

*The Economics of Land Use*



## **Administrative Procedures Manual**

# **Development Impact Fee Program**

Prepared for:

Sacramento Area Flood Control Agency

Prepared by:

Economic & Planning Systems, Inc. (EPS)

December 2016

*Economic & Planning Systems, Inc.  
400 Capitol Mall, 28th Floor  
Sacramento, CA 95814  
916 649 8010 tel  
916 649 2070 fax*

*Oakland  
Sacramento  
Denver  
Los Angeles*

**[www.epsys.com](http://www.epsys.com)**

**EPS #142057**

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# 1. INTRODUCTION

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This Administrative Procedures Manual describes the procedures to compute the Sacramento Area Flood Control Agency (SAFCA) Development Impact Fee (DIF or Fee) as adopted by SAFCA Resolution No. 08-048 and updated by adoption of SAFCA resolution 2012-120. This 2016 updated manual is a companion document to the SAFCA DIF Program 2016 Update Report (2016 DIF Update Report) adopted by the SAFCA Board of Directors (Board) on October 20, 2016 pursuant to SAFCA Resolution 2016-110 and is intended to clarify the procedures for assessing the DIF.

Prior to adoption of the 2016 DIF Update Report, the DIF Boundary was equivalent to the boundary of the SAFCA Consolidated Capital Assessment District (CCAD). The 2016 DIF Update Report includes a change in the DIF Boundary from the boundary of the CCAD to the boundary of the SAFCA Consolidated Capital Assessment District No. 2 (CCAD 2). The CCAD and CCAD 2 boundaries are shown in **Figure 1**. The DIF Boundary encompasses those land areas in Sacramento County and Sutter County within SAFCA's jurisdictional boundary that will receive flood control benefits from the DIF improvements.

The City of Sacramento, the County of Sacramento, and the County of Sutter (Responsible Agencies) shall collect the DIF before the issuance of any building permit within the Boundary of the DIF pursuant to Agreements for Collection of SAFCA's DIF (Collection Agreements). At the discretion of SAFCA, payment of the DIF may be deferred in accordance with any fee deferral policy that SAFCA may adopt.

## Updates to Manual

The 2016 DIF Update Report refined the DIF land uses and included new DIF rates that will become effective on January 1, 2017. In addition, since adoption of the Administrative Procedures Manual update in 2012, SAFCA and the Responsible Agencies have requested clarification on several DIF program implementation issues. The updates made to this manual to reflect the new DIF land uses and rates and to clarify implementation issues are summarized below:

- |  |                                 |
|--|---------------------------------|
| • Adjusted DIF Boundary—equivalent to CCAD 2 Boundary          | <b>Figure 1</b> , p. 1, p. 4    |
| • Updated Coverage Period                                      | p. 5                            |
| • Revised DIF Land Use Categories                              | <b>Table 2</b> , p. 11          |
| • Updated Fee Rates (effective January 1, 2017)                | <b>Table 6, Appendix A</b>      |
| • Location of Project  | p. 7-8                          |
| • Exemption for Development in Old Sacramento                  | deleted, <b>Table 1</b>         |
| • Flood Plain Exemption for Elevation of Structure             | p. 7-8, <b>Table 1</b>          |
| • Definition of Habitable Space                                | <b>Table 2</b> , p. 11          |
| • Conversion of Basements to Habitable Space                   | <b>Table 1, Table 2</b> , p. 11 |
| • Fees for Mixed Use in Redevelopment Area with Public Subsidy | deleted, <b>Table 1</b>         |
| • Fee Credit Transfer Policies and Procedures                  | p. 15, <b>Chapter 5</b>         |
| • Fee Credits for Developer-Constructed Improvements           | <b>Chapter 6</b>                |
| • Fee Calculation Examples                                     | <b>Appendix A</b>               |

Figure 1  
Existing CCAD and Proposed New CCAD No. 2 Assessment Districts

Previous DIF  
Boundary

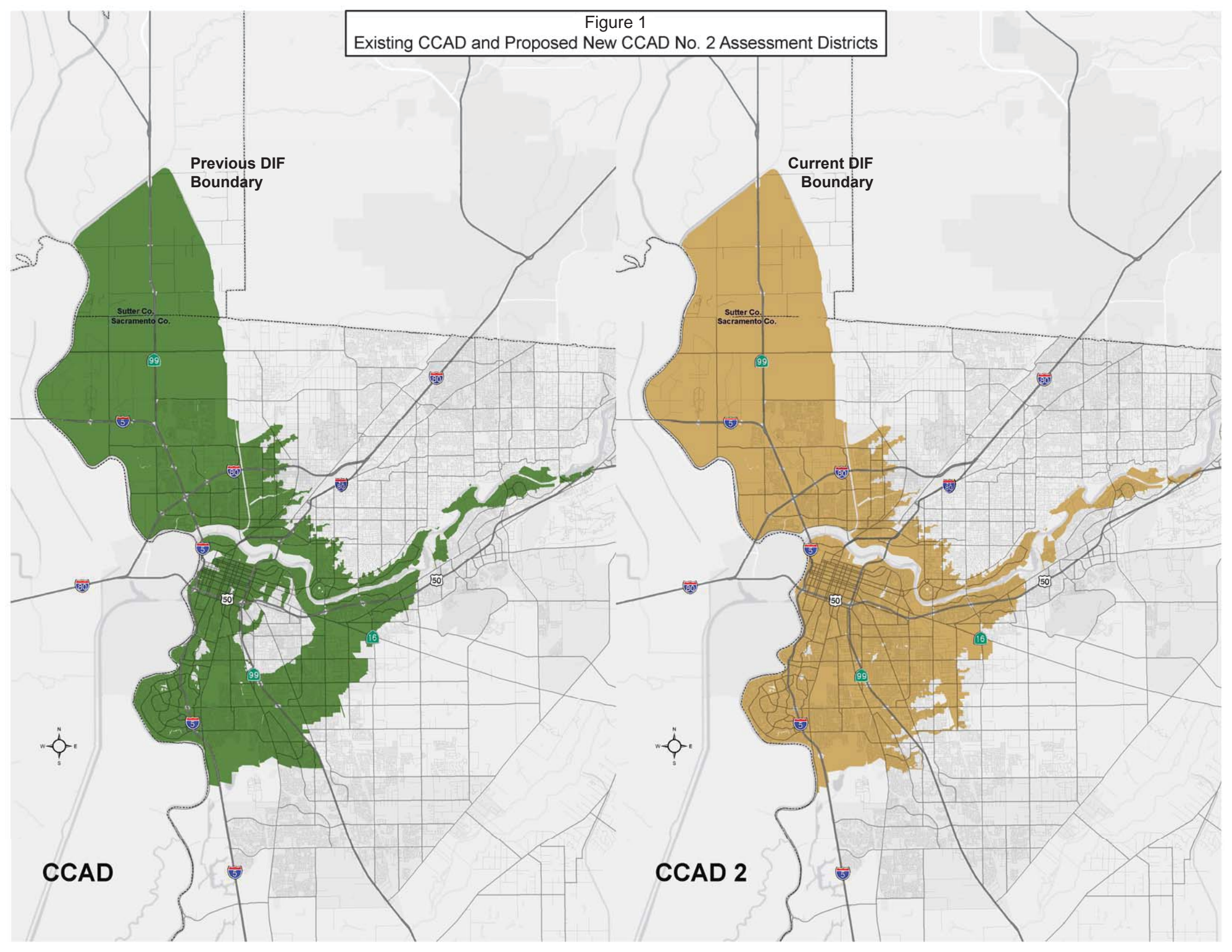
Current DIF  
Boundary

Sutter Co.  
Sacramento Co.

Sutter Co.  
Sacramento Co.

CCAD

CCAD 2



## *2. COST ADJUSTMENT AND PERIODIC REVIEW*

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The DIF amount may be adjusted annually for inflation and periodically for significant changes made to the DIF Program by SAFCA's Board. The annual inflation or periodic adjustment may take effect on July 1<sup>st</sup> or later of each fiscal year, as indicated by the respective Responsible Agency's Collection Agreement with SAFCA and dependent upon notice to the respective Responsible Agency by SAFCA.

### **Annual Inflation Adjustment**

The DIF may be adjusted annually to account for the inflation of construction, right-of-way acquisition, and environmental or design costs.

The DIF may be adjusted on or after the beginning of each fiscal year (July 1<sup>st</sup>) to reflect inflationary costs. If adjusted, the DIF shall be increased by the ratio which the Engineering News Record's Construction Cost Index (ENR, 20 cities) for the most recent March bears to the previous March index. The SAFCA Board must approve this adjustment and then notify the Responsible Agencies in writing at least 60 days before the adjustment takes effect.

### **Periodic Adjustments**

SAFCA will periodically review actual project costs, DIF collections, and land use projections to determine if any modifications to the DIF Program are warranted. The periodic review will occur no less than every five years. During the periodic review, the following aspects will be analyzed:

- Changes to the Improvements to be funded by the Fee Program.
- Changes in the cost to update or administer the Fee Program.
- Changes in annual financing costs.
- Changes in assumed land uses.
- Changes in other funding sources.

Any changes to the Fee Program based on the periodic update will be presented to the SAFCA Board of Directors for approval. The SAFCA Board of Directors must approve the changes and then notify the Responsible Agencies in writing at least 60 days before the changes takes effect.

### 3. *APPLICABILITY OF DIF*

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#### **General Applicability**

Fee collection agreements between SAFCA and each of the three land use jurisdictions (Responsible Agency, or collective Responsible Agencies) located within the DIF Boundary provide the general procedures for collecting the DIF. The following departments in these jurisdictions will administer these agreements:

- City of Sacramento Community Development Department.
- County of Sacramento Building Inspection Division.
- Sutter County Community Services Department.

In general, on receipt of an application for a building permit, the Responsible Agency will make an initial determination of the applicability of the DIF based on the location of the proposed development project (Project) and the Project exemption criteria included in **Table 1**. If applicable, the Responsible Agency will compute the fee before issuance of a building permit for a Project that is determined to be within the DIF Boundary and will collect the DIF from the Project applicants at issuance of the building permit.

The DIF also will be collected, to the extent permitted by law, on any Project that does not require a building permit from the Responsible Agency (such as a hospital, which makes application to the State). When such a Project is required to apply to the Responsible Agency for some entitlement other than a building permit (e.g., water or sewer connection), the DIF will be payable prior to issuance of such permit or approval.

SAFCA retains the right of final determination as to whether the proposed Project lies within the defined DIF Boundary and whether issuance of a particular permit triggers the requirement to pay the DIF.

SAFCA will allow for variations in the method of DIF payment as described in **Chapter 5** of this manual.

#### **DIF Boundary**

The DIF applies to all parcels located within CCAD 2. As discussed in **Chapter 1** and illustrated in **Figure 1** (in **Chapter 1**), the SAFCA DIF Program 2016 Update report included changing the DIF Boundary from the CCAD boundary to the CCAD 2 boundary.

The DIF Boundary encompasses those land areas in Sacramento County and Sutter County within SAFCA's jurisdictional boundary that will receive the direct flood control benefits from the improvements outlined in the 2016 DIF Update Report.

**Table 1**  
**SAFCA Administrative Procedures Manual**  
**SAFCA DIF Program Applicability**

Item	Notes
<b>DEVELOPMENT SUBJECT TO DIF</b>	
<ul style="list-style-type: none"> <li>Finished (habitable) basements and first two above-ground floors of residential construction not exempted below.</li> <li>Finished (habitable) basements and first above-ground floor of commercial and industrial construction not exempted below.</li> <li>Conversion of uninhabitable space to habitable space not exempted below.</li> <li>Project issued a permit to legalize previous construction done without a permit that is subject to the DIF.</li> </ul>	<p>e.g., basement conversions, garage conversions, residential attic conversions for attics in 1-story units, patio enclosure that converts a patio to habitable space with conditioned air.</p> <p>DIF based on rates at time of building permit application date.</p>
<b>EXEMPTIONS</b>	
<b>Project Exemptions</b>	
<ul style="list-style-type: none"> <li>Construction on land zoned agricultural</li> <li>Construction raised above or removed from CCAD 2 Floodplain</li> </ul>	Determined by SAFCA
<b>Square Feet Exemptions</b>	
<ul style="list-style-type: none"> <li>Uninhabitable Space</li> </ul>	<p><b>Residential:</b> Nonlivable square feet (generally, but not always, construction areas without conditioned air).  e.g., unfinished basements, garages, carports, driveways, porches, entryways, pool houses w/o conditioned air, storage units, decks, patio covers, sheds.</p> <p><b>Nonresidential and Mixed Use:</b> Generally, development that is not fully enclosed by walls and that does not have an assigned occupancy as defined by the California Building Code.  <i>Note that nonresidential development often will not have conditioned air.</i></p>
<ul style="list-style-type: none"> <li>Residential construction on 3rd floor or higher</li> <li>Commercial or industrial construction on 2nd floor or higher</li> <li>Single-family construction of less than 300 net damageable square feet.</li> </ul>	<p>Damageable sq. ft. is sq. ft. subject to DIF (See Table 2 for definition).  Net damageable sq. ft. is damageable sq. ft. remaining after deducting pre-existing damageable sq. ft. (if any).</p>
<b>CREDITS</b>	
<ul style="list-style-type: none"> <li>Pre-existing structure damageable square feet</li> </ul>	<p>DIF calculated on net damageable square feet.  Net damageable sq. ft. = new dam. sq. ft. - pre-existing dam. sq. ft.</p>
-- Not in Redevelopment Area	<p>Damageable square feet of pre-existing structure that was demolished or issued a demolition permit within two years of the application date for the building permit for the new construction.</p>
-- In Redevelopment Area	<p>Damageable square feet of pre-existing structure that was demolished or issued a demolition permit since Jan. 1, 1998.</p>

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## **Coverage Period**

The DIF was effective as of January 1, 2009, and will continue through June 30, 2025.

