

**TO:** James L. App, City Manager

**FROM:** Robert A. Lata, Community Development Director

**SUBJECT:** Revised Schedule A – Development Impact Fees for Borkey Area Specific Plan Subarea “D” for La Quinta Project (Arciero)

**DATE:** March 1, 2005

---

**Needs:** To consider a Revised Schedule A – Development Impact Fees for Subarea “D” of the Borkey Area Specific Plan to establish fees for the La Quinta Hotel Project.

**Facts:**

1. On January 8, 1990, the Borkey Area Specific Plan (BASP) was established by the City Council with its adoption of Ordinance No. 588 N.S. A location map is attached.
2. As part of its action in establishing the BASP, the City Council certified the Environmental Impact Report prepared for the Specific Plan and established a Schedule of Fees to offset public improvement costs, thereby ensuring that new development “pays its own way.” (These actions were taken with adoption of Resolution 89-177 and Resolution 89-178.)
3. Since its initial adoption, the BASP Development Impact Fees have been amended to address new land uses added to the Specific Plan, including Cuesta College, and the Paso Robles Hot Springs Resort.
4. This current BASP Development Impact Fee update is to establish fees for the approved La Quinta Hotel project located in Subarea “D” of the Specific Plan area, at the Northeast corner of Buena Vista and Highway 46 East. Location maps are attached.
  - ◆ The Project includes a 101 room hotel complex of 61,000 square feet.
  - ◆ The Project also includes a 5,000 square foot restaurant.
5. The Planning Commission’s public hearings on each PD included a discussion of the associated Development Fee Updates and recommended a Revised Fee Schedule be adopted. The Planning Commission approval provided for the fee adjustment to be presented directly to the City Council.
6. The BASP Development Impact Fees for Sub-area “D” did not include the La Quinta project since these projects were not envisioned when the Fees were established/last modified.
7. The BASP Development Impact Fees are based on the estimated cost of the public improvements and infrastructure not constructed directly by the developers of the BASP properties. The Fees for Sub-area “D” were apportioned on a per residential unit basis for the benefited properties.
8. The Fee Analysis/Report prepared by John McCarthy, McCarthy Engineering, has been reviewed by John Falkenstien, City Engineer.

9. The Fee Analysis/Report takes the project into account and reapportions the costs of the public improvements and infrastructure for the BASP using an equivalent dwelling unit factor for the commercial development projects envisioned.
  - ◆ The Hotel was treated as 62 single-family units; and
  - ◆ The Restaurant was treated as 2 single-family units
10. The BASP Development Impact Fees were a part of the BASP adoption and were mitigation of development-related impacts were addressed in the BASP Environmental Impact Report.

**Analysis and**

**Conclusion:** If adopted, the proposed revised BASP Development Impact Fees would apply to a hotel and restaurant development project in Sub-area “D.” These revisions ensure that the costs are properly apportioned amongst the properties that benefit from (or are served by) the public improvements and infrastructure. The method of distributing costs is consistent and equitable for the Subarea D properties and will allow for development to pay its own way.

The BASP Development Impact Fees are collected prior to issuance of certificates of occupancy.

**Policy**

**Reference:** General Plan; California Environmental Quality Act (CEQA) Guidelines; Zoning Ordinance; Borkey Area Specific Plan and its EIR and Technical Appendices

**Fiscal**

**Impact:** The proposed amendment to the BASP fees is designed to mitigate the impacts of development in the subject area without an adverse fiscal impact on the City.

**Options:** After consideration of all public testimony, that the City Council selection one of the following options:

- a. Approve Resolution No. 05-xx establishing and adopting a Revised Schedule of Fees for the Borkey Area Specific Plan.
- b. Amend, modify, or reject the foregoing option.

