

City of Chandler, Arizona



Non-Utility Infrastructure Improvements Plan

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June 2008

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INTRODUCTION

In 2007, the Arizona State Legislature passed Senate Bill 1423, which amended State law relating to municipal development impact fees. Among the provisions included in the bill, the revised statute requires municipalities to adopt an infrastructure improvements plan, which provides a list and schedule of planned infrastructure that will be funded with the development fee.

The revised statute requires that “before the assessment of a new or modified fee, the governing body of the municipality shall adopt or amend an infrastructure improvements plan.” The infrastructure improvements plan must include an estimate of future facilities that will be required as a result of new development, a forecast of the infrastructure costs and a schedule of planned infrastructure construction. This report provides the infrastructure improvements plan required by State law for each of the City’s non-utility system development fees.

ARTERIAL STREETS

The City's arterial streets system development fee is based on the plan-based cost per service unit. The plan-based cost per service unit excludes costs related to pass-through traffic. The plan-based cost per service unit is adjusted to account for external funding that is expected to be provided for capacity-expanding arterial street projects used in developing the fee. As a result, the net cost per service unit will account for approximately 88 percent of the future costs, as shown in Table 1. The share of planned expenditures in the infrastructure finance plan that cannot be directly funded with system development fees may be funded through a combination of funds, including external funding sources.

Table 1. New Growth Share of Arterial Street Costs

| | |
|---|---------|
| Plan-Based Cost/EDU (Excludes Pass-Through Costs) | \$4,223 |
| Net Cost/EDU | \$3,708 |
| Growth Share of Non Pass-Through Future Costs | 87.80% |

Source: Plan-based cost/EDU from Duncan Associates, *Non-Utility System Development Fee Update*, June 2008, Table 13; Net Cost/EDU from *Non-Utility System Development Fee Update*, June 2008, Table 19.

The infrastructure improvements plan in Table 2 provides a list of planned capital improvements and other expenditures that are eligible to be funded by the arterial streets system development fee along with the total growth share of the planned expenditures. Eligible expenditures include planned capacity-expanding street improvements funded with impact fees in the 2007-2012 Capital Improvement Program, planned improvements beyond 2012, the allocable share of the system development fee study cost and the outstanding inter-fund loan that may be repaid with future system development fee collections. Some of the project costs differ from those used in calculating the system development fee, since the 2007-2012 CIP costs include an inflation adjustment and actual right-of-way (ROW) costs while the costs included in the arterial street fee are deflated to the 2007 cost and are based on a ROW acquisition cost estimate of \$3 per square foot. The planned expenditures also include system development fee carry-forward and encumbrance balances for projects that are currently under construction. Applying the growth share of future costs to the total planned expenditures rather than to each individual project provides the City with more flexibility in programming the system development fee funds.

Table 2. Arterial Street Infrastructure Improvements Plan

| Expenditure | 2007-2012 | Beyond 2012 | Total |
|---|------------------|--------------------|--------------|
| Alma School - Frye to Germann | \$0 | \$7,240,000 | \$7,240,000 |
| Alma School - Germann to Ocotillo | \$0 | \$9,125,000 | \$9,125,000 |
| Alma School - Ocotillo to Chandler Heights | \$0 | \$6,790,000 | \$6,790,000 |
| Alma School - Chandler Heights to City Limit | \$0 | \$3,165,000 | \$3,165,000 |
| Arizona - Knox to Ray | \$0 | \$90,000 | \$90,000 |
| Arizona - Pecos to Ocotillo | \$0 | \$2,300,000 | \$2,300,000 |
| Arizona Ave. - Ocotillo to Riggs (8ST543) | \$5,362,000 | \$6,840,000 | \$12,202,000 |
| Arizona Ave. - Riggs to Hunt | \$0 | \$5,002,000 | \$5,002,000 |
| Chandler Blvd - Colorado to McQueen Road (8ST297) | \$15,160,000 | \$0 | \$15,160,000 |
| Chandler Heights - Alma School to Arizona | \$0 | \$1,100,000 | \$1,100,000 |
| Chandler Heights - Arizona to McQueen (8ST608) | \$13,520,000 | \$0 | \$13,520,000 |
| Chandler Heights - McQueen to Val Vista (8ST642) | \$8,295,000 | \$19,135,000 | \$27,430,000 |
| Cooper - North City Limit to Ray | \$0 | \$2,740,000 | \$2,740,000 |
| Cooper - Queen Creek to Riggs (8ST643) | \$3,870,000 | \$10,430,000 | \$14,300,000 |
| Dobson - Queen Creek to Ocotillo | \$0 | \$7,900,000 | \$7,900,000 |
| Germann - Arizona Ave to .25 E of Airport Blvd | \$0 | \$4,185,000 | \$4,185,000 |
| Gilbert - Germann to Queen Creek (8ST482) | \$8,290,000 | \$0 | \$8,290,000 |
| Gilbert Road - Queen Creek to Hunt Hwy (8ST596) | \$40,000,000 | \$0 | \$40,000,000 |
| Lindsay - Ocotillo to Riggs | \$0 | \$17,395,000 | \$17,395,000 |
| Lindsay - Riggs to Hunt | \$0 | \$4,045,000 | \$4,045,000 |
| McClintock - Frye to Santan | \$0 | \$1,960,000 | \$1,960,000 |
| McQueen - Warner to Chandler | \$0 | \$4,725,000 | \$4,725,000 |
| McQueen - Chandler to Pecos | \$0 | \$7,070,000 | \$7,070,000 |
| McQueen Road - Queen Creek to Riggs (8ST478) | \$26,885,000 | \$0 | \$26,885,000 |
| McQueen - Riggs to Hunt Highway | \$0 | \$3,015,000 | \$3,015,000 |
| Ocotillo - Dobson to Alma School | \$0 | \$4,300,000 | \$4,300,000 |
| Ocotillo Rd. - Arizona to McQueen (8ST607) | \$16,175,000 | \$0 | \$16,175,000 |
| Ocotillo - Cooper to 148th St. (8ST641) | \$7,720,000 | \$15,485,000 | \$23,205,000 |
| Queen Creek - McQueen to Lindsay (8ST548) | \$29,430,000 | \$0 | \$29,430,000 |
| Ray - Arizona to Cooper | \$0 | \$6,230,000 | \$6,230,000 |
| Riggs - West City Limit to Arizona | \$0 | \$3,725,000 | \$3,725,000 |
| Riggs - Gilbert to Val Vista | \$10,800,000 | \$0 | \$10,800,000 |
| Warner - UPRR to McQueen | \$0 | \$4,915,000 | \$4,915,000 |
| New Traffic Signals (8ST322) | \$2,443,000 | \$0 | \$2,443,000 |
| Arizona Ave - Ocotillo to Hunt Hwy (Carry-Forward) | \$470,000 | \$0 | \$470,000 |
| Arizona Ave - Ray to Elliot (Encumbrance) | \$67,754 | \$0 | \$67,754 |
| Asphaltic Pavement & Concrete Crushing (Encumbrance) | \$200 | \$0 | \$200 |
| Chandler Blvd - California to Colorado (Encumbrance) | \$17,274 | \$0 | \$17,274 |
| Chandler Blvd - Colorado to McQueen (Enc. & Carry-Forward) | \$1,841,937 | \$0 | \$1,841,937 |
| Cooper - Consolidated Canal to Germann (Enc. & Carry-Forward) | \$10,398,442 | \$0 | \$10,398,442 |
| Germann - Price to Arizona (Enc. & Carry-Forward) | \$12,401,808 | \$0 | \$12,401,808 |
| Gilbert - Germann to Queen Creek (Enc. & Carry-Forward) | \$3,791,164 | \$0 | \$3,791,164 |
| Gilbert - Pecos to Germann (Enc. & Carry-Forward) | \$205,847 | \$0 | \$205,847 |
| McQueen - Pecos to Queen Creek (Encumbrance) | \$9 | \$0 | \$9 |
| Pecos - Dobson to McQueen (Encumbrance) | \$12 | \$0 | \$12 |
| Pecos - McQueen to Gilbert (Enc. & Carry-Forward) | \$9,364,628 | \$0 | \$9,364,628 |
| Price - Santan Fwy to Germann (Enc. & Carry-Forward) | \$3,759,161 | \$0 | \$3,759,161 |
| Queen Creek - Price to McQueen (Enc. & Carry-Forward) | \$10,353,186 | \$0 | \$10,353,186 |
| Riggs - Arizona to Gilbert (Enc. & Carry-Forward) | \$151,455 | \$0 | \$151,455 |
| Riggs - Gilbert to Val Vista (Enc. & Carry-Forward) | \$861,035 | \$0 | \$861,035 |

| Expenditure | 2007-2012 | Beyond 2012 | Total |
|---|----------------------|----------------------|----------------------|
| New Traffic Signals (Enc. & Carry-Forward) | \$666,560 | \$0 | \$666,560 |
| Street Construction (Enc. & Carry-Forward) | \$17,123 | \$0 | \$17,123 |
| Traffic Control System (Carry-Forward) | \$7,429 | \$0 | \$7,429 |
| Germann Rd - Price to Arizona (Interfund Loan) | \$1,457,000 | \$1,457,000 | \$2,914,000 |
| Pecos - McQueen to Gilbert (Interfund Loan) | \$1,207,000 | \$1,207,000 | \$2,414,000 |
| Cooper - Consolidated Canal to Germann (Interfund Loan) | \$1,068,000 | \$1,068,000 | \$2,136,000 |
| Riggs - Gilbert to Val Vista (Interfund Loan) | \$203,000 | \$203,000 | \$406,000 |
| System Development Fee Study | \$9,060 | \$0 | \$9,060 |
| Total Planned Expenditures | \$246,269,084 | \$162,842,000 | \$409,111,084 |
| Less: Ending Fund Balance, 6/30/2007 | \$26,297,256 | | \$26,297,256 |
| Less: Pass-Through Costs* | \$22,554,000 | \$19,068,840 | \$41,622,840 |
| Total Planned Non-Pass-Through Expenditures | \$197,417,828 | \$143,773,160 | \$341,190,988 |
| Growth Share of Future Non-Pass-Through Costs | 87.80% | 87.80% | |
| Total Growth-Related Costs | \$173,332,853 | \$126,232,834 | \$299,565,687 |

*Pass-through costs based on 12 percent of planned project costs (the pass-through portion of projects included in encumbrances, carry-forwards and inter-fund loans was accounted for in the year the expenditure was programmed through a transfer from the general fund to the system development fee fund).

Source: Project costs from City of Chandler 2007-2012 Capital Improvement Program; funding beyond 2012 based on planned improvements included in the system development fee calculation less amount of funding programmed in 2007-2012 CIP; encumbrances, capital carry-forward and inter-fund loan expenditures from City of Chandler Management Services Department, May 28, 2008; system development fee study cost based on 1/6th share of total study cost of \$54,360; existing fund balance from City of Chandler Management Services Department; and growth share of future costs from Table 1.

PARKS

Like the arterial street fee, the City's park fee is based on the plan-based cost per service unit. For parks, the plan-based cost per service unit is adjusted to reflect a credit for the outstanding debt on existing park facilities and the net cost per service unit is lower than the gross plan-based cost. As shown in Table 3, the net cost per service unit upon which the park system development fee is based will cover approximately 85 percent of the costs used in developing the impact fee. The City will need to program funding from other revenue sources in order to fund the non-growth share of planned expenditures.

Table 3. New Growth Share of Park Costs

| | |
|------------------------------|---------|
| Plan-Based Cost/EDU | \$5,516 |
| Net Cost/EDU | \$4,708 |
| Growth Share of Future Costs | 85.35% |

Source: Plan-based cost/EDU from Duncan Associates, *Non-Utility System Development Fee Update*, June 2008, Table 27; Net Cost/EDU from *Non-Utility System Development Fee Update*, June 2008, Table 36.

The park infrastructure improvements plan is shown in Table 4. The infrastructure improvements plans for parks provide a list of planned capital improvements and other expenditures that are eligible to be funded by the system development fees along with the growth share of the total planned expenditures. Eligible expenditures include capacity-expanding park improvements funded in the 2007-2012 Capital Improvement Program and beyond 2012; capacity improvements include both the acquisition of new park land and the development of new park facilities. In addition to planned improvements, eligible system development fee expenditures include the allocable share of the system development fee study cost and inter-fund and general obligation debt that may be repaid with system development fee funding. As discussed in the system development fee study, the City utilizes inter-fund loans and general obligation loans if fee-funding is insufficient to fund a project in a given year; these loans are then repaid from future impact fees if the capacity improvements will serve future growth. The planned expenditures also include system development fee carry-forward and encumbrance balances for projects that are currently under construction and for pending land purchases. Applying the growth share of future costs to the total planned expenditures rather than to each individual project provides the City with more flexibility in programming the system development fee funds.

Table 4. Park Infrastructure Improvements Plan

| Expenditure | 2007-2012 | Beyond 2012 | Total |
|--|---------------------|---------------------|----------------------|
| Neighborhood Park Land Acquisition (8PR039) | \$6,084,481 | \$0 | \$6,084,481 |
| Homestead North Park Site Development (8PR389) | \$1,212,750 | \$0 | \$1,212,750 |
| Homestead South Park Site Development (8PR390) | \$1,739,339 | \$0 | \$1,739,339 |
| Canal Park Development (8PR399) | \$1,490,406 | \$0 | \$1,490,406 |
| Roadrunner Park Development (8PR400) | \$1,893,326 | \$0 | \$1,893,326 |
| Future Park Site Development (8PR557) | \$7,980,258 | \$0 | \$7,980,258 |
| Arbuckle Park (Enc. & Carry-Forward) | \$1,830,394 | \$0 | \$1,830,394 |
| Canal Park (Encumbrance) | \$147,325 | \$0 | \$147,325 |
| Chuckwalla Park (Encumbrance) | \$239,757 | \$0 | \$239,757 |
| Homestead North Park (Carry-Forward) | \$142,470 | \$0 | \$142,470 |
| Homestead South Park (Carry-Forward) | \$204,332 | \$0 | \$204,332 |
| Pine Lakes Park (Encumbrance) | \$3,557 | \$0 | \$3,557 |
| Ryan Park (Enc. & Carry-Forward) | \$367,553 | \$0 | \$367,553 |
| Tibshraeny Park (Encumbrance) | \$147,029 | \$0 | \$147,029 |
| Neighborhood Park Development (Encumbrance) | \$46,678 | \$0 | \$46,678 |
| Neighborhood Park Land Acq. (Enc. & Carry-Forward) | \$4,919,039 | \$0 | \$4,919,039 |
| System Development Fee Study | \$9,060 | \$0 | \$9,060 |
| Future Park #1 | \$0 | \$2,099,165 | \$2,099,165 |
| Future Park #2 | \$0 | \$2,099,165 | \$2,099,165 |
| Future Park #3 | \$0 | \$2,099,165 | \$2,099,165 |
| Park Site - Layton Lakes (General Obligation Debt) | \$177,050 | \$354,099 | \$531,149 |
| Subtotal, Neighborhood & Special Parks | \$28,634,804 | \$6,651,594 | \$35,286,398 |
| Mesquite Groves Development (8PR396) | \$25,508,016 | \$0 | \$25,508,016 |
| Community Park Development (Encumbrance) | \$54,283 | \$0 | \$54,283 |
| Community Park Land Acq. (Enc. & Carry-Forward) | \$61,855 | \$0 | \$61,855 |
| Mesquite Groves Park (Enc. & Carry-Forward) | \$9,559,096 | \$0 | \$9,559,096 |
| Nozomi Park (Carry-Forward) | \$2,652,988 | \$0 | \$2,652,988 |
| Veteran's Oasis Park (Encumbrance) | \$5,509,425 | \$0 | \$5,509,425 |
| Mesquite Groves Park Land (Interfund Loan) | \$2,863,176 | \$1,145,272 | \$4,008,448 |
| Chaparosa Park Development (Interfund Loan) | \$2,541,614 | \$1,016,646 | \$3,558,260 |
| System Development Fee Study | \$9,060 | \$0 | \$9,060 |
| Mesquite Groves Park (General Obligation Debt) | \$2,749,350 | \$5,498,702 | \$8,248,052 |
| Veteran's Oasis Park (General Obligation Debt) | \$2,894,566 | \$5,789,131 | \$8,683,697 |
| Nozomi Park (General Obligation Debt) | \$311,084 | \$622,167 | \$933,251 |
| Subtotal, Community & Regional Parks | \$54,714,513 | \$14,071,918 | \$68,786,431 |
| Total Planned Expenditures | \$83,349,317 | \$20,723,512 | \$104,072,829 |
| Less: Ending Fund Balance, 6/30/2007 | \$23,142,277 | \$0 | \$23,142,277 |
| Total Future Costs | \$60,207,040 | \$20,723,512 | \$80,930,552 |
| Growth Share of Future Costs | 85.35% | 85.35% | |
| Total Growth-Related Costs | \$51,386,708 | \$17,687,518 | \$69,074,226 |

Source: Growth share of future costs from Table 3; 2007-2012 project costs from City of Chandler 2007-2012 Capital Improvement Program; other future projects from City of Chandler Parks Development and Operations Division; general obligation payment from City of Chandler Management Services Department, October 24, 2007; encumbrances, capital carry-forward, inter-fund loan, general obligation debt expenditures and ending fund balance from City of Chandler Management Services Department, May 28, 2008; system development fee study cost based on 1/6th share of total study cost of \$54,360.

FIRE

The fire system development fee in this update is based on the existing level of service rather than on the plan-based costs. In addition, the net fee per unit was adjusted to reflect a credit for outstanding debt on existing fire facilities. As shown in Table 5, the growth share of future costs is 89 percent of the planned expenditures. The share of planned expenditures not covered by the system development fee will need to be funded through other sources.

Table 5. New Growth Share of Fire Costs

| | |
|------------------------------|--------|
| Plan-Based Cost/EDU | \$603 |
| Net Cost/EDU | \$537 |
| Growth Share of Future Costs | 89.05% |

Source: Plan-based cost/EDU from Duncan Associates, *Non-Utility System Development Fee Update*, June 2008, Table 41; Net Cost/EDU from *Non-Utility System Development Fee Update*, June 2008, Table 48.

The infrastructure improvements plan provides a list of planned capital improvements and other expenditures that are eligible to be funded by the fire system development fee. Eligible expenditures include planned fire department improvements funded with impact fees in the 2007-2012 Capital Improvement Program; the allocable share of the fee study cost and inter-fund loans that may be repaid with system development fee funding. The fire infrastructure improvements plan is shown in Table 6; aside from the repayment of the inter-fund loan, there are currently no new planned improvements that will be constructed beyond 2012. The planned expenditures also include system development fee carry-forward and encumbrance balances for projects that are currently under construction and for pending land purchases. Applying the growth share of future costs to the total planned expenditures rather than to each individual project provides the City with more flexibility in programming the existing and future system development fee funds for planned expenditures.

Table 6. Fire Infrastructure Improvements Plan

| Expenditure | 2007-2012 | Beyond 2012 | Total |
|--|---------------------|--------------------|---------------------|
| Southeast Fire Station - Santan/Airport (8FI600) | \$7,130,504 | \$0 | \$7,130,504 |
| Southeast Fire Station - Ocotillo/Gilbert (8FI611) | \$7,045,510 | \$0 | \$7,045,510 |
| Training Center Expansion (8FI634) | \$7,729,992 | \$0 | \$7,729,992 |
| Fire Administration (Enc. & Carry-Forward) | \$1,127,518 | \$0 | \$1,127,518 |
| Mechanical Maint. Facility (Enc. & Carry-Forward) | \$104,953 | \$0 | \$104,953 |
| Training Center Expansion (Encumbrance) | \$500 | \$0 | \$500 |
| Station # 10 (Enc. & Carry-Forward) | \$4,591,107 | \$0 | \$4,591,107 |
| Station # 12 Land Acquisition (Carry-Forward) | \$37,501 | \$0 | \$37,501 |
| Mechanical Maint. Expansion (Interfund Loan) | \$354,691 | \$624,463 | \$979,154 |
| Station # 12 Land Acquisition (Interfund Loan) | \$144,516 | \$254,434 | \$398,950 |
| Station # 10 (Interfund Loan) | \$1,672,670 | \$2,944,865 | \$4,617,535 |
| Fire Administration (Interfund Loan) | \$408,436 | \$719,082 | \$1,127,518 |
| Fire Training Facility Expansion (Interfund Loan) | \$182 | \$318 | \$500 |
| System Development Fee Study | \$9,060 | \$0 | \$9,060 |
| Total Planned Expenditures | \$30,357,140 | \$4,543,162 | \$34,900,302 |
| Less: Ending Fund Balance, 6/30/2007 | \$5,751,224 | \$0 | \$5,751,224 |
| Total Future Costs | \$24,605,916 | \$4,543,162 | \$29,149,078 |
| Growth Share of Future Costs | 89.05% | 89.05% | |
| Total Growth-Related Costs | \$21,911,568 | \$4,045,686 | \$25,957,254 |

Source: 2007-2012 project costs from City of Chandler 2007-2012 Capital Improvement Program less municipal arts funding; encumbrances, capital carry-forward, inter-fund loan expenditures and ending fund balance from City of Chandler Management Services Department, May 28, 2008; system development fee study cost based on 1/6th share of total study cost of \$54,360; ending fund balance from City of Chandler Management Services Department, October 24, 2007; and Growth share of future costs from Table 5.

POLICE

The police system development fee in this update is based on the existing level of service rather than on the plan-based costs. In addition, the net fee per unit was adjusted to reflect a credit for outstanding debt on existing police facilities. As shown in Table 7, the growth share of future costs is approximately 77 percent of the fee-funded share of planned police expenditures. The share of planned expenditures not covered by the development fee charged to new growth will need to be funded through other sources.

Table 7. New Growth Share of Police Costs

| | |
|------------------------------|--------|
| Plan-Based Cost/EDU | \$350 |
| Net Cost/EDU | \$268 |
| Growth Share of Future Costs | 76.57% |

Source: Plan-based cost/EDU from Duncan Associates, *Non-Utility System Development Fee Update*, June 2008, Table 53; Net Cost/EDU from *Non-Utility System Development Fee Update*, June 2008, Table 59.

The infrastructure improvements plan in Table 8 provides a list of planned capital improvements and other expenditures that are eligible to be funded by the police system development fee. Eligible expenditures include planned police department improvements funded with impact fees in the 2007-2012 Capital Improvement Program, the allocable share of the system development fee study cost and inter-fund loans that may be repaid with future system development fee revenue. There are currently no planned improvements that will be constructed beyond 2012. The planned expenditures also include system development fee carry-forward and encumbrance balances for projects that are currently under construction. The growth-related cost is the share of planned expenditures that will be funded by new development under the proposed system development fee schedule.

Table 8. Police Infrastructure Improvements Plan

| Expenditure | 2007-2012 | Beyond 2012 | Total |
|--|--------------|-------------|--------------|
| Police Driver Training Facility (8PD035) | \$5,516,710 | \$0 | \$5,516,710 |
| Communications Center/Admin. Expansion (8PD410) | \$631,789 | \$0 | \$631,789 |
| Police Training Facility (8PD579) | \$1,806,668 | \$0 | \$1,806,668 |
| Chandler Heights Substation (Enc. & Carry-Forward) | \$5,758,381 | \$0 | \$5,758,381 |
| Desert Breeze Substation (Encumbrance) | \$16,090 | \$0 | \$16,090 |
| Chandler Heights Substation (Interfund Loan) | \$2,576,360 | \$4,029,820 | \$6,606,180 |
| Desert Breeze Substation (Interfund Loan) | \$750,685 | \$1,174,184 | \$1,924,869 |
| System Development Fee Study | \$9,060 | \$0 | \$9,060 |
| Total Planned Expenditures | \$17,065,743 | \$5,204,004 | \$22,269,747 |
| Less: Ending Fund Balance, 6/30/2007 | \$5,337,717 | \$0 | \$5,337,717 |
| Total Future Costs | \$11,728,026 | \$5,204,004 | \$16,932,030 |
| Growth Share of Future Costs | 76.57% | 76.57% | |
| Total Growth-Related Costs | \$8,980,150 | \$3,984,706 | \$12,964,856 |

Source: 2007-12 project costs from City of Chandler 2007-2012 Capital Improvement Program less municipal arts funding; encumbrances, capital carry-forward and inter-fund loan expenditures from City of Chandler Management Services Department, May 28, 2008; system development fee study cost based on 1/6th share of total study cost of \$54,360; ending fund balance from City of Chandler Management Services Department, October 24, 2007; and growth share of future costs from Table 7.

PUBLIC BUILDINGS

The public building system development fee in this update is based on the existing level of service rather than on the plan-based costs. As shown in Table 9, the growth share of future costs is approximately 22 percent of the eligible fee-funded public building expenditures. The share of planned expenditures not covered by the development fee charged to new growth will be funded through other funding sources.

Table 9. New Growth Share of Public Building Costs

| | |
|---|---------|
| Plan-Based Cost/EDU | \$1,317 |
| Net Cost/EDU | \$295 |
| Growth Share of Planned Improvement Costs | 22.40% |

Source: Plan-based cost/EDU from Duncan Associates, *Non-Utility System Development Fee Update*, June 2008, Table 64; Net Cost/EDU from *Non-Utility System Development Fee Update*, June 2008, Table 68.

The infrastructure improvements plan in Table 10 provides a list of planned capital improvements and other expenditures that are eligible to be funded by the public buildings system development fee. Eligible expenditures include the share of planned public buildings anticipated to be funded with system development fees in the 2007-2012 Capital Improvement Program, and the allocable share of the system development fee study cost that may be repaid with system development fee funding. There are currently no planned improvements that will be constructed beyond 2012 and no outstanding inter-fund loan balances. The planned expenditures also include the system development fee encumbrance balances for the City Hall project, which is currently under construction. The growth-related cost is the share of planned expenditures that will be funded by new development under the proposed system development fee schedule.

