



Harris & Associates



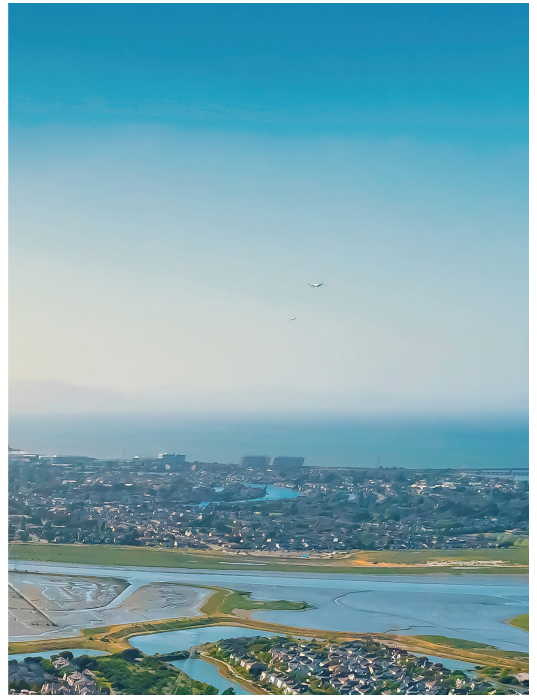
**COMPREHENSIVE
DEVELOPMENT
IMPACT FEE STUDY**
REQUEST FOR PROPOSALS

CITY OF FOSTER CITY

May 7, 2021

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May 7, 2021

**Sofia Mangalam, Planning
Manager**

City of Foster City
Community Development
Department
610 Foster City Boulevard
Foster City, CA 94404
650.286.3244
smangalam@fostercity.org

1. COVER LETTER

Dear Ms. Mangalam and Evaluation Committee:

Harris & Associates (Harris) has been a trusted consultant for many cities throughout California and is prepared to help you navigate the preparation of a Comprehensive Development Impact Fee Study. Given our 20 year history in preparing similar studies, we are uniquely qualified to guide the City of Foster City (City) through the legal and political considerations in adopting a fee program. Updating fee programs in the best of times requires a careful balance between the funding needs of the City and the potential stakeholder implications. With the current challenges facing the Country, the Harris team is sensitive to your Stakeholder’s needs and will work closely with the City to develop strategies for the Comprehensive Development Impact Fee Study. Harris demonstrated our ability to adapt quickly to the changing landscape when Covid hit last spring, successfully navigating the adoption of multiple fee programs including a new fee program for the City of Millbrae.

Project Commitment. We understand the importance of completing studies that are tailored to the needs of the City and communicating with City staff regularly regarding any project issues. The City Council has established seven (7) priority focus areas for which to devote attention and resources in the upcoming year. Harris will keep these priorities in mind and will develop a comprehensive fee program and outreach program centered around the results in these focus areas. This includes improving and maintaining City facilities and infrastructure, creating a sustainable traffic management and mobility system, maintaining a diverse and resilient local economy, supporting fiscal and operational health, and continuing to provide excellent public safety services.

Competence, Technical Ability, and Experience. Our team understands the legal requirements of fee updates and stays up to date on lawsuits and new legislation. Because we are involved in the formation of studies as well as in their updates and implementation, we have a well-informed perspective of implementing successful fee programs and will use that expertise in making sound, long-term decisions for the City to complete this project on budget and on schedule. We will leverage our experience working for a variety of different agencies to help formulate the best possible strategy for the City.

Diverse Team. As professionals with diverse backgrounds, we are able to build trust with City staff, elected officials, neighborhood groups, and the development/business community. Our team’s background means less staff time involved since we are able to review and understand technical studies, develop cost estimates, analyze project feasibility, and develop project nexus. We bring an open mind for change and exhibit the energy to do the heavy lifting required to complete the Comprehensive Development Impact Fees Study.

By focusing on our client needs as our top priority, we have an excellent reputation within the municipal and district finance arena. We understand that successful projects must be based upon the specific needs of our client, be sensitive to the economic climate, and conform to local political realities. Our Project Director, Alison Bouley, has been providing similar services for 20 years and is authorized to bind the firm. Harris’ proposal will remain good for no less than sixty (60) days from the submission deadline. Thank you for considering our team. Please contact Megan Quinn at (916) 306-5704 or Megan.Quinn@WeAreHarris.com with any questions. We look forward to working with you on this project.

Sincerely,

Harris & Associates, Inc.

Alison Bouley, PE, Project Director
(Authorized to bind the Respondent)
949.536.4832 | Alison.Bouley@weareharris.com

Megan Quinn, MBA, Project Manager
(Primary Contact)
916.306.5704 | Megan.Quinn@weareharris.com



2. PROJECT TEAM

MUNICIPAL FINANCE



Use a QR code reader or click the code to learn more about Harris & Associates' Municipal Finance service!:



Founded in 1974, Harris specializes in serving the professional service needs of public agencies and institutions in the Western states. We provide expertise from project conception through occupancy in the municipal, transportation, water, and education market sectors. Harris offers our clients expertise and assistance in municipal and district finance, engineering, program and construction management, and environmental services. With approximately 230 employees, Harris is sized to keep your project a priority and be personally vested in its success.

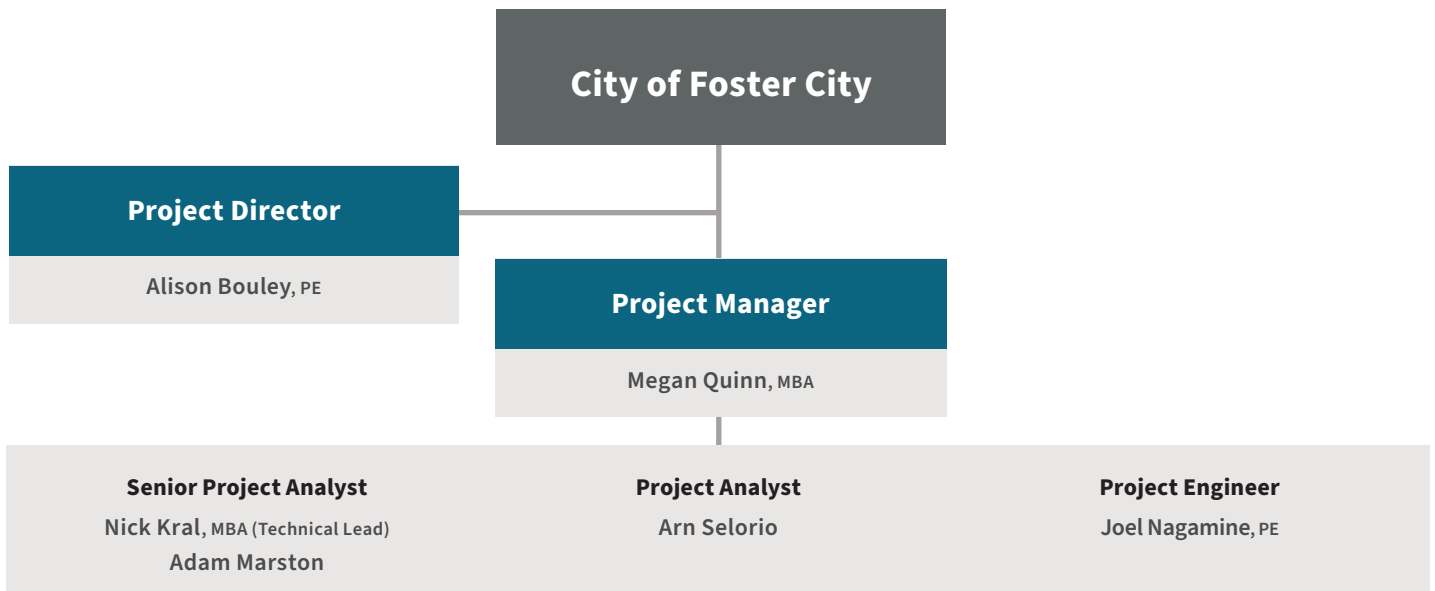
Harris' municipal and district finance team provides clients with a broad range of public financing and assessment engineering services. Our unique combination of engineering and financial experts allows us to provide a host of services to our clients resulting in reduced City staff time involved on projects. Harris provides our clients with the technical expertise and knowledge needed to develop and implement sound financial strategies that provide communities with the infrastructure needed to meet the needs of new residents and workers.

To date, our municipal finance staff has worked with more than 100 public agencies throughout California. Our services have included:

- Development Impact Fees in compliance with AB1600, Utility User Fees, and other types of fee programs
- Feasibility and rate studies to determine the best financing options
- Maintenance Fee Establishment per the Health and Safety Code
- Maintenance Assessment Districts, such as the California Landscape and Lighting Act of 1972 and Benefit Assessment Act of 1982, Fire Suppression Districts, and Charter City Assessment District formation and administration services
- Assessment District formation and administration under California's 1911 Act and 1913/1915 Act
- Community Facilities District (CFD) formation and administration under California's Mello-Roos Community Facilities District Act
- Benefit Nexus Studies and ballot preparation pursuant to Article XIID of the California State Constitution
- Tax Formulas for Special Tax Districts
- Facilities Acquisition/Reimbursement Audits

Organizational Chart

Harris has assembled an experienced team with the ability and drive to establish development impact fees that will stand up to legal scrutiny and balance the City's financial and economic goals. Harris has provided municipal and district finance services to local communities for more than 20 years and is proud to serve as our clients' trusted advisor.



Names, Qualifications, and Resumes

Harris has assembled an experienced team with the ability to complete a Comprehensive Development Impact Fees Study that will stand up to legal scrutiny and provide financial and economic sustainability for the City. Our team stays up to date on the newest developments in the industry and strive to be the trusted advisor our clients can count on for municipal finance. The Harris team does not include any sub-consultants.

Alison Bouley, PE is a senior director with Harris and will act as the Project Director providing QA/QC and ensuring that the project runs smoothly. Her experience with similar projects and history of high-quality service to local municipalities will translate directly to her role on this project. Alison has over 20 years of experience providing program management and financial engineering services to cities, counties, and special districts. She focuses on being her client's trusted advisor; building long-term relationships with a focus on delivering on her commitments. Alison will be assisted by a team of finance professionals, engineers, and urban planners; offering a diverse skill set to make this study as streamlined as possible.

Megan Quinn, MBA, will serve as Project Manager to lead the Harris team and will be the City's first point of contact. Megan has over 14 years of experience in municipal funding with a strong background in urban economics, land use planning, and financial analysis. Megan has experience leading and managing numerous public facilities financing plans, fiscal impact analyses, nexus studies, development impact fee studies, market studies, economic impact analyses, urban decay analyses, and economic and financial services related to formation and funding of special tax and assessment districts.

Nick Kral, MBA, will serve as a Senior Project Analyst and Technical Lead. Nick has 13 years of experience in financial analysis and real estate development, and brings a well balanced approach in guiding municipalities through the development impact fee process and analyzing the implications on development projects. Nick was instrumental in completing the City of Millbrae's Development Impact Fee Program and is finalizing their Affordable Housing and Commercial Linkage Fee.

Adam Marston, who has a background in urban planning, will also serve as a Senior Project Analyst and support the team by preparing tables, analyzing the City's land use information and data, and assisting with report writing. Adam brings unique skills with extensive experience in GIS and land use analysis.

Joel Nagamine, PE, will serve as Project Engineer on the project and will assist in analyzing any capital improvement projects and updating cost estimates.

Arn Selorio, will serve as an Analyst and will also assist in research and preparing tables.

Alison Bouley, PE

PROJECT MANAGER

Alison is a senior director and head of our Municipal + District Finance group. She has 20 years of experience in providing program management and financial engineering services to cities, counties, and special districts on a wide variety of project types, including AB1600 development impact fees.

RELEVANT EXPERIENCE

- **City of Millbrae, *Comprehensive Development Impact Fees Study*.** Project Director. Harris is working with the City to create a comprehensive development impact fee program including fees for transportation, water and wastewater, storm drainage, park and recreation, libraries, affordable housing, public buildings, and city beautification. Harris also prepared an Affordable Housing Fee Study and Commercial Linkage fee and also prepared a fiscal impact analysis that will support a maintenance CFD.
- **City of Lodi, *Impact Fees Update*.** Project Director. Harris assisted the City in the preparation of master plans for water, sewer, storm drainage, parks, and traffic in 2012. Following completion of the master plans, Harris prepared a comprehensive development impact fee update. Harris is currently updating the fees and Nexus study and will be presenting the updated fees and Nexus Study at City Council this summer. City of El Cajon, Development Impact Fee Study. Project Director. Harris is assisting the City with developing new impact fees for traffic, parks, and sewer. The City has not had an impact fee program and Harris prepared a feasibility study and draft fees to present to City Council to determine if the City will support the adoption of a fee program.
- **City of Tracy, *City-wide Master Plans and AB1600 Fee Studies and Ongoing Program Management*.** Project Manager. Alison has been providing program management to the City in support of their development impact fee programs for over 20 years. She oversaw the update of the City's master plans for water, recycled water, wastewater, storm drainage, traffic, public facilities, public safety, and parks and prepared AB1600 studies for public facilities, public safety, and parks. She also coordinated with the City's technical consultants on the water, wastewater, recycled water, storm drainage, and traffic fee studies. Alison is currently working with the City to consolidate their old fee programs into a single fee program as well.
- **Mountain House Community Services District, *Community Facilities Fee, Transportation Improvement Fee Updates, and Annexation Fee*.** Project Manager. Harris updated the District's Community Facilities Fee Program and Transportation Improvement Fee in accordance with AB1600. Harris presented at multiple developer and board meetings as part of the update. In addition, Harris prepared calculations for the City's Annexation Fee program that reimburses the master developer for completed infrastructure. Harris provided an annual update to the fee program last year and also assisted the City by preparing their Annual Impact Fee Report.
- **City of Oxnard, *Development Impact Fee Update*.** Project Manager. Project Manager. Harris completed a comprehensive update of the City's development impact fee program. The fees include, traffic, storm drainage, park development, growth requirement, utility undergrounding, affordable housing, art in public places, and mobility fees. The fees were successfully adopted in May of 2020. Harris also completed two Annual Impact Fee reports for the City.



EDUCATION

BS, Civil Engineering

BS, Engineering Management

REGISTRATION

Professional Civil Engineer, CA

AFFILIATIONS

American Society of Civil Engineers

California Society of Municipal Finance Officers

Growth and Infrastructure Consortium (previously Impact Fee Roundtable), Board Secretary

Megan Quinn, MBA

PROJECT MANAGER

Megan specializes in guiding clients through municipal funding challenges. With 14 years in the field, she excels at creating solutions related to public finance, real estate economics, land use planning, and financial feasibility. Megan has helped multiple public and private entities identify financing structures to fund both infrastructure and operations. The knowledge and experience she's gained from these diverse projects inform her work on a range of economic and policy analyses for small- and large-scale projects spanning urban, suburban, and rural settings at the local, regional, and statewide levels. Megan's broad-based background enables her to perform a breadth of financial, economic, market, and policy analyses. Prior to joining Harris, Megan managed numerous projects related to assessing public facility needs, including public facility financing plans, nexus studies, fiscal impact analyses, due diligence related to development impact fees, financial feasibility studies, and land-secured financing options, among other areas.

RELEVANT EXPERIENCE

- **City of Millbrae, *Comprehensive Development Impact Fees Study*.** Senior Analyst. Harris recently completed a comprehensive development impact fee program including fees for transportation, water and wastewater, storm drainage, park and recreation, libraries, and affordable housing. The City also retained Harris to create a maintenance CFD to offset the ongoing fiscal impacts of new development.
- **Mountain House Community Services District, *Community Facilities Fee and Transportation Improvement Fee Updates*.** Project Manager. Harris updated the District's Community Facilities Fee Program and Transportation Improvement Fee in accordance with AB1600. Megan assisted with an annual update to the fee program last year and assisted the City by preparing their Annual Impact Fee Report.
- **City of Oakland, *Impact Fee Audit Services*.** Project Manager Harris recently completed a comprehensive review of the City of Oakland's development impact fees. Harris reviewed the development impact fees during the assessment period to determine where the permit is applicable to impact fees, the amount of impact fees that should have been assessed, and the basis of exemption for building permits that did not pay impact fees. Megan took over as project manager and assisted with the review of the development impact fees and overall project review.
- **City of Sacramento, *Public Facilities Financing Plan and Nexus Study*.** Project Manager. This project included the preparation of a strategy to finance the public improvements necessary to implement redevelopment for the 65th Street Area. The project also included the identification of the total estimated costs and timing of backbone infrastructure. Megan took over as Project Manager to complete Public Facilities Finance Plan, which included the nexus findings for the 65th Street Impact Fee.
- **City of Rancho Cordova, *Storm Drainage Zone 11a Impact Fee*.** Senior Analyst. Megan was responsible for assisting in preparing the storm drainage development impact fee and nexus study and draft Ordinance changes for the Zone 11 area which was previously being administered by the County. Responsibilities included calculating new fees, reviewing technical documents, updating the nexus study report and attending City Council meetings.
- **Private Developer, *Public Facilities Financing Plan and Nexus Study*.** Placer County. Project Manager. Megan prepared a Public Facilities Financing Plan and Nexus Study, which identified appropriate financing mechanism and established a strategy to finance backbone infrastructure and public facilities required to serve the land uses in the project.



EDUCATION

MBA, Concentration in Urban Land Development

BS, Business Administration, Concentration in Real Estate and Land Use

AFFILIATIONS

Urban Land Institute, Membership Chair

California State University, Sacramento, Real Estate Task Force Member

City of Sacramento Financial Tools, Working Group Member

PUBLICATIONS

California Economic Snapshot, Q2 2019, California Academy for

Economic Development, Strategic Consideration of Development Impact Fees in Economic Development, 2019

STRATEGIC CONSIDERATION OF DEVELOPMENT IMPACT FEES IN DEVELOPMENT



Use a smartphone camera on the QR code above to read Megan's publication.

Nick Kral, MBA

SENIOR PROJECT ANALYST (TECHNICAL LEAD)

Nick has 13 years of experience providing support to cities, counties, and developers on municipal finance, special districts, and AB1600 impact fees. Prior to joining Harris, he worked with private developers, providing needed financial support, due diligence, and long term planning. He is skilled in special district formation, bond financing, development impact fees, and project due diligence. Nick is a problem solver who will work with stakeholders and clients to facilitate solutions acceptable to all parties. He is able to problem solve and lead project stakeholders to a satisfactory result for all.

RELEVANT EXPERIENCE

- **City of Millbrae, *Comprehensive Development Impact Fees Study*.** Project Manager. Harris worked with the City to create a comprehensive development impact fee program including fees for general government, park land acquisition and construction, library facilities, mobility, public safety, and recreation services. The fees were successfully adopted in June of 2020. Harris is currently working with the City on a new affordable housing in-lieu fee and commercial linkage fee that the City plans to adopt this spring. These studies include an economic feasibility analysis. The City also retained Harris to create a maintenance CFD to offset the ongoing fiscal impacts of new development.
- **City of El Cajon, *Development Impact Fee Study*.** Project Manager. Harris is assisting the City with developing new impact fees for traffic, parks, and sewer. The City has not had an impact fee program and Harris prepared draft fees to present to City Council to determine if the City will support the adoption of a fee program. Nick worked with the city to determine the impact fees match the city's needs, build project lists, and determining the projected land use. He was the city's primary contact and worked directly with community development, public works, and engineering.
- **City of Oxnard, *Development Impact Fee Update*.** Senior Project Analyst. Harris completed a comprehensive update of the City's development impact fee program. The fees include, traffic, storm drainage, park development, growth requirement, utility undergrounding, affordable housing, art in public places, and mobility fees. The fees were successfully adopted in May of 2020. Harris is currently finalizing a parking-in-lieu fee for the City that will reduce on-site parking requirements in downtown. Harris also assists the City with the preparation of their annual reports that are required under AB1600.
- **City of Sebastopol, *Development Impact Fee Update*.** Project Manager. Harris is preparing an update to the City's Inclusionary Housing Fees, Park Fees, Traffic Fee, Water Fees, Sewer Fees, and General Government Fee, and Library Fee. Nick served as the point of contact for the City and analyzed the infrastructure needed to serve new development in the City. He prepared the fee calculations and Nexus Study and has presented at Planning Commission. The fees are anticipated to be adopted this spring.
- **City of Novato, *Development Impact Fee Study*.** Project Manager. Harris is preparing an update to the City's fees for parks, recreation and cultural facilities, general government systems, open space, drainage, streets and intersections, transit and bicycle, civic facilities, and corporation yard. Harris will present the impact fee to the development community and City Council once the Nexus Study has been prepared. Harris is also assisting the City with the preparation of their annual reports that are required under AB1600.



EDUCATION

MBA, Finance

BS, Accounting

Adam Marston

SENIOR PROJECT ANALYST

Adam has eight years of experience and has been involved in preparing finance and implementation plans and calculating development impact fees including the City of Gustine, City of Lodi, City of Tracy, and the City of Sacramento. He has also been involved in a number of utility undergrounding master plans and funding studies. Adam has direct experience working as an integral part of a City's Community Development Department. He is a versatile team-player, focused on connecting with clients and stakeholders alike to deliver a final product reflective of a collective vision of the community.

RELEVANT EXPERIENCE

- **City of Millbrae, *Comprehensive Development Impact Fees Study*.** Project Analyst. Harris worked with the City to create a comprehensive development impact fee program including fees for general government, park land acquisition and construction, library facilities, mobility, public safety, and recreation services. The fees were successfully adopted in June of 2020. Harris is currently working with the City on a new affordable housing in-lieu fee and commercial linkage fee. The City also retained Harris to create a maintenance CFD to offset the ongoing fiscal impacts of new development.
- **City of Costa Mesa, *Development Impact Fee Program*.** Senior Analyst. Harris is currently updating the City of Costa Mesa Development Impact Fee Project. Harris is working with City Staff to identify the required infrastructure projects, funding requirements, and impact of future development.
- **City of Oxnard, *Development Impact Fee Update*.** Project Analyst. Harris completed a comprehensive update of the City's development impact fee program. The fees include, traffic, storm drainage, park development, growth requirement, utility undergrounding, affordable housing, art in public places, and mobility fees. The fees were successfully adopted in May of 2020.
- **City of Gustine, *Development Impact Fee Update*.** Project Analyst. Harris was responsible for updating the City's impact fee program. This included fees for general government facilities, police facilities, fire facilities, park facilities, storm drainage, water, and wastewater. The City had not updated their fee program since 2008.
- **City of Tracy, *NEI Water and Sewer Fees*.** Project Analyst. Harris prepared new water and sewer fees for the NEI area within the City of Tracy. Harris reviewed the technical studies for water and sewer, determined the spread to future development, and prepared the Nexus Study for adoption at City Council.
- **City of Lodi, *Impact Fees Update*.** Project Manager. Adam served as the lead for the five year update to the City's impact fee program. Adam updated land use information, cost estimates, fund balances and calculated new fees. Adam also prepared a new fee for the recycled water system. Adam presented the information at a City Council workshop and will present the final information for adoption.
- **City of Sacramento, *Jacinto Creek Development Impact Fee Update*.** Project Manager. Adam managed the update to the Jacinto Creek Finance Plan. The finance plan includes traffic improvements, storm drainage improvements, water improvements, and planning fees. The update included reviewing the project status of each project, updating costs, updating outstanding credit obligations, re-calculating the fees and preparing a new nexus study.



EDUCATION

BS, City and Regional Planning
Certificate in Construction Management

CERTIFICATIONS

LEED Green Associate

Joel Nagamine, PE

PROJECT ENGINEER

Joel has five experience working directly with impact fee updates. He is a project engineer proficient in AutoCAD Civil 3D 2013, and Bluebeam Revu. He has been assisting with the credit calculations, Finance and Implementation Plans, and updating development impact fees in accordance with AB1600 requirements. He has also been assisting on various acquisition audit projects by reviewing the bid documents and change orders, reviewing invoices and proofs of payment submitted by the developer, and performing the cost/reimbursement analyses.

RELEVANT EXPERIENCE

- **Mountain House Community Services District (CSD), *Community Facilities Fee, Transportation Improvement Fee Updates, and Annexation Fee.*** Project Engineer. Joel was responsible for updating the Community Facilities Fee and Transportation Improvement fee in accordance with AB1600 guidelines. Joel reviewed the funded projects to determine project status, coordinated with the CSD and Development community to update project standards, prepared updated cost estimates, updated land use information, determined outstanding developer liabilities, calculated new fees, and prepared new Nexus Studies. Joel was also responsible for developing audit procedures and processing cost certification requests for developer constructed infrastructure. In addition, Joel calculated annexation fees for new developments annexing into the CSD.
- **City of Tracy, *Core Fee Program.*** Project Engineer. Joel was responsible for consolidating nine impact fee programs into a single core fee program. This involved reviewing project status, updating cost estimates, updating land use information, recalculating the fee, and preparing the nexus study. Joel was responsible for reviewing and determining developer reimbursement status for projects and determining how zones could be consolidated for the update.
- **City of Tracy, *Northeast Industrial Area Phase I and II Development.*** Project Engineer. This project consisted of updating the Finance Implementation Plan to reassess the capital facilities and costs needed to support the new development within the first and second phase of development of the Northeast Industrial areas. These improvements include general government and public safety facilities, traffic safety and streets and highways, wastewater improvements, water improvements, and drainage improvements. The financing included Mello-Roos Community Facilities District bonds and various development impact fees in accordance with AB1600. Joel's responsibilities included assisting in the analysis and update of all cost estimates, cash flow, and summary spreadsheets to update all impact fees in accordance with the AB1600 for Northeast Industrial Area Phase I and II.
- **City of Gonzales, *Development Impact Fee Program Update.*** Project Engineer. This development fee program includes projects relating to the general government, police, fire, parks, traffic, storm drainage, water, and sewer. All fee methodologies were reviewed for compliance with the current AB1600 requirements to determine if any changes in policies or administration of the program needed to be addressed. Joel was responsible for defining all projects included in the Traffic Fee. He gathered the information from the 2006 Master Facilities Plans and Development Impact Fee Calculation, Nexus Report, and the Gonzales 2010 General Plan.
- **City of Sacramento, *North Natomas Finance Plan Update.*** Project Engineer. Joel reviewed the cost estimates for the North Natomas Finance plan and updated the project costs for roadways, bike trails, signals, interchanges, and public facilities.



EDUCATION

BS, Civil Engineering

REGISTRATION

Professional Civil Engineer, CA

AFFILIATIONS

American Society of Civil Engineers

Arn Selorio

ANALYST

Arn has four years of experience in analytics specializing in financial and data analysis. Arn currently works on facility acquisitions, construction audits of public improvements throughout California, and cost certification for reimbursement. Project tasks include reviewing contracts, change orders, invoices, proof of payment, and reimbursement analysis. Prior to joining Harris Arn worked for a CPA firm and conducted royalty compliance audits on behalf of Disney Consumer Products, Lucasfilm LTD, and Marvel Brands LLC in the field of licensed merchandising. Her duties include identification of contractual issues, financial analysis of complex underlying transactions, sales data, royalty quarter statements, identifying incorrect royalty rates, unreported sales of licensed products, and unauthorized use of intellectual property, computation of monies due to unlicensed activity and other related findings, and drafting audit reports.



EDUCATION

BA, Business Economics

RELEVANT EXPERIENCE

- **City of Tracy, *New Development Areas Program Management*.** Project Analyst. Arn assisted in the preparation of fee sheets for new development projects in the City of Tracy. She updates fee tracking spreadsheets as fees are paid. She also tracks credits and reimbursements for the City.
- **City of Oakland, *Impact Fee Audit Services*.** Project Analyst. Review and analyze City of Oakland’s building permit data in order to determine applicable impact fees based on project information. Responsibilities include high level of detail and data analysis, classification of project type, calculation of impact fees due to the City, and comparison of fees assessed by the City. Assist with review of documentation in order to determine the basis of incorrect, reduced, exempt, and unapplied impact fees. Validate the reasoning for the impact fees assessed or not assessed at a different rate.
- **County of Monterey, *East Garrison CFD Cost Reimbursement*.** Project Analyst. Arn’s responsibilities include reviewing contracts, change orders, invoices, and proofs of payment submitted by the developer and performing a reimbursement analysis to recommend appropriate reimbursement amounts.
- **City of Sacramento, *Special Tax Administration*.** Project Analyst. Consolidate and standardize large data set for the City of Sacramento building permits issued and finalized between 2012 up to date. Data set is utilized in the audit review for special tax levies.
- **City of Sacramento, *Curtis Park Village CFD 2014-2 Cost Reimbursement*.** Project Analyst. Review contracts, change orders, invoices, documentation, and proofs of payment submitted by the developer. Perform reimbursement analyses, confirm that all requirements of the Acquisition Agreement and applicable codes are satisfied, and prepare Reimbursement Audit Reports recommending appropriate reimbursement amounts.
- **City and County of San Francisco, *Treasure Island Financial Consulting Services*.** Project Analyst. Responsibilities include entering and reviewing invoices, checks, contracts and other pertinent documentation. Document missing documentation and provide assistance with the determination of an eligible reimbursement amount to be issued by the City to the developer.
- **Mountain House Community Services District, *Cost Certification*.** Project Analyst. Review contracts, change orders, invoices, and proofs of payment submitted by the developer. Perform reimbursement analyses and prepare Reimbursement Audit Reports recommending appropriate reimbursement amounts.



3. APPROACH TO SCOPE OF SERVICES

3a. Work Plan and Approach

I. DISCUSS YOUR FIRM'S UNDERSTANDING OF THE SCOPE OF SERVICES TO BE PERFORMED

Harris understands that the City is looking for a qualified consultant to conduct a Comprehensive Development Impact Fee Study to determine the City's development impact fees based on proposed facility and infrastructure requirements and support a citywide impact fee program that meets the requirements of the Mitigation Fee Act (Act). The impact fee analysis must be developed in such a way that ensures that the City is accurately accounting for the true cost of development and that the City will be able to maintain the fee program over time.

The City currently has fees for affordable housing and park in-lieu. They also charge connection fees for water and sewer. The City is looking for a comprehensive fee analysis. It is anticipated that the new fee program would include, at a minimum, fees for recreation services, water supply, traffic impact, public safety service, library, public parks, and open space and childcare.

The Act, commonly known as Assembly Bill 1600 (AB1600), was enacted by the state of California in 1987 and created Section 66000 et. seq. of the Government Code. AB1600 was enacted to allow cities to impose fees on new development to mitigate their impact on the City's infrastructure.

The Act sets requirements for establishing the fee as well as annual reporting requirements. In addition, every five years the agency must make findings that demonstrate the continuing need for the fee and show that there is an expenditure plan for all revenues. If these findings are not made the agency could be required to refund any unexpended fees.

Harris understands the financial challenges agencies are facing today and is committed to working with the City to prepare not only a legally defensible and sustainable fee program but one that focuses on the City's seven (7) priority focus areas and balances the infrastructure needs with the desire to continue to attract new local businesses. With fewer options to generate revenue, pressing current and anticipated capital and infrastructure needs, Harris understands the City's desires to develop a development impact fee program for an additional revenue source to offset the costs of public infrastructure and facilities related to residential and commercial development.

"I highly recommend Harris & Associates for Development Impact Fees services. Nick Kral served as our project lead to implement the Millbrae Citywide Development Impact Fees study. Mr. Kral has a strong understanding of the development community and all aspects of fee studies. He was professional, knowledgeable, and responsive to our needs. Mr. Kral attended several Millbrae City Council meetings to present the study findings. The final study was subsequently adopted by the Millbrae City Council in June 2020. We now have a solid foundation to continue to build on and update our citywide development impact fees."

*—Khee Lee, Public Works Director
City Of Millbrae*

Our approach to fee updates centers around open communication and collaboration.

We always propose holding meetings with the BIA and development community to discuss the fee update and address potential contentious issues prior to going to Council. We build support for fee updates and move through the political process smoothly by engaging stakeholders early in the process.

We are currently working for and collaborating with numerous agencies throughout the state and are familiar with trends and proposed legislation related to impact fee programs. We will work with the City to develop a fee program that provides needed funding for public infrastructure while not over burdening new development and preserving the community character.

II. DESCRIBE THE METHOD FOR MANAGEMENT OF OVERALL PROJECT COSTS, SCHEDULE,



QUALITY ASSURANCE/QUALITY CONTROL, RESPONSIVENESS TO CITY REQUESTS AND INQUIRIES, AND OTHER ISSUES CRITICAL TO THIS PROJECT.

Project Management and Coordination Approach

Harris' project management and coordination approach is based on collaboration, timeliness, and quality control. In managing our projects by these three key elements we facilitate a close and positive relationship with City staff. This success is evident in the long term relationships we have developed with our clients.

Collaboration. We believe that a project's success is dependent on our ability to achieve consensus among all stakeholders.

Our project team members are skilled communicators who understand the importance of providing clear and concise information to all parties involved, especially information disseminated to public officials and the community. In addition, open communication with the project team is key. Harris suggests holding regular project meetings and will provide meeting minutes and action item lists. We also provide a monthly project status report noting percent complete for each task, any concerns with the budget, any outstanding issues needing resolution and the planned work for the following period.

Timeliness. We understand the required scope of work and commit to turning around reports and other required documents promptly to meet the City's schedule. Harris will maintain a project schedule and coordinate closely with City staff, alerting them immediately to potential delays in schedule and other issues arising during the project. Our team is quick to adapt to changes in the project and will work with the City to minimize any impact these changes have on the schedule.

Quality Control. We understand that our clients put their trust in our abilities and we are committed to earning that trust on every project. Our approach to quality control is focused on assembling a project team with the required project experience and knowledge based upon the specific requirements of the assignment, keeping the City staff informed of any issues identified and recommended solutions, and assigning both a junior and senior level staff member to provide an independent review of each project deliverable utilizing our QA/QC checklist.

Harris has prepared the following scope of work to prepare a Comprehensive Development Impact Fee Nexus Study based on our experience in other jurisdictions.

Task 1 – Project Kick-off and Information Gathering

Harris will review the City's available documentation including the City's 10-year capital improvement plan, the City's General Plan, municipal code, and the current development impact fees. Harris will participate in a kick-off meeting to discuss the fees the City wants to collect and the goals for the project. Harris will discuss other information that may be available to provide the back-up for the desired fees and develop a proposed methodology for each fee category as well as acceptable level of service for specific facilities and functions and the related fees for such services. We will also discuss the project schedule and communication protocols.



Task 2 – Coordination Meetings

Harris will attend meetings with the City during the initial phases of the project to help keep the project on track. It is assumed that four meetings will be attended as part of developing the impact fee report. At least two of them are assumed to be via conference call and up to two in person. With the current social distancing in California, Harris is able to complete these tasks via teleconference if needed. The coordination meetings will ensure that the project stays on schedule and budget and any critical issues that may arise will be discussed and resolved in a timely manner.

Task 3 – Land Use Assumptions

Harris will review the General Plan to gather the City's growth projections. Harris will gather other assumptions such as persons per household, existing city population and employment, and future population and employment and will prepare a summary of the assumptions for City approval prior to moving forward with the calculations.

Task 4 – Identify and Clarify City Standards

Harris will review existing documentation such as the City's current development impact fees, General Plan, 10-Year Capital Improvement Program (CIP), Municipal Code, and other relevant documents. Harris will follow-up with each department representative as necessary to gather input and information regarding the level of service standards, projects that need to be funded, and available information to assist in the nexus study for each fee. Harris will work with City staff to determine other supporting infrastructure (i.e., equipment, vehicles, etc.) or other operational services that could rightfully be included in the fee program to ensure the costs of such supporting infrastructure are paid by development.

It is anticipated that the following fees will be included in the study:

- Recreation Services
- Water Supply
- Traffic
- Public Safety
- Library Utilization
- Parks and Open Space
- Child Care

Harris will make recommendations for other fees the City may want to consider as well.

Harris will analyze each fee category and determine the facilities that need to be constructed to maintain the existing or adopted level of service, as appropriate. A project list for each fee category will be developed, which outlines the need for the facility. For public safety, library, child care, and recreation services, a level of service analysis can be used if the planned infrastructure is not available and can be based on the City's estimated replacement cost for their existing facilities. For parks and open space, an existing level of service or planned level of service can be used and the cost determined based on industry standards for land acquisition and park development costs. For water and traffic, a list of projects and associated costs will need to be developed. It is assumed that the projects and costs will be available either from the City or from existing documentation.

Harris will review the project list with the City and once the list is finalized, Harris will prepare project costs including appropriate soft costs. In addition, Harris will determine what portion of the project costs are eligible for funding through the fee program.

It is assumed that City staff will provide all necessary background documentation including but not limited to: GIS data, General Plans, CIPs, and other related information to support this task.

Task 5 – Calculate Development Impact Fees

Harris will develop the methodology for calculating each Development Impact Fee. This will include the determination of any potential zones or incentive areas. Based on this information, Harris will calculate the recommended fee for each land use type in compliance with the requirements of Section 66000 of the Government Code.

An administrative fee will also be calculated that will fund this impact fee study, annual administration and reporting requirements, and future fee updates.

Harris will prepare a comparison of surrounding jurisdictions. Up to six jurisdictions will be included and will be based on input from the City as to which cities are to be included.

Harris will provide the fee calculation and comparison to the City and will meet with the City during one of our coordination meetings to discuss and address any concerns.

Task 6 – Prepare the Nexus Study

Once all parties agree on the fees, Harris will prepare a Development Impact Fee Nexus Study (Nexus Study) that summarizes the fees, assumptions, cost estimates, land uses, projected revenues, and all other related assumptions. The report will provide background information, a description of the overall methodology, supporting justification for the fees, calculations demonstrating the legal nexus, and all required nexus findings. In addition, the report will discuss annual fee update procedures and outline the required administrative procedures.

The Nexus Study will be prepared in an organized fashion with an executive summary and will contain all required legal and technical documentation. Harris will meet with the City during one of our coordination meetings to discuss the report and any concerns. Harris will incorporate any comments received into the document and prepare a final draft.

Task 7 – Stakeholder and Public Meetings

Harris will prepare and make presentations on the methodology, findings, and implications of the proposed impact fees at stakeholder meetings to facilitate their understanding of the Nexus Study. The presentation will be prepared in a clear and concise manner. Harris will answer any questions about findings and document any concerns or requested changes.

Harris recommends that the City hold at least two City Council meetings; an informational meeting with the City Council to discuss the initial findings and then a follow-up meeting for adoption of the fee program. We also typically recommend that the City consider a meeting with the BIA and development

community. Harris will facilitate the meeting, provide exhibits and formal presentation, collect input, and prepare meeting minutes capturing public input. Harris will also review and provide input on the staff report, resolution, and public notice.

Harris's scope includes the following meetings based upon the RFP and our experience in other cities. Additional meetings can be attended on a time and materials basis.

- One kick-off meeting with City staff as mentioned in Task 1
- Up to 4 project coordination meetings as mentioned in Task 2
- One (1) meeting with the BIA, Development Community and public
- Up to 2 City Council meetings

Optional Task 8 – Ordinance Assistance

Harris can assist the City with drafting/modifying the development impact fee ordinance giving the City the authority to collect the fees.

Optional Task 9 – Additional Stakeholder Meetings

Additional stakeholder meetings can be attended at an additional cost on a time and material basis.

Optional Task 10 – Update Affordable Housing and Commercial Linkage Fees

Task 10.1 – Project Kick-off and Information Gathering

Harris will review the City's existing studies including the General Plan Housing Element, the City's RHNA requirements, and the affordable housing ordinance. We will meet with the City to discuss the goals for the project.

Task 10.2 - Estimate Affordable Housing Demand

Harris will estimate the number of workers and worker households that will work in new non-residential development. Harris will also estimate the number of workers and worker households that will be generated by new residential development. The estimated incomes of market-rate housing will be calculated using market sales data derived from the multiple listing service and a survey of new home communities, if possible. The market-rate household income data is used with IMPLAN, an analysis tool, to determine the additional spending and associated jobs created to support that spending. Harris will research the estimated earnings of these worker households and classify each worker household into area median income (AMI) categories to determine the number of worker households that would require affordable housing.

Task 10.3 – Calculate Draft Linkage Fees

Harris will calculate the affordability gap for each of the AMI categories to determine the difference between what households can afford to pay for housing and the cost of building new units. This gap and the associated very low, low, and moderate-income households generated will be used in calculating the maximum justifiable commercial linkage fee associated with each land use type. Harris will create a comparison of commercial linkage fees with up to six (6) local cities.

Task 10.4 – Calculate Draft Affordable Housing Fees

Harris will calculate the affordability gap for each of the AMI categories to determine the difference between what households can afford to pay for housing and the cost of building new units. Harris will calculate the estimated development costs for City-led affordable housing. This gap and the associated very low, low, and moderate-income households generated will be used in calculating the maximum justifiable in-lieu fee associated with each land use type. Harris will create a comparison of affordable housing fees with up to six (6) local cities.

Task 10.5 – Meeting With City Staff

Harris will review the assumptions and maximum justifiable fees with City staff and determine the recommended fee to be presented to City Council.

Task 10.6 – Prepare Nexus Studies

Once all parties agree on the proposed fees, Harris will prepare a nexus study for the Commercial Linkage Fee and a nexus study for the Affordable Housing In-Lieu Fee that summarizes the assumptions, maximum fee, and staff recommended fees. The reports will make the required nexus findings and detailed analysis to justify the fee. The nexus study will be prepared in an organized fashion with an executive summary and will contain all required legal and technical documentation. Harris will participate in a call with the City to discuss the report and will incorporate comments from the City into the final draft report.

Task 10.7 – City Council Workshop

Harris will present the nexus study to the City Council. This session will allow the City Council to comment and offer input to the nexus study. After this workshop, the report will be revised based on Council input.

Task 10.8 - Stakeholder Meetings

Harris will prepare and make presentations on the Commercial Linkage Fee and Affordable Housing In-Lieu Fee at one stakeholder meeting. This will likely include the BIA/ Development Community. The presentations will be prepared

in a clear and concise manner. Input from this meeting will be incorporated into the final draft of the nexus study.

Task 10.9 – City Council Meetings

Harris will present the final version of the nexus study to City Council. Harris will also attend a second meeting for fee adoption. The presentations will be prepared in a clear and concise manner. Harris will review the City’s agenda reports and resolutions prior to each City Council meeting.

Optional Task 11 – Optional Implementation Services

Harris will provide additional implementation services following the acceptance of the Comprehensive Development Impact Fee Study such as, but not limited to:

- Consult with City staff on an as needed basis on minor matters relating to implementation and utilization of the study using an hourly rate provided in the proposal.
- Assist the City to defend the fees in the event of an audit or other challenge.
- Updates to the fees, where applicable.

Harris will provide additional services based on the following hourly rates:

Harris Staff Member	2021 Billing Rate
Alison Bouley	\$260 per hour
Megan Quinn	\$200 per hour
Nick Kral	\$200 per hour
Adam Marston	\$150 per hour
Joel Nagamine	\$150 per hour
Arn Selorio	\$125 per hour

Optional Task 12 – Operations and Maintenance

Understanding the requirements of Proposition 218 is critical to the success of any financing strategy. Recent court cases have made it more important than ever to fully understand the difference between special taxes, property related fees, and assessments, and to differentiate between general and special benefit. Harris has helped agencies develop compliance strategies, bring old districts into compliance with recent court rulings, and chart a path to success in the adoption of new taxes, assessments, and property-related fees. Our staff of renowned experts are up to date on the changes that have occurred, with an eye on changes to come.

Harris integrates financial and engineering expertise into our public finance projects. Our team has been responsible for the formation of more than 75 CFDs and the formation of 134 operation and maintenance districts



The table to the right summarizes Harris’ experience for the formation of special tax, assessment, and fee districts.

The Harris team includes experts in the formation of land-secured financing districts. We have successfully formed districts that have funded all types of infrastructure improvements, as well as services. On each project, we work with all members of the financing team to develop strategies based on each agency’s adopted Policies and Procedures for Debt Financing that will allocate costs fairly without overburdening properties, and will maximize funding capacity. This has included the use of phased bond issues, and back-up taxes. Based on our experience in the on-going administration of these districts, we have developed “best practices” in the development of special tax structures to mitigate future problems.

Our team has also reviewed more than \$975 million in infrastructure cost for reimbursement and has administered hundreds of districts for millions of parcels. We work closely with the auditor/controller in the County and establish a productive and beneficial working relationship and our team has never missed a deadline in more than 20 years of providing district administration services.

If desired, Harris can prepare a scope of work to assist the City in analyzing potential CFD’s or Assessment Districts to fund the City’s ongoing maintenance costs. It will be important to meet with the City to determine the City’s goals for this task, understand the ongoing maintenance cost, and the current funding sources. Depending on the scope of work and complexity of the analysis, the cost for this service can typically range from approximately \$45,000 to \$65,000. Harris would be happy to put together a complete scope of service for the City with the required additional information, if the City desires.

Summary of Team Experience	
Maintenance and Services Districts	
Formation Proceedings	200+
After Proposition 218	134
Administration Proceedings	500+
Improvement Districts	
Formation Proceedings	66
After Proposition 218	47
Administration Proceedings	87
User Fee Districts	
Formation Proceedings	30
After Proposition 218	25
Administration Proceedings	120+



III. DESCRIBE THE NEEDS FROM CITY STAFF. FOR EXAMPLE, WHAT CITY STAFF EXPERTISE IS NEEDED AND HOW MUCH TIME TO YOU ANTICIPATE.

- Provide requested background information including but not limited to land use information, fund balances, CIP projects, General Plan, and existing fee program documentation. Estimated staff time, 20 hours.
- Attend meetings and provide input on key decisions. Each applicable department staff will need to meet with Harris for a 1-2 hour meeting. Total estimated staff time, 20 hours.
- Review documents in a timely manner. Estimated staff time, 20 hours.
- Notice public meetings. Estimated staff time, 6 hours.
- Legal Counsel review of documents, 6 hours

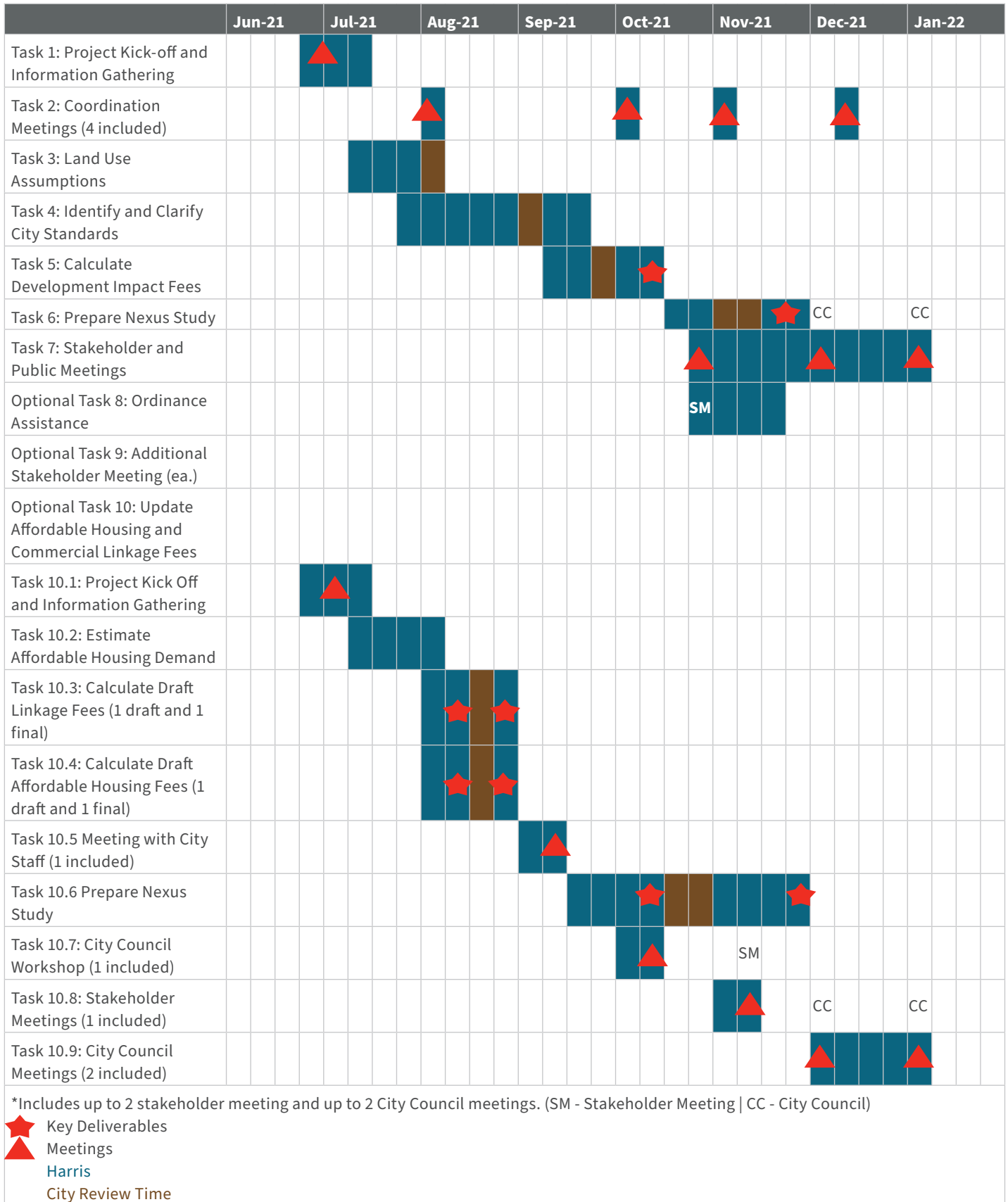
IV. IDENTIFY ANY “VALUE-ADDED” SERVICES THAT YOUR FIRM MAY PROVIDE.

Harris is used to providing comprehensive service to our clients throughout the life of their fee programs. We can assist in day to day management of your fee programs, including review of any Development Agreements, technical studies, credit and reimbursement agreements, off-site improvement agreements, special fee calculations, and any other issues that may arise. Harris can also assist the City with your annual reporting requirements and can assist with regular updates to your program to keep up with the changing costs and development environment. We understand the need for your fee program to fund these administrative activities and will incorporate an administrative component into your fee program. Harris can also prepare a development impact fee template that the City can use to calculate fees and that can be incorporated onto the City’s website. Harris will discuss AB1483, which requires that all fees and supporting documentation, including annual reports, be uploaded to the City’s website and can assist the City in preparing an outline of the required data. In addition, Harris can provide a model to be used for annual fee adjustments and instructions on how to update the fee.

In addition to our development impact fee experience Harris provides a full range of public finance expertise including formation and administration of CFDs and Assessment Districts. We also have a Community Development and Housing group that provides extensive housing services including housing element updates.

3b. Schedule

Harris has prepared the following project schedule based on our understanding of the project and experience on similar projects.



4. COST PROPOSAL

	Project Director	Project Manager	Technical Lead	Project Engineer/ Senior Analyst	Analyst	Total Harris	Total Harris
	\$260/hr	\$200/hr	\$200/hr	\$150/hr	\$125/hr	Est.	Est.
	Hours	Hours	Hours	Hours	Hours	Hours	Fee
Task 1: Project Kick-off and Information Gathering	2	10	4	4		20	\$3,920
Task 2: Coordination Meetings (4 included)	4	12	4			20	\$4,240
Task 3: Land Use Assumptions	2	6	4	16		28	\$4,920
Task 4: Identify and Clarify City Standards	2	20	24	40	20	106	\$17,820
Task 5: Calculate Development Impact Fees	4	10	8	20	10	52	\$8,890
Task 6: Prepare Nexus Study	6	14	10	20	10	60	\$10,610
Task 7: Stakeholder and Public Meetings (3 included)	12	24		10		46	\$9,420
Subtotal Comprehensive Impact Fee Study	32	96	54	110	40	332	\$59,820
Option Task 8: Ordinance Assistance	6	10	6			22	\$4,760
Optional Task 9: Additional Stakeholder Meeting (ea)	3	6		3		12	\$2,430
Subtotal with Optional Impact Fee Tasks:	41	112	60	113	40	366	\$67,010
Optional Task 10: Update the Affordable Housing and Commercial Linkage Fees							
Task 10.1: Project Kick-off and Information Gathering	2	4	10	10		26	\$4,820
Task 10.2: Estimate Affordable Housing Demand	4	4	28	12		48	\$9,240
Task 10.3: Calculate Draft Linkage Fees (1 draft and 1 final)	4	4	40	8	8	64	\$12,040
Task 10.4: Calculate Draft Affordable Housing Fees (1 draft and 1 final)	4	4	40	8	8	64	\$12,040
Task 10.5 Meeting with City Staff (1 included)	1	2	4	2		9	\$1,760
Task 10.6 Prepare Nexus Studies	8	16	60	40		124	\$23,280
Task 10.7: City Council Workshop (1 included)	4	4	8	2		18	\$3,740
Task 10.8: Stakeholder Meetings (1 included)	4	4	8	2		18	\$3,740
Task 10.9: City Council Meetings (2 included)	8	8	16	4		36	\$7,480
Reimbursable Expense: IMPLAN Subscription							\$1,500
Subtotal Optional Tasks:	39	50	214	88	16	407	\$79,640
Total with Optional Tasks:	80	162	274	201	56	773	\$146,650



A. PROVIDE EXPERIENCE OF YOUR FIRM IN CREATING A DEVELOPMENT IMPACT FEE STUDY AND PROPOSING DEVELOPMENT IMPACT FEES TO OTHER SIMILAR GOVERNMENTAL AGENCIES

The Harris team has over 20 years of experience preparing comprehensive development impact fees throughout California. Harris recently successfully implemented development impact fees for the City of Millbrae and is finalizing their Affordable Housing and Commercial Linkage Fee studies. Harris has experience implementing comprehensive development impact fee programs in largely built out cities as well as in rapidly growing Cities. Harris has also been involved in the City of Tracy since the beginning of the economic boom in the late 1980s and has provided program management services, AB1600 analysis, annual fee updates, review of estimated and actual costs, and provided comprehensive public facilities program and construction management services for the city’s Capital Improvement Program. In addition, we are working with multiple jurisdictions throughout Northern California on their fee programs and will bring institutional knowledge to this project.

“I highly recommend Harris & Associates for Development Impact Fee services. Alison Bouley served as the representative to update our dated Park Acquisition and Improvement Fee Policy. Alison had a solid understanding of the development community and all aspects of fee studies. She was professional, knowledgeable, and extremely responsive to our needs. With Alison’s guidance, the City of Manteca was able to quickly update its fees and policy and supply a document we can rely on for many years.”

*— Kevin Fant, Parks and Recreation
Director City of Manteca*

The following table summarizes our development impact fee work during the last five years.

Agency	Project	Description	Date	Team
City of Tracy	Core Fee consolidation	Consolidation of Specific Plan Fee Areas	Adoption expected mid 2021	Alison Bouley (Project Manager); Joel Nagamine (Project Engineer)
City of Oxnard	Development Impact Fee Update, Affordable Housing Study, Parking-in-lieu	Update of City's Impact Fee Program	Adopted May 2020	Alison Bouley (Project Manager); Nick Kral (Senior Analyst)
City of Millbrae	Impact Fee Nexus Study, Affordable Housing Study, Commercial Linkage Fee	Development of City's First Impact Fees	Adopted June 2020, Housing Fees expected mid 2021	Alison Bouley (Project Director); Nick Kral (Project Manager); Adam Marston (Senior Analyst); Megan Quinn (Senior Analyst)
City of El Cajon	Impact Fee Nexus Study	Development of City's First Impact Fees	Study Completed	Alison Bouley (Project Director); Nick Kral (Project Manager)
City of Costa Mesa	Development Impact Fee Update	Update of City's Existing Fees	Adoption expected late 2021	Alison Bouley (Project Manager); Adam Marston (Senior Analyst); Megan Quinn (Senior Analyst)
City of Novato	Development Impact Fee Update	Update of City's existing Impact Fees	Adoption expected late 2021	Alison Bouley (Project Director); Nick Kral (Project Manager); Megan Quinn (Senior Analyst)
City of Sebastopol	Development Impact Fee Update and Affordable Housing Fee	Update of City's existing Impact Fees	Adopted May 2021	Alison Bouley (Project Director); Nick Kral (Project Manager)
City of Rancho Cordova	Zone 11a Storm Drainage Fee	Development of Storm Drainage Fee	Adopted late 2020	Alison Bouley (Project Manager); Megan Quinn (Senior Analyst); Adam Marston (Senior Analyst)
City of Lodi	Development Impact Fee Update	Update of City's Existing Fees	Adoption expected mid 2021	Alison Bouley (Project Manager); Adam Marston (Senior Analyst)
City of Manteca	Government Building Fee	Update of City's Existing Fees	Adoption expected late 2021	Alison Bouley (Project Director); Megan Quinn (Project Manager)
Mountain House CSD	Development Impact Fee Update	Update of City's Two Impact Fee Program	Adopted 2019 and late 2020	Alison Bouley (Project Director); Megan Quinn (Project Manager); Joel Nagamine (Project Engineer)
City of Tracy	Northeast Industrial and South Industrial Storm Drainage Fee	Update of Existing Fees	Adopted 2019	Alison Bouley (Project Manager); Joel Nagamine (Project Engineer); Adam Marston (Senior Analyst)
City of Tracy	NEI New Water and Sewer Fees	New Fees for Specific Plan Area	Adopted 2019	Alison Bouley (Project Manager); Joel Nagamine (Project Engineer); Adam Marston (Senior Analyst)
City of Tracy	Tracy Hills Specific Plan Finance and Implementation Plan	Finance Plan for Tracy Hills Specific Plan	Adopted 2018	Alison Bouley (Project Manager)
City of Tracy	Public Safety Impact Fee Update	Update to Public Safety Fees	Adopted 2019	Alison Bouley (Project Manager); Adam Marston (Senior Analyst); Joel Nagamine (Project Engineer)
City of Sacramento	Jacinto Creek Finance Plan Update	Update of Specific Plan Fees	Adopted 2017 and 2018	Alison Bouley (Project Director); Adam Marston (Project Manager)
City of Manteca	Park Master Plan Update and Fee Study	Development of new Fees	Adopted 2016	Alison Bouley (Project Manager)
City of Gustine	Development Impact Fee Update	Update of City's Existing Fees	Adopted 2017	Alison Bouley (Project Manager)

B. PROVIDE DETAILS OF YOUR FIRM’S ABILITY TO MEET THE SCOPE OF SERVICES OUTLINED

What sets Harris apart in the industry is the depth and range of the services we provide. The Harris team has a significant amount of experience and our team understands the requirements of AB1600 and the issues related to the adoption of impact fee programs outlined in this RFP. We understand the required scope of work and commit to turning around reports and other required documents promptly to meet the City’s schedule. Harris has successfully completed numerous similar scope of works. We also keep up on current case law, such as the San Clemente Beach Parking case, which highlights the importance of making proper five-year findings. . We leverage our experience working for a variety of different agencies to help formulate the best possible infrastructure funding strategy for the agency. Harris has developed a responsive approach to the agency’s needs and will modify it as appropriate based on our initial kick-off meeting.

As registered engineers with comprehensive experience in developing fee programs, we will make sure that there is a solid link between the identified infrastructure, cost estimates, and impact fees. We will work with you to develop a thorough, long-range solution to your development-related infrastructure needs, while balancing the economic implications that can result from setting impact fees too high. As financial experts, we are aware of the challenges facing California today and the emerging trends in the implementation of development impact fee programs including affordable housing, accessory dwelling unit fees, and scalable fee programs.

Alison brings over 20 years of experience to this project and Megan and Nick both each bring almost 15 years of experience to this project. The rest of the Harris team brings numerous years of invaluable experience as well. Megan and Nick have worked for the public and private sector and have experience in completing proformas for developers; therefore we understand the financial implications of development impact fees from the City and developer perspective. This enables Harris to develop a fee program that meets the requirements of the Mitigation Fee Act and is developed in a way that the City will be able to maintain over time, but is also responsive to the needs and concerns of the development community.

At Harris, within the Municipal and District Finance and Community Development and Housing teams, we also have a significant amount of market analysis, economic development, housing, and affordable housing experience. Given the scale of the affordable housing crisis in California and other issues that many jurisdictions are facing, planning is a critical step to provide clarity to complex problems and effective solutions. Harris staff provides planning services to set a clear path forward by working with City staff and stakeholders to identifying the individual and unique needs, priorities, opportunities, challenges and funding in each community. Given the depth and breadth of our experience, our team is uniquely positioned to successfully meet the scope of services outlined in the RFP.



6. REFERENCES

PROVIDE AT LEAST FIVE REFERENCES OF CALIFORNIA AGENCIES. AT LEAST TWO REFERENCES MUST HAVE WORKED WITH THE PROPOSED PROJECT MANAGER AND OTHER KEY STAFF PROPOSED TO BE ASSIGNED TO THE CITY'S PROJECT



1. Development Impact Fee Program, Affordable Housing In-Lieu, and Commercial Linkage Fee

a. Name of Agency: City of Millbrae

Address of Agency: 621 Magnolia Avenue, Millbrae CA

Phone Number of Agency: 650.259.2341

b. Time Period: 2019 – Current

c. Brief Description: Harris assisted the City of Millbrae with the creation of a development impact fee program including general government, park land acquisition and construction, library facilities, mobility, public safety, and recreation services. The City only had fees for one specific area. The new fees covered the entire City and established the Nexus between the extensive redevelopment the City is seeing and the need for new facilities. Harris presented the fees to City Council multiple times and the fees were successfully adopted in June 2020. Harris is in the process of finalizing an inclusionary in-lieu fee and commercial linkage fee. The inclusionary housing in-lieu nexus study analyzes the development costs, affordable rents and purchase prices, job generation, and affordability gaps. The commercial linkage fee analyzes non-residential development and the associated employment with the need for affordable housing. The in-lieu and linkage fee are expected to be adopted in spring 2021. In addition we are completing a fiscal analysis which will form the basis of a City-wide services Community Facilities District (CFD).

d. Recommended Procedures: Develop a development impact fee nexus study, fiscal impact analysis, inclusionary housing in-lieu fee, affordable housing commercial linkage fee.

e. Reference Name: Khee Lim, KLim@ci.millbrae.ca.us, 650.259.2341

f. Key Personnel: Alison Bouley (Project Director); Nick Kral (Project Manager); Megan Quinn (Senior Analyst)



2. Development Impact Fee Study, Comprehensive User Fee Study

- a. Name of Agency:** City of Sebastopol
Address of Agency: 7120 Bodega Ave, Sebastopol, CA
Phone Number of Agency: 707.823.1153
- b. Time Period:** 2019 – Current
- c. Brief Description:** Harris is preparing an update to the City’s Park Fees, Traffic Fee, Water Fees, Sewer Fees, and inclusionary housing in-lieu fees. Harris is also creating fees for general government buildings, library facilities, fire facilities, and storm drainage.
- d. Recommended Procedures:** Update the development impact fee nexus study, update the inclusionary housing in-lieu fee.
- e. Reference Name:** Kari Svanstrom,
ksvanstrom@cityofsebastopol.org, 707.823.6167
- f. Key Personnel:** Alison Bouley (Project Director); Nick Kral (Project Manager)

3. Development Impact Fees and Ongoing Program Management

- a. Name of Agency:** City of Tracy
Address of Agency: 333 Civic Center Plaza, Tracy, CA
Phone Number of Agency: 209.831.6000
- b. Time Period:** 2000 – Current
- c. Brief Description:** Harris has been managing the City’s development impact fee programs for over 20 years. This includes the development and administration of fees for over 10 specific plan areas. In addition, Harris was instrumental in helping the City adopt its first set of Citywide Master Plans and Development Impact Fees. Harris also assists the City in negotiating Development Agreements with developers, developing and monitoring credit and reimbursement agreements, and assists in preparing fee calculations for new development projects. In addition, Harris assists the City with its annual fee report.
- d. Recommended Procedures:** Adopt and update development impact fee programs and provide ongoing support.
- e. Reference Name:** Andrew Malik,
andrew.malik@cityoftracy.org, 209.831.6423
- f. Key Personnel:** Alison Bouley (Project Manager and Project Director); Megan Quinn (Project Manager); Adam Marston (Senior Analyst); Joel Nagamine (Project Engineer)



4. Community Facilities Fee and Transportation Improvement Fee Updates and Annexation Fee

a. Name of Agency: Mountain House Community Services District
Address of Agency: 230 S. Sterling Drive, Suite 100, Mountain House, CA
Phone Number of Agency: 209.831.2300

b. Time Period: 2016 – 2021

c. Brief Description: Harris performed two updates of the Community Facilities Fee (CFF) and Transportation Improvement Fee (TIF) fees for the Mountain House Community Services District (CSD). The CFF fees fund parks, public buildings, and public safety facilities and the TIF fee funds roads and intersections. Harris was responsible for reviewing the projects to determine project status, update project costs, update land use information, confirm outstanding developer liability, calculate new fees, and prepare new Nexus Studies. Harris created a reimbursement policy to summarize the process for reimbursements and credits. In addition, Harris is in the process of updating the annexation fee for reimbursement to the master developer for construction of initial infrastructure and creating a policy document for annexation into the CSD. Harris recently started a third update that will incorporate a comprehensive update to the Traffic model and incorporate revised planning studies.

d. Recommended Procedures: Adopt and update development impact fee programs and ongoing support.

e. Reference: Sarah Ragsdale, sragdale@sjgov.org, 209.831.5645

f. Key Personnel: Alison Bouley (Project Director and Project Manager); Megan Quinn (Project Manager); Joel Nagamine (Project Engineer); Adam Marston (Senior Analyst); Arn Selorio (Project Analyst)

5. Storm Drain User Fee and Storm Drainage Impact Fee

a. Name of Agency: City of Rancho Cordova
Address of Agency: 2729 Prospect Park Dr, Rancho Cordova, CA
Phone Number of Agency: 916.851.8700

b. Time Period: 2017-Present

c. Brief Description: The City of Rancho Cordova was in the process of detaching from the County of Sacramento's Storm Drainage Utility Fee and Zone 11a Development Impact Fee. Harris was responsible for reviewing the improvements to be funded by the City's fee, calculating new fees, and preparing a Nexus Study. Harris presented the findings to the BIA and Development Community as well as City Council.

d. Recommended Procedures: Develop a Storm Drainage Impact Fee for Zone 11a.

e. Reference: Elizabeth Sparkman, esparkman@cityofranhocordova.org, 916.851.8762

f. Key Personnel: Alison Bouley (Project Director and Project Manager); Megan Quinn (Senior Analyst); Adam Marston (Project Analyst)



6. Financial and Special Tax Consultant

a. Name of Agency: City of Sacramento
Address of Agency: 915 I Street, 5th Floor, Sacramento, CA
Phone Number of Agency: 916.808.7204

b. Time Period: 2016-Present

c. Brief Description: Harris has provided a diverse array of financial engineering services to the City of Sacramento since 2001. The following select projects represent the broad scope of our work throughout Sacramento.

North Natomas Reimbursement Audits: Harris has assisted the City with their reimbursement audits for the North Natomas program area for the last 14 years. As reimbursement requests are submitted by the developer, Harris performs an audit of the documents, including a detailed review of contracts, change orders, invoices and proofs of payment submitted by the developer, and compares the amount requested against the amount covered under the fee program and CFDs.

River Districts Development Area: Harris assisted the City in developing the cost estimate portion of the Finance Plan for the River Districts area. The plan covers a wide range of infrastructure including roadways, bridges, utilities, parks and public safety facilities. Harris developed a database of local cost estimates and set up a cost estimating template. Harris met with City staff and developers and presented the information during the update.

Jacinto Creek Finance Plan Update: Harris assisted the City in three annual updates to the Jacinto Creek Finance Plan. The project included reviewing the existing finance plan, coordinating with City staff to determine the status of development and the current fund balances, updating project costs, determining fair share funding of road improvements, calculating new fees and meeting with the developers to present the new fees.

North Natomas Development Area: Harris assisted the City of Sacramento with the cost estimating portion of North Natomas Finance Plan Update for five updates to the plan. The Plan covers a wide range of infrastructure including roadways, freeways, bridges, bikeways, and public safety facilities. Throughout this project, Harris has developed an extensive database of local bid and construction costs with a particular focus on the costs for roadway and bikeway facilities. We set up a standardized roadway cost estimating template (utilizing Microsoft Excel) that provides automatic escalation using the ENR Construction Cost Index.

Railyards Finance Plan Update: Harris assisted the City with the annual review of the cost estimates for the Railyards Finance Plan Update. Harris reviewed the project costs for roadways, utilities, parks, floodwalls, and public buildings.

d. Recommended Procedures: Incorporating the interests of the client and stakeholders. Harris developed an excel database to allow project costs to be easily updated on an annual basis. Harris participated in ongoing meetings with the City and development community through the update of the various finance plans to get input and confirm all parties were “on board” with the fee program.

e. Reference: Sheri Smith, ssmith@cityofsacramento.org; 916.808.7204

f. Key Personnel: Alison Bouley (Project Director and Project Manager); Megan Quinn (Project Manager); Joel Nagamine (Project Engineer); Arn Selorio (Analyst)