Attachments: (3)

1. Location Maps (3)
2. Resolution Establishing and Adopting A Revised Schedule of Fees for the BASP w/attachments
3. Newspaper Notice Affidavit

RESOLUTION NO. 05-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES  
ESTABLISHING AND ADOPTING A REVISED SCHEDULE OF FEES  
ADDING REVISED FEES FOR SUBAREA "D" OF THE BORKEY AREA SPECIFIC PLAN

---

WHEREAS, the City of Paso Robles has prepared a specific plan in accordance with Title 14, Division 1, Chapter 3, Article 8 of the Administrative code of the State of California, for a 767 acre portion of the community referred to as the "Borkey Area"; and

WHEREAS, the implementation of the subject specific plan and corresponding development of the plan area will necessitate a number of improvements by the City to public facilities and infrastructure, including but not limited to streets, traffic signals, water, sewer and storm drainage systems, and other public costs; and

WHEREAS, it is the policy of the City of Paso Robles to require new development to "pay its own way," avoiding the placement of a financial burden on the population in general to allow new development to occur; and

WHEREAS, State law governing municipal planning and finance in California recognizes the validity of, and authorizes, the imposition by cities of specific fees upon new development to finance required public improvements, environmental mitigation programs, and other legitimate public purposes related to the effects of such development; and

WHEREAS, consistent with City policy and State law, the City intends to collect development fees from development projects in the plan area to offset anticipated public costs; and

WHEREAS, the City Council has adopted the Borkey Area Specific Plan by adopting ordinance No. 588 N.S., and subsequently amended by Ordinance No. 741 N.S., and Ordinance No. 770 N.S., which authorizes the Council to establish development fees for the plan area by resolution;

WHEREAS, at its public hearing on the La Quinta Planned Development, LOCATED AT THE NORTH EAST CORNER OF Buena Vista Drive and Highway 46 East, in Subarea "D" of the Borkey Area Specific Plan, the Planning Commission recommended a Revised Fee Schedule be adopted.

NOW, THEREFORE, BE IT FOUND, DETERMINED AND RESOLVED by the City Council of the City of Paso Robles that:

1. The City shall collect fees for development of the plan area encompassed by the Borkey Area Specific Plan, to offset public improvement costs, in accordance with the schedule of fees attached hereto as Schedule A and its exhibits, incorporated herein and made a part hereof by reference. The timing of said fees collection shall be determined by the City Council at the time of development review, and unless otherwise specified shall be paid prior to issuance of a Certificate of Occupancy or final approval of any entitlement permit, whichever comes later, for a particular lot, parcel, or portion thereof.
2. The City Council may annually review the fees established by Schedule A, and shall amend such fees periodically as required by resolution. The fee schedule includes a contingency amount that the City Council may apply to cover the cost of unanticipated expenses if the City Council finds that such expenses are necessary to defray the costs of plan implementation. If such contingency funds or other specific plan fees are not found to be necessary to offset public improvement costs, the City Council shall, at their discretion, either refund excess

collected fees to the current property owners on a pro-rata share basis or shall expend such excess collected fees on a project or projects found to be of benefit to the specific plan area.

3. The subject fees are in addition to City wide fees that are in place at the time of plan adoption or subsequently established by the City Council. The City Council shall have the discretion to impose such other fees as may be necessary to mitigate additional project impacts identified through the development review process.
4. Background calculation for the formulation of fees for subarea 'A' shall be included in the Technical Appendices for the Borkey Area Specific Plan as "Appendix I" and background calculation for the fees for subarea "D" shall be in the Technical Appendices for the Borkey Area Specific Plan as "Appendix J."

PASSED AND ADOPTED by the City Council of the City of El Paso de Robles this 1st day of March 2005 by the following vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

---

Frank R. Mecham, Mayor

ATTEST:

---

Sharilyn M. Ryan, Deputy City Clerk

Attachment:

