



Memorandum **Management Services - Memo No. 22-017**

Date: September 29, 2021

To: Dana DeLong, City Clerk

Thru: Dawn Lang, Deputy City Manager - CFO *DL*
 Matt Dunbar, Budget Manager *MD*

From: Julie Buel, Senior Financial Analyst *JB*

Subject: Fiscal Year (FY) 2020-21 System Development Fee Report

Pursuant to the requirements of A.R.S. 9-463.05.O, the annual report accounting for the collection and use of system development fees for the fiscal year ending June 30, 2021, accompanies this memo. This document has historically been filed under "802-01-00" in your recordkeeping system.

State Statute requires the filing of this report with the City Clerk no later than ninety days following the end of the fiscal year (September 29, 2021), that a copy is made available to the public on request, and a copy is published on the City's website (located under A-Z/System Development Fees).

The annual report contains financial information for which the audit is not yet complete, so the applicable pages have an "unaudited" watermark on them. Please make sure that any copies given to the public are made from this original report so the watermark remains.

Please feel free to contact me at (480) 782-2259 with any questions regarding the report.

- Attachments:
1. City of Chandler System Development Fees Effective 7/1/20 – 6/30/21
 2. City of Chandler Arterial Street Impact Fee Area Map
 3. City of Chandler Parks Service Area Map
 4. Statement of Revenue, Expenditures, and Changes in Fund Balances
 5. Impact Fee Expenditure Detail – City of Chandler
 6. Interfund Loans and Debt Service Repayment Terms by Fund
 7. City of Chandler Unspent Impact Fee Collections as of 6/30/21

City of Chandler System Development Fees

Fees Effective 7/1/20 - 6/30/21

Water System Development Charges:

Single-family (per dwelling unit)	\$3,397.00
Multi-family (per dwelling unit)	\$1,281.00
3/4 Disc Meter	\$5,096.00
1-0 Disc Meter	\$8,493.00
1 1/2 Disc Meter	\$16,985.00
2-0 Disc Meter	\$27,176.00
2-0 Turbine Meter	\$27,176.00
3-0 Compound Meter	\$54,352.00
3-0 Turbine Meter	\$59,448.00
4-0 Compound Meter	\$84,925.00
4-0 Turbine Meter	\$101,910.00
6-0 Compound Meter	\$169,850.00
6-0 Turbine Meter	\$212,313.00
8-0 Compound Meter	\$271,760.00
8-0 Turbine Meter	\$305,730.00
10-0 and Larger Meters ¹	

Wastewater System Development Charges:

Single-family (per dwelling unit)	\$4,024.00
Multi-family (per dwelling unit)	\$1,940.00
3/4 Disc Meter	\$6,036.00
1-0 Disc Meter	\$10,060.00
1 1/2 Disc Meter	\$20,120.00
2-0 Disc Meter	\$32,192.00
2-0 Turbine Meter	\$32,192.00
3-0 Compound Meter	\$64,384.00
3-0 Turbine Meter	\$70,420.00
4-0 Compound Meter	\$100,600.00
4-0 Turbine Meter	\$120,720.00
6-0 Compound Meter	\$201,200.00
6-0 Turbine Meter	\$251,500.00
8-0 Compound Meter	\$321,920.00
8-0 Turbine Meter	\$362,160.00
10-0 and Larger Meters ¹	

City of Chandler System Development Fees

Fees Effective 7/1/20 - 6/30/21

Reclaimed Water System Development Charges:

Single-family (per dwelling unit)	\$837.00
Multi-family (per dwelling unit)	\$403.00
3/4 Disc Meter	\$1,256.00
1-0 Disc Meter	\$2,093.00
1 1/2 Disc Meter	\$4,185.00
2-0 Disc Meter	\$6,696.00
2-0 Turbine Meter	\$6,696.00
3-0 Compound Meter	\$13,392.00
3-0 Turbine Meter	\$14,648.00
4-0 Compound Meter	\$20,925.00
4-0 Turbine Meter	\$25,110.00
6-0 Compound Meter	\$41,850.00
6-0 Turbine Meter	\$52,313.00
8-0 Compound Meter	\$66,960.00
8-0 Turbine Meter	\$75,330.00
10-0 and Larger Meters ¹	