## **Development Subject to the DIF, Exemptions, Credits, and Special Calculations**

In general, the DIF will be assessed on new residential, commercial, and industrial Projects. Refer to **Table 1** for types of Projects subject to the DIF, exemptions, allowable credits, and special circumstances for specific types of development. SAFCA retains the authority to waive the fee payment at its discretion. The detailed definitions and steps needed to calculate the DIF are provided in the next chapter.

## 4. *CALCULATION OF DIF*

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This chapter describes the information required to calculate the DIF and the steps taken to calculate the DIF. Example DIF calculations are provided in **Appendix A**.

### **General Calculation**

Responsibility for calculating the DIF will vary for each of the three jurisdictions and by the applicable collection agreement. For each jurisdiction, the Responsible Agency will obtain the required information from the Project applicant, complete the calculations as outlined in this chapter, and collect the DIF. The Responsible Agencies are listed below:

- City of Sacramento: The Development Services Department.
- County of Sacramento: The Building Inspection Division.
- Sutter County: The Community Services Department.

### **Information Required to Determine General DIF Program Applicability**

Before calculating the DIF, it should first be determined if a Project is subject to or exempt from the DIF Program. Beyond determining if a Project is located outside of the DIF boundary, there are two additional conditions that exempt a Project from the DIF Program:

- Land is zoned agricultural.
- Project is raised above or removed from the CCAD 2 floodplain.

The following information is required to determine whether or not one of these conditions apply:

- Location of Project.
- Parcel Zoning.

In addition, the Project location is needed to determine whether or not the Project is located in a redevelopment area, which could affect the DIF rate used to calculate the fee.

Each of the information requirements to determine general DIF Program applicability is detailed below.

### **Location of Project**

#### ***DIF Boundary***

The location of the Project is needed to determine applicability of the fee. The Responsible Agency will use **Figure 1** and electronic GIS Information provided by SAFCA to determine if the location of the Project is within the DIF Boundary. The DIF Boundary is the same as the SAFCA CCAD 2 boundary (as discussed in **Chapter 3**). Therefore, in general, if a parcel is in the CCAD 2, then the DIF applies.

### **CCAD 2 Flood Plain**

A Project that is raised above or otherwise removed from the CCAD 2 floodplain or that will be elevated above the CCAD 2 floodplain is exempt from the DIF. The CCAD 2 floodplain is defined as the water surface elevation that would be produced by a flood that is controlled by the CCAD 2 improvements. SAFCA is working to develop maps and GIS data throughout the DIF area that shows the contours of the CCAD 2 floodplain elevation. These maps and data will be used to check, for every applicable building permit, if the finished floor elevation of each new structure is above or below the CCAD 2 floodplain elevation. Currently, however, the determination of whether a Project is outside of the CCAD 2 floodplain is made on a case by case basis if an applicant so requests.

### **Redevelopment Area**

The Responsible Agency will use **Figure 2** to determine if the Project falls in a Redevelopment Area for the purposes of determining certain fee adjustments that may apply. These fee adjustments will be discussed further later in this chapter. See **Appendix B** for individual maps of the redevelopment areas.

### **Parcel Zoning**

A new Project is exempt from the DIF if it is located on land zoned agricultural. Thus, the Responsible Agency will identify the parcel zoning to determine if the Project is exempt from the DIF.

## **Calculation of the DIF**

Once it has been determined that a Project is subject to the DIF Program, then the DIF can be calculated. The following information is required to calculate the DIF:

- Building permit application date.
- DIF land use category for Project.
- Damageable square feet for Project.
- Pre-existing structure type, demolition date, and damageable square feet, if applicable.

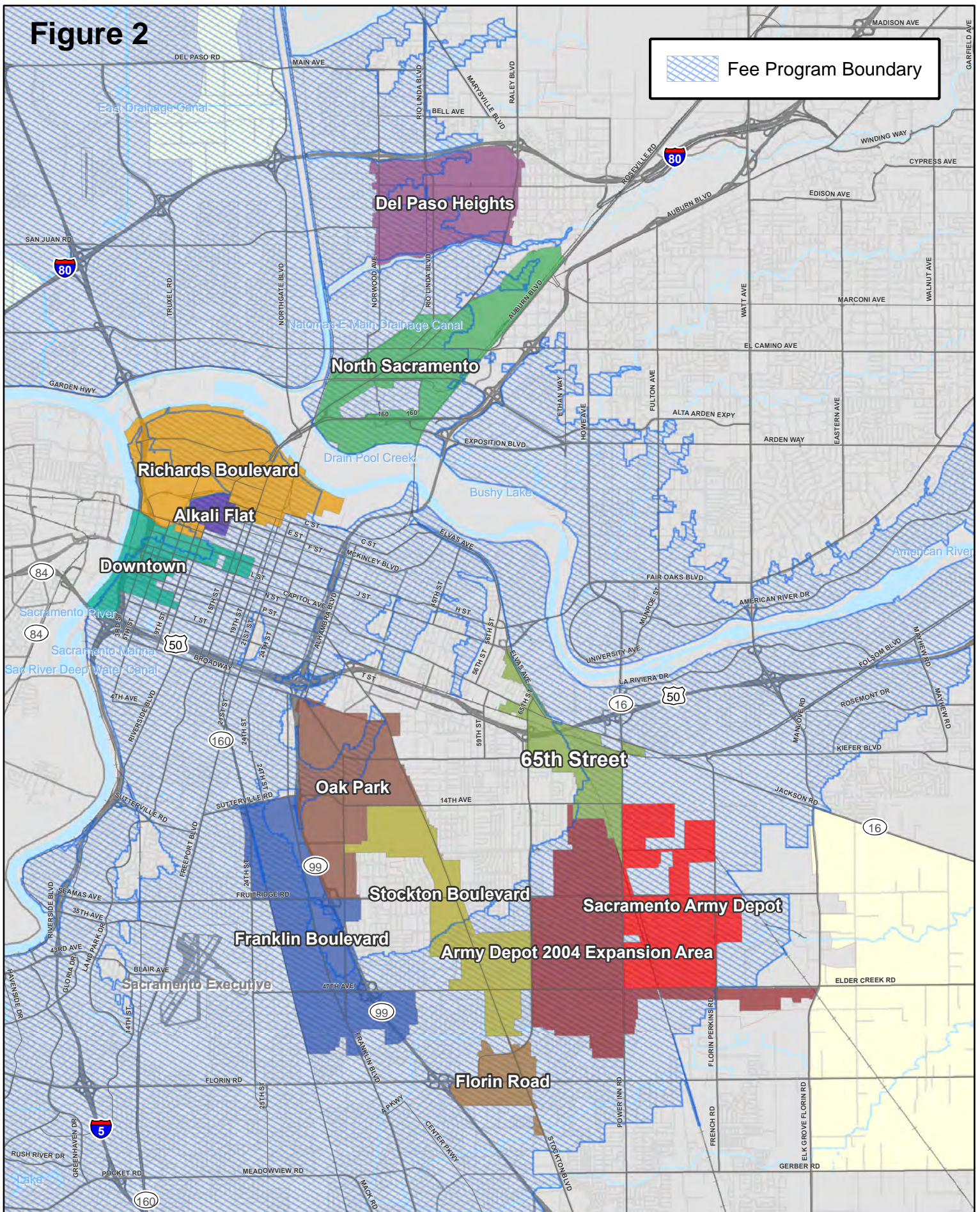
**Table 2** provides detailed definitions of these key items needed to calculate the DIF. Each information requirement is detailed below.

### **Building Permit Application Date**

The DIF rates in effect on the building permit application date will be used to calculate the DIF. *Please note that if these rates change between the building permit application date and the building permit issuance date, the rates for the DIF will be the rates in effect on the application date. The DIF will not be recalculated using more recent rates.*



**Figure 2**





**Table 2**  
**SAFCA Administrative Procedures Manual**  
**Key Definitions Needed to Calculate the DIF**

Item	Definition
<b>Project</b>	New construction, addition, or change of use that creates new damageable square feet.
<b>DIF</b>	Development Impact Fee. The DIF is assessed on damageable square feet with different rates for different DIF land use designations. <b>DIF = Net Damageable Square Feet * DIF Rate</b> (see definitions below)
<b>Building Permit Application Date</b>	Date upon which DIF rate will be based.
<b>DIF Land Use Category</b>	Land use of Project. DIF Rate varies by DIF Land Use Category  <b>Categories</b> Single-Family Multifamily Commercial Industrial Mixed Use
<b>DIF Rate</b>	DIF per building sq. ft. by DIF Land Use Category
<b>Damageable Square Feet</b>	Habitable basements and first above-ground floor or first two above-ground floors of Habitable Square Feet as defined below.
Habitable Square Feet	<b>Residential:</b> Livable square feet (generally construction areas with conditioned air). <b>Nonresidential and Mixed Use:</b> Development fully enclosed by walls with an assigned occupancy as defined by California Building Code. <i>Note that nonresidential development often will not have conditioned air (e.g., warehouses).</i> Examples of square footage that is NOT habitable include: unfinished basements and garages that have not been converted to livable space, porches, decks, entryways, awnings, carports, driveways, breezeways, sheds.
Residential Land Use Designations	Damageable Square Feet = Habitable basements and first 2 above-ground floors of Habitable Square Feet.
Nonresidential and Mixed Use Land Use Designations	Damageable Square Feet = Habitable basements and first above-ground floor of Habitable Square Feet.
Habitable Basements	Damageable Square Feet = below-ground Habitable Square Feet. If residential, DIF Land Use Category is Single Family Two-Story or Multifamily Two-Story. If commercial, DIF Land Use Category is Commercial. If industrial, the DIF Land Use Category is Industrial.
<b>Pre-existing Structure</b>	When calculating the DIF, the Damageable Square Feet of the Project shall be reduced by the Damageable Square Feet of any Pre-existing Structure on the parcel. A Pre-existing Structure is defined as a structure that either was demolished or issued a demolition permit within a certain time frame. The time frame differs depending whether or not the Project is located within a redevelopment area, as detailed below.
Not in a Redevelopment Area	A structure was demolished or issued a demolition permit within two years of the application date for the building permit for the Project.
In a Redevelopment Area	A structure was demolished or issued a demolition permit after Jan. 1, 1998.
<b>Net Damageable Square Feet</b>	Maximum of (Project Damageable Square Feet - Pre-existing Structure Damageable Square Feet) and 0.

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## DIF Land Use Category for Project

### Overview

The Responsible Agency will determine the land use category that would apply to the Project. **Tables 3** through **5** contain a matrix for each jurisdiction with detailed information for classifying the Project. Assessor's land use codes and property descriptions have been provided to aid the Responsible Agency in classifying the Projects into one of the following five DIF Land Use Categories:

- Single-Family
- Multifamily
- Commercial
- Industrial
- Mixed Use

### Mixed Use Category

The mixed use category applies to buildings with a combination of residential and commercial uses. All mixed use Projects will have the same DIF rate as the Commercial category.

### Damageable Square Feet for Project

The DIF is based on damageable square feet, which generally are the structure habitable square feet of the first two above-ground floors of a residential Project or of the first above-ground floor of all other types of Projects. Damageable square feet may also include below-ground basement square feet if the basement has been converted to habitable space.

### Residential Development

For residential and mixed use development, habitable square feet can be generally classified as all square feet that contain conditioned air. This would include all new square feet constructed except unfinished basements, garages, porches, decks, entryways, awnings, carports, driveways, breezeways, etc. *Note that not all habitable square feet will have conditioned air. Rather, conditioned air is meant to be used as a general guideline to assess whether or not a development contains habitable square feet.*

### Nonresidential Development

For nonresidential development, habitable square feet can be defined as development fully enclosed by walls with an assigned occupancy as defined by the California Building Code. *Note that nonresidential development often will not have conditioned air (e.g., warehouses).*

### Pre-Existing Structure, if Applicable

If a Project subject to the DIF replaces a pre-existing structure, then the Project may be eligible to receive a credit against the DIF for the pre-existing structure square feet. If eligible, then only the damageable square feet of the Project in excess of the damageable square feet of the pre-existing structure would be included in the calculation of the DIF.

**Table 3**  
**Review of SAFCA DIF Procedures**  
**Land Use Category Descriptions and Assessor Codes - Sacramento County**

DIF Land Use Category	Detailed Description [1]	Applicable Sacramento County Assessor's Codes [2]
Single-Family	Includes structures that are Single Family Dwellings which are designed exclusively for occupancy by one or two families.	A1, A2
Multifamily	Includes structures that are occupied by three or more families living independently of each other, but under one roof. Ownership of the building(s) could be a single ownership of units and land (e.g., apartments) or individual ownership of each unit and joint ownership of common area (e.g., condos).	A3, A4, AD, AE, AF, AG, AL
Commercial	Includes, but is not limited to, offices, retail facilities, hotels and motels, and public buildings.	BA, BB, BC, BD, BE, BF, BG, BH, BI, CA, CB, CC, CD, CE, CG, CH, CJ, CF
Industrial	Includes structures that are occupied by manufacturing outlets, miscellaneous industrial, heavy and light industrial, warehousing, distribution, storage, lumber yards, truck terminals, and bulk plants.	GA, GB, GC, GD, GE, GF, GG, GH, GI, GJ, GL, GM
Mixed Use	Structures with a combination of residential and nonresidential uses.	

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[1] Adapted from the City of Sacramento City Code §17.16.010 (Zoning Code).

[2] Represents only the first two characters of the Assessor's Use Codes. Adapted from the Operations Manual of the County of Sacramento Office of the Assessor Section 13-14.

**Table 4**  
**Review of SAFCA DIF Procedures**  
**Land Use Category Descriptions - City of Sacramento**

<b>DIF Land Use Category</b>	<b>Detailed Description [1]</b>	<b>City of Sacramento Building Application Type [2]</b>
Single-Family	Includes structures that are Single Family Dwellings which are designed exclusively for occupancy by one or two families.	Single-Family, Duplex, and Halfplex
Multifamily	Includes structures that are occupied by three or more families living independently of each other, but under one roof. Ownership of the building(s) could be a single ownership of units and land (e.g., apartments) or individual ownership of each unit and joint ownership of common area (e.g., condos).	Apartments, Condominiums, Fourplex, Quadplex, and Triplex
Commercial	Includes, but is not limited to, offices, retail facilities, hotels and motels, and public buildings.	Office, Retail, Service Stations, Churches, Hotel, Motel, Amusement, Other Non-Housekeeping Shelter
Industrial	Includes, but is not limited to, structures that are occupied by manufacturing outlets, miscellaneous industrial, heavy and light industrial, warehousing, distribution, storage, lumber yards, truck terminals, and bulk plants.	Manufacturing outlets, industrial, warehousing, distribution, storage, lumber yards, truck terminals, and bulk plants.
Mixed Use	Structures with a combination of residential and nonresidential uses.	