Schedule A with Exhibits A & B

## SCHEDULE A

### SUMMARY OF DEVELOPMENT FEES BY PLAN SUBAREA AND CATEGORY OF IMPROVEMENT BORKEY AREA SPECIFIC PLAN

Subarea Designation/Fees per Unit..... per Acre

Category of Facility or Improvement	A	B	C	D	E
Storm Drainage	\$0	\$0	\$0	\$0	\$3,664
Wastewater	See Exhibit A	\$79	\$11/Stdnt*	\$79	\$84
Water	See Exhibit A	\$408	\$674/acre	\$408	\$185/acre
Signal, BV @ 46	See Exhibit A	\$200	\$66/acre	\$200	0
Interchange	See Exhibit A	\$2,957	\$110/Stdnt*	\$2,957	\$4,147
North River Road Upgrade	See Exhibit A	\$260	\$86/acre	\$260	--
Contingency Fee	See Exhibit A	\$115	\$161/acre	\$115	\$161
Plan Preparation/ Admin.	See Exhibit A	\$209	\$69/acre	\$209	--
<b>Total Fees</b>	<b>See Exhibit A</b>	<b>\$4,228</b>	<b>\$1,055/acre \$121/student*</b>	<b>\$4,228</b>	<b>\$8,141</b>

NOTES:

Fees for Subarea **A** are for specific development components as shown in attached “Exhibit A”.

Fees for Sub-areas **B** and **D** are for each residential unit, except as modified for Subarea **D** per the attached “Exhibit B”.

Fees for Subarea **C** will be collected on a “per student” or “per acre” basis and fees for Subarea **E** apply to each acre (gross) of development site unless otherwise noted.

No fees will be levied against Subarea **F**; this subarea will develop as public parkland.

\*Wastewater and interchange amounts are rounded to the nearest dollar but cumulatively total \$121.



**TRAFFIC FEES**

**Interchange at Golden Hill and Highway 46 Fees**

Cottages, Spa Suites & Rooms,		
Employee Units	\$ 500/unit	Certificate of Occupancy
Restaurant & Lounge	7,588/each	Certificate of Occupancy
Conference Center	10,624/each	Certificate of Occupancy
Lobby, Office	4,553/each	Certificate of Occupancy
Child Art Center	4,553/each	Certificate of Occupancy
Spa Building	3,035/each	Certificate of Occupancy

**Signal, Buena Vista @ Highway 46**

Cottages, Spa Suites & Rooms,		
Employee Units	\$ 28/unit	Certificate of Occupancy
Restaurant & Lounge	430/each	Certificate of Occupancy
Conference Center	602/each	Certificate of Occupancy
Lobby, Office	258/each	Certificate of Occupancy
Child Art Center	258/each	Certificate of Occupancy
Spa Building	172/each	Certificate of Occupancy

**North River Road Upgrade**

Cottages, Spa Suites & Rooms,		
Employee Units	\$ 42/unit	Certificate of Occupancy
Restaurant & Lounge	410/each	Certificate of Occupancy
Conference Center	156/each	Certificate of Occupancy
Lobby, Office	205/each	Certificate of Occupancy
Child Art Center	156/each	Certificate of Occupancy
Spa Building	167/each	Certificate of Occupancy

**CONTINGENCY FEE**

\$ 161/acre	Final Entitlement Approval
-------------	----------------------------

**PLAN PREPARATION/ADMINISTRATION**

\$ 66/unit	Final Entitlement Approval
------------	----------------------------

**TOTAL FEES TO BE COLLECTED FOR SUBAREA A                    \$224,869.00**

All fees have been rounded to the nearest dollar.

## SCHEDULE A ~ EXHIBIT B

### SCHEDULE OF FEES FOR PORTION OF SUBAREA D

#### UPDATE TO BORKEY SPECIFIC PLAN

#### **EXECUTIVE SUMMARY**

The La Quinta project has been proposed for Subarea D of the Borkey Specific Plan. It is located at the north-east corner of Buena Vista and Highway 46 East. In February 2004, the City approved Resolution 04-022 which approved Rezone 03-007 changing the land use from single family residential to Resort/Lodging. This revision of the Land Use from Residential (R1-B4) to Resort/ Lodging necessitates a revision to the Borkey Specific Plan fees. This report presents information regarding the development of a Hotel and Restaurant on this property, as well as calculations on the modification of the fees for Sub Area D of the Borkey Specific Plan.

