

# City of Beaumont



## Development Impact Fee Study

## A. Cover Letter

July 14, 2023

Ms. Grace Wichert  
Procurement and Contract Specialist  
City of Beaumont  
550 E 6<sup>th</sup> Street  
Beaumont, CA 92223

**Re:     *Technical Proposal to Conduct a Development Impact Fee Study for the City of Beaumont***

Dear Ms. Wichert:

Willdan Financial Services (“Willdan”) is pleased to present this proposal to the City of Beaumont (“City”) to conduct a development impact fee study. Willdan’s project approach helps to ensure the preparation of an impact fee study that will withstand technical challenges and public scrutiny. Given Willdan’s unmatched impact fee experience, we are particularly well positioned to serve the City and help achieve established long-term goals. Outlined below are the advantages and benefits that Willdan will provide to the City.

***Successful project completion.*** Willdan has successfully completed many development impact fee studies, including most recently in the ***Cities of Murrieta, Moreno Valley, Lake Elsinore, Indian Wells, Bell Gardens, Cudahy, Pomona, Rialto, Fountain Valley, McFarland, Riverbank, Morgan Hill, Hollister, and Pismo Beach, as well as the County of Riverside.*** These fee programs were approved by their respective Councils. Willdan is also currently assisting the cities of San Jacinto and Murrieta with their fee programs.

***Unmatched experience implementing and defending fee programs.*** Willdan’s impact fee staff has assisted more than 100 California government agencies with the development and/or update of all fee types and is fortunate to be in a position that will provide a tremendous benefit to the City. Each project has required defensible documentation and thorough coordination of fee program changes for different agency departments and stakeholders within the business community. In some cases, Willdan has been required to negotiate fees with stakeholders and, on occasion, defend them in meetings and public forums.

We are particularly strong in advising our clients on the advantages and disadvantages of different fee schedule structures (citywide versus multiple-fee districts/zones; more versus fewer land-use categories; etc.) and methods of fee calculation that are based on the City’s and stakeholder priorities. Impact fees also need to be developed in compliance with the *Mitigation Fee Act* (California Government Code Section 66000 et seq., also known as Assembly Bill 1600) so that they are defensible and transparent. We are also current on the changes to fee programs and the adoption of nexus studies resulting from AB 602, which took effect in 2022.

***Innovative Methodologies.*** As Willdan operates nationally, we possess unique experiences in numerous jurisdictions dealing with multiple challenges. Our ability to produce studies that accommodate various options and viewpoints ensures fair-minded and sensible projects. Our methodology and approach to impact fees has proven to be effective for Cities and Counties, the development community, and the public. Utilizing focus groups, with established guidelines, during the study, fully informs the development community and the public of the justification of the impact fees, and their positive effect on community growth.

**Best-in-class impact fee team that can work immediately to prepare an impact fee program.** The Willdan team begins a project by evaluating the agency's current capital planning policies and funding programs. Not all capital projects are amenable to funding from impact fee programs, and we identify sources that complement fee revenues to fully fund the capital improvement program. The team's Principal-in-Charge James Edison and Project Manager Carlos Villarreal are well respected by our clients for their skill in proactively organizing a clear, consensus-based project approach.

We are excited about this opportunity to use our skills and expertise to serve the City of Beaumont. To discuss any aspect of this submittal, please contact Managing Principal James Edison, who will serve as the primary contact for this proposal, his information is provided in the table below.

Contact Information
Proposal Contact
James Edison, JD, MPP, MA Managing Principal 27368 Via Industria, Suite 200   Temecula, CA 92590 Tel#: (800) 755-6864   Email: <a href="mailto:JEdison@Willdan.com">JEdison@Willdan.com</a>

Willdan has reviewed the City's sample agreement provided in the RFP and requests no changes to the terms and conditions; this includes meeting the required insurance limits. Furthermore, Willdan will obtain and maintain a City of Beaumont Business License for the duration of the project.

As a Vice President of Willdan Financial Services, I am authorized to bind the firm to the terms of this proposal, as well as the subsequent agreement.

Sincerely,

**WILLDAN FINANCIAL SERVICES**



Chris Fisher  
Vice President / Director



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## B. Introduction/Information

This section outlines Willdan Financial Services' ("Willdan") understanding of the City of Beaumont's ("City") desire to update its development impact fees, as well as identify the project objectives and discusses the background regarding public facilities financing in California. Also outlined is an overview of our impact fee project approach.

### Project Understanding

As part of the larger financial planning effort for Beaumont General Plan, the City seeks to understand what the financial impacts of foreseeable future development will have on the City's public services and infrastructure, and to identify potential gaps in funding for those necessary improvements. The City desires to update impact fees to ensure a fair and reasonable fee structure, while meeting the requirements of the California *Mitigation Fee Act* (California Government Code 66000 et seq). We are also current on the changes to requirements for impact fee programs and the adoption of nexus studies resulting from AB 602, which was passed in 2021 and took effect in 2022. The resulting fees will fund new development's share of planned facilities, while not overburdening development with unnecessary costs.

### Project Objectives

The objective of this project is to establish development impact fees pursuant to State law. To accomplish this objective, this study will:

- Develop a technically defensible fee justification, based on the reasonable relationship and deferential review standards;
- Review and facility standards, capital facilities plans and costs, and development and growth assumptions;
- Provide a schedule of maximum-justified fees by land use category; and
- Provide comprehensive documentation of assumptions, methodologies, and results, including findings required by the *Mitigation Fee Act*.

### Public Facilities Financing in California

The changing fiscal landscape in California during the past 40 years has steadily undercut the financial capacity of local governments to fund infrastructure. Four dominant trends stand out:

1. The passage of a string of tax limitation measures starting with Proposition 13 in 1978 and continuing through the passage of Proposition 218 in 1996;
2. Declining popular support for bond measures to finance infrastructure for the next generation of residents and businesses;
3. Steep reductions in Federal and State assistance; and
4. Permanent shifting by the State of local tax resources to the State General Fund to offset deficit spending brought on by recessions.

Faced with these trends, many cities and counties have had to adopt a policy of "growth pays its own way." This policy shifts the burden of funding infrastructure expansion from existing rate and taxpayers onto new development. This funding shift has been accomplished primarily through the imposition of assessments, special taxes, and development impact fees, also known as public facilities fees. Assessments and special taxes require approval of property owners or registered voters and are appropriate when the funded facilities are directly related to the developing property. Development impact fees, on the other hand, are an appropriate funding source for facilities that benefit development jurisdiction-wide. Development fees need only a majority vote of the legislative body for adoption.

## C. Approach

### Summary of Approach

Willdan's methodology for calculating public facilities fees is both simple and flexible. Simplicity is important so that the development community and the public can easily understand the justification for the fee program. At the same time, we use our expertise to reasonably ensure that the program is technically defensible.

Flexibility is important, so we can tailor our approach to the available data, and the agency's policy objectives. Our understanding of the technical standards established by statutes and case law suggests that a range of approaches are technically defensible. Consequently, we can address policy objectives related to the fee program, such as economic development and affordable housing. Flexibility also enables us to avoid excessive engineering costs associated with detailed facility planning. We calculate the maximum justifiable impact fee and provide flexibility for the agency to adopt fees up to that amount.

Development impact fees are calculated to fund the cost of facilities required to accommodate growth. The four steps followed in an impact fee study include:

- **Estimate existing development and future growth:** Identify a base year for existing development and a growth forecast that reflects increased demand for public facilities;
- **Identify facility standards:** Determine the facility standards used to plan for new and expanded facilities;
- **Determine facilities required to serve new development and their costs:** Estimate the total amount and cost of planned facilities, and identify the share required to accommodate new development; and
- **Calculate fee schedule:** Allocate facilities costs per unit of new development to calculate the public facilities fee schedule.

We discuss key aspects of our approach to each of these steps in the subsections that follow.

### Growth Projections

In most cases, we recommend use of long-range market-based projections of new development. By "long-range" we suggest 20 to 30 years to: capture the total demand often associated with major public facility investments; and support analysis of debt financing, if needed. In contrast to build out projections, market-based projections provide a more realistic estimate of development across all land uses. Build out projections typically overestimate commercial and industrial development because of the oversupply of these land uses relative to residential development.

### Facility Standards

The key public policy issue in development impact fee studies is the identification of facility standards (second bullet above). Facility standards document a reasonable relationship between new development and the need for new facilities. Standards ensure that new development does not fund deficiencies associated with existing development.

Our approach recognizes three separate components of facility standards:

1. **Demand standards** determine the amount of facilities required to accommodate growth. Examples include park acres per thousand residents, square feet of library space per capita, or gallons of water per day. Demand standards may also reflect a level of service such as the vehicles-to-capacity (V/C) ratio used in traffic planning;
2. **Design standards** determine how a facility should be designed to meet expected demand, for example park improvement requirements and technology infrastructure for office space. Design standards are typically not explicitly evaluated as part of an impact fee analysis but can have a significant impact on the cost of facilities. Our approach incorporates current facility design standards into the fee program to reflect the increasing construction cost of public facilities; and

- 3. Cost standards** are an alternate method for determining the amount of facilities required to accommodate growth based on facility costs per unit of demand. Cost standards are useful when demand standards were not explicitly developed for the facility planning process. Cost standards also enable different types of facilities to be analyzed based on a single measure (cost or value), useful when disparate facilities are funded by a single fee program. Examples include facility costs per capita, per vehicle trip, or cost per gallon of water per day.

### Identifying New Development Facility Needs and Costs

We can take several different approaches to identify facility needs and costs to serve new development. Typically, this is a two-step process: 1) identify total facility needs; and 2) allocate to new development its fair share of those needs. Total facility needs are often identified through a master facility planning process that typically takes place concurrent with or prior to conducting the fee study. Engineered facility plans are particularly important in the areas of traffic, water, sewer, and storm drain due to the specialized technical analysis required to identify facility needs.

There are three common methods for determining new development’s fair share of planned facilities costs: 1) the existing inventory method; 2) the planned facilities method; and 3) the system plan method. Often the method selected depends on the degree to which the community has engaged in comprehensive facility master planning to identify facility needs.

The formula used by each approach and the advantages and disadvantages of each method is summarized as follows:

#### Existing Inventory Method

The existing inventory method allocates costs based on the ratio of existing facilities to demand from existing development as follows:

$$\frac{\text{Current Value of Existing Facilities}}{\text{Existing Development Demand}} = \$/\text{unit of demand}$$

Under this method new development funds the expansion of facilities at the same standard currently serving existing development. By definition, the existing inventory method results in no facility deficiencies attributable to existing development. This method is often used when a long-range plan for new facilities is not available. Only the initial facilities to be funded with fees are identified in the fee study. Future facilities to serve growth are identified through an annual Capital Improvement Plan (CIP) and budget process, possibly after completion of a new facility master plan.

#### Planned Facilities Method

The planned facilities method allocates costs based on the ratio of planned facility costs to demand from new development as follows:

$$\frac{\text{Cost of Planned Facilities}}{\text{New Development Demand}} = \$/\text{unit of demand}$$

This method is appropriate when specific planned facilities can be identified that only benefit new development. Examples include street improvements to avoid deficient levels of service or a sewer trunk line extension to a previously undeveloped area. This method is appropriate when planned facilities would not serve existing development. Under this method new development funds the expansion of facilities at the standards used for the master facility plan.

#### System Plan Method

This method calculates the fee based on the ratio of the value of existing facilities plus the cost of planned facilities divided by demand from existing plus new development:

$$\frac{\text{Value of Existing Facilities} + \text{Cost of Planned Facilities}}{\text{Existing} + \text{New Development Demand}} = \$/\text{unit of demand}$$

This method is useful when planned facilities need to be analyzed as part of a system that benefits both existing and new development. It is difficult, for example, to allocate a new fire station solely to new development when that station will operate as part of an integrated system of fire stations that work together to achieve the desired level of service. Police substations, civic centers, and regional parks are examples of similar facilities.

The system plan method ensures that new development does not pay for existing deficiencies. Often, facility standards based on policies such as those found in General Plans are higher than existing facility standards. This method enables the calculation of the existing deficiency required to bring existing development up to the policy-based standard. The local agency must secure non-fee funding for that portion of planned facilities, required to correct the deficiency, to ensure that new development receives the level of service funded by the impact fee.

## Calculating the Fee Schedule

At its simplest, the fee schedule uses the cost per unit of demand discussed in the last subsection to generate the fee schedule. This unit cost is multiplied by the demand associated with a new development project to calculate the fee for that project. The fee schedule uses different demand measures by land use category to provide a reasonable relationship between the type of development and the amount of the fee. We are familiar with a wide range of methods for identifying appropriate land use categories and demand measures depending on the particular study.

## Related Approach Issues

### Funding and Financing Strategies

In our experience, one of the most common problems with impact fee programs and with many CIPs is that the program or plan is not financially constrained to anticipated revenues. The result is a “wish list” of projects that generate community expectations that often cannot be fulfilled. Our approach is to integrate the impact fee program into the local agency’s existing CIPs while encouraging those plans to be financially constrained to available resources. We clearly state the cost of correcting existing deficiencies, if any, to document the relationship between the fee program and the need for additional non-fee funding.

We can also address one of the most significant drawbacks of an impact fee program – the inability to support conventional public debt financing, so projects can be built before all fee revenues have been received. In collaboration with financial advisors and underwriters, we have developed specific underwriting criteria so that fees can be used to pay back borrowing if another source of credit exists. Typically, this approach involves the use of Certificates of Participation or revenue bonds that are calibrated so that they can be fully repaid using impact fee revenues.

### Economic Development Concerns

The development community often is concerned that fees and other exactions will become too high for development to be financially feasible under current market conditions. Local agencies have several strategies to address this concern, including:

- Conducting an analysis of the total burden placed on development, by exactions, to see if feasibility may be compromised by the proposed fees;
- Gathering similar data on the total fee burden imposed by neighboring or competing jurisdictions;
- Developing a plan for phasing in the fees over several years to enable the real estate market to adjust;
- Providing options for developers to finance impact fees through assessments and other types of financing districts; and
- Imposing less than the maximum justified fee.

If less than the maximum justified fee is imposed, we will work with staff to identify alternative revenues sources for the CIP. The CIP should remain financially feasible to maintain realistic expectations among developers, policy-makers, and the public.



### Stakeholder Participation

Stakeholder participation throughout the study supports a successful adoption process. Our approach is to create consensus first, around the need for facilities based on agreed upon facility standards. Second, we seek consensus around a feasible funding strategy for these needs, leading to an appropriate role for impact fees.

Gaining consensus among various groups requires a balanced discussion of both economic development and community service objectives. Often, our approach includes formation of an advisory committee to promote outreach to and input from the development community and other stakeholders. We have extensive experience facilitating meetings to explain the program and gain input.

### Program Implementation

Fee programs require a certain level of administrative support for successful implementation. Our final report will include recommendations for appropriate procedures, such as:

- Regularly updating development forecasts;
- Regularly updating fees for capital project cost inflation;
- Regularly updating capital facility needs based on changing demands;
- Developing procedures for developer credits and reimbursements; and
- Including an administrative charge in the fee program.

## D. Firm Profile

### Firm Profile

Willdan Financial Services is an operating division within Willdan Group, Inc. (WGI), which was founded in 1964 as an engineering firm working with local governments. Today, WGI is a publicly traded company (WLDN). WGI, through its divisions, provides professional technical and consulting services that ensure the quality, value and security of our nation’s infrastructure, systems, facilities, and environment. The firm has pursued two primary service objectives since its inception—ensuring the success of its clients and enhancing its surrounding communities.

A financially stable company, Willdan has approximately 1,500 employees working in more than a dozen states across the U.S. Our employees include a number of nationally recognized Subject Matter Experts for all areas related to the broadest definition of connected communities—including a team who will be committed to contributing their expertise throughout the duration of the City of Beaumont’s Development Impact Fee Study engagement.

Willdan has solved economic, engineering and energy challenges for local communities and delivered industry-leading solutions that have transformed government and commerce. Today, we are leading our clients into a future accelerated by a change in resources, infrastructure, technology, regulations, and industry trends.

### Willdan Financial Services

Established on June 24, 1988, Willdan Financial Services, is a national firm and is one of the largest public sector economic and financial analysis consulting firms in the United States. Since that time, we have helped over 800 public agencies successfully address a broad range of infrastructure challenges.

Our staff of nearly 80 professionals support our clients by conducting year-round workshops and on-site training to assist them in keeping current with the latest developments in our areas of expertise. Willdan assists local public agencies by providing the following services:

In the past five years Willdan has conducted over 125 Impact Fee Studies

Willdan Financial Services	
Services	
<ul style="list-style-type: none"> <li>User fee studies;</li> <li>Cost allocation studies;</li> <li>Utility rate and cost of service studies;</li> <li>Real estate economic analysis;</li> <li>Feasibility studies;</li> <li>Municipal Advisory;</li> <li>Arbitrage and Continuing Disclosure Services;</li> <li>Economic development strategic plans;</li> </ul>	<ul style="list-style-type: none"> <li>Development impact fee establishment and analysis;</li> <li>District Administration Services;</li> <li>Property tax audits;</li> <li>Tax increment finance district formation and amendment;</li> <li>Housing development and implementation strategies;</li> <li>Debt issuance support; and</li> <li>Long-term financial plans and cash flow modeling.</li> </ul>

### Experience and Expertise

Willdan has been preparing impact fee nexus studies since the passage of the *Mitigation Fee Act*. Our commitment to public agencies and public solutions has helped us develop the broad finance expertise that will be utilized to support the City’s Development Impact Fee Study. Willdan has worked on virtually every aspect of municipal finance, including fiscal and economic impact studies related to development and re-organization, the financing of infrastructure and services through special district or supplemental taxes, and even working under contract as a department head of an entire municipality. This experience has provided Willdan team members with deep insight into the sources of municipal revenue and the costs of services.

Managing Principal James A. Edison and his team have worked with public agencies on many community development projects, including the full range of analysis related to feasibility, economic and fiscal impacts, infrastructure finance, and negotiations with private developers. Willdan is thoroughly familiar with both the Act and with the technical and policy issues surrounding impact fees.

### Unique Qualifications

Willdan is uniquely qualified to assist the City of Beaumont with the proposed Development Impact Fee Study. The following are specific advantages that we will provide for the proposed engagement.

#### Project Dedication

Willdan has assembled a project team of subject matter experts within the Financial Consulting Services group, to conduct the City of Beaumont Development Impact Fee Study engagement. This team has coordinated or participated in numerous public stakeholder and staff workshops regarding fees and cost of service-based charges.

#### Community Investment

Much of our success in developing impactful programs and studies is due to our experiences in meeting with citizen / stakeholder groups and elected officials. Our ability to explain technical information in a concise, understandable manner is a fundamental reason for our high degree of success. Willdan staff takes the time to **include and inform the Community**.

#### Proven Professionals

The Team’s quality is often as important as the consulting firm’s reputation. Willdan is known for its personal, customized service. Our team will work with the City’s professional staff to provide the long-term service, that is our prime goal.

The team presented within this proposal has worked collectively on numerous projects, such as the one requested by the City of Beaumont; an established work practice between the team members has been forged, this proven long-standing system has benefited our clients.

## E. Principal Offices



The City of Beaumont Development Impact Fee study will be conducted from the

Engagement Offices	
Firm	Prime Contact
Willdan Financial Services 27368 Via Industria, Suite 200 Temecula, California 92590 Tel #: (951) 587-3500   Fax #: (951) 587-3510	James Edison, Managing Principal 66 Franklin Street, Suite 300 Oakland, California 94607 Tel #: (510) 912-4687   Email: <a href="mailto:jedison@willdan.com">jedison@willdan.com</a>

## F. Proposed Team

### Project Team Summaries

Our management and supervision philosophy for the project team is very simple: staff every position in sufficient numbers with experienced personnel to deliver a superior product and convey results to decision makers in meetings, on time and on budget. With that philosophy in mind, we have selected experienced professionals for the City’s engagement. We are confident that our team possesses the depth of experience that will successfully fulfill the desired work performance.

City of Beaumont Project Team			
Key Team Member	Project Role	Experience	Responsibility to the Engagement
 <p><b>James Edison, JD, MPP, MA</b> Managing Principal</p>	Principal-in-Charge	<p>Specializes in the nexus between public and private, with expertise in public-private partnerships.</p> <p><b>26 years of public-sector experience includes:</b></p> <ul style="list-style-type: none"> <li>Local and regional economic impact studies</li> <li>Fiscal impact evaluations</li> <li>New government formation strategies</li> <li>Creation of impact fees, assessments, and special taxes to fund infrastructure and public facilities</li> </ul>	<ul style="list-style-type: none"> <li>Ensure client satisfaction, flow of communication, and management of the project</li> <li>Technical guidance</li> <li>Project oversight</li> <li>Quality assurance &amp; control, and</li> <li>Meeting and presentation attendance</li> </ul>
 <p><b>Carlos Villarreal, MPP</b> Principal Consultant</p>	Project Manager	<p>Possesses extensive experience documenting nexus findings for development impact fees, preparing capital improvement plans, facilitating stakeholder outreach, and analyzing the economic impacts of fee programs.</p> <p><b>17 years of experience supporting adoption of fee programs funding:</b></p> <ul style="list-style-type: none"> <li>Transportation</li> <li>Parks and recreation</li> <li>Library</li> <li>Utilities</li> <li>Sanitation / solid waste</li> <li>Fire</li> <li>Law enforcement</li> <li>General government</li> <li>Utility undergrounding</li> <li>Storm drainage</li> </ul>	<ul style="list-style-type: none"> <li>Collect, interpret, and disseminate key data</li> <li>Day to day contact</li> <li>Production of key elements of the analyses</li> <li>Model development</li> <li>Report preparation, and</li> <li>Meeting and presentation attendance</li> </ul>

### Staff Continuity

Mr. Edison has been assigned to serve as the City’s principal-in-charge; he has been selected for this role due to his extensive experience, which includes the preparation and supervision of numerous fee studies, as well as his experience presenting to governing bodies, stakeholders, and industry groups.

### Resumes

Resumes for Willdan’s project team are presented in the appendix, as requested by the City’s RFP.

## G. References

Provided below are client references for projects completed by Willdan and the project team members proposed herein, which demonstrates our ability to provide the requested services. We are proud of our reputation for customer service and encourage you to contact our past clients regarding our commitment to excellence.

### City of Moreno Valley, CA Development Impact Fee Study

Willdan was retained to perform a comprehensive update to the City's impact fee program in 2020. Their program included a variety of facility fee categories including arterial streets, traffic signals, interchanges, parks, recreation, fire, police, library, corporation yard, maintenance equipment, and animal shelter facilities. The nexus study justified fees that were significantly higher than the City's current fees, partially because the fees had not been comprehensively updated in some time.

Willdan worked with City staff to recommend a phased approach to implementation, so that the City could increase their fees on a regular schedule providing developers with certainty specific to the fee amounts in the near future.

Upon completion of the comprehensive update, Willdan was retained again to create a fee to fund workforce development facilities and a public arts impact fee, which were both adopted by the City in late 2022.

**Client Contact:** Michael Lloyd, PE, Public Works Director  
14177 Frederick Street, Moreno Valley, CA 92553  
Tel #: (951) 413-3100 | Email: [michaell@moval.org](mailto:michaell@moval.org)

**Project Dates:** August 2020 – December 2022

**Project Team:** James Edison, Principal-in-Charge  
Carlos Villarreal, Project Manager

### County of Riverside, CA Development Impact Fee Study

Willdan assisted the County of Riverside with an update of its comprehensive impact fee program. The fee categories were broad and diverse including countywide facilities such as jail detention facilities and county parks and trails; unincorporated only facilities such as fire stations and libraries; and County planning area specific facilities including storm drain and traffic improvements. Other facilities needed to be differentiated between the Eastern and Western portions of the County due to separation by distance, as well as varying level of facilities by region.

The process was lengthy, initiated in January of 2008 and completed in November of 2014, involving significant efforts to inform staff of methodological differences between the Willdan methodology and the methodology of the previous consultant.

***Willdan has recently, through competitive bid, been selected to update the County's development impact fees, 2030 Nexus Study Update.***

**Client Contact:** Ms. Serena Chow, Administrative Services Manager II  
Riverside County Economic Development Agency  
4080 Lemon Street, Riverside, CA 92501  
Tel #: (951) 955-6619 | Email: [schow@rivcoeda.org](mailto:schow@rivcoeda.org)

**Project Dates:** 2020 Nexus Study Update: October 2007 - November 2014  
2030 Nexus Study Update: September 2019 to Ongoing

**Project Team:** James Edison, Project Manager  
Carlos Villarreal, Lead Consultant



**City of Indian Wells, CA**  
**Development Impact Fee Nexus Study**

Willdan was retained to perform a comprehensive update to the City’s impact fee program in 2022. The fee program was comprised of a variety of fee categories including transportation, public facilities, recreation, park and storm drain. The analysis also included a development impact fee comparison of six other neighboring municipalities within the Coachella Valley.