[1] Adapted from the City of Sacramento City Code §17.16.010 (Zoning Code).  
 [2] Represents the City of Sacramento's new building categories.



**Table 5**  
**Review of SAFCA DIF Procedures**  
**Land Use Category Descriptions and Assessor Codes - Sutter County**

<b>DIF Land Use Category</b>	<b>Detailed Description [1]</b>	<b>Applicable Sutter County Property Use Codes [2]</b>
Single-Family	Includes structures that are Single Family Dwellings which are designed exclusively for occupancy by one or two families.	Single-Family, Duplex, Halfplex
Multifamily	Includes structures that are occupied by three or more families living independently of each other, but under one roof. Ownership of the building(s) could be a single ownership of units and land (e.g., apartments) or individual ownership of each unit and joint ownership of common area (e.g., condos).	Multifamily, Triplex, and Fourplex
Commercial	Includes, but is not limited to, offices, retail facilities, hotels and motels, and public buildings.	Store type, Service type, Shopping Center, Office Building, Service Station, Motels, Mobile Home Parks, Rest Homes/Skilled Nursing, Marinas, Hospitals, and Horse Stables
Industrial	Includes, but is not limited to, structures that are occupied by manufacturing outlets, miscellaneous industrial, heavy and light industrial, warehousing, distribution, storage, lumber yards, truck terminals, and bulk plants.	Industrial, Airport, Crop Dusting, Mines and Quarries, Recreational, and Water Companies
Mixed Use	Structures with a combination of residential and nonresidential uses.	

*sutter*

[1] Adapted from the City of Sacramento City Code §17.16.010 (Zoning Code).

[2] Represents the property use codes as provided by Sutter County Assessor's Office.

### ***Requirements for Pre-Existing Structure Credit***

A Project's eligibility to receive the pre-existing structure credit depends on the pre-existing structure's demolition date or demolition permit issuance date. The demolition date requirement differs depending on whether or not the project is in a redevelopment area as summarized below:

- **Not in a Redevelopment Area:** The demolition date or demolition permit date for the pre-existing structure must be within 2 years prior to the building permit issuance date for the Project.
- **In a Redevelopment Area:** The demolition date or demolition permit date for the pre-existing structure must be on or after January 1, 1998.

### ***Pre-Existing Structure Square Feet***

If a Project qualifies for a pre-existing structure credit, then the pre-existing structure damageable square feet will be deducted from the Project damageable square feet to obtain the net square feet on which to calculate the DIF. *Note that if the net square feet are less than zero, then no DIF will be due.*

The pre-existing structure damageable square feet are based on the pre-existing structure type and the definition of damageable square feet for residential and nonresidential uses as summarized below:

<b><u>Pre-Existing Structure Type</u></b>	<b><u>Damageable Square Feet</u></b>
Residential	Habitable square feet of basements and first two above-ground floors.
Commercial, Industrial, and Mixed Use	Habitable square feet of basements and first above-ground floor.

Examples of pre-existing structure damageable square feet are given below:

<b><u>Two-Story Single-Family Unit</u></b>	<b><u>Three-Story Commercial Building</u></b>
First floor: 1,000 habitable square feet	First floor: 10,000 habitable square feet
Second floor: 700 habitable square feet	Second floor: 8,000 habitable square feet
Total damageable square feet: 1,700	Third floor: 8,000 habitable square feet
	Total damageable square feet: 10,000

### ***Procedures for Tracking Pre-Existing Structure Credits***

In certain cases, buildout of a project may involve the issuance of multiple building permits and potentially the subdivision of a parcel into multiple parcels over multiple phases of development. In these cases, the first building permit (or series of building permits) may not exhaust all of the available DIF program credits. In such cases, future phases of the development project would be eligible to use the remaining credits. The next chapter details the policies and procedures for tracking available DIF program credits, including mechanisms by which credits may be transferred to another party or parcel.

## DIF Calculation Steps

**Tables 1** through **5**, already discussed, can be used to aid in the DIF calculation. In addition, **Table 6** provides the fee schedule.

To calculate the DIF, follow the steps listed below:

- Step 1:** Verify that the Project is located within the DIF Boundary. If the parcel is outside the DIF Boundary, no DIF is required.
- Step 2:** Determine if the Project is exempt based on the Project Exemptions criteria contained in **Table 1**. If so, then no DIF is required.
- Step 3:** If the Project is not found to be exempt in Steps 1 and 2, then determine the DIF land use category for the Project using the land use category table for the particular jurisdiction (**Table 3** for Sacramento County, **Table 4** for City of Sacramento, **Table 5** for Sutter County) and the Project description. General use descriptions or Assessor's Use Codes also may be used to determine the appropriate DIF land use category.
- Step 4:** Determine the applicable DIF rate from **Table 6** based on the land use category and the fees in effect on the acceptance date of the building permit application.
- Step 5:** Determine the Project's damageable square feet using the definition of damageable square feet in **Table 2**.
- Step 6:** Determine the pre-existing structure damageable square feet (if any) based on the pre-existing structure land use category and associated definition of damageable square feet in **Table 2**.

***Note:** To be considered a pre-existing structure with damageable square feet eligible to be credited against the DIF, the structure must have been demolished within certain time ranges (see **Table 2**) that depend on whether or not the building was in a redevelopment area.*

- Step 7:** Calculate the net damageable square feet as the Project's damageable square feet (Step 5) less the pre-existing structure's damageable square feet (Step 6).

If the land use category is single-family and this calculation results in net damageable square feet less than or equal to 300 square feet, then set the net damageable square feet to zero. No DIF will be assessed.

For all other land use categories, if the calculation results in net damageable square feet less than zero, then set the net damageable square feet to zero. No DIF will be assessed.

- Step 8:** Total DIF equals the DIF rate from Step 4 multiplied by the net damageable square feet from Step 7.

**Table 6**  
**SAFCA Administrative Procedures Manual**  
**SAFCA DIF Rates**

<b>Project</b>	<b>Max. Above Ground Floors on which to Assess Fee</b>	<b>Fee per Bldg. Sq. Ft.</b>
<b>Effective Date</b>		<b>1/1/2017</b>
<b>Residential [1]</b>		
Single-Family (>300 sq. ft.)	2	\$2.06
Multifamily	2	\$1.18
<b>Nonresidential</b>		
Commercial	1	\$1.57
Industrial	1	\$1.14
<b>Mixed-Use [2]</b>	1	\$1.57

*fee*

[1] Single-family projects with fewer than 300 square feet are exempt from the DII

[2] Mixed-use fee category is Commercial.

## 5. SAFCA DIF PROGRAM CREDITS FOR PRE-EXISTING STRUCTURES

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### Summary

The DIF program allows projects to take a credit for pre-existing structures that are demolished to make way for new development. Credits are assigned based on the total damageable square footage<sup>1</sup> of the pre-existing structure. The proposed project would pay the DIF on only the net damageable square feet added to the floodplain (i.e., new project damageable square feet less pre-existing damageable square feet).

For projects outside a redevelopment area, the project is eligible for the credit for pre-existing structures that were demolished or issued a demolition permit within 2 years prior to the application date for the building permit for the new construction. For projects in a redevelopment area, the project is eligible for the credit for pre-existing structures that were demolished or issued a demolition permit since January 1, 1998.<sup>2</sup>

In certain cases, buildout of a project may involve the issuance of multiple building permits and potentially the subdivision of a parcel into multiple parcels over multiple phases of development. In these cases, the first building permit (or series of building permits) may not use all of the available DIF program credits, and future phases of the development project then would be eligible to use the remaining credits.

SAFCA has established a process to authorize and track available credits as land is subdivided and changes ownership. The section below details the policies and procedures to allow SAFCA to track available DIF program credits, including mechanisms by which credits may be transferred to another party or parcel.

### DIF Fee Credit Policies and Procedures

In simple circumstances, a building may be demolished and replaced by new construction requiring only one building permit. In such a circumstance, the party applying for the building permit for new construction must simply offer evidence<sup>3</sup> of eligibility for fee credits to

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<sup>1</sup> Damageable property is generally defined as the first two floors of residential construction and the first floor of commercial and industrial construction, excluding uninhabitable space. See 2016 DIF Update Report and **Chapter 4** of this Administrative Procedures Manual for additional detail.

<sup>2</sup> Although Redevelopment Agencies were recently dissolved, the General Plans for many local jurisdictions include designated redevelopment areas. The SAFCA DIF program credit for pre-existing structures in a redevelopment area will apply as long as the area remains designated as such in the City or County General Plan.

<sup>3</sup> Evidence of eligibility for the DIF program credit for pre-existing structures could include, for example, a demolition permit identifying the damageable square feet demolished within the allowable timeframe.

Responsible Agency staff when applying for a building permit. If the demolition occurred within the allowable timeframe, the DIF would apply only to the construction of new damageable square feet in excess of the pre-existing damageable area.

In other circumstances, credits may be assigned to multiple sub-parcels as property is subdivided or transferred as part of a land transaction. In these circumstances, SAFCA and the Responsible Agencies need to institute procedures to authorize and track the use of DIF program credits. The section below details the process by which SAFCA and the Responsible Agencies will assign and track the use of DIF program credits in the event that buildout of a project requires the issuance of multiple building permits, subdivision of the parcel, or other circumstance requiring the ability to transfer credits.

**1. Establish Eligibility for DIF Program Credits.** To secure DIF program credits for pre-existing structures, a property owner (Original Parcel Owner as defined below) shall submit a written request to SAFCA. This request should include the following items:

- Evidence that the pre-existing structure was demolished within the allowable timeframe (i.e., copy of the demolition permit).
- An exhibit or exhibits identifying the following items:
  - » Pre-existing structure's damageable square footage as defined in this Administrative Procedures Manual.
  - » Assessor's Parcel Number and map depicting the boundary of the parcel on which the pre-existing structure was demolished. This parcel will then be designated the "Master Parcel" for purposes of credit assignment and transfers (discussed below).
- Upon receipt and approval of this information, SAFCA shall issue a written certification identifying the amount of DIF program credits to which the Master Parcel is eligible.
- Credits shall be assigned to the owner of the Master Parcel at the time that SAFCA issues written certification that DIF program credits are available (Original Parcel Owner).
- SAFCA will establish and maintain records documenting the assignment and transfer of DIF program credits by Master Parcel.

**2. DIF Program Credit Transfers.**

- **Eligibility.** DIF program credits may be transferred in the following circumstances:
  - » *Transfer with ownership change.* If the Original Parcel Owner sells the Master Parcel to another party, he also may transfer the DIF program credits pursuant to the procedures set forth below.
  - » *Transfer with subdivision of parcel.* If the Master Parcel is subdivided into multiple parcels, the Original Parcel Owner may assign all or a portion of the DIF program credits to the individual parcels. If the Master Parcel is subdivided and all or a portion is transferred to another party, the Original Property Owner also may transfer the DIF program credits pursuant to the procedures set forth below.

- **Credit Transfer Procedures.** Transfers of DIF program credits shall follow the procedures outlined below:
  - » The Original Property Owner will complete a "DIF Credit Transfer Certification" form (see **Attachment A** for example) that identifies the Master Parcel to which credits were originally assigned and the party to whom (New Parcel Owner) and parcel (New Parcel) to which credits are to be transferred.
  - » The Original Parcel Owner shall submit the signed DIF Credit Transfer Certification form to SAFCA, accompanied by an exhibit delineating the boundaries of the Master Parcel and the boundaries of New Parcel to which credits will be assigned.
  - » SAFCA shall review the proposed DIF Credit Transfer Certification and verify that the DIF program credits are available for transfer.
  - » Upon certification of the DIF Credit Transfer Certification request, SAFCA shall return the DIF Credit Transfer Certification to the Original Property Owner, retaining a copy for SAFCA's records.
  - » The Original Parcel Owner then may provide the DIF Credit Transfer Certification to the New Parcel Owner.
  - » The New Parcel Owner then may present the DIF Credit Transfer Certification to Responsible Agency staff at the time of building permit application. Responsible Agency staff then will compute the SAFCA DIF obligation, taking into consideration the application of DIF program credits in accordance with the terms of the Nexus Study.
- 3. **Unclaimed DIF Program Credits.** Any claim for credit must be made no later than at the time of issuance of a building permit. Any claim not made at or before the time of such issuance shall be deemed waived, subject to the appeals process detailed in **Chapter 8**.

# Attachment A - Example Credit Transfer Certification Form

## Sacramento Area Flood Control Agency Development Impact Fee Credit Transfer Certification

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Date: 11/12/2012

Original Parcel Owner: Master Developer A

Master APN Under Which Credits Originally Assigned: 001-1234-0000

Amount of Credit Transfer (Square Feet): 1,500

Credits Transferred To (Party): Builder B

Credits Transferred To (Assessor's Parcel No.) 001-1234-0012

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Signature of Original Parcel Owner or Authorized Representative

*Please enclose an exhibit identifying the Master Parcel under which SAFCA DIF Credits were originally assigned and the parcels to which credits will be assigned pursuant to this transfer.*

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For SAFCA Use Only

SAFCA Certification By:

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Print Name

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Signature



## *6. SAFCA DIF PROGRAM CREDITS FOR DEVELOPER- CONSTRUCTED FLOOD IMPROVEMENT PROJECTS*

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Developers who construct flood improvement infrastructure will be eligible to receive credits against the DIF through credit agreements. SAFCA has developed the following guidelines for these credit agreements:

- A. Upon application by the property owner or authorized agent, SAFCA's Executive Director or designee may, at his or her sole discretion, enter into a credit agreement authorizing the construction of any flood control facility, or portions thereof, at the time and as designated in the Fee Program in lieu of all, or a portion of, the development impact fee required by the Fee Program. If so authorized, the credit to be provided to the property owner shall be equal to the estimated cost of the facility as set forth in the Fee Program in effect at the time when the facility is accepted by SAFCA, including, but not limited to, unit prices, quantities and project descriptions. Any agreement in excess of \$100,000 shall be approved by the SAFCA Board of Directors.
- B. Where the amount of the credit is less than the amount of the otherwise applicable development impact fee, the property owner shall pay the difference. Reimbursement may be allowed in special circumstances at the sole discretion of the Executive Director.
- C. If the flood control facilities provider and a property owner agree, the property owner may receive a credit against its development impact fee in an amount not to exceed the value of property conveyed to SAFCA or the State of California, in an amount as determined by SAFCA.
- D. By entering into a credit agreement, a property owner is not relieved of the obligation to pay the development impact fee in the manner and amount specified herein.

## **7. FEE COLLECTION PROCEDURES**

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### **Introduction**

The Responsible Agency will collect the DIF from the Project applicant before the issuance of the building permit.

SAFCA will allow for the following variations in the method of DIF payment:

- Use of any lawfully created assessment district or community facilities district (CFD) to finance such DIFs.
- Voluntarily accelerated payment of the DIF at the time of filing of any application for a tentative subdivision map, parcel map or an earlier land use application, at the then applicable rate.

The use of these alternative payment mechanisms and the collection of the DIF vary among the three jurisdictions, as described below.

### **Community Facilities District**

The City of Sacramento (City) has a Development Fee Financing (DFF) Program that allows a landowner to pay development impact fees over time. The DFF Program utilizes a Mello-Roos CFD to finance fees, which total more than \$50,000, through the issuance of tax-exempt municipal bonds. To participate in the program, the development property must be formally annexed to the CFD. At the time of building permit issuance, the landowner may prepay the fees or provide a letter of credit to the City as security. The City then issues Mello-Roos bonds. The bond proceeds are used to pay the fees or to reimburse landowners who have prepaid. The bond debt is repaid by the landowner over a period of time not to exceed ten years from the date of bond issuance. In order to pay SAFCA's DIF pursuant to the DFF Program, SAFCA and the City shall enter into a Joint Community Facilities Agreement.

The other jurisdictions may provide similar mechanisms.

### **Accelerated Fee Payment**

If a property owner desires to pay the DIF at an earlier stage of land use approval, such as tentative subdivision map or parcel map, then the fee will be calculated using the following assumptions:

- The land use category will be identified based on information provided in the land use application. If it is unclear whether the property will be developed as commercial use or some other land use, the commercial category will be used for fee calculation purposes.

- The building square footage, if not explicitly defined in the land use application, will be assumed using the maximum permitted footprint allowed in the applicable zoning district by the governing jurisdiction.

A DIF calculated and paid by the Project applicant at this earlier stage of land use application will be reviewed at the time of application for a building permit. The DIF will be recalculated, at the rates that were applicable at the time of initial payment, using the final land use and building footprint information contained in the building permit application. Any changes in the DIF amount from what was previously paid will be adjusted (either as additional DIF to be paid or as a refund amount) as a condition of issuance of the building permit.

## **Deposit of Funds**

A DIF payment collected by the City of Sacramento Development Services Department or the Sutter County Community Services Department shall be deposited in an interest-bearing account and transferred to SAFCA for deposit in the DIF Fund account established with the County of Sacramento Auditor/Controller's Office. A DIF payment collected by the County of Sacramento Building Inspection Division shall be deposited directly to said account. SAFCA shall fully reimburse the City of Sacramento, the County of Sacramento, and the County of Sutter for administrative costs incurred in collecting the DIF.

## **Collection by SAFCA**

SAFCA retains the right to collect the DIF or the portion of the DIF pertaining to Projects that are inadvertently not collected or under-collected. SAFCA will cooperate with the Responsible Agencies to correct any collection errors including assistance in the collection process, if necessary.

## *8. REFUNDS AND APPEALS PROCESS*

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An applicant who has paid the DIF may request that such DIF be refunded at any time. Refunds will be made according to the procedures of the Responsible Agency, as applicable, and may reflect deductions to compensate for administrative costs incurred by the Responsible Agencies in processing the DIF calculation, collection, and refund request.

Appeals regarding the determination of the applicability and amount of the DIF are to be made in writing to the Executive Director, SAFCA, 1007 7th Street, 5th Floor, Sacramento, CA 95814 or via e-mail at [info@safca.org](mailto:info@safca.org), or via fax to (916) 874-8289. The Executive Director shall respond to the appeal request in writing within 30 days. The Executive Director's determination may be appealed to the SAFCA Board of Directors.

## 9. ACCOUNTING

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The revenues raised by payment of the DIF shall be placed in a separate fund established by County of Sacramento (SAFCA DIF Fund). Separate and special accounts may be established within the SAFCA DIF Fund and used to account for collected revenues, by sources and uses, along with any interest earnings on each account. Except for temporary borrowing from one SAFCA fund to another, the revenue (and interest) shall be used only for the purposes for which the DIF was collected.



## APPENDICES:

Appendix A: Example DIF Calculations

Appendix B: Redevelopment Area Maps



## APPENDIX A:

### Example DIF Calculations

Table A-1	SAFCA Example Summary
Table A-2	DIF Calculation—Example 1
Table A-3	DIF Calculation—Example 2
Table A-4	DIF Calculation—Example 3
Table A-5	DIF Calculation—Example 4
Table A-6	DIF Calculation—Example 5
Table A-7	DIF Calculation—Example 6
Table A-8	DIF Calculation—Example 7

**Table A-1**  
**SAFCA Administrative Procedures Manual**  
**SAFCA Example Summary**

Project Examples	Table	Fee Category	New Construction				Less Pre-Existing Structures					Fee Calculation			
			Fee Stories	Damageable Sq. Ft.			Res / Non Res	Creditable Stories	Damageable Sq. Ft.			Current Rate	Net Sq. Ft.	Total DIF	
				1st	2nd	Total			1st	2nd	Total				
a							b					c	d = max of (a-b) or 0		e=c*d
New Construction and Additions															
Multifamily	Table A-2	Multifamily	2	10,000	8,000	18,000	NOT APPLICABLE FOR THESE EXAMPLES					\$ 1.18	18,000	\$ 21,240	
Commercial	Table A-3	Commercial	1	10,000	NA	10,000						\$ 1.57	10,000	\$ 15,700	
Mixed Use	Table A-4	Mixed Use	1	10,000	NA	10,000						\$ 1.57	10,000	\$ 15,700	
Replacement															
Single Family	Table A-5	Single Family	2	1,000	700	1,700	Res	2	1,000	NA	1,000	\$ 2.06	700	\$ 1,442	
Commercial	Table A-6	Commercial	1	10,000	NA	10,000	Non Res	1	4,000	NA	4,000	\$ 1.57	6,000	\$ 9,420	
Industrial	Table A-7	Industrial	1	10,000	NA	10,000	Res	2	5,000	5,000	10,000	\$ 1.14	0	\$ 0	
Mixed Use	Table A-8	Mixed Use	1	10,000	NA	10,000	Res	2	10,000	10,000	20,000	\$ 1.57	0	\$ 0	
fee sum															

*fee sum*



**Table A-2**  
**SAFCA Administrative Procedures Manual**  
**DIF Calculation -- Example 1**

**New Construction**  
**Multifamily**

## FEE DATA

	INPUT
<b>Exemptions</b>	
Above CCAD 2 Flood Plain?	N
Zoned Agricultural?	N
Old Sacramento?	N
<b>Redevelopment Area</b>	
Redevelopment Area?	N
Public Subsidy?	N
<b>New Construction / Addition</b>	
Building Application Date:	2/1/2017
Fee Category [1], [2]	Multifamily
First Floor Habitable Sq. Ft.	10,000
Second Floor Habitable Sq. Ft. (for residential fee categories only)	8,000
<b>Pre-Existing Demolished Structure</b>	
Construction Type	
Demolition Permit Date:	
First Floor Habitable Sq. Ft.:	0
Second Floor Habitable Sq. Ft.	0

## FEE CALCULATION

<b>Fee Status</b> (Exempt or Subject to Fee)	<b>SUBJECT TO FEE</b>
<b>Fee Rate Information</b>	
Fee Effective Date	1/1/2017
Fee Category [2]	Multifamily
Fee Floors	2
<b>Fee Rate</b>	<b>\$ 1.18</b>
<b>Pre-Existing Demolished Structure</b>	
Years Since Demolition	NA
Demolition After Jan. 1, 1998	NA
<b>Demolition Credit?</b>	<b>N</b>
<b>Damageable Square Feet</b>	<b>Total</b>
New Damageable Sq. Ft.	18,000
Less Pre-Existing Damageable Sq. Ft.	0
<b>Net Damageable Square Feet</b>	<b>18,000</b>
Minimum Square Feet for Fee	0
<b>Net Square Feet for Fee</b>	<b>18,000</b>
Fee Rate	\$ 1.18
<b>DIF DUE</b>	<b>\$ 21,240</b>

ex1

- [1] Mixed use fee category is determined by first floor use (with the exception in [2] below).  
 If first floor is commercial, then mixed use fee category is MU Commercial.  
 If first floor is residential, then mixed use fee category is MU Residential.
- [2] If a mixed use project in a redevelopment area has been granted a public subsidy,  
 then the fee category is MU Residential, regardless of the first floor use.

**Table A-3**  
**SAFCA Administrative Procedures Manual**  
**DIF Calculation -- Example 2**

**New Construction**  
**Commercial**

## FEE DATA

	INPUT
<b>Exemptions</b>	
Above CCAD 2 Flood Plain?	N
Zoned Agricultural?	N
Old Sacramento?	N
<b>Redevelopment Area</b>	
Redevelopment Area?	N
Public Subsidy?	N
<b>New Construction / Addition</b>	
Building Application Date:	2/1/2017
Fee Category [1], [2]	Commercial
First Floor Habitable Sq. Ft.	10,000
Second Floor Habitable Sq. Ft. (for residential fee categories only)	
<b>Pre-Existing Demolished Structure</b>	
Construction Type	
Demolition Permit Date:	
First Floor Habitable Sq. Ft.:	0
Second Floor Habitable Sq. Ft.	0

## FEE CALCULATION

<b>Fee Status</b> (Exempt or Subject to Fee)	<b>SUBJECT TO FEE</b>
<b>Fee Rate Information</b>	
Fee Effective Date	1/1/2017
Fee Category [2]	Commercial
Fee Floors	1
<b>Fee Rate</b>	<b>\$ 1.57</b>
<b>Pre-Existing Demolished Structure</b>	
Years Since Demolition	NA
Demolition After Jan. 1, 1998	NA
<b>Demolition Credit?</b>	<b>N</b>
<b>Damageable Square Feet</b>	<b>Total</b>
New Damageable Sq. Ft.	10,000
Less Pre-Existing Damageable Sq. Ft.	0
<b>Net Damageable Square Feet</b>	<b>10,000</b>
Minimum Square Feet for Fee	0
<b>Net Square Feet for Fee</b>	<b>10,000</b>
Fee Rate	\$ 1.57
<b>DIF DUE</b>	<b>\$ 15,700</b>

ex2

- [1] Mixed use fee category is determined by first floor use (with the exception in [2] below).  
 If first floor is commercial, then mixed use fee category is MU Commercial.  
 If first floor is residential, then mixed use fee category is MU Residential.
- [2] If a mixed use project in a redevelopment area has been granted a public subsidy,  
 then the fee category is MU Residential, regardless of the first floor use.

**Table A-4**  
**SAFCA Administrative Procedures Manual**  
**DIF Calculation -- Example 3**

**New Construction**  
**Mixed Use**

## FEE DATA

	INPUT
<b>Exemptions</b>	
Above CCAD 2 Flood Plain?	N
Zoned Agricultural?	N
Old Sacramento?	N
<b>Redevelopment Area</b>	
Redevelopment Area?	N
Public Subsidy?	N
<b>New Construction / Addition</b>	
Building Application Date:	2/1/2017
Fee Category [1], [2]	Mixed Use
First Floor Habitable Sq. Ft.	10,000
Second Floor Habitable Sq. Ft. (for residential fee categories only)	
<b>Pre-Existing Demolished Structure</b>	
Construction Type	
Demolition Permit Date:	
First Floor Habitable Sq. Ft.:	0
Second Floor Habitable Sq. Ft.	0

## FEE CALCULATION

<b>Fee Status</b> (Exempt or Subject to Fee)	<b>SUBJECT TO FEE</b>
<b>Fee Rate Information</b>	
Fee Effective Date	1/1/2017
Fee Category [2]	Mixed Use
Fee Floors	1
<b>Fee Rate</b>	<b>\$ 1.57</b>
<b>Pre-Existing Demolished Structure</b>	
Years Since Demolition	NA
Demolition After Jan. 1, 1998	NA
<b>Demolition Credit?</b>	<b>N</b>
<b>Damageable Square Feet</b>	<b>Total</b>
New Damageable Sq. Ft.	10,000
Less Pre-Existing Damageable Sq. Ft.	0
<b>Net Damageable Square Feet</b>	<b>10,000</b>
Minimum Square Feet for Fee	0
<b>Net Square Feet for Fee</b>	<b>10,000</b>
Fee Rate	\$ 1.57
<b>DIF DUE</b>	<b>\$ 15,700</b>

ex3

- [1] Mixed use fee category is determined by first floor use (with the exception in [2] below).  
 If first floor is commercial, then mixed use fee category is MU Commercial.  
 If first floor is residential, then mixed use fee category is MU Residential.
- [2] If a mixed use project in a redevelopment area has been granted a public subsidy,  
 then the fee category is MU Residential, regardless of the first floor use.

**Table A-5**  
**SAFCA Administrative Procedures Manual**  
**DIF Calculation -- Example 4**

**New Construction: Single Family**  
**Pre-existing Structure: Residential**

## FEE DATA

	INPUT
<b>Exemptions</b>	
Above CCAD 2 Flood Plain?	N
Zoned Agricultural?	N
Old Sacramento?	N
<b>Redevelopment Area</b>	
Redevelopment Area?	N
Public Subsidy?	N
<b>New Construction / Addition</b>	
Building Application Date:	2/1/2017
Fee Category [1], [2]	Single Family
First Floor Habitable Sq. Ft.	1,000
Second Floor Habitable Sq. Ft.	700
<i>(for residential fee categories only)</i>	
<b>Pre-Existing Demolished Structure</b>	
Construction Type	Residential
Demolition Permit Date:	6/1/2015
First Floor Habitable Sq. Ft.:	1,000
Second Floor Habitable Sq. Ft.	0

## FEE CALCULATION

<b>Fee Status</b> (Exempt or Subject to Fee)	<b>SUBJECT TO FEE</b>
<b>Fee Rate Information</b>	
Fee Effective Date	1/1/2017
Fee Category [2]	Single Family
Fee Floors	2
<b>Fee Rate</b>	<b>\$ 2.06</b>
<b>Pre-Existing Demolished Structure</b>	
Years Since Demolition	1.674
Demolition After Jan. 1, 1998	NA
<b>Demolition Credit?</b>	<b>Y</b>
<b>Damageable Square Feet</b>	<b>Total</b>
New Damageable Sq. Ft.	1,700
Less Pre-Existing Damageable Sq. Ft.	(1,000)
<b>Net Damageable Square Feet</b>	<b>700</b>
Minimum Square Feet for Fee	300
<b>Net Square Feet for Fee</b>	<b>700</b>
Fee Rate	\$ 2.06
<b>DIF DUE</b>	<b>\$ 1,442</b>

ex6

- [1] Mixed use fee category is determined by first floor use (with the exception in [2] below).  
 If first floor is commercial, then mixed use fee category is MU Commercial.  
 If first floor is residential, then mixed use fee category is MU Residential.
- [2] If a mixed use project in a redevelopment area has been granted a public subsidy,  
 then the fee category is MU Residential, regardless of the first floor use.

**Table A-6**  
**SAFCA Administrative Procedures Manual**  
**DIF Calculation -- Example 5**

**New Construction: Commercial**  
**Pre-existing Structure: Nonresidential**

FEE DATA		FEE CALCULATION	
	<b>INPUT</b>		
<b>Exemptions</b>		<b>Fee Status</b> (Exempt or Subject to Fee)	<b>SUBJECT TO FEE</b>
Above CCAD 2 Flood Plain?	N		
Zoned Agricultural?	N		
Old Sacramento?	N		
<b>Redevelopment Area</b>		<b>Fee Rate Information</b>	
Redevelopment Area?	N	Fee Effective Date	1/1/2017
Public Subsidy?	N	Fee Category [2]	Commercial
		Fee Floors	1
		<b>Fee Rate</b>	<b>\$ 1.57</b>
<b>New Construction / Addition</b>		<b>Pre-Existing Demolished Structure</b>	
Building Application Date:	2/1/2017	Years Since Demolition	1.674
Fee Category [1], [2]	Commercial	Demolition After Jan. 1, 1998	NA
First Floor Habitable Sq. Ft.	10,000	<b>Demolition Credit?</b>	<b>Y</b>
Second Floor Habitable Sq. Ft.			
<i>(for residential fee categories only)</i>			
<b>Pre-Existing Demolished Structure</b>		<b>Damageable Square Feet</b>	<b>Total</b>
Construction Type	Nonresidential	New Damageable Sq. Ft.	10,000
Demolition Permit Date:	6/1/2015	Less Pre-Existing Damageable Sq. Ft.	(4,000)
First Floor Habitable Sq. Ft.:	4,000	<b>Net Damageable Square Feet</b>	<b>6,000</b>
Second Floor Habitable Sq. Ft.	0	Minimum Square Feet for Fee	0
		<b>Net Square Feet for Fee</b>	<b>6,000</b>
		Fee Rate	\$ 1.57
		<b>DIF DUE</b>	<b>\$ 9,420</b>

ex7

- [1] Mixed use fee category is determined by first floor use (with the exception in [2] below).  
 If first floor is commercial, then mixed use fee category is MU Commercial.  
 If first floor is residential, then mixed use fee category is MU Residential.
- [2] If a mixed use project in a redevelopment area has been granted a public subsidy,  
 then the fee category is MU Residential, regardless of the first floor use.

**Table A-7**  
**SAFCA Administrative Procedures Manual**  
**DIF Calculation -- Example 6**

**New Construction: Industrial**  
**Pre-existing Structure: Residential**

FEE DATA		FEE CALCULATION	
	<b>INPUT</b>		
<b>Exemptions</b>		<b>Fee Status</b> (Exempt or Subject to Fee)	<b>SUBJECT TO FEE</b>
Above CCAD 2 Flood Plain?	N		
Zoned Agricultural?	N		
Old Sacramento?	N		
<b>Redevelopment Area</b>		<b>Fee Rate Information</b>	
Redevelopment Area?	N	Fee Effective Date	1/1/2017
Public Subsidy?	N	Fee Category [2]	Industrial
		Fee Floors	1
		<b>Fee Rate</b>	<b>\$ 1.14</b>
<b>New Construction / Addition</b>		<b>Pre-Existing Demolished Structure</b>	
Building Application Date:	2/1/2017	Years Since Demolition	1.674
Fee Category [1], [2]	Industrial	Demolition After Jan. 1, 1998	NA
First Floor Habitable Sq. Ft.	10,000	<b>Demolition Credit?</b>	<b>Y</b>
Second Floor Habitable Sq. Ft.			
<i>(for residential fee categories only)</i>			
<b>Pre-Existing Demolished Structure</b>		<b>Damageable Square Feet</b>	<b>Total</b>
Construction Type	Residential	New Damageable Sq. Ft.	10,000
Demolition Permit Date:	6/1/2015	Less Pre-Existing Damageable Sq. Ft.	(10,000)
First Floor Habitable Sq. Ft.:	5,000	<b>Net Damageable Square Feet</b>	<b>0</b>
Second Floor Habitable Sq. Ft.	5,000	Minimum Square Feet for Fee	0
		<b>Net Square Feet for Fee</b>	<b>0</b>
		Fee Rate	\$ 1.14
		<b>DIF DUE</b>	<b>\$ 0</b>

ex8

- [1] Mixed use fee category is determined by first floor use (with the exception in [2] below).  
 If first floor is commercial, then mixed use fee category is MU Commercial.  
 If first floor is residential, then mixed use fee category is MU Residential.
- [2] If a mixed use project in a redevelopment area has been granted a public subsidy,  
 then the fee category is MU Residential, regardless of the first floor use.

**Table A-8**  
**SAFCA Administrative Procedures Manual**  
**DIF Calculation -- Example 7**

**New Construction: Mixed Use**  
**Pre-existing Structure: Residential**

## FEE DATA

	INPUT
<b>Exemptions</b>	
Above CCAD 2 Flood Plain?	N
Zoned Agricultural?	N
Old Sacramento?	N
<b>Redevelopment Area</b>	
Redevelopment Area?	N
Public Subsidy?	N
<b>New Construction / Addition</b>	
Building Application Date:	2/1/2017
Fee Category [1], [2]	Mixed Use
First Floor Habitable Sq. Ft.	10,000
Second Floor Habitable Sq. Ft. (for residential fee categories only)	
<b>Pre-Existing Demolished Structure</b>	
Construction Type	Residential
Demolition Permit Date:	6/1/2015
First Floor Habitable Sq. Ft.:	10,000
Second Floor Habitable Sq. Ft.	10,000

## FEE CALCULATION

<b>Fee Status</b> (Exempt or Subject to Fee)	<b>SUBJECT TO FEE</b>
<b>Fee Rate Information</b>	
Fee Effective Date	1/1/2017
Fee Category [2]	Mixed Use
Fee Floors	1
<b>Fee Rate</b>	<b>\$ 1.57</b>
<b>Pre-Existing Demolished Structure</b>	
Years Since Demolition	1.674
Demolition After Jan. 1, 1998	NA
<b>Demolition Credit?</b>	<b>Y</b>
<b>Damageable Square Feet</b>	<b>Total</b>
New Damageable Sq. Ft.	10,000
Less Pre-Existing Damageable Sq. Ft.	(20,000)
<b>Net Damageable Square Feet</b>	<b>(10,000)</b>
Minimum Square Feet for Fee	0
<b>Net Square Feet for Fee</b>	<b>0</b>
Fee Rate	\$ 1.57
<b>DIF DUE</b>	<b>\$ 0</b>

ex9

- [1] Mixed use fee category is determined by first floor use (with the exception in [2] below).  
 If first floor is commercial, then mixed use fee category is MU Commercial.  
 If first floor is residential, then mixed use fee category is MU Residential.
- [2] If a mixed use project in a redevelopment area has been granted a public subsidy,  
 then the fee category is MU Residential, regardless of the first floor use.



## APPENDIX B:

### Redevelopment Area Maps

Alkali Flat

Del Paso Heights

Downtown

Florin Road

Franklin Boulevard

North Sacramento

Oak Park

Richards Boulevard

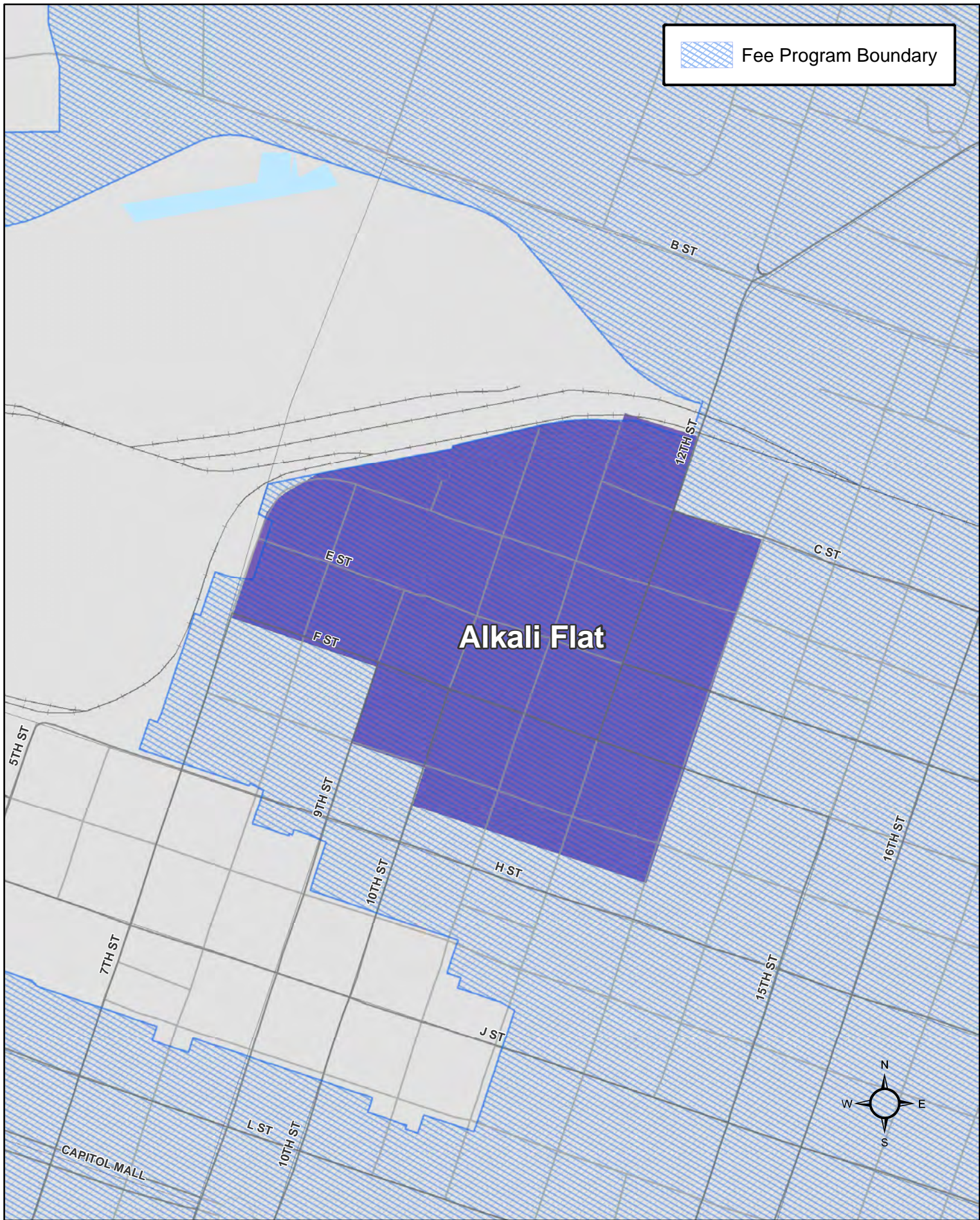
Sacramento Army Depot

Army Depot 2004 Expansion Area

65th Street

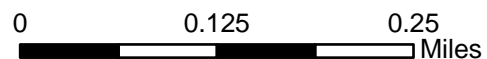
Stockton Boulevard



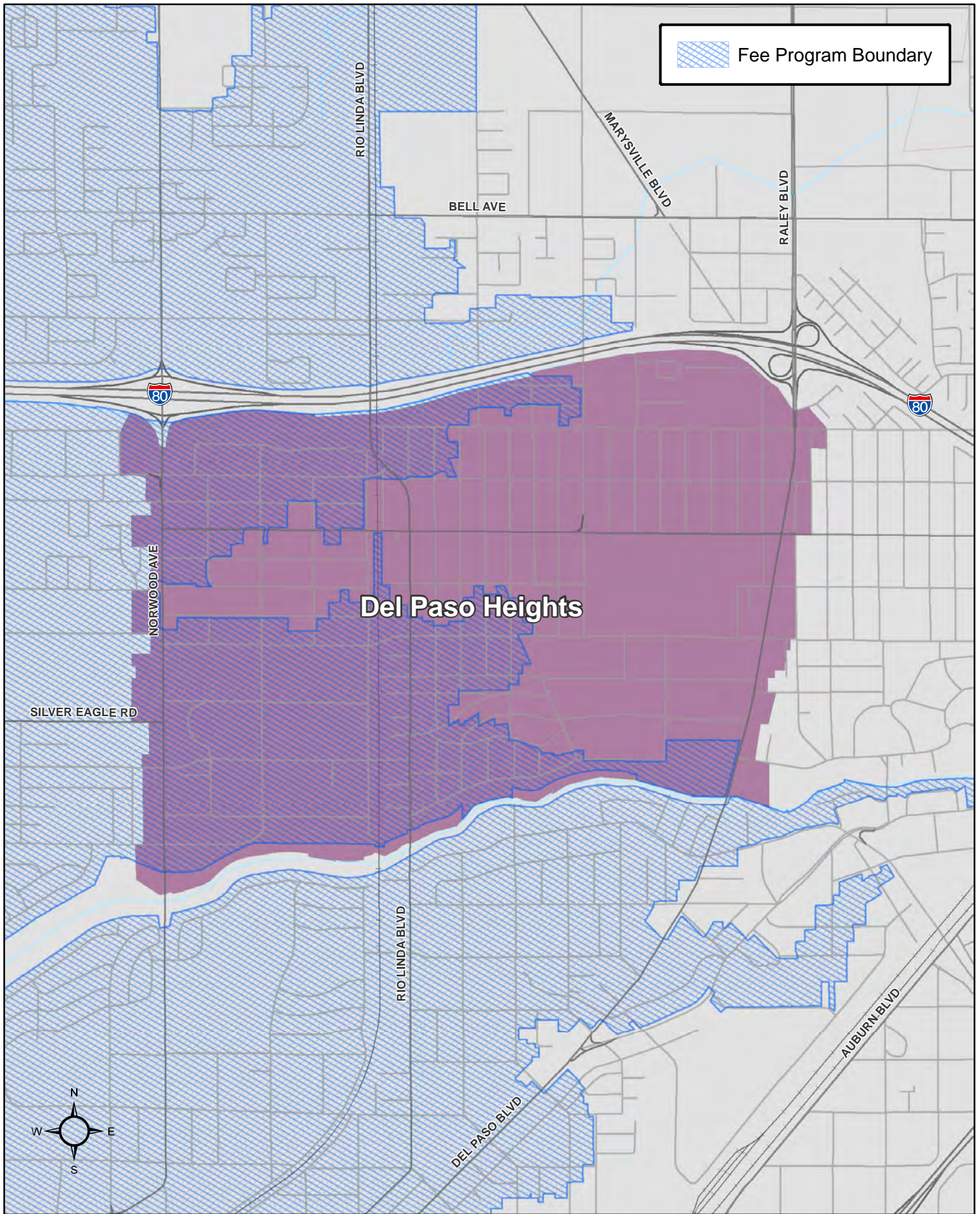


## Redevelopment Areas

### Alkali Flat





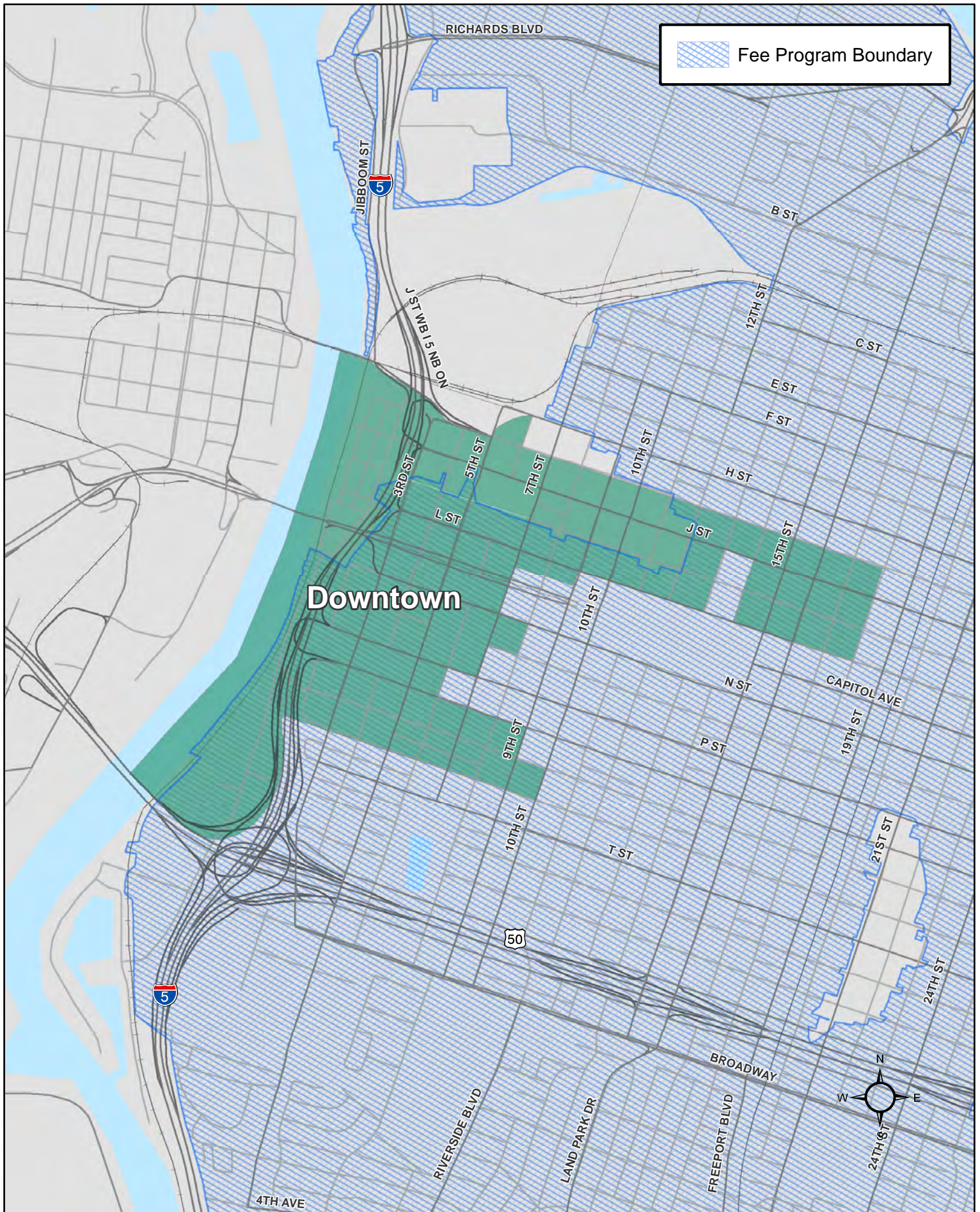


## Redevelopment Areas Del Paso Heights

0 0.25 0.5  
Miles





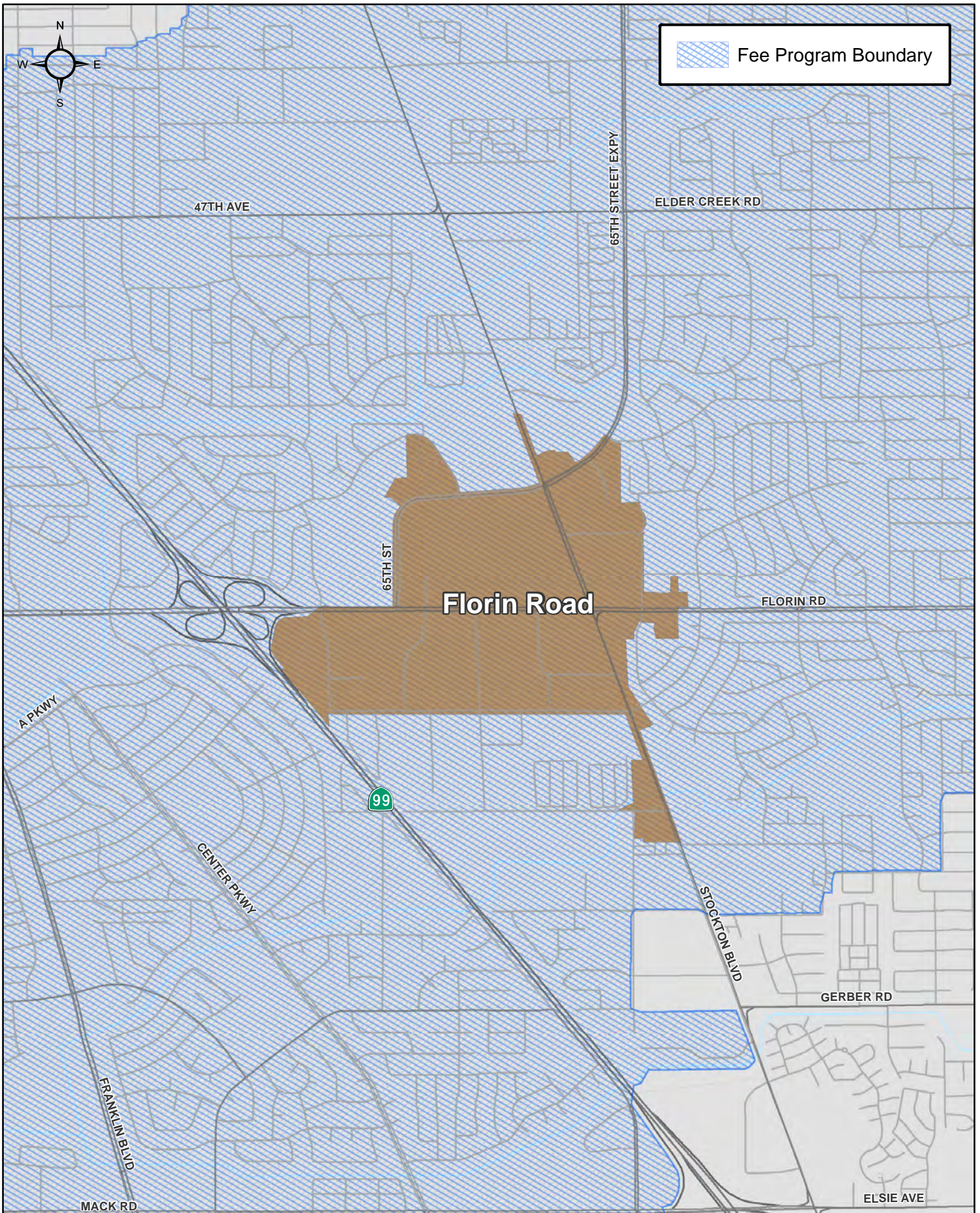


## Redevelopment Areas Downtown

0 0.25 0.5  
Miles

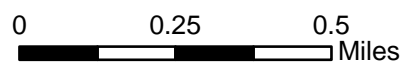




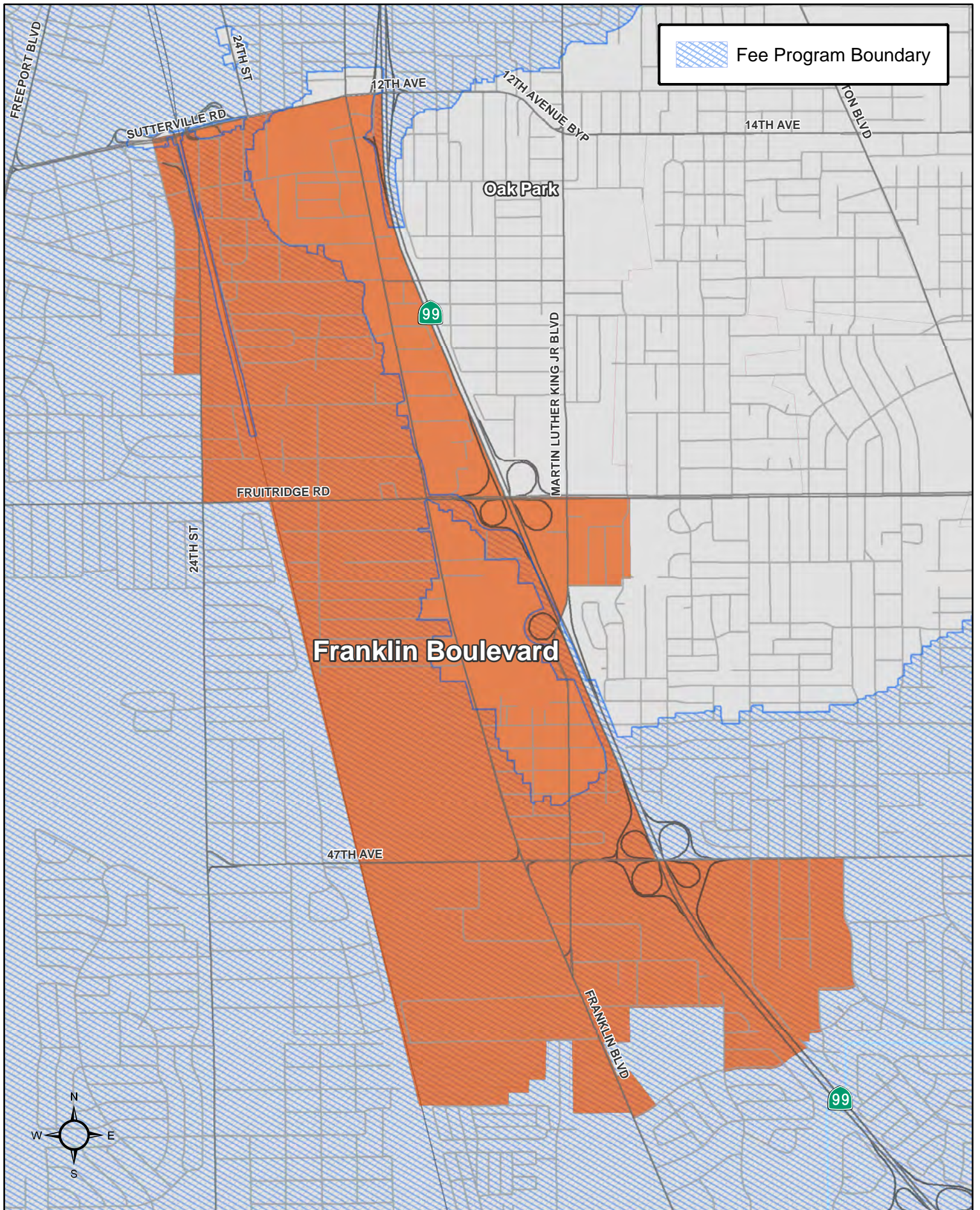


# Redevelopment Areas

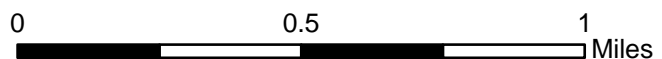
## Florin Road



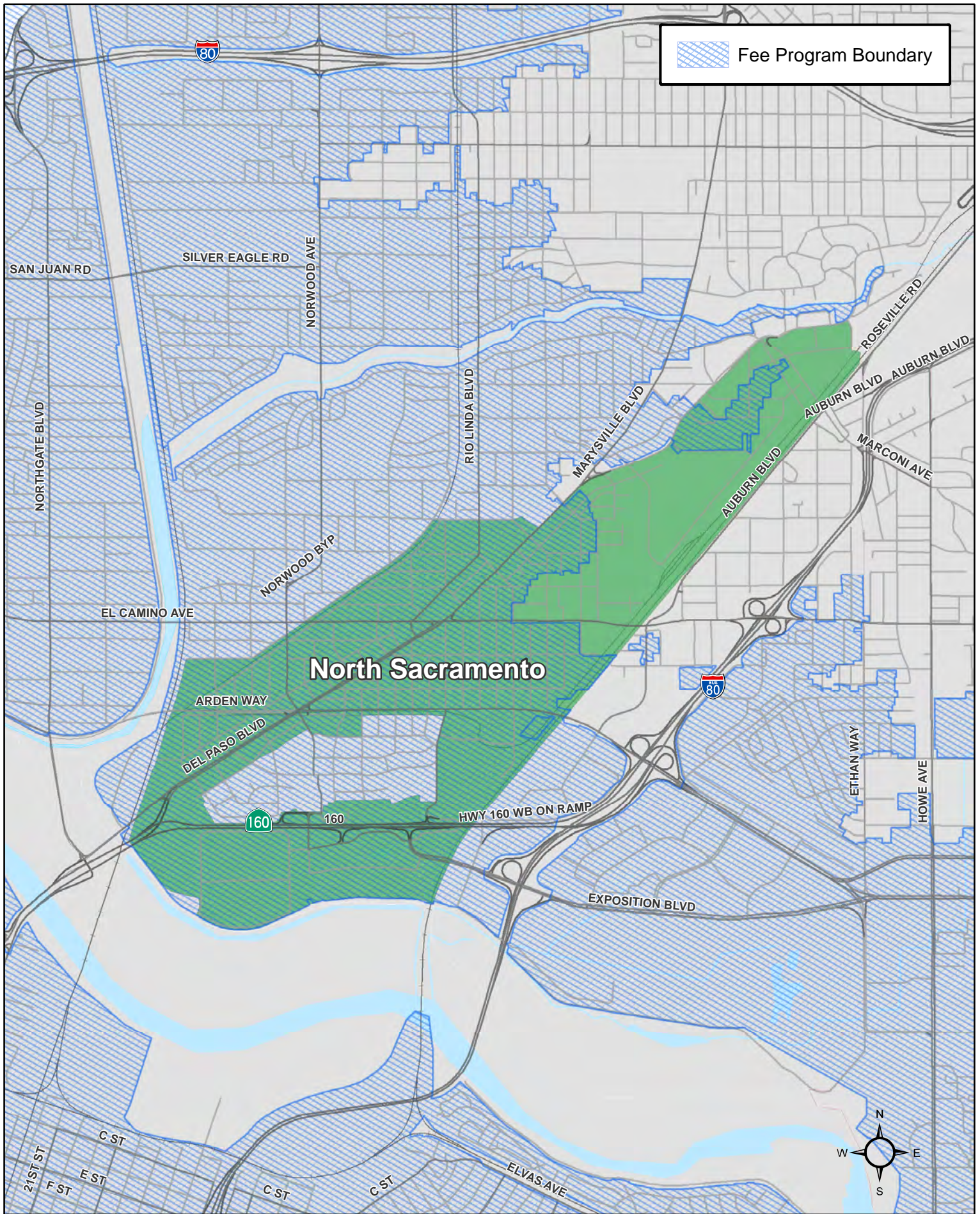




# Redevelopment Areas Franklin Boulevard





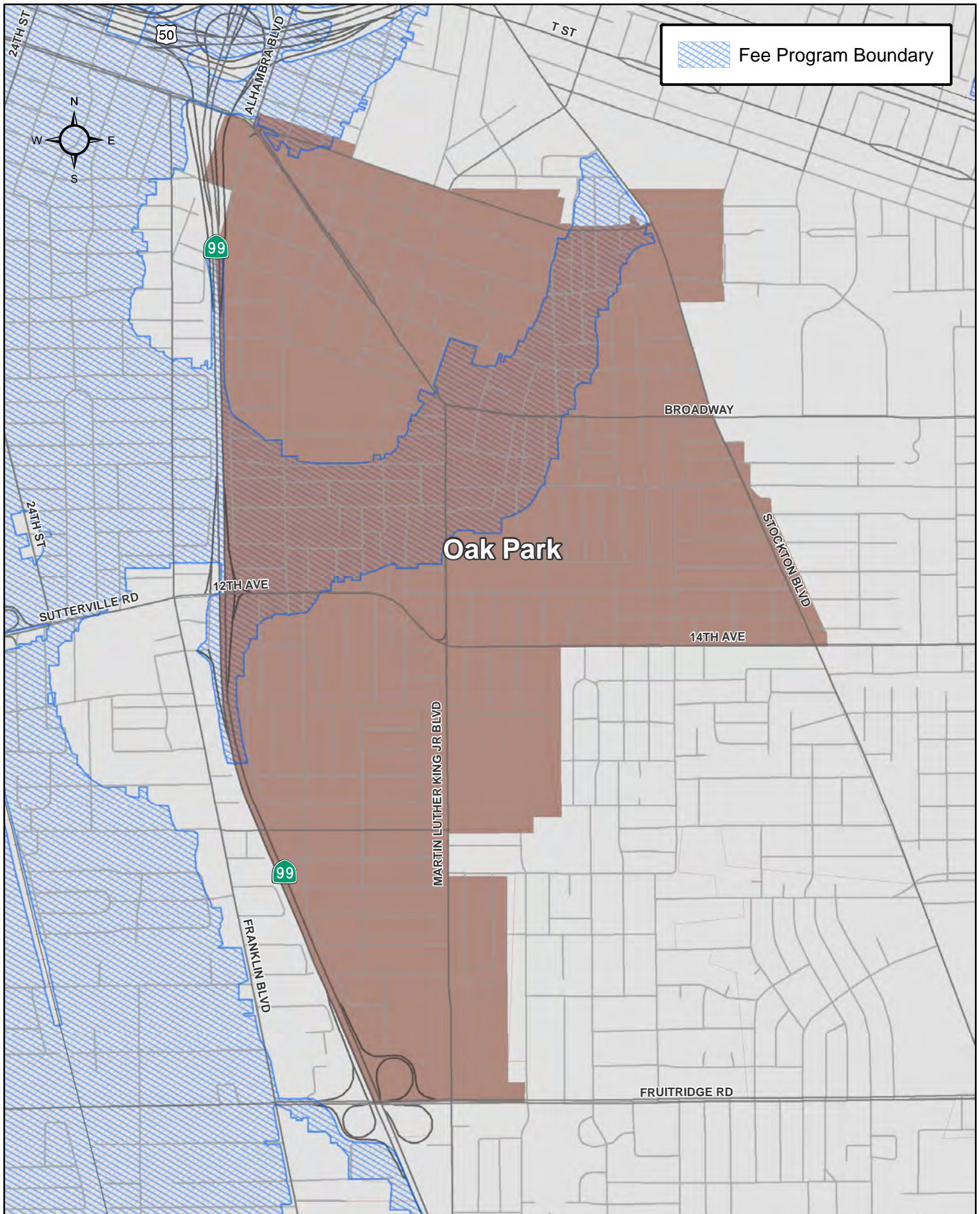


## Redevelopment Areas North Sacramento

0 0.5 1 Miles





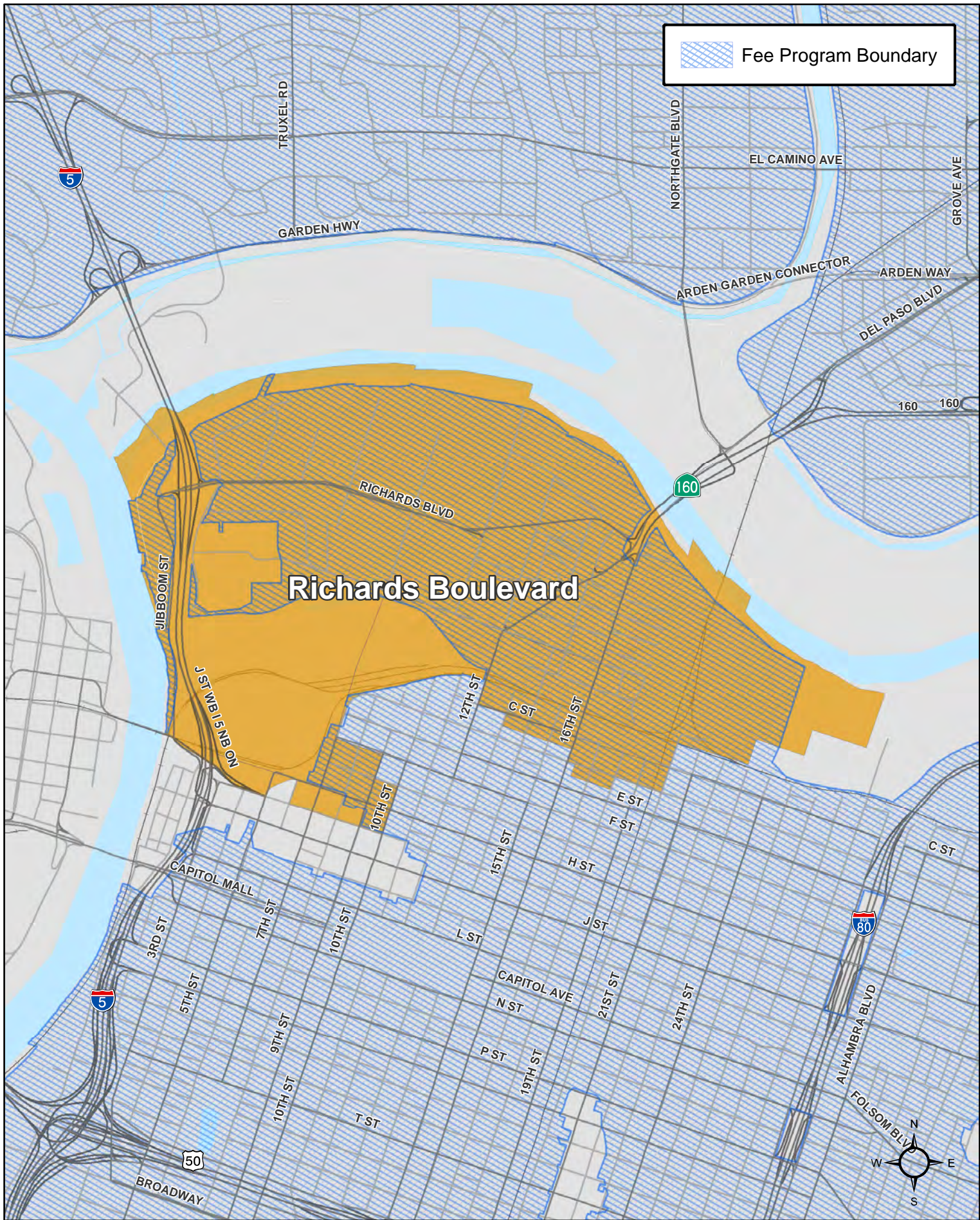


## Redevelopment Areas Oak Park

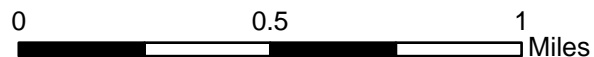
0 0.25 0.5  
Miles



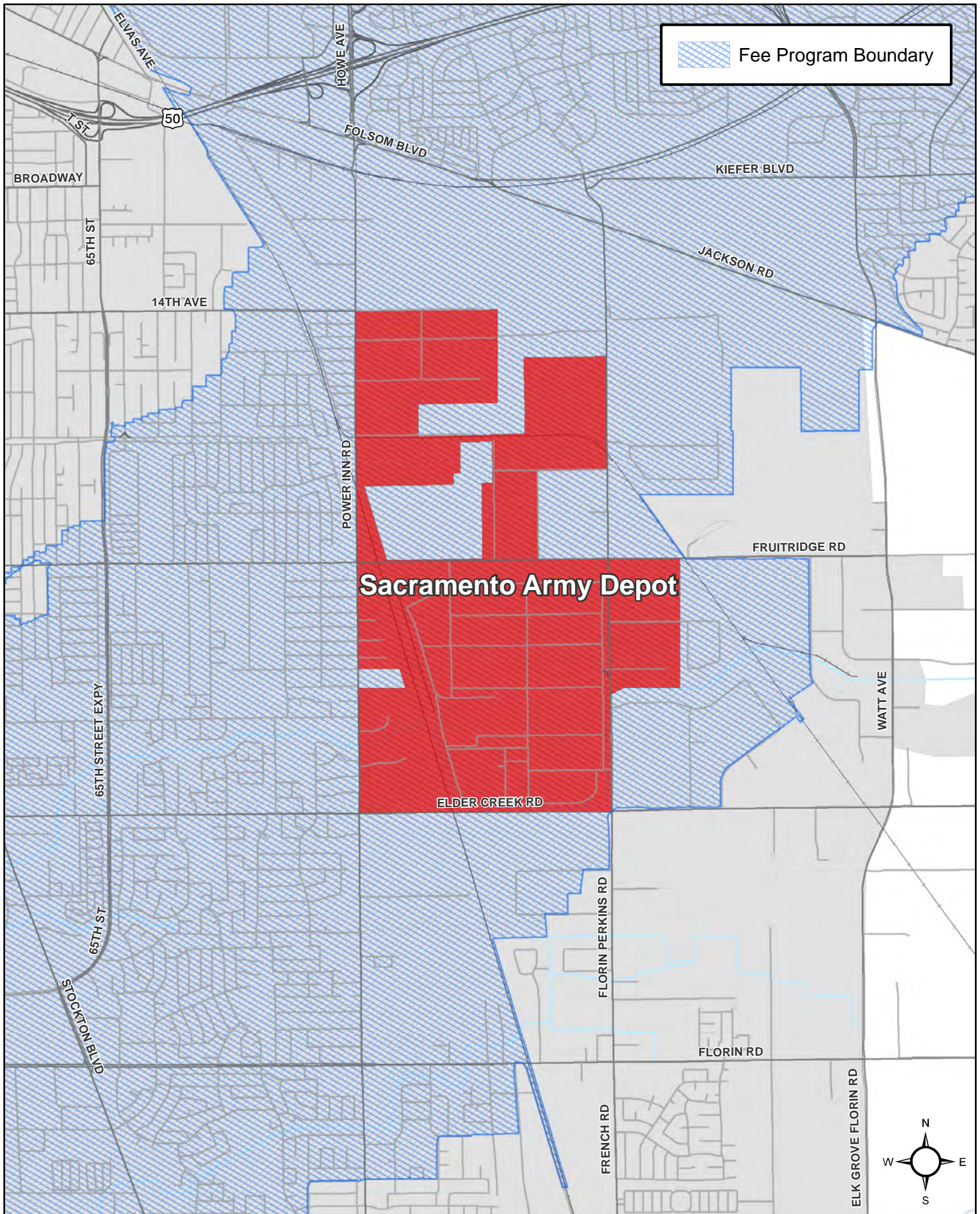




## Redevelopment Areas Richards Boulevard





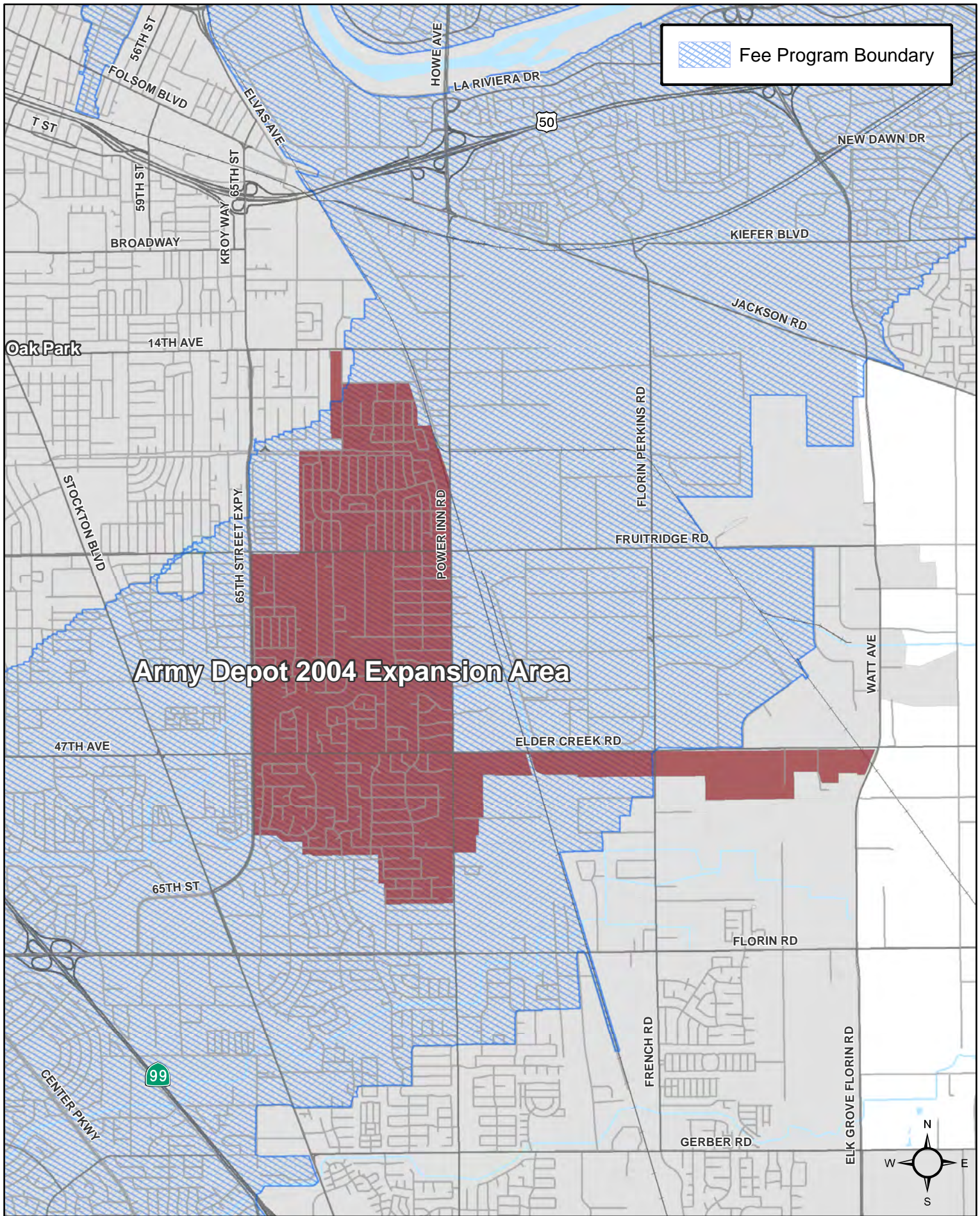


## Redevelopment Areas Sacramento Army Depot

0 0.5 1 Miles

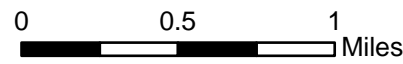




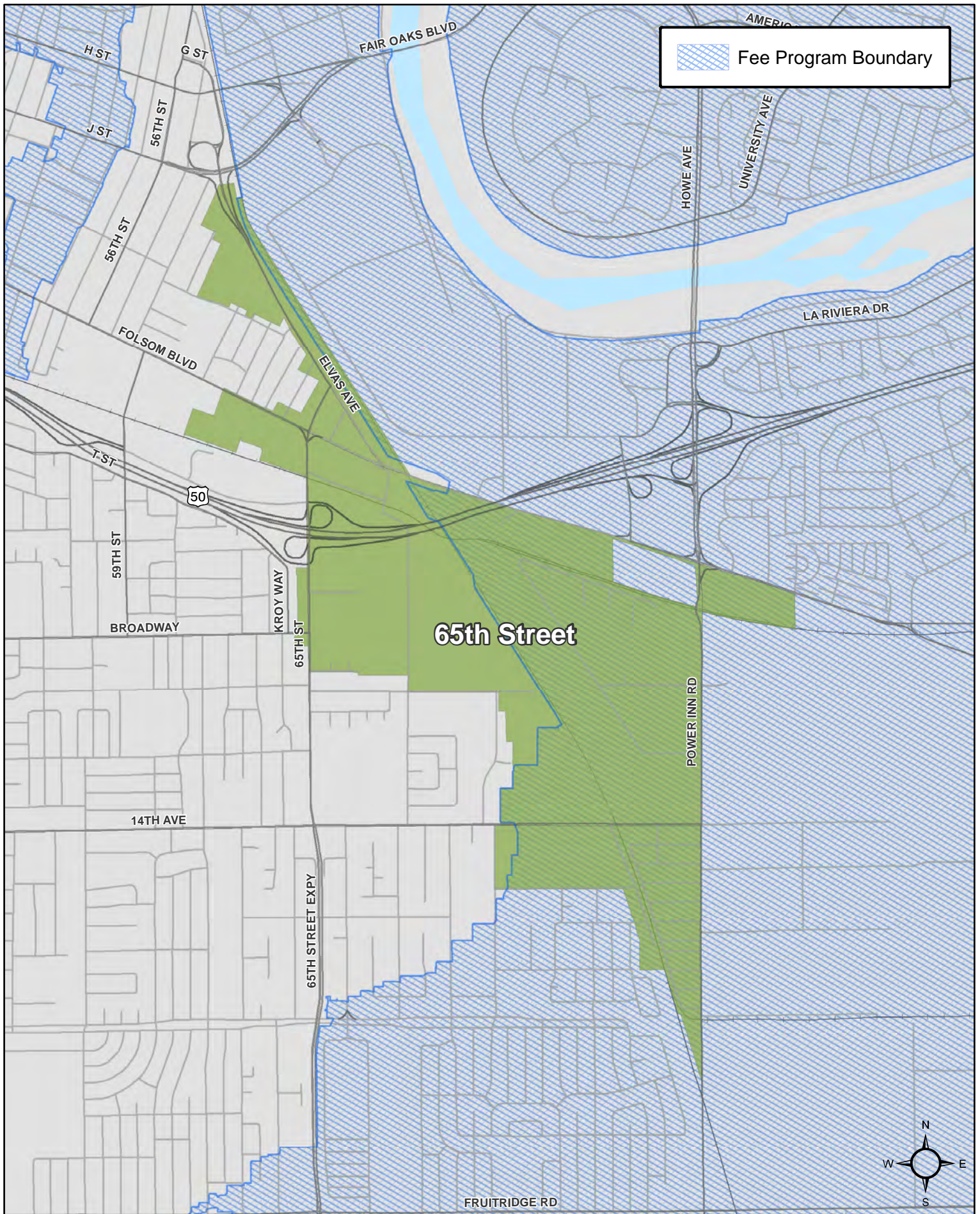


# Redevelopment Areas

## Army Depot 2004 Expansion Area





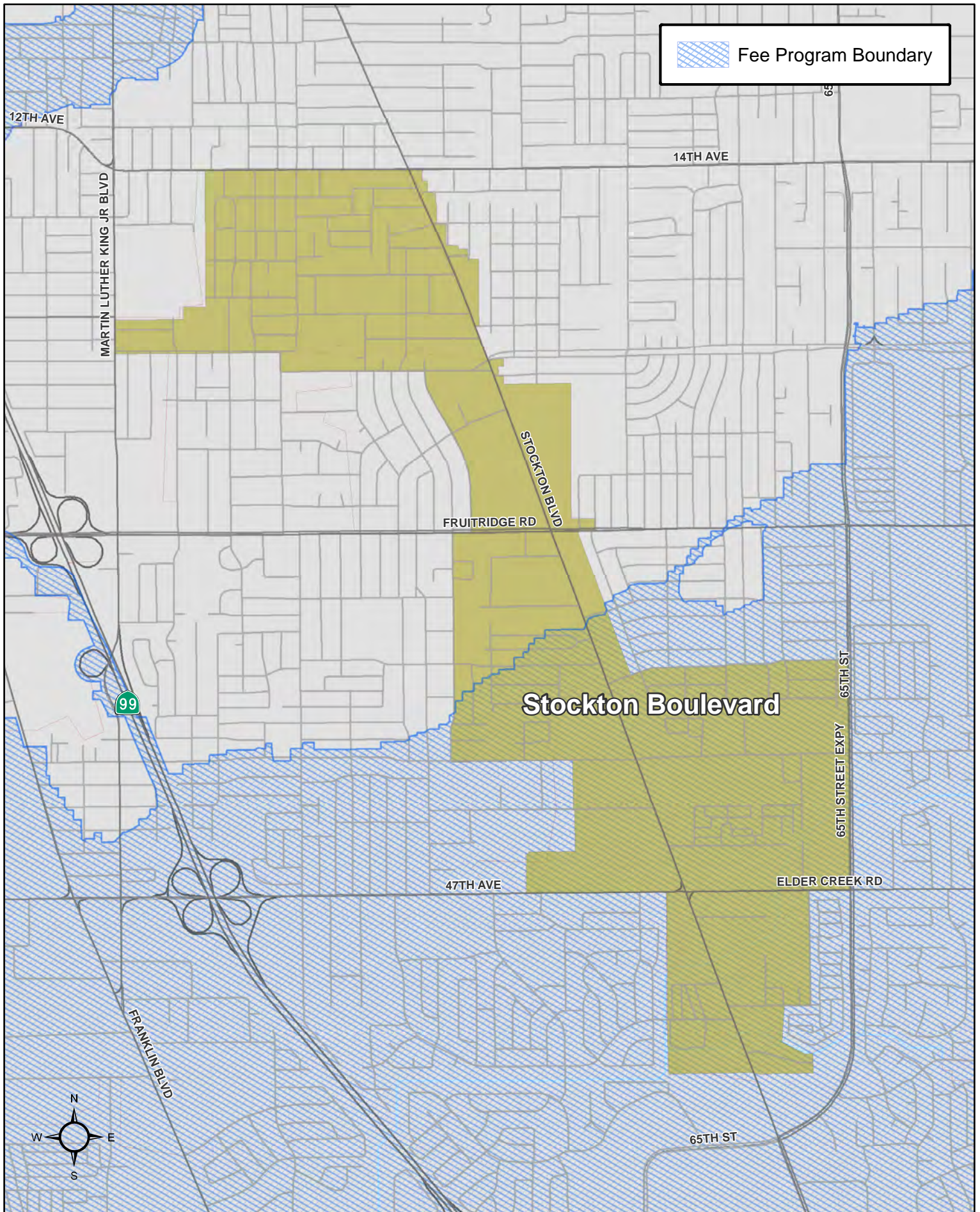


## Redevelopment Areas 65th Street

0 0.25 0.5  
Miles







## Redevelopment Areas Stockton Boulevard

0 0.25 0.5  
Miles