- The La Quinta project area is proposed for development of a 101 Room Hotel complex of 61,000 square feet and a 5,000 square foot restaurant.

#### **METHODOLOGY**

The original Specific Plan Fees were modified for Subarea D (in 2003) when the Bastide Village Project was approved for the area. This project featured large acreage “estate” lots with a French “village” commercial concept adjoining. Revisions for the La Quinta project were calculated off these modified numbers.

In general, fees were calculated according to equivalent single family units. The conversion factors were based on “fixture units” typically found in a single family house versus the total fixture units anticipated for the Hotel and Restaurant. The total fixture units were divided by the typical house fixture units to yield equivalent single family unit numbers.

For the traffic portion of the analysis, conversion factors were also based on equivalent single family units, but the data utilized was the projected PM peak hour traffic to be generated from the Project. A more detailed view of the calculations is presented in the Technical Appendix.

The new fees for Subarea D are shown in summary form on the next page in the table labeled “Summary of Fees”

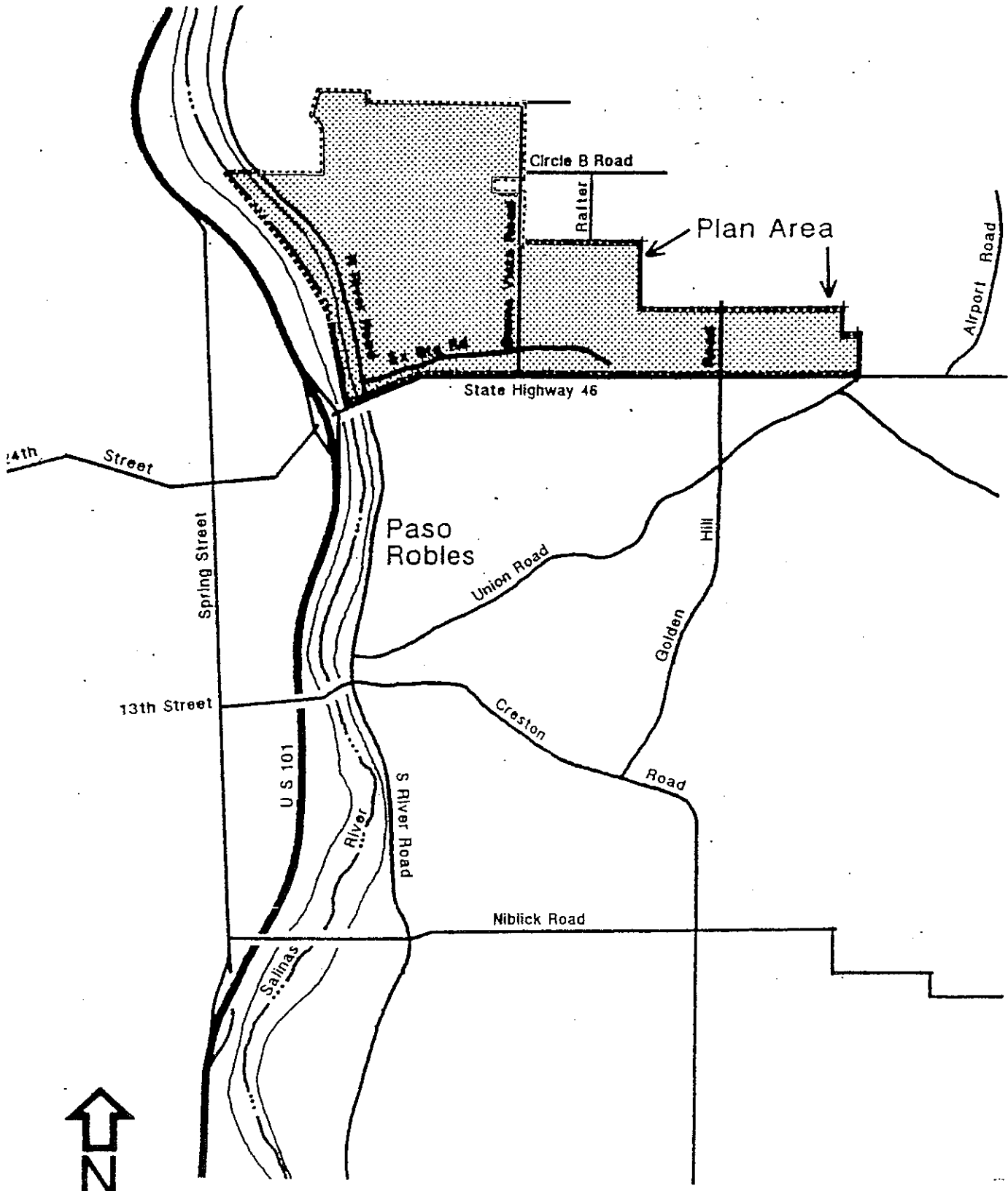


**SUMMARY OF FEES**  
**BORKEY SPECIFIC PLAN AREA**  
**LA QUINTA - 2005 Update**  
**SUBAREA D**

101 Acres  
185 Equivalent Units

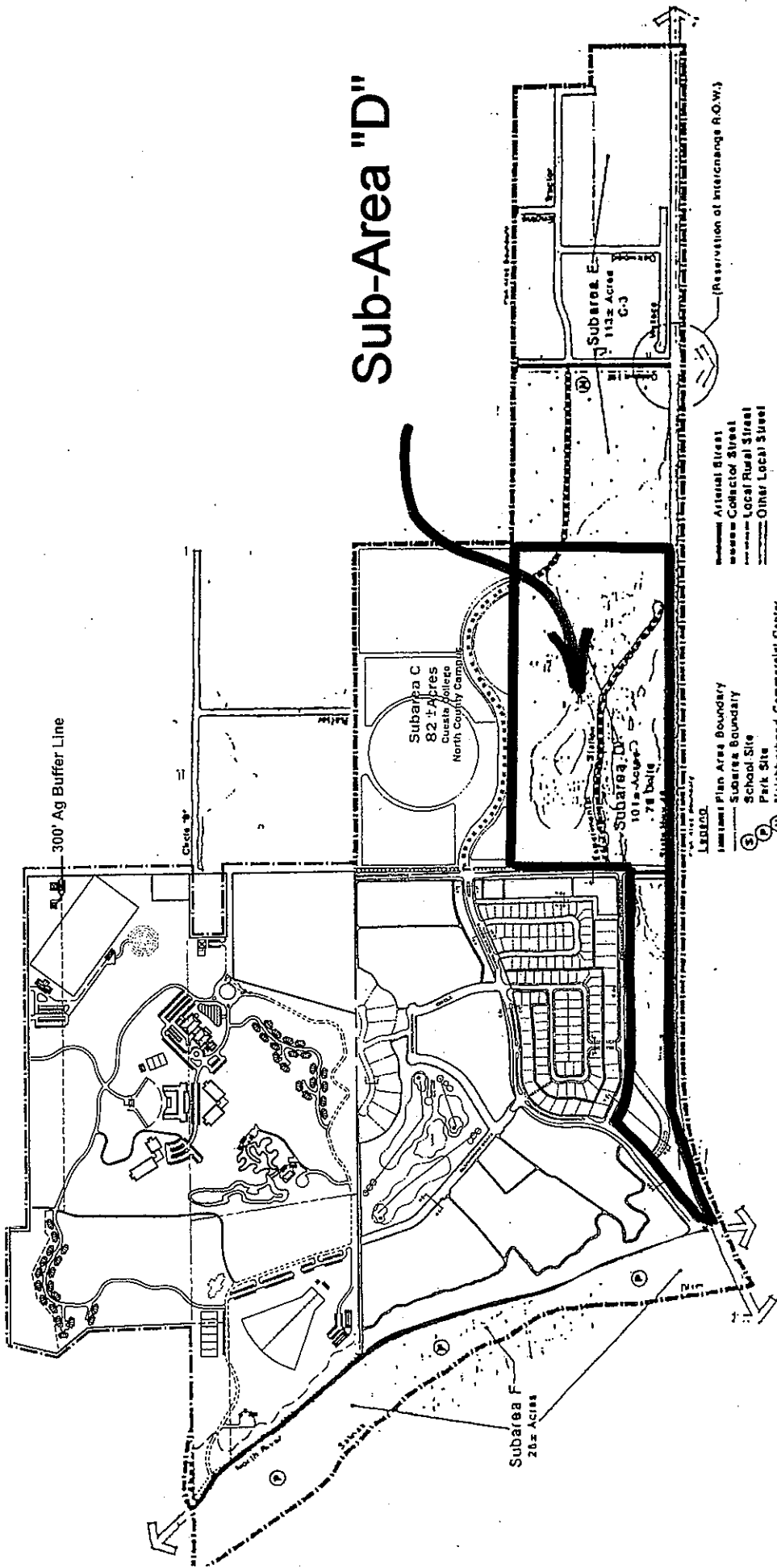
Category of Improvement	Total Allocated Cost	Fee Per Acre	NEW Fee* Per Unit or Facility	2003 Fee
Wastewater  La Quinta Hotel	\$8,972	N/A	\$48 per unit for units outside Bastide Village – for Village see <u>detailed schedule</u> . \$2,614-Hotel \$84 -Restaurant	\$74.15
Domestic Water  La Quinta Hotel	\$24,404.26	N/A	\$132 per unit for units outside Bastide Village- for Village see <u>detailed schedule</u> . \$8,184-Hotel \$264-Restaurant	\$201.69
Traffic:				
Upgrade -N. River Road  La Quinta Hotel	\$6,385.85	N/A	\$29 per unit for units outside Bastide Village- for Village see <u>detailed schedule</u> . \$1,972-Hotel \$1,015-Restaurant	\$52.78
Interchange – Golden Hill @ 46  La Quinta Hotel	\$249,380.79	N/A	\$1,113.31 per unit for units outside Bastide Village- for Village see <u>detailed schedule</u> . \$75,705-Hotel \$38,966-Restaurant	\$3,010.92
Contingency	\$16,237.94	\$84.14	\$0	\$84.14/acre
Plan Preparation/Administration	\$15,675	\$209	\$0	\$209/acre
<b>Total</b>	<b>\$ 321,055</b>			