Fire Fees: ²

Single-family (per dwelling unit)	\$218.00
Multi-family (per dwelling unit)	\$161.00
Retail/Commercial (per square foot)	\$0.22
Office (per square foot)	\$0.20
Industrial/Warehouse (per square foot)	\$0.04
Public/quasi-public (per square foot)	\$0.06

Police Fees: ²

Single-family (per dwelling unit)	\$127.00
Multi-family (per dwelling unit)	\$94.00
Retail/Commercial (per square foot)	\$0.13
Office (per square foot)	\$0.11
Industrial/Warehouse (per square foot)	\$0.02
Public/quasi-public (per square foot)	\$0.03

Library Fees: ²

Single-family (per dwelling unit)	\$61.00
Multi-family (per dwelling unit)	\$44.00
Retail/Commercial (per square foot)	\$0.00
Office (per square foot)	\$0.00
Industrial/Warehouse (per square foot)	\$0.00
Public/quasi-public (per square foot)	\$0.00

City of Chandler System Development Fees

Fees Effective 7/1/20 - 6/30/21

Arterial Street Fees: ^{2,3}

Single-family (per dwelling unit)	\$3,869.00
Multi-family (per dwelling unit)	\$2,190.00
Retail (per square foot)	\$5.04
Office (per square foot)	\$4.04
Industrial (per square foot)	\$1.17
Public/quasi-public (per square foot)	\$0.97

Northwest Service Area Park Fees: ^{2,4}

Single-family (per dwelling unit)	\$983.00
Multi-family (per dwelling unit)	\$729.00
Retail/Commercial (per square foot)	\$0.00
Office (per square foot)	\$0.00
Industrial/Warehouse (per square foot)	\$0.00
Public/quasi-public (per square foot)	\$0.00

Northeast Service Area Park Fees: ^{2,4}

Single-family (per dwelling unit)	\$237.00
Multi-family (per dwelling unit)	\$176.00
Retail/Commercial (per square foot)	\$0.00
Office (per square foot)	\$0.00
Industrial/Warehouse (per square foot)	\$0.00
Public/quasi-public (per square foot)	\$0.00

Southeast Service Area Park Fees: ^{2,4}

Single-family (per dwelling unit)	\$2,338.00
Multi-family (per dwelling unit)	\$1,735.00
Retail/Commercial (per square foot)	\$0.00
Office (per square foot)	\$0.00
Industrial/Warehouse (per square foot)	\$0.00
Public/quasi-public (per square foot)	\$0.00

City of Chandler System Development Fees

Fees Effective 7/1/20 - 6/30/21

Public Building Fees: ²

Single-family (per dwelling unit)	\$110.00
Multi-family (per dwelling unit)	\$79.00
Retail/Commercial (per square foot)	\$0.12
Office (per square foot)	\$0.08
Industrial/Warehouse (per square foot)	\$0.02
Public/quasi-public (per square foot)	\$0.03

¹ For meters ten inches and larger, the fee shall be based on the following formula:

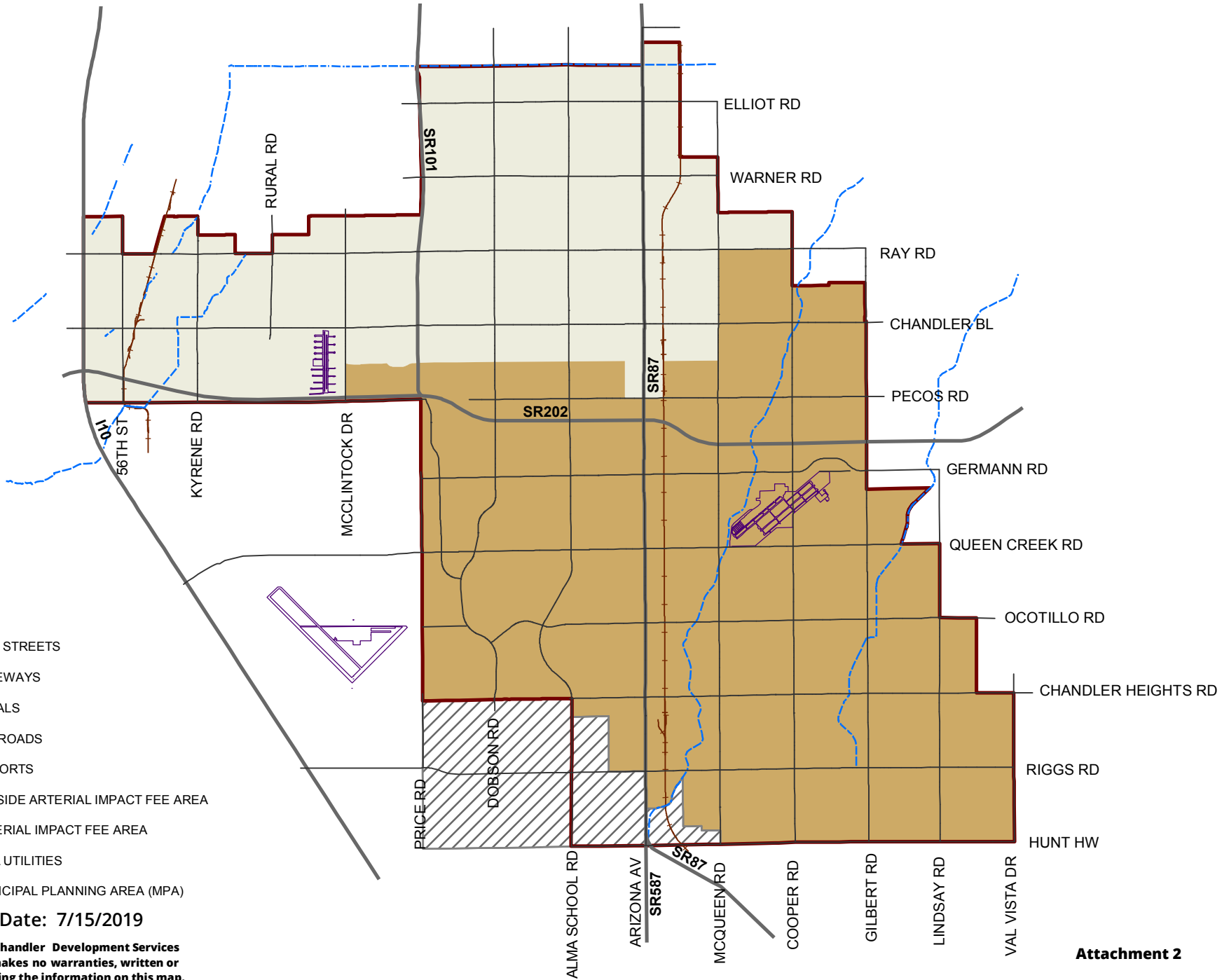
$$\text{Fee} = [1" \text{ fee for category}] \text{ times } [\text{Safe Maximum Operating Capacity GPM}/20 \text{ GPM}]$$

² Fees not applicable to school districts or charter schools.

³ Fees applicable only in certain areas; see attached City of Chandler Arterial Street Impact Fee Area Map.

⁴ Park Fees are charged according to the designated service area rather than citywide; see attached City of Chandler Parks Service Area Map.

Arterial Street Impact Fee Area Map



Legend

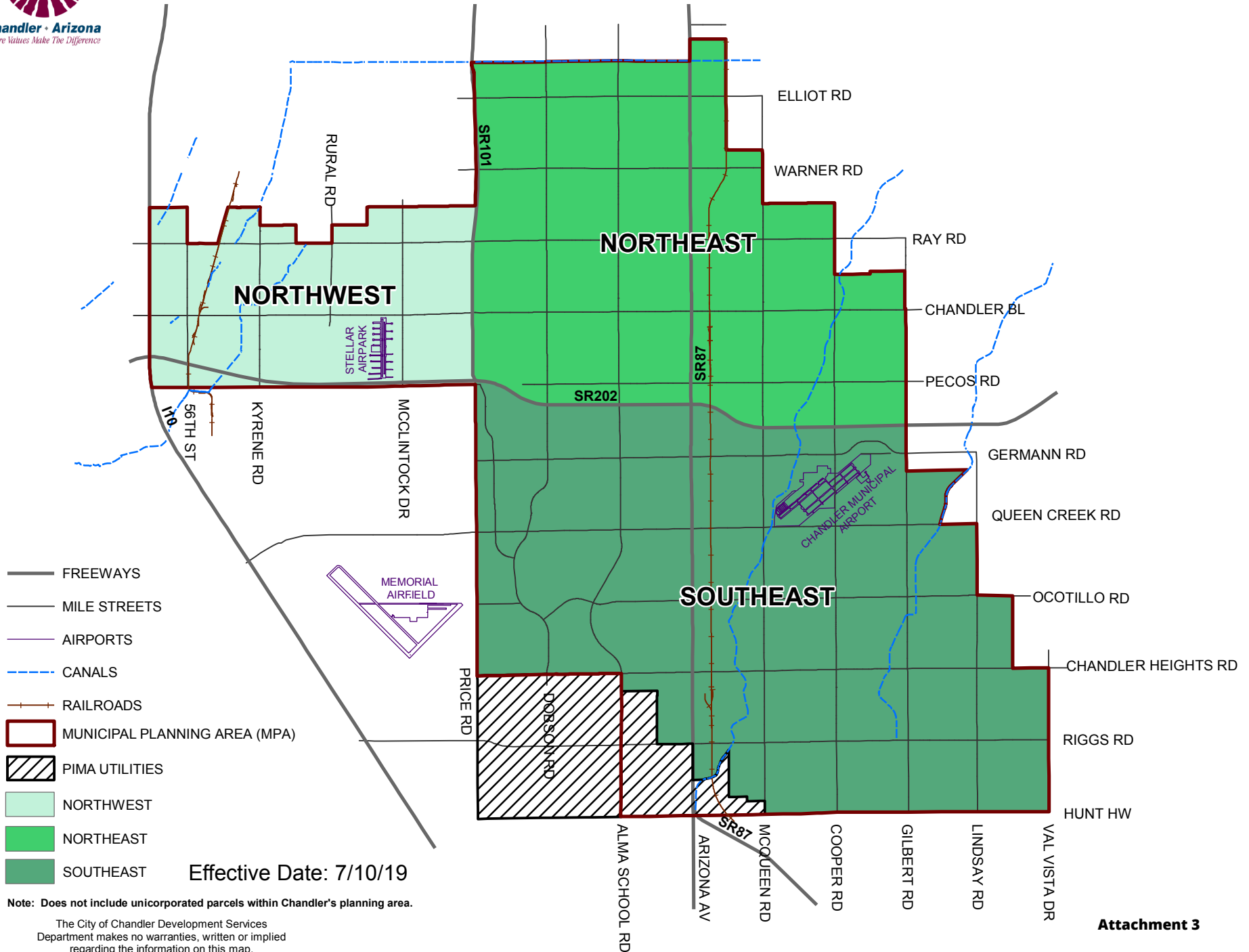
- MILE STREETS
- FREEWAYS
- CANALS
- RAILROADS
- AIRPORTS
- OUTSIDE ARTERIAL IMPACT FEE AREA
- ARTERIAL IMPACT FEE AREA
- PIMA UTILITIES
- MUNICIPAL PLANNING AREA (MPA)

Effective Date: 7/15/2019

The City of Chandler Development Services Department makes no warranties, written or implied regarding the information on this map.



City of Chandler Park Service Area Map



Note: Does not include unincorporated parcels within Chandler's planning area.

The City of Chandler Development Services Department makes no warranties, written or implied regarding the information on this map.



Development Impact Fee Report - City of Chandler
 Statement of Revenue, Expenditures, and Changes in Fund Balances
 For Fiscal Year Ending June 30, 2021

Unaudited

Impact Fee Fund Summary - City of Chandler

	Arterial Streets Fund 415	Parks Fund 424	NW Parks Fund 425	NE Parks Fund 426	SE Parks Fund 427
Total Beginning of Year Fund Balance/(Deficit) Including Unspent Bond Proceeds and Unspent Interfund Loans	\$ 62,020,711.72	\$ 8,237,484.98	\$ 2,759,517.41	\$ 5,989,438.51	\$ 18,255,352.72
Revenues					
Impact Fees/(Refunds)	\$ 4,882,336.64	\$ -	\$ 983.00	\$ 84,435.00	\$ 2,198,381.00
Connects/Buy-ins	-	-	-	-	-
Investment Income	936,616.35	124,124.97	41,734.70	91,289.55	288,051.20
Developer Contributions	-	-	-	-	-
Transfer from Regional Transportation Fund	1,859,187.07	-	-	-	-
Total Revenues	\$ 7,678,140.06	\$ 124,124.97	\$ 42,717.70	\$ 175,724.55	\$ 2,486,432.20
Expenditures					
Project Expenditures (See Impact Fee Expenditure Detail)	\$ 4,925,501.95	\$ 402,560.00	\$ -	\$ -	\$ 990,629.65
Cost of Biennial Audit	1,200.00	-	400.00	400.00	400.00
Repayment of Loan to General Fund	-	-	-	-	-
Total Expenditures	\$ 4,926,701.95	\$ 402,560.00	\$ 400.00	\$ 400.00	\$ 991,029.65
Total End of Year Fund Balance/(Deficit) Including Unspent Bond Proceeds and Unspent Interfund Loans	\$ 64,772,149.83	\$ 7,959,049.95	\$ 2,801,835.11	\$ 6,164,763.06	\$ 19,750,755.27

Development Impact Fee Report - City of Chandler
Statement of Revenue, Expenditures, and Changes in Fund Bal
For Fiscal Year Ending June 30, 2021

Unaudited

Impact Fee Fund Summary - City of Chandler

	Library Fund 431	Public Building Fund 440	Police Fund 465	Fire Fund 475	Water Fund 603
Total Beginning of Year Fund Balance/(Deficit) Including Unspent Bond Proceeds and Unspent Interfund Loans	\$ 76,832.57	\$ 182,572.67	\$ 450,973.58	\$ 724,124.17	\$ 2,580,968.14
Revenues					
Impact Fees/(Refunds)	\$ 85,542.00	\$ 193,845.67	\$ 224,664.97	\$ 394,103.04	\$ 4,905,943.00
Connects/Buy-ins	-	-	-	-	254,662.60
Investment Income	1,774.07	3,854.60	7,926.07	13,114.19	56,078.16
Developer Contributions	-	-	-	-	-
Transfer from Regional Transportation Fund	-	-	-	-	-
Total Revenues	\$ 87,316.07	\$ 197,700.27	\$ 232,591.04	\$ 407,217.23	\$ 5,216,683.76
Expenditures					
Project Expenditures (See Impact Fee Expenditure Detail)	\$ -	\$ -	\$ -	\$ -	\$ 16,503.13
Cost of Biennial Audit	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00
Repayment of Loan to General Fund	-	175,000.00	650,000.00	600,000.00	-
Total Expenditures	\$ 1,200.00	\$ 176,200.00	\$ 651,200.00	\$ 601,200.00	\$ 17,703.13
Total End of Year Fund Balance/(Deficit) Including Unspent Bond Proceeds and Unspent Interfund Loans	\$ 162,948.64	\$ 204,072.94	\$ 32,364.62	\$ 530,141.40	\$ 7,779,948.77

Development Impact Fee Report - City of Chandler
Statement of Revenue, Expenditures, and Changes in Fund Bal
For Fiscal Year Ending June 30, 2021

Unaudited

Impact Fee Fund Summary - City of Chandler

	Reclaimed Water Fund 610	Wastewater Fund 614	Total
Total Beginning of Year Fund Balance/(Deficit) Including Unspent Bond Proceeds and Unspent Interfund Loans	\$ 5,502,054.50	\$ 14,153,226.00	\$120,933,256.97
Revenues			
Impact Fees/(Refunds)	\$ 1,174,785.00	\$ 5,774,446.54	\$ 19,919,465.86
Connects/Buy-ins	98,161.00	98,865.50	451,689.10
Investment Income	59,683.03	254,663.56	1,878,910.45
Developer Contributions	315,423.01	-	315,423.01
Transfer from Regional Transportation Fund	-	-	1,859,187.07
Total Revenues	\$ 1,648,052.04	\$ 6,127,975.60	\$ 24,424,675.49
Expenditures			
Project Expenditures (See Impact Fee Expenditure Detail)	\$ 212,436.57	\$ -	\$ 6,547,631.30
Cost of Biennial Audit	1,200.00	1,200.00	10,800.00
Repayment of Loan to General Fund	-	-	1,425,000.00
Total Expenditures	\$ 213,636.57	\$ 1,200.00	\$ 7,983,431.30
Total End of Year Fund Balance/(Deficit) Including Unspent Bond Proceeds and Unspent Interfund Loans	\$ 6,936,469.97	\$ 20,280,001.60	\$137,374,501.16

Unaudited

Impact Fee Expenditure Detail - City of Chandler

Arterial Street Impact Fees	Arterial Street Impact Fees Fund 415
Queen Creek Rd (McQueen Rd to Lindsay Rd.)	\$ 153,606.37
Chandler Heights Rd. (Arizona Ave. to McQueen Rd.)	2,983.15
Ocotillo Rd. (Cooper Rd. to 148th St.)	48,918.05
Cooper Rd. (Queen Creek Rd. to Riggs Rd.)	2,294,623.04
Chandler Heights Rd. (McQueen Rd. to Val Vista Dr.)	122,793.08
Lindsey Rd. (Ocotillo Rd. to Hunt Hwy)	110,764.45
Gilbert Rd. Phase II (Ocotillo Rd. to Chandler Heights Rd.)	(213,989.36)
Alma School Rd. (Pecos Rd. to Germann Rd.)	2,405,803.17
Total Project Expenditures	\$ 4,925,501.95

Park Impact Fees	Park Impact Fees Fund 424
Homestead North Park - 300 S. Cooper Rd.	\$ 55,091.20
Lantana Ranch Park - 1250 E. Appleby Rd.	347,468.80
Total Project Expenditures	\$ 402,560.00

Southeast Park Impact Fees	Southeast Park Impact Fees Fund 427
Lantana Ranch Park - 1250 E. Appleby Rd.	\$ 990,629.65
Total Project Expenditures	\$ 990,629.65

Water Impact Fees	Water Impact Fees Fund 603
Well Construction - various locations	\$ 16,503.13
Total Project Expenditures	\$ 16,503.13

Reclaimed Water Impact Fees	Reclaimed Water Impact Fees Fund 610
Storage & Recovery Wells - various locations	\$ 210,698.11
Transmission Mains - various locations	1,738.46
Total Project Expenditures	\$ 212,436.57

**Development Impact Fee Report - City of Chandler
Interfund Loans and Debt Service Repayment Terms by Fund
For Fiscal Year Ending June 30, 2021**

Unaudited

	Arterial Streets Fund 415	NW Parks Fund 425 *	NE Parks Fund 426 *	SE Parks Fund 427 *	Library Fund 431	Public Building Fund 440	Police Fund 465	Fire Fund 475	Water Fund 603	Reclaimed Water Fund 610	Wastewater Fund 614	Total
Pledged General Fund Loan Balances Outstanding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,014,427	\$ 2,008,425	\$ 4,288,007	\$ -	\$ -	\$ -	\$ 8,310,859
Pledged Water Operating Fund Loan Balance Outstanding	-	-	-	-	-	-	-	-	15,929,877	3,900,000	-	19,829,877
Pledged Wastewater System Development Fee Fund Loan Balance Outstanding	-	-	-	-	-	-	-	-	-	7,700,000	-	7,700,000
Pledged Wastewater Operating Fund Loan Balance Outstanding	-	-	-	-	-	-	-	-	-	-	7,200,000	7,200,000
Pledged Interfund Loan Balances Outstanding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,014,427	\$ 2,008,425	\$ 4,288,007	\$ 15,929,877	\$ 11,600,000	\$ 7,200,000	\$ 43,040,736
Pledged Bonded Debt Outstanding	37,556,132	1,927,598	6,004,981	4,977,419	255,319	-	-	-	97,387,738	16,670,725	140,924,609	305,704,520
Total Outstanding Debt by Fund	\$ 37,556,132	\$ 1,927,598	\$ 6,004,981	\$ 4,977,419	\$ 255,319	\$ 2,014,427	\$ 2,008,425	\$ 4,288,007	\$ 113,317,615	\$ 28,270,725	\$ 148,124,609	\$ 348,745,256
Repayment Terms **	as funds are available	as funds are available	as funds are available	as funds are available	as funds are available	as funds are available	as funds are available	as funds are available	as funds are available	as funds are available	as funds are available	

Pledged Bonded Debt Outstanding consists of amounts loaned to the impact fee fund from a bond fund to construct growth-related infrastructure.

* The City's SDF consultant allocated the outstanding loan balance as of 6/30/17 among the three park service areas based on each area's share of build-out park EDUs in the latest IIP.

** Due to the unpredictable nature of impact fee receipts, the City no longer budgets debt service payments directly against impact fee funds. All pledged interfund loans and bonded debt are to be repaid once sufficient funds are available in the applicable impact fee fund and are not needed to construct growth-related capital infrastructure. The City's Bond Counsel has advised the City to schedule repayments of pledged bonded debt to the debt service funds, which cannot exceed 10% of the annual debt service per A.R.S.

City of Chandler Unspent Impact Fee Collections as of 6/30/21
for information only

Impact fees must be spent within 10 years for non-utility fees or 15 years for utility fees

Unaudited

Fund	Description	Fund Type	Time to Spend	Unspent Impact Fee Collections starting 1/1/12 as of 6/30/21		Oldest Receipts Since 1/1/12	Oldest Receipt Balance	Maximum Time to Spend Oldest Impact Fee Receipts
415	Arterial Streets	Non-utility	10 years	\$ 21,659,582	Note 1	FY 2017-18	\$ 6,381,574	FY 2026-27
424	Parks	Non-utility	10 years	\$ 7,834,925	Note 2	FY 2012-13	\$ 4,231,585	FY 2021-22
425	Northwest Parks	Non-utility	10 years	\$ 2,598,824	Note 2	FY 2014-15	\$ 554,877	FY 2023-24
426	Northeast Parks	Non-utility	10 years	\$ 5,945,869	Note 2	FY 2014-15	\$ 1,136,184	FY 2023-24
427	Southeast Parks	Non-utility	10 years	\$ 19,498,208	Note 2	FY 2014-15	\$ 1,996,244	FY 2023-24
431	Library	Non-utility	10 years	\$ 162,375	Note 2	FY 2019-20	\$ 76,833	FY 2028-29
440	Public Buildings	Non-utility	10 years	\$ 204,073		FY 2019-20	\$ 10,227	FY 2028-29
465	Police	Non-utility	10 years	\$ 32,365		FY 2020-21	\$ 32,365	FY 2029-30
475	Fire	Non-utility	10 years	\$ 530,141		FY 2019-20	\$ 136,038	FY 2028-29
603	Water	Utility	15 years	\$ 7,741,574	Note 2	FY 2019-20	\$ 2,580,968	FY 2033-34
610	Reclaimed Water	Utility	15 years	\$ 4,184,428	Note 3	FY 2017-18	\$ 562,516	FY 2031-32
614	Wastewater	Utility	15 years	\$ 19,614,723	Note 2	FY 2017-18	\$ 1,460,504	FY 2031-32
				\$ 90,007,087			\$ 19,159,915	

Notes:

- 1 - Arterial Streets unspent collections also include General Fund subsidies and Prop 400 reimbursements.
- 2 - Unspent collections are less than the outstanding fund balance due to unspent interest.
- 3 - Unspent collections are less than the outstanding fund balance due to unspent bond proceeds and interest.