<b>Client Contact:</b>	Kevin McCarthy, Finance Director 44950 Eldorado Drive, Indian Wells, CA 92210 Tel #: (760) 346-2489   Email: <a href="mailto:kmccarthy@indianwells.com">kmccarthy@indianwells.com</a>
<b>Project Dates:</b>	February 2022 – July 2022
<b>Project Team:</b>	James Edison, Principal-in-Charge Carlos Villarreal, Project Manager

**City of Morgan Hill, CA**  
**Development Impact Fee Study**

Willdan was initially retained by the City of Morgan Hill in 2010 to conduct a development impact fee and nexus study, which included general government, fire, police, parks and recreation, library and storm drain fee categories. This project also included stakeholder outreach.

The City once again engaged Willdan to update their impact fees in October 2017, which was completed in July 2019. This update included the following facilities: traffic (roads and bikeways), water, sewer, drainage, police, fire, parks, library, and public facilities.

<b>Client Contact:</b>	Dat Nguyen, Finance Director 17575 Peak Avenue, Morgan Hill, CA 95037 Tel #: (408) 779-7237   Email: <a href="mailto:dat.nguyen@morgan-hill.ca.gov">dat.nguyen@morgan-hill.ca.gov</a>
<b>Project Dates:</b>	March 2010 – July 2019
<b>Project Team:</b>	James Edison, Principal-in-Charge Carlos Villarreal, Project Manager

**City of Pismo Beach, CA**  
**Development Impact Fee Study**

Willdan assisted the City of Pismo Beach with an update to their impact fee program. The program included the following facilities: police, fire protection, park and recreation improvements, water system improvements, wastewater, traffic, and general government/administrative facilities. This project was warranted due to the amount of time that had elapsed since the prior update, coupled with the adoption of new and revised public facility master plans that complemented the updated impact fees.

Prior to fee program adoption, Willdan held a stakeholder meeting to inform the public about the project, and to solicit feedback from the development community.

<b>Client Contact:</b>	Nadia Feeser, Administrative Services Director 760 Mattie Road, Pismo Beach, CA 93449 Tel #: (805) 773-7010   Email: <a href="mailto:nfeeser@pismo beach.org">nfeeser@pismo beach.org</a>
<b>Project Dates:</b>	April 2018 – March 2019
<b>Project Team:</b>	James Edison, Project Manager Carlos Villarreal, Lead Consultant

## Recent Studies

The following table lists Willdan’s development impact fee clientele that have utilized our services in the past ten years.

Willdan Financial Services Development Impact Fee Experience	
Partial Client List	
City of Alameda, CA	City of Parkland, FL
City of Antioch, CA	City of Petaluma, CA
City of Arcadia, CA	City of Pismo Beach, CA
City of Artesia, CA	City of Pittsburg, CA
City of Bakersfield, CA	City of Pleasant Hill, CA
City of Banning, CA	City of Pomona, CA
City of Bell Gardens, CA	City of Rancho Mirage, CA
City of Bellflower, CA	City of Redwood City, CA
City of Brea, CA	City of Rialto, CA
City of Calexico, CA	City of Richmond, CA
City of Calimesa, CA	City of Rio Rancho, NM
City of Carpinteria, CA	City of Riverbank, CA
City of Chino Hills, CA	City of Rolling Hills Estates, CA
City of Clovis, CA	City of Rosemead, CA
City of Coachella, CA	City of San Carlos, CA
City of Commerce, CA	City of San Fernando, CA
City of Compton, CA	City of San Jacinto, CA
City of Corona, CA	City of San Marcos, CA
City of Covina, CA	City of San Ramon, CA
City of Cudahy, CA	City of Santa Clara, CA
City of Dixon, CA	City of Sebastopol, CA
City of Dublin, CA	City of Selma, CA
City of El Monte, CA	City of Sierra Madre, CA
City of El Segundo, CA	City of Soledad, CA
City of Emeryville, CA	City of South Gate, CA
City of Fillmore, CA	City of South San Francisco, CA
City of Fountain Valley, CA	City of St. Helena, CA
City of Fremont, CA	City of Tehachapi, CA
City of Garden Grove, CA	City of Thousand Oaks, CA
City of Gilroy, CA	City of Tracy, CA
City of Gonzales, CA	City of Upland, CA
City of Goose Creek, SC	City of Visalia, CA
City of Guadalupe, CA	City of Wasco, CA
City of Greenfield, CA	Coachella Valley Association of Governments, CA
City of Grover Beach, CA	Contra Costa Fire Protection District, CA
City of Hawthorne, CA	County of Clay, FL
City of Healdsburg, CA	County of Kern, CA
City of Hercules, CA	County of Kings, CA

**Willdan Financial Services  
Development Impact Fee Experience**

**Partial Client List**

City of Hollister, CA	County of Los Angeles, CA
City of Huntington Beach, CA	County of Madera, CA
City of Huntington Park, CA	County of Merced, CA
City of Indian Wells, CA	County of Placer, CA
City of Irwindale, CA	County of Riverside, CA
City of Kingsburg, CA	County of Sacramento, CA
City of La Mesa, CA	County of San Benito, CA
City of La Verne, CA	County of San Diego, CA
City of Las Cruces, NM	County of San Joaquin, CA
City of Lake Elsinore, CA	County of San Luis Obispo, CA
City of Lake Forest, CA	County of Santa Barbara, CA
City of Lancaster, CA	County of Solano, CA
City of Lawndale, CA	County of Sonoma, CA
City of Livermore, CA	County of Stanislaus, CA
City of Long Beach, CA	County of Tulare, CA
City of McFarland, CA	County of Yolo, CA
City of Madera, CA	East Contra Costa Fire Protection District, CA
City of Manteca, CA	Kern Council of Governments, CA
City of Menifee, CA	Nevada County Consolidated Fire District, CA
City of Moreno Valley, CA	Rodeo-Hercules Fire Protection District, CA
City of Morgan Hill, CA	San Geronio Memorial Healthcare District, CA
City of Mountain View, CA	Stanislaus Council of Governments, CA
City of Murrieta, CA	Tehachapi Valley Rec. & Park District, CA
City of Newport Beach, CA	Town of Mead, CO
City of Oroville, CA	Town of Windsor, CA
City of Pacifica, CA	Tulare County Association of Governments, CA
City of Patterson, CA	Village of Taos Ski Valley, NM

## I. Outstanding Projects

Provided in the table below, are current project commitments for the team noted herein

Current Projects		
Client	Project	Percent Complete
County of Riverside, CA	Impact Fee Study and Nexus Study	96%
City of Wasco, CA	Development Impact Fee Study	75%
City of Irwindale, CA	Linkage Fee Study	73%
City of Riverbank, CA	Park Impact Fee Study	57%
City of Newport Beach, CA	Development Impact Fee Study	51%
City of Pomona, CA	Industrial Parcel Fee Study	46%
City of Grover Beach, CA	Development Impact Fee Study	37%
City of Bakersfield, CA	Development Impact Fee Study	31%
City of Chino Hills, CA	Development Impact Fee Study	25%
City of Murrieta, CA	Development Impact Fee Study	5%

### Project Commitment

Willdan’s Financial Consulting Services group is composed of a team of over 20 senior-level professional consultants. While each member of the project team currently has work in progress with other clients, the workload is at a manageable level with sufficient capacity to meet the needs of the City specific to the schedule and budget for this engagement.

Willdan (WGI) is composed of approximately 1,500 employees, including a cadre of public finance/economic experts. If necessary, the team can recruit additional, qualified individuals from our full team roster to assist with the completion of this engagement to deliver the final materials on time and within budget. ***The professionals presented within this proposal have worked on numerous projects as a dedicated and committed team.*** We do not anticipate staffing changes during the course of the project, however, should the situation arise, any change in team members will be discussed with and approved by the City prior to a change being made.



## J. Other Information

### Quality Control Procedures

#### Project Management Approach

At Willdan, we utilize a Project Management Process/Approach that ensures projects are completed on time, within budget and most importantly yield results that match our clients’ expectations. We will document discussions leading to important policy decisions and/or the choice of critical assumptions used in constructing the analysis and model. Following key stakeholder discussions, we will schedule a call to summarize findings and direction with City staff, to make certain that we are in agreement with stated objectives, and that feedback is incorporated as appropriate.

Through the process of providing regular updates and conducting status conference calls, potential issues will be highlighted, discussed, and resolved. Any deviances from the project timeline will be identified and plans will be developed for course corrections. If necessary, changes in approach or strategy will be discussed with City staff, to meet the needs of the City of Beaumont. In doing this, we will ensure the project stays on track and evolves, based upon current thinking and outside dynamics.

Project Management				
				
Define the Project	Plan the Project	Manage the Project	Review the Project	Communicate the Project
<ul style="list-style-type: none"> <li>Identify the project scope, set objectives, list potential constraints, document assumptions.</li> <li>Define a course of action and develop an effective communication plan.</li> <li>Provide a forum for applying the team’s collective expertise to solving difficult analytical issues that arise in complex projects.</li> </ul>	<ul style="list-style-type: none"> <li>Collaborate with the project team and client staff and agree upon timeline to meet the estimated project timeline.</li> <li>Assign workload functions to appropriately qualified staff to ensure milestones are met, on time.</li> <li>Pre-schedule quality control meetings with the project team to maintain the progressive motion of the project.</li> </ul>	<ul style="list-style-type: none"> <li>Manage the execution of the project.</li> <li>Direct existing and upcoming project tasks.</li> <li>Control and monitor work in progress.</li> <li>Provide feedback to client and project team.</li> <li>Identify and resolve deviances from project timeline.</li> </ul>	<ul style="list-style-type: none"> <li>Review all work product and deliverables.</li> <li>Utilize structured quality assurance process involving up to three levels of review at the peer level, project manager level.</li> <li>Procure executive officer level review.</li> </ul>	<ul style="list-style-type: none"> <li>Communicate with the client regarding work status and progress.</li> <li>Ensure client is in receipt of regular status updates.</li> <li>Schedule regular conference calls to touch base.</li> <li>Inform client of roadblocks, work outside of projected scope.</li> </ul>



### Quality Assurance / Quality Control Process

Our quality control program is incorporated as a required element of Willdan’s day-to-day activities. There are three levels of reviews incorporated for our deliverables:

- 1) Peer review;
- 2) Project Manager review; and
- 3) Final quality assurance manager review.



Peer reviews involve one analyst reviewing the work of another, while project manager reviews are conducted prior to delivery to the quality assurance manager. The quality assurance manager then performs a final review. This assures that our final product has been thoroughly evaluated for potential errors; thus, providing quality client deliverables, and high levels of integrity and outcomes.

The primary mission of our quality control plan is to provide staff with the technical and managerial expertise to plan, organize, implement, and control the overall quality effort, thereby ensuring the completion of a quality project within the time and budget established.

Quality Assurance Goals		
Goal	Lead	Task
Quality Assurance / Control Process	James Edison	<ul style="list-style-type: none"> <li>▪ Establish a set of planned and systematic actions for maintaining a high level of quality in the professional services performed; Emphasize quality in every phase of work;</li> <li>▪ Ensure efficient use of resources;</li> <li>▪ Establish a consistent and uniform approach to the services performed; and</li> <li>▪ Implement appropriate quality control measures for each work task of the project.</li> </ul>
Quality Control Plan	James Edison; Carlos Villareal	<ul style="list-style-type: none"> <li>▪ Contract deliverables;</li> <li>▪ Specific quality control procedures;</li> <li>▪ Special quality control emphasis;</li> <li>▪ Budget and manpower requirements;</li> <li>▪ Overall project schedule and budget; and</li> <li>▪ Project documentation requirements.</li> </ul>

## EXHIBIT B

### K. Scope of Services

#### Development Impact Fee Study Work Plan

Willdan will work with the City to establish its impact fees consistent with the Mitigation Fee Act and other relevant laws. We want to ensure that our scope of services is responsive to the City’s needs and specific local circumstances. We will work with the City to revise our proposed scope based on input prior to approval of a contract, and as needed during the course of the study. The following work scope applies to each of the three impact fee categories (impact fees, sewer and transportation) generally, with minor adjustments for each. Willdan assumes that all fee programs will be prepared concurrently, with the same target adoption date.

Task 1:	Identify Policy Issues
<b>Objective:</b>	Identify and discuss potential policy issues raised by the study. Kick-off meeting with staff to review data needs, policy issues, and schedule.
<b>Description:</b>	<p>Review agency documents related to existing capital planning policies and funding programs including existing impact fees. Bring policy issues to City staff’s attention, as appropriate, during the project and seek guidance prior to proceeding. Potential policy issues include:</p> <ul style="list-style-type: none"> <li>▪ Changes in implementation resulting from AB 602;</li> <li>▪ Changes in approach and nexus findings necessary to comply with AB 602;</li> <li>▪ Potential new impact fees for consideration</li> <li>▪ Adequacy of General Plan and other public facility planning policies (e.g., level of service standards); impact fee ordinances and resolutions, and prior nexus studies;</li> <li>▪ Availability of existing public facility master plans and CIPs to identify needed facilities;</li> <li>▪ Types of facilities to be funded by each fee;</li> <li>▪ Land use categories for imposition of fees;</li> <li>▪ Nexus approach to determining facility standards;</li> <li>▪ Nexus approach to allocating cost burden among land uses, including need for separate fee zones;</li> <li>▪ Potential alternative funding sources, if needed;</li> <li>▪ Funding existing deficiencies, if identified; and</li> <li>▪ Implementation concerns and strategies.</li> </ul>
<b>Deliverables:</b>	(1) Information requests; and (2) revised project scope and schedule (if needed).

Task 2:	Identify Existing Development and Future Growth
<b>Objective:</b>	(1) Identify estimates of existing levels of development; and (2) identify a projection of future growth consistent with current planning policy.
<b>Description:</b>	<p>Identify base year for estimating existing levels of development and for calculating facility standards based on existing facility inventories (see Task 3). Include entitled development that would be exempt from fee program.</p> <p>Consult with City staff to identify growth projections to a defined long-range planning horizon (10 to 30 years). Projections provide a basis for determining the facilities needed to accommodate growth (see Task 4). Consider projections from regional metropolitan planning agencies and other available sources - City staff to provide estimates and projections by zone if needed.</p>

Develop approach for converting land use data to measure of facility demand. For example, identify population and employment density factors to convert population and employment estimates to dwelling units and building square footage. Select appropriate approach for each impact fee based on:

- Available local data on facility demand by land use category;
- Approaches used by other agencies; and
- Support for other agency policy objectives.

Changes to estimates and projections during subsequent tasks could cause unanticipated effort and require an amendment to the scope of services and budget. Obtain approval of estimates and projections from City staff prior to proceeding.

**Task 3: Determine Facility Standards**

**Note:** Conduct Tasks 3, 4, and 5 separately for each intended facility and fee type. Conduct tasks concurrently because of the effect of facility standards (Task 3), facility needs (Task 4), and alternative funding (Task 5) on the fee calculation.

**Objective:** Determine standards to identify facilities required to accommodate growth.

**Description:** Identify and evaluate possible facility standards depending upon the facility type, current facility inventory data, and available facility planning documents. Consider use of: (1) adopted policy standards (e.g., General Plan, master facility plans); (2) standards derived from existing facility inventories; or (3) standards derived from a list of planned facility projects. City staff to provide policies, inventories, and project lists. Willdan will work with the City to identify additional costs that might be eligible for funding by the DIF.

**Task 4: Determine Facilities Needs and Costs**

**Objective:** Identify the type, amount and cost of facilities required to accommodate growth and correct deficiencies, if any.

**Description:** Quantify total planned facilities based on growth projection from Task 2 and facility standards from Task 3. Express planned facilities in general quantities such as acres of parkland, or as a specific list of capital projects from a master facility plan.

Location of planned facilities may or may not be specified. If only a general description of planned facilities is available through the planning horizon, City staff to provide a list of specific capital projects for use of fee revenues during the short term (e.g., five years).

Distinguish between: (1) facilities needed to serve growth (that can be funded by impact fees); and (2) facilities needed to correct existing deficiencies (that cannot be funded by impact fees). Use one of three cost allocation methods (existing inventory, system plan, or planned facilities).

Gather planning-level data on new facilities costs based on lump sum project cost estimates, or unit costs and project quantities (acres, building square feet, lane miles, etc.). Consider recent City experience, local market data such as land transactions, and consultant team experience from prior projects. Inflate older cost estimates to base year using appropriate cost indices.

The revised facility costs will form the basis of the capital improvement program needed for compliance with AB 602.

***This scope of work does not include additional engineering analysis to identify total facility needs (including transportation facilities), existing deficiencies, or cost estimates. Any such engineering/design work can be provided under a separate contract with Willdan Engineering or a third party. However, Willdan can use rough descriptions and comparables to calculate a reasonable cost estimate sufficient for use in the DIF study.***

<b>Task 5: Identify Funding and Financing Alternatives</b>	
<b>Objective:</b>	Determine the extent of alternative (non-fee) funding available for new facilities.
<b>Description:</b>	<p>If impact fees are going to only partially fund a capital project, the <i>Mitigation Fee Act</i> requires the agency report on the anticipated source and timing of the additional funding every five years. There are two types of alternative funding sources that we will identify:</p> <ol style="list-style-type: none"> <li>1. Funding from non-impact fee sources to correct existing deficiencies; and</li> <li>2. Funding from new development other than impact fees that must be credited against new development's impact fee contributions, possibly including taxes paid to finance facilities.</li> </ol> <p>Identify anticipated alternative funding based on information from City staff or note that funds are still to be identified based on a list of probable funding alternatives. If fees will fund debt service include financing costs in the total cost of facilities.</p> <p>Assume facilities to be funded predominantly on a pay-as-you-go basis. Scope does not include a cash flow analysis to analyze effect of timing of fee revenues on financing costs.</p>
<b>Task 6: Comparison and Feasibility Analysis</b>	
<b>Objective:</b>	Provide a comparison of the current and proposed impact fees to those of comparable/surrounding jurisdictions in Riverside County and an assessment of the effect of fees on development feasibility.
<b>Description:</b>	<p>Willdan will compare a total of four Riverside County jurisdictions to be selected by the City. Willdan will also provide an assessment of the effect of the fees on project feasibility, typically using a ratio calculation to development value compared to industry benchmarks.</p> <p>Typically, Willdan prepares an analysis of fees charged to a series of prototype developments (such as residential, retail, etc.) to provide an "apples to apples" comparison, but the exact methodology will be determined in consultation with the City. This comparison will be limited to four other jurisdictions.</p>
<b>Task 7: Calculate Fees and Prepare Report</b>	
<b>Objective:</b>	Provide technically defensible fee report that comprehensively documents project assumptions, methodologies, and results.
<b>Description:</b>	<p>Generate fee schedule to apportion facility costs to individual development projects. Use facility costs per unit of demand multiplied by demand by land use category based on data developed in prior tasks.</p> <p>Prepare draft report tables for City staff to review, that document each step of the analysis, including schedule of maximum justified fees by facility type land use category and all other requirements of the <i>Mitigation Fee Act</i>.</p> <p>Following one (1) round of comments from City staff on the quantitative analysis and fee schedules, prepare administrative draft report. Following one (1) round of comments on administrative draft, prepare public draft for presentation to interested parties, the public and elected officials. This public review draft will be presented and public stakeholder meetings and at a Council informational session. Prepare final report, if necessary, based on comments received on the public draft report. If requested, post the report on our website for public access. Note that as of January 2022, the Nexus study is adopted separately from the fees, and with a 30-day notice.</p> <p>Fees will be calculating residential land uses in compliance with AB 602.</p> <p>Provide legal counsel with copies of fee resolutions and ordinances used by other jurisdictions.</p>
<b>Deliverables:</b>	If necessary, we will provide up to five (5) bound copies of the draft report, one (1) unbound copy, one (1) Microsoft Word copy; and up to five (5) bound copies of the final report.

**Task 8: Prepare Impact Fee Schedule Calculation Tool**

**Objective:** Provide interactive tool that will ensure predictable and intuitive fees that are easily accessible and understandable to customers interested in calculating fees on their own for a particular type of project.

**Description:** Create impact fee calculator in Microsoft Excel that can be used by City staff and developers to calculate impact fees associated with a development project. The tool will have an input page that allows a user to identify project characteristics that drive the fee calculation. Results will be displayed by impact fee category and will be summarized in terms of the total amount due.

**Deliverables:** Microsoft Excel impact fee calculator model.

**Task 9: Meetings**

**Objective:** The project manager or other necessary Willdan staff will attend project meetings. A member of the Impact Fee project team will attend up to four (4) in-person meetings throughout the City’s engagement. Phone conferences are not considered meetings for the purposes of this scope.

**Optional:** Optional stakeholder and Council meetings may be requested by the City.

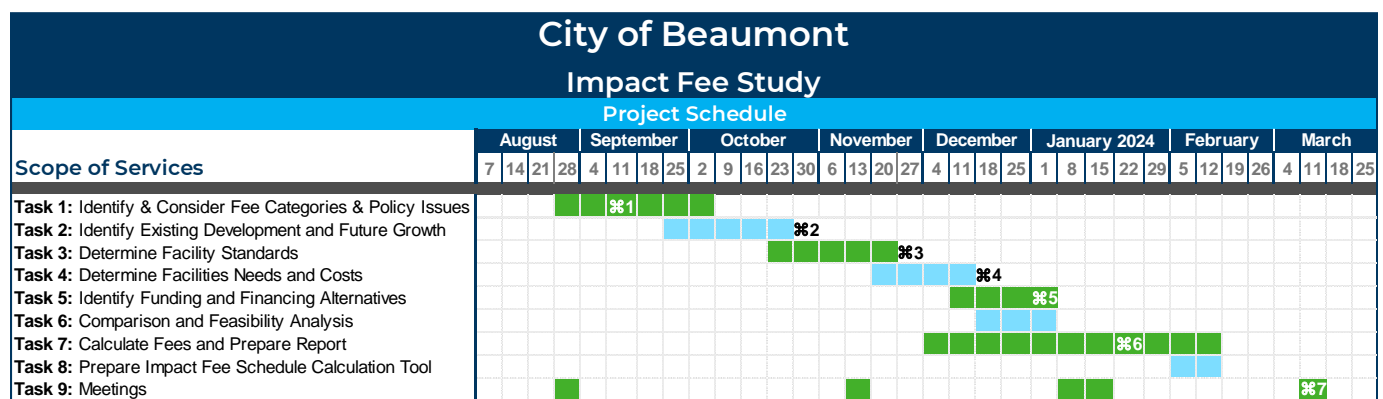
**Staff Support**

To complete our tasks, we will need the cooperation of City of Beaumont staff. We suggest that the City assign a key individual to represent the City as the project manager who can function as our primary contact. We anticipate that the City’s project manager will: 1) Coordinate responses to requests for information; 2) Coordinate review of work products; and 3) Help resolve policy issues.

Willdan will rely on the validity and accuracy of the City’s data and documentation to complete the analysis. Willdan will rely on the data as being accurate without performing an independent verification of accuracy and will not be responsible for any errors that result from inaccurate data provided by the client or a third party.

**Project Timeline**

Willdan anticipates time is of the essence for the City to begin this engagement. Typically, an impact fee study requires approximately six months from notice to proceed to adoption. The proposed schedule can only be met with the cooperation of City staff. Delays in responding to our requests for data and review will result in corresponding delays to the project schedule. If that is the case, we will notify the City immediately of the possible impact on the schedule. ***This schedule applies to each of the three impact fee categories.***



- Deliverables:**
- ☼1: Information Request, Meeting Agenda, Revised Schedule, Summary of Policy Decisions
  - ☼2: Development Growth Projections (table format)
  - ☼3: Project List
  - ☼4: Cost Estimates for Identified Facilities
  - ☼5: Fee Comparison
  - ☼6: Draft Fee Tables & Text
  - ☼7: Administrative/Public Draft Report(s), Final Nexus Report, Slide Presentation



## Appendix Resumes



### James Edison, JD, MPP, MA

#### Principal-in-Charge

Mr. James Edison specializes in the nexus between public and private, with expertise in public-private partnerships, and the benefits of economic development to municipalities and state, provincial, regional, and national governments. He possesses deep expertise in land use economics, with a specialty in finance and implementation, including fiscal impact and the public and private financing of infrastructure and development projects, both in the U.S. and internationally. Mr. Edison's public-sector experience includes local and regional economic impact studies; fiscal impact evaluations; new government formation strategies; and the creation of impact fees, assessments, and special taxes to fund infrastructure and public facilities. He has conducted numerous evaluations of the economic and fiscal impact of specific plans and consulted on a wide variety of land use planning topics related to community revitalization and the economic and fiscal impacts of development.

As a former bond attorney, Mr. Edison understands the legal underpinnings and technical requirements of public financing instruments and has advised both public and private clients on the use of individual instruments, and the interaction between those instruments and the needs of developers and project finance.

#### Related Experience

**County of Riverside, CA – Comprehensive Impact Fee Update:** Mr. Edison led the effort to establish a comprehensive fee program for the County, including facilities fees for fire, police, parks, criminal justice, libraries, and traffic. He prepared the technical and analytical documents necessary to calculate the fee and establish the necessary nexus to collect it, as well as presented the fees during public hearings to the County Board of Supervisors. **Furthermore, Mr. Edison is currently leading an update to the County's development impact fees for 2030.**

**City of Moreno Valley, CA – Comprehensive Development Impact Fee Study:** Mr. Edison was the principal-in-charge for the City's comprehensive impact update. Fee categories included arterial streets, traffic signals, interchanges, parks, recreation, fire, police, library, corporation yard, maintenance equipment, and animal shelter facilities.

**City of Murrieta, CA – Master Facilities Plan and Development Impact Fee Calculation Report Update:** Mr. Edison served as the principal-in-charge of the City's study to update their Master Facilities Plan and Development Impact Fee Calculation Report, to ensure that new development pays the capital costs associated with growth. **Willdan was recently re-selected, through competitive bid, to update the Impact Fees.**

**City of Indian Wells, CA – Development Impact Fee Study:** Mr. Edison served as the principal-in-charge for the City Indian Wells' update to their development impact fees. The fee program was comprised of a variety of fee categories including transportation, public facilities, recreation, park, and storm drain.

**City of Fillmore, CA – North Fillmore Specific Plan Nexus Study:** Mr. Edison is currently assisting the City with an analysis of development impact fees needed to finance public facilities necessary for the development of the North Fillmore Specific Plan. Public facilities included in this analysis include water, sewer systems, recycled water, and streets.

#### Education

Juris Doctorate,  
University of California,  
Berkeley, School of Law

Master of Public Policy,  
Goldman School of Public  
Policy, University of  
California, Berkeley

Bachelor of Arts, magna  
cum laude, Harvard  
University

#### Professional Registrations

Member of State Bar,  
California

#### Affiliations

Council of Development  
Finance Agencies

CFA Society of  
San Francisco

Congress for the  
New Urbanism

Urban Land Institute

Seaside Institute

International Economic  
Development Council

26 Years' Experience

*J. Edison*  
*Resume Continued*

**City of Pismo Beach, CA – Development Impact Fee Update:** Mr. Edison served in the role of principal-in-charge of an update to the City’s impact fee program. The program included the following facilities: police, fire protection, park and recreation improvements, water system improvements, wastewater, traffic, and general government/administrative facilities. Prior to fee program adoption, a stakeholder meeting was held to inform the public about the project, and to solicit feedback from the development community.

**City of Morgan Hill, CA – Development Impact Fee Update:** Mr. Edison served as principal-in-charge of an update to the City’s existing nexus study, which included general government, fire, police, parks and recreation, library, and storm drain fee categories. The project scope included stakeholder outreach.

**City of Alameda, CA – Comprehensive Impact Fee Update:** Mr. Edison led the Willdan team that updated the City of Alameda’s impact fee programs, as well as created a separate impact fee program for Alameda Point, the former Alameda Naval Air Station.

**City of Santa Clara, CA – Parks Fee Update:** Mr. Edison served as principal-in-charge of the City’s park impact fee update. This project included a demographic analysis and estimation of the cost of acquiring and improving public park land.

**City of Fremont, CA – Comprehensive Impact Fee Update:** Mr. Edison led the Willdan team in the successful update of the impact fee programs for the City of Fremont. The effort included an update of the City’s transportation impact fee program and capital improvement program.

**City of Manteca, CA – Fire Impact Fee Update:** Mr. Edison served in the capacity of project manager for the update of the City’s fire services impact fee program.



## Carlos Villarreal, MPP

### Project Manager

Mr. Carlos Villarreal, a Financial Consulting Group Principal Consultant, is proposed to serve in the role of project manager due to his experience documenting nexus findings for development impact fees, preparing capital improvement plans, facilitating stakeholder involvement, and analyzing the economic impacts of fee programs. He has supported adoption of fee programs funding a variety of facility types.

### Related Experience

#### Education

Master of Public Policy,  
Goldman School of Public  
Policy, University of  
California, Berkeley

Bachelor of Arts, Geography,  
University of California, Los  
Angeles; Minor in Public  
Policy and Urban Planning

#### Areas of Expertise

Fiscal Impact Analyses  
Development Impact Fees

Public Facilities  
Financing Plans

GIS Analysis

#### 17 Years' Experience

**County of Riverside, CA – Comprehensive Impact Fee Update:** Mr. Villarreal was the lead analyst in the effort to establish a comprehensive fee program for the County, including facilities fees for fire, police, parks, criminal justice, libraries, and traffic. He assisted in the preparation of the technical and analytical documents necessary to calculate the fees and establish the necessary nexus. ***Mr. Villarreal is once again serving on the project team to update the County's impact fees through 2030.***

**City of Moreno Valley, CA – Comprehensive Development Impact Fee Study:** Mr. Villarreal served as the project manager for the City's comprehensive impact update. Fee categories included arterial streets, traffic signals, interchanges, parks, recreation, fire, police, library, corporation yard, maintenance equipment, and animal shelter facilities. In 2022 the City added a public arts fee and workforce development facility fee.

**City of Murrieta, CA – Master Facilities Plan and Development Impact Fee Calculation Report Update:** Mr. Villarreal served as the project manager of the City's study to update their Master Facilities Plan and Development Impact Fee Calculation Report, to ensure that new development pays the capital costs associated with growth. ***Willdan was recently re-selected, through competitive bid, to update the Impact Fees.***

**City of Long Beach, CA – Park Impact Fee Update:** Willdan assisted with an update to the City's existing park impact fees, with Mr. Villarreal serving in the role of project manager. The project included updating demographic data and facility planning to properly update park facility standards. He used this information to then calculate impact fees for single family and multi-family residential dwelling units and prepare a nexus study documenting the revised fees and the required legal findings under the Mitigation Fee Act.

**City of Pismo Beach, CA – Development Impact Fee Update:** Mr. Villarreal served in the role of project manager for the City's impact fee project. The program included: police, fire protection, park and recreation improvements, water system improvements, wastewater, traffic, and general government/administrative facilities. Prior to fee program adoption, a stakeholder meeting was held to inform the public about the project, and to solicit feedback from the development community.

**City of Carpinteria, CA – Development Impact Fee Update:** Mr. Villarreal was the lead analyst to update the City of Carpinteria's impact fees, which included highways and bridges, streets and thoroughfares, traffic control, parking, storm drain, general government, aquatic, park and recreation, and open space. The City has engaged Willdan again to update their impact fees and Mr. Villarreal is serving in the role of project manager.

**County of San Benito, CA – Comprehensive Impact Fee Study:** As project manager, Mr. Villarreal assisted the County with the preparation of an updated and expanded impact fee program. The study included updates to the following fees: capital improvements, road equipment, fire mitigation, and park and recreation.

*C. Villarreal*  
Resume Continued

**City of McFarland, CA – Development Impact Fee Study Update:** Mr. Villarreal served as project manager updating the City’s development impact fee program. The study comprehensively updated the City’s fee program, incorporating new facility master planning and infrastructure costs necessary to facilitate expected development in the City through 2040. The study included the following facility fee categories; general government, law enforcement, park and recreation, fire protection, water, sewer, storm drain, and traffic. The fees were adopted by the City Council in 2020.

**City of Soledad, CA – Development Impact Fee Study Update:** Mr. Villarreal managed the update of the City’s impact fee program, specifically changes in demographics, growth projections, project costs, and facility standards. In particular, the City had to revise its capital facilities needs to accommodate a much lower amount of growth than what was projected before 2007. The resulting fees funded new development’s share of planned facilities, while not overburdening development with unnecessary costs.

**City of Morgan Hill, CA – Development Impact Fee Update:** Mr. Villarreal served as lead analyst assisting with an update to the City’s existing nexus study, including general government, fire, police, parks and recreation, library, and storm drain fee categories. The project scope included stakeholder outreach. The City engaged Willdan again to update the study and Mr. Villarreal served in the role of project manager.

**City of Oroville, CA – Impact Fee Study Update:** Mr. Villarreal served as project manager for a study updating the City’s development impact fee program, including parks, law enforcement, general government, fire suppression, and traffic facilities. The fee program was adopted by the City Council in 2015. The City engaged Willdan again to update the 2015 study, and Mr. Villarreal served in the role of project manager.

**County of Stanislaus, CA – Impact Fee Study Update:** Mr. Villarreal served in the role of project manager for a study updating the County’s existing impact fee program. The program includes a range of facilities, like public protection, library, and parks. The study also included a transportation facilities impact fee, with different fees calculated for two zones in the County. Considerable stakeholder outreach was an integral component of this project.

**County of Los Angeles/City of Santa Clarita, CA – Law Enforcement Facilities Fee Study:** Mr. Villarreal assisted with the development of an impact fee program to fund law enforcement facilities serving the City of Santa Clarita, and other Antelope Valley jurisdictions within the County of Los Angeles. The analysis involved the comparison of law enforcement facilities serving incorporated and unincorporated areas.





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# City of Beaumont



## Development Impact Fee Study





July 14, 2023

Ms. Grace Wichert  
Procurement and Contract Specialist  
City of Beaumont  
550 E 6<sup>th</sup> Street  
Beaumont, CA 92223

**Re: *Fee Proposal to Conduct a Development Impact Fee Study for the City of Beaumont***

Dear Ms. Wichert:

Willdan Financial Services (“Willdan”) is pleased to present the following cost proposal to the City of Beaumont (“City”) to conduct a Development Impact Study. This submission reflects our understanding of the City’s Request for Proposal (RFP).

Willdan is excited about this opportunity to serve the City. To discuss any aspect of our technical and/or cost proposal, please contact Managing Principal James Edison directly at (510) 912-4687 or via email at [jedison@willdan.com](mailto:jedison@willdan.com).

Sincerely,

**WILLDAN FINANCIAL SERVICES**

A handwritten signature in blue ink, appearing to read 'Chris Fisher', is written over a light blue horizontal line.

Chris Fisher  
Vice President/Director

## Cost Proposal

As requested, below is an itemized estimate for each of the three fee programs specified in the City's RFP. The tables below detail the work by task and staff.

### Development Impact Fee Study

Based on the corresponding work plan identified within the scope of services, we propose a **fixed fee of \$49,680** to conduct the Development Impact Fee Study.

City of Beaumont					
Development Impact Fee Study					
Fee Proposal					
	J. Edison	C. Villarreal	Total		
	Principal-in-Charge	Project Manager	Hours	Cost	
	\$	\$			
<b>Scope of Services</b>					
<b>Task 1:</b> Identify & Consider Fee Categories & Policy Issues	8.0	20.0	28.0	\$	6,120
<b>Task 2:</b> Identify Existing Development and Future Growth	6.0	20.0	26.0		5,640
<b>Task 3:</b> Determine Facility Standards	6.0	20.0	26.0		5,640
<b>Task 4:</b> Determine Facilities Needs and Costs	6.0	20.0	26.0		5,640
<b>Task 5:</b> Identify Funding and Financing Alternatives	6.0	22.0	28.0		6,060
<b>Task 6:</b> Comparison & Feasibility Analysis	6.0	22.0	28.0		6,060
<b>Task 7:</b> Calculate Fees and Prepare Report	6.0	18.0	24.0		5,220
<b>Task 8:</b> Prepare Impact Fee Schedule Calculation Tool	2.0	10.0	12.0		2,580
<b>Task 9:</b> Meetings	14.0	16.0	30.0		6,720
<b>Total – Development Impact Fee Study</b>	<b>60.0</b>	<b>168.0</b>	<b>228.0</b>	<b>\$</b>	<b>49,680</b>

### Sewer Capacity Fee Study

Based on the corresponding work plan identified within the scope of services, we propose a **fixed fee of \$17,280** to conduct the Sewer Capacity Fee Study.

City of Beaumont					
Sewer Capacity Fee Study					
Fee Proposal					
	J. Edison	C. Villarreal	Total		
	Principal-in-Charge	Project Manager	Hours	Cost	
	\$	\$			
<b>Scope of Services</b>					
<b>Task 1:</b> Identify & Consider Fee Categories & Policy Issues	1.0	2.0	3.0	\$	660
<b>Task 2:</b> Identify Existing Development and Future Growth	1.0	8.0	9.0		1,920
<b>Task 3:</b> Determine Facility Standards	2.0	8.0	10.0		2,160
<b>Task 4:</b> Determine Facilities Needs and Costs	1.0	8.0	9.0		1,920
<b>Task 5:</b> Identify Funding and Financing Alternatives	2.0	8.0	10.0		2,160
<b>Task 6:</b> Comparison & Feasibility Analysis	3.0	8.0	11.0		2,400
<b>Task 7:</b> Calculate Fees and Prepare Report	1.0	8.0	9.0		1,920
<b>Task 8:</b> Prepare Impact Fee Schedule Calculation Tool	1.0	8.0	9.0		1,920
<b>Task 9:</b> Meetings	4.0	6.0	10.0		2,220
<b>Total – Sewer Capacity Fee Study</b>	<b>16.0</b>	<b>64.0</b>	<b>80.0</b>	<b>\$</b>	<b>17,280</b>

## Transportation Facilities Impact Fee Study

Based on the corresponding work plan identified within the scope of services, we propose a **fixed fee of \$21,120** to conduct the Transportation Facilities Impact Fee Study.

City of Beaumont					
Transportation Facilities Impact Fee Study					
Fee Proposal					
		J. Edison	C. Villarreal	<u>Total</u>	
		Principal-in-Charge	Project Manager	Hours	Cost
		\$	\$		
<b>Scope of Services</b>					
<b>Task 1:</b>	Identify & Consider Fee Categories & Policy Issues	2.0	8.0	10.0	\$ 2,160
<b>Task 2:</b>	Identify Existing Development and Future Growth	2.0	8.0	10.0	2,160
<b>Task 3:</b>	Determine Facility Standards	4.0	12.0	16.0	3,480
<b>Task 4:</b>	Determine Facilities Needs and Costs	4.0	10.0	14.0	3,060
<b>Task 5:</b>	Identify Funding and Financing Alternatives	2.0	2.0	4.0	900
<b>Task 6:</b>	Comparison & Feasibility Analysis	4.0	12.0	16.0	3,480
<b>Task 7:</b>	Calculate Fees and Prepare Report	2.0	12.0	14.0	3,000
<b>Task 8:</b>	Prepare Impact Fee Schedule Calculation Tool	1.0	4.0	5.0	1,080
<b>Task 9:</b>	Meetings	4.0	4.0	8.0	1,800
<b>Total – Transportation Facilities Impact Fee Study</b>		<b>25.0</b>	<b>72.0</b>	<b>97.0</b>	<b>\$ 21,120</b>

Because there are certain elements common to all of programs, combining them will result in some economies of scale (combined trips, a single adoption meeting, etc.). Therefore, if the City selects Willdan for two or more programs, an overall discount of \$9,000 will apply to the total. For example, all three fee programs above total \$88,500, but Willdan can prepare them for a total of \$79,800 when prepared together.

### Notes

Please note the following:

- The fee denoted above includes attendance at up to four in-person meetings with City staff, stakeholders, and City Council.  
Attendance at more than four meetings will be billed at our current hourly rates, provided below, and actual expenses.
- Comprehensive written responses to resolve conflicts or preparation of more than one set of major revisions to the draft report, will be classified as Additional Services, and may require additional billing at hourly rates stated in the hourly rate schedule listed below. These additional fees shall only take effect once the fixed fee stated above has been exceeded.
- Our fixed fee includes all direct expenses associated with the project.
- We will invoice the City monthly based on percentage of project completed.
- City shall reimburse Willdan for any costs Willdan incurs, including without limitation, copying costs, digitizing costs, travel expenses, employee time and attorneys' fees, to respond to the legal process of any governmental agency relating to City or relating to the project. Reimbursement shall be at Willdan 's rates in effect at the time of such response.
- Optional/Additional Services beyond the listed Scope of Services may be authorized by the City and will be billed at our then-current hourly overhead consulting rates.

## Hourly Rates

Provided below is Willdan’s hourly rate table identifying current hourly rates for additional or optional services.

Willdan Financial Services Hourly Rate Schedule		
Position	Team Member	Hourly Rate
Vice President/Director		\$250
Managing Principal	James Edison	\$240
Principal Consultant	Carlos Villarreal	\$210
Senior Project Manager		\$185
Project Manager		\$165
Senior Project Analyst		\$135
Senior Analyst		\$125
Analyst II		\$110
Analyst I		\$100





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