

City of Santa Rosa



Legislation Details

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| File #: | 18-0371 | Version: | 1 | Name: | 2018 Impact Fee Study |
| Type: | CC- Public Hearing | Status: | | Status: | Agenda Ready |
| File created: | 5/2/2018 | In control: | | In control: | City Council |
| On agenda: | 5/22/2018 | Final action: | | | |
| Title: | PUBLIC HEARING - ADOPTION OF IMPACT FEE PROGRAM UPDATE REPORT, INTRODUCTION OF ORDINANCES AMENDING THE CITY CODE PERTAINING TO CAPITAL FACILITIES FEES (CFF) AND PARK IMPACT FEES, AND REPEALING THE SOUTHWEST AREA DEVELOPMENT IMPACT FEES (SWADIF) AND SOUTHEAST AREA DEVELOPMENT IMPACT FEES (SEADIF), ADOPTION OF REVISED CFF AND PARK FEES, AND ADOPTION OF REVISED COUNCIL POLICY FOR CFF CREDIT/REIMBURSEMENT | | | | |

BACKGROUND: Development impact fees provide a mechanism for new development projects to contribute financially to the one-time cost of improving and expanding the public infrastructure and facilities needed to accommodate that development. Impact fees are commonly used by local agencies throughout California and in many other states as one of many funding sources for capital improvement programs. Fees are a one-time, non-recurring revenue source paid at the start of a development project, typically at building permit issuance. Since the mid -1990's, impact fees have been adopted by the City of Santa Rosa (City) to finance the City's infrastructure needs. The last update to these fees occurred between 2002 and 2005. Commencing in 2016, a study was conducted to analyze the development needs and impact fees for the following areas:

- Capital Facilities Fee (CFF)
- Southwest Area Development Impact Fee (SWADIF)
- Southeast Area Development Impact Fee (SEADIF)
- Park Impact Fee

In addition, studies are underway to assess the housing impact fee that is imposed on market-rate residential development to support affordable housing projects. Staff is also in the process of examining a potential commercial linkage fee that would be imposed on nonresidential development only, complimenting the housing impact fee as a funding source for affordable housing. The housing fee will not be considered as part of this Council item.

The City retained a fee consultant, Urban Economics, to conduct a study of the City's current development impact fee program and public infrastructure needs and to prepare a report. The City of Santa Rosa Impact Fee Program Update, February 2018, explains the methodology that establishes a reasonable relationship between new development and the need for and use of impact fees, also known as a "nexus analysis". Based on the nexus analysis, the report presents a schedule of maximum justified fees by land use category. The City may adopt fees up to the maximum amount for each land use category. The report also includes a financial feasibility analysis that examines the potential impact of proposed impact fees, and fee increases, based upon prototype development projects. The report further recommends revisions to sections of the City Code consistent with the report and proposed changes to the fees. Due to the fire disaster, staff and Urban Economics have been delayed with bringing forward the report to City Council for adoption.

RECOMMENDATION: It is recommended by the Planning & Economic Development, Transportation & Public Works, and Recreation & Parks Departments that the Council, 1) adopt, by motion, the Impact Fee Program Update Report, 2) introduce two ordinances, one to amend City Code Sections pertaining to the Capital Facilities Fee (CFF) (Chapter 21-04), and repealing the Southwest Area Development Impact Fee (SWADIF) and Southeast Area Development Impact Fee (SEADIF), the other to amend City Code Sections pertaining to the Park Impact Fee (Chapter 19-70), 3) adopt, by two resolutions, revised CFF and Park Fees, and 4) adopt, by resolution, a revised Council policy for

CFF credit/reimbursement.

Sponsors: Planning and Economic Development

Indexes: Exempt Project

Code sections:

Attachments: 1. Staff Report, 2. Attachment 1, 3. Attachment 2, 4. Attachment 3, 5. Resolution 1, 6. Resolution 2-Park Fee, 7. Resolution 3, 8. Exhibit A, 9. Ordinance 1, 10. Ordinance 2, 11. CFF Ordinance Summary, 12. Presentation, 13. Public Hearing Notice

| Date | Ver. | Action By | Action | Result |
|-----------|------|--------------|--|--------|
| 5/22/2018 | 1 | City Council | approved | Pass |
| 5/22/2018 | 1 | City Council | to waive reading of the text and introduce | Pass |
| 5/22/2018 | 1 | City Council | to waive reading of the text and introduce | Pass |
| 5/22/2018 | 1 | City Council | to waive reading of the text and adopt | Pass |
| 5/22/2018 | 1 | City Council | to waive reading of the text and adopt | Pass |
| 5/22/2018 | 1 | City Council | to waive reading of the text and adopt | Pass |