conceptual design includes schematic design, design development, construction admin, FF&E procurement, security system design

3. Does not include computers, phones, servers, copiers.

4. Total project costs do not include relocation costs. Total project costs differ slightly from December 2025 City estimate due to rounding. Costs as of 12/12/2025.

GENERAL GOVERNMENT FACILITIES FEE

MAXIMUM JUSTIFIABLE FEE

Land Use	City Admin. Facilities	Community Facilities/ Civic Space	Police Facilities	Maintenance/ Storage/ Corp. Yard	Total Cost per Capita	Density	Subtotal Proposed Fee	Administrative Fee ⁽¹⁾	Total Proposed Fee	Average Unit Size (SF)	Proposed Fee / SF
Residential	<i>Cost per Capita</i>						<i>Fee per Unit</i>			<i>Fee / SF</i>	
Single Family ⁽²⁾	\$495	\$702	\$713	\$149	\$2,059	3.30	\$6,790.34	\$339.52	\$7,129.86	2,400	\$2.97
Multi Family	\$495	\$702	\$713	\$149	\$2,059	2.47	\$5,080.00	\$254.00	\$5,334.00	1,200	\$4.45
Non-Residential	<i>Fee per 1,000 Sq. Ft. / Room</i>										
Commercial	\$183	\$260	\$264	\$55	\$762	2.00	\$1,524.00	\$76.20	\$1,600.20	-	\$1.60
Office	\$183	\$260	\$264	\$55	\$762	3.33	\$2,537.46	\$126.87	\$2,664.33	-	\$2.66
Industrial	\$183	\$260	\$264	\$55	\$762	1.03	\$784.86	\$39.24	\$824.10	-	\$0.82
Hotel	\$183	\$260	\$264	\$55	\$762	0.80	\$609.60	\$30.48	\$640.08	-	NA

¹ An administrative fee of 5.0% is included in the fees shown for (1) legal, accounting, and other administrative support and (2) development impact fee program administration costs including revenue collection, revenue and cost accounting, mandated public reporting, and fee justification analysis.

² In accordance with Assembly Bill No. 881 approved on October 9, 2019, Government Building Facilities fees will not be charged for an ADU that is less than 750 square feet. For an ADU that is 750 square feet or larger, the ADU will be charged proportionately in relation to the square footage of the primary dwelling unit. ADU fees will be calculated by multiplying the Single Family Residential fee by the ADU's square footage.

PROPOSED FEE COMPARISON

Land Use Category	Current Fee per SF ⁽¹⁾⁽²⁾	Maximum Justifiable Fee ⁽²⁾	Proposed Fee 2026 ⁽²⁾	Percent Change
Residential				
Single Family	\$2.87	\$2.97	\$2.97	3.5%
Multi-Family	\$4.06	\$4.45	\$4.45	9.6%
Non-Residential				
Commercial	\$1.54	\$1.60	\$1.60	3.9%
Office	\$2.25	\$2.66	\$2.44	8.4%
Industrial	\$0.79	\$0.82	\$0.82	3.8%
Hotel (Fee per Room)				
Hotel	\$618.80	\$640.08	\$640.08	3.4%

1 Fees are as of December 2025.

2 Fee includes administration fee.

CAPITAL IMPROVEMENT PLAN

AS REQUIRED BY AB 602

Facility	Square Feet	Cost per S.F.	Total Cost	Location	Planned Timing
Civic Center - City Hall	71,500	\$856	\$61,170,589	1001 W Center Street	Fiscal Year 2028/29 for design, Phase I 2030, Completion by 2035
Library	55,000	\$1,247	\$68,573,034	320 W Center Street	Design to start by 2034, Completion by 2038
Multi-Use Community Facility	32,000	\$887	\$28,378,646	500-600 Moffat Blvd	Design to start 2025/2026, Completion by 2030
Animal Shelter Expansion	8,000	\$835	\$6,677,329	115 E Wetmore Avenue	Design to start 2025/2026, Completion by 2030
Police Station	45,817	\$1,814	\$83,126,374	Milo Candini & Wawona	Design and costs updated in 2025, Completion by 2030
Public Safety Training Facility ¹	12,000	\$626	\$7,511,995	Milo Candini & Wawona	Design 2029 after completion of the Police Station, Completion by 2034
Police Support Building	2,000	\$1,814	\$3,628,626		Design and costs updated in 2025, Completion by 2030
Police Range	17,500	\$553	\$9,676,910	Milo Candini & Wawona	Design in 2030, after Police Station is completed, Completion by 2035
Parks/Corporation Yard Project²					
Park and Public Works Corporation Yard	22,800	\$246	\$5,613,964	2450 W Yosemite Avenue	Design and construction starting 2032, or sooner, completion by 2034
Additional Maintenance Facilities	45,000	\$130	\$5,868,746	2450 W Yosemite Avenue	Design and construction starting 2032, or sooner, completion by 2034
Parks Satellite Corporation Yard	3,000	\$610	\$1,831,049	2450 W Yosemite Avenue	Design and construction starting 2032, or sooner, completion by 2034
Total	314,617		\$282,057,261		

¹ The total square footage of the Public Safety Training Facility is 12,000 square feet. Costs reflect full cost of the facility, however 50 percent of the square footage and cost will be allocated to the Government Building Facility Fee. The remaining 50 percent will be allocated to the Fire Facility Fee.

² Based on one project located at 2450 W Yosemite Avenue that will include the three facilities listed.

DEVELOPMENT IMPACT FEE PROGRAM

NEXT STEPS



MARCH 2026

- Public Hearing
- Fees adopted



MAY 2026

- Fees go into effect 60 days after adoption





THANK YOU

QUESTIONS? CONTACT US:



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