Table 10. Public Building Infrastructure Improvements Plan

| Expenditure | 2007-2012 | Beyond 2012 | Total |
|---|--------------|-------------|--------------|
| City Hall (8GG075) | \$66,525,311 | \$0 | \$66,525,311 |
| Public Works Expansion, Downtown Complex (8GG609) | \$3,836,400 | \$0 | \$3,836,400 |
| Public Parking Garage (8GG614) | \$609,760 | \$0 | \$609,760 |
| City Hall (Encumbrance) | \$122,835 | \$0 | \$122,835 |
| System Development Fee Study | \$9,060 | \$0 | \$9,060 |
| Total Planned Expenditures | \$71,103,366 | \$0 | \$71,103,366 |
| Less: Ending Fund Balance, 6/30/2007 | \$7,420,124 | \$0 | \$7,420,124 |
| Total Future Costs | \$63,683,242 | \$0 | \$63,683,242 |
| Growth Share of Future Costs | 22.40% | 22.40% | |
| Total Growth-Related Costs | \$14,265,046 | \$0 | \$14,265,046 |

Source: Project costs from City of Chandler 2007-2012 Capital Improvement Program (public parking garage cost based on new capacity share of total parking garage cost); encumbrances, capital carry-forward expenditures and ending fund balance from City of Chandler Management Services Department, May 28, 2008; system development fee study cost based on 1/6th share of total study cost of \$54,360; growth share of future costs from Table 9.

LIBRARY

The proposed library system development fee is based on the existing level of service rather than on the plan-based costs. In addition, the net fee per unit was adjusted to reflect a credit for outstanding debt on existing library facilities. As shown in Table 11, the growth share of future costs is approximately 35 percent of the eligible fee-funded library expenditures. The share of planned expenditures not covered by the development fee charged to new growth will need to be funded through other funding sources. In the absence of system development fee funding, the City had programmed general obligation bonds to fully fund the acquisition of the Sunset Library facility in the 2007-2012 Capital Improvement Plan.

Table 11. New Growth Share of Library Costs

| | |
|---|--------|
| Plan-Based Cost/EDU | \$668 |
| Net Cost/EDU | \$233 |
| Growth Share of Planned Improvement Costs | 34.88% |

Source: Plan-based cost/EDU from Duncan Associates, *Non-Utility System Development Fee Update*, June 2008, Table 72; Net Cost/EDU from *Non-Utility System Development Fee Update*, June 2008, Table 78.

The infrastructure improvements plan provides a list of planned capital improvements and other expenditures that are eligible to be funded by the system development fee. As shown in Table 12, the planned expenditures include the acquisition of the Sunset Library facility. The planned expenditures also include system development fee carry-forward and encumbrance balances for the Basha and Hamilton youth areas that are currently under construction; these projects were initiated before the City eliminated the library fee and are funded through the existing account balances. The study cost of \$5,400 associated with library portion of the system development fee study is funded through general fund revenue and is not included in the infrastructure improvements plan. There are currently no planned improvements that will be constructed beyond 2012 and no outstanding inter-fund loan balances. The growth-related cost is the share of planned capacity-expanding expenditures that will be funded by new development under the proposed system development fee schedule.

Table 12. Library Infrastructure Improvements Plan

| Expenditure | 2007-2012 | Beyond 2012 | Total |
|---|--------------|-------------|--------------|
| Sunset Library Acquisition (8LI556) | \$9,955,000 | \$0 | \$9,955,000 |
| Basha and Hamilton Youth Areas (Enc. & Carry-Forward) | \$491,158 | \$0 | \$491,158 |
| System Development Fee Study | \$0 | \$0 | \$0 |
| Total Planned Expenditures | \$10,446,158 | \$0 | \$10,446,158 |
| Less: Ending Fund Balance, 6/30/2007 | \$645,633 | \$0 | \$645,633 |
| Total Future Costs | \$9,800,525 | \$0 | \$9,800,525 |
| Growth Share of Future Costs | 34.88% | 34.88% | |
| Total Growth-Related Costs | \$3,418,423 | \$0 | \$3,418,423 |

Source: Project costs from City of Chandler 2007-2012 Capital Improvement Program; encumbrances, capital carry-forward expenditures and ending fund balance from City of Chandler Management Services Department, May 28, 2008; and growth share of future costs from Table 11.