\* see appendix sheets for breakdown details



**QUAD**

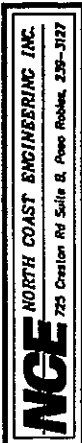
Plan Area Location

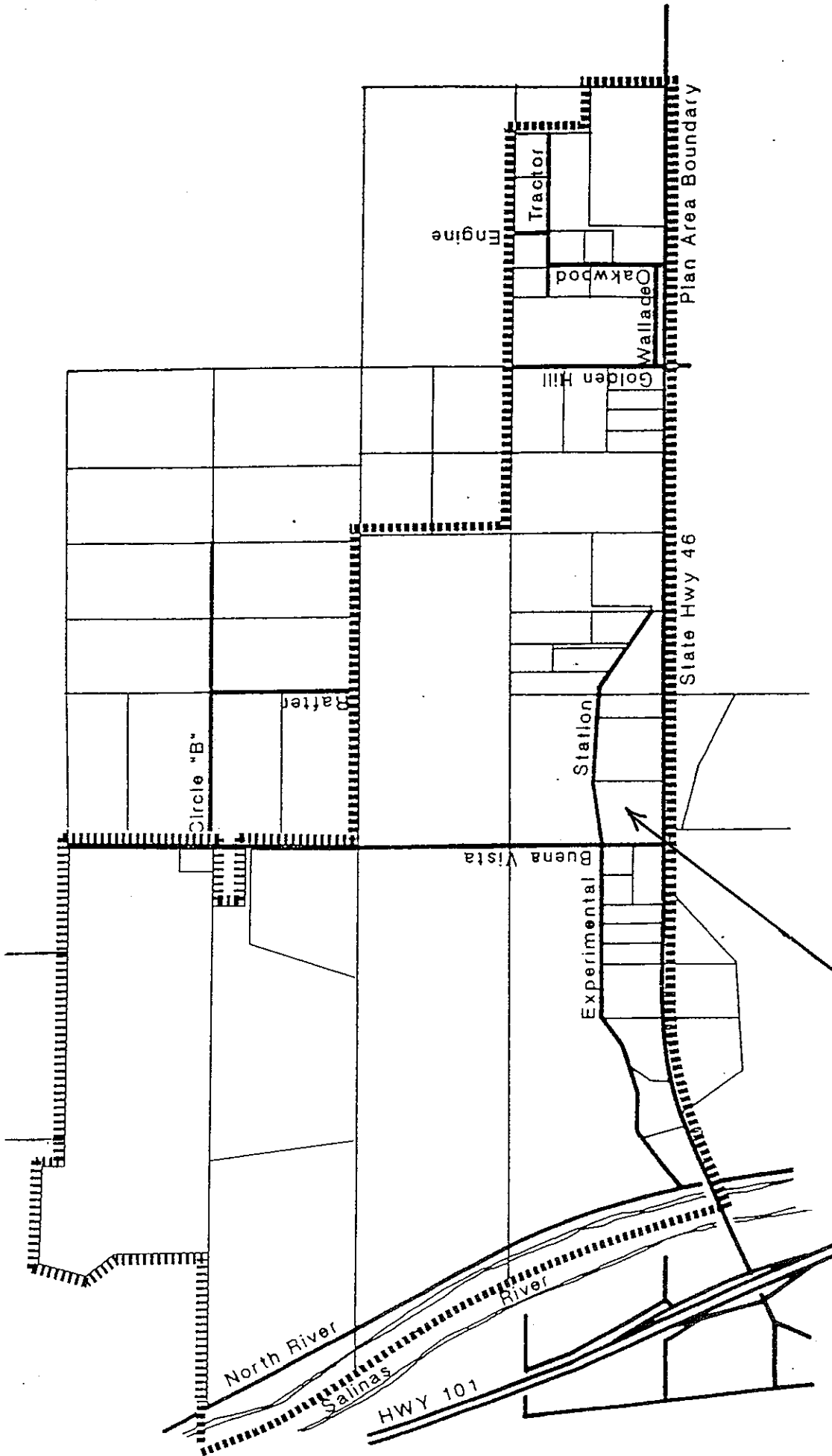


# Sub-Area "D"

# Borkey Area Specific Plan

Development Plan for Borkey Area



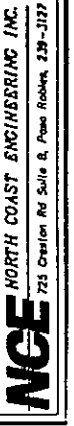


**Subject Property**

Plan Area Boundary

1-A

Revision to Subarea A  
 GPA 01-02; SPA 02-001 July 2002



PROOF OF PUBLICATION

LEGAL NEWSPAPER NOTICES

PLANNING COMMISSION/CITY COUNCIL  
PROJECT NOTICING

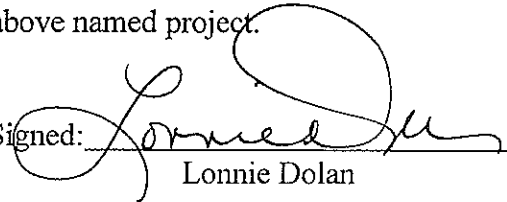
Newspaper: Tribune

Date of Publication: February 16, 2005

Meeting Date: March 1, 2005  
(Planning Commission)

Project: Specific Plan Amendment 05-001  
Adopting revised fee schedule  
For Sub-Area "D" of BASP

I, Lonnie Dolan, employee of the Community  
Development Department, Planning Division, of the City  
of El Paso de Robles, do hereby certify that this notice is  
a true copy of a published legal newspaper notice for the  
above named project.

Signed:   
Lonnie Dolan

forms/newsaffi.691

CITY OF EL PASO DE ROBLES  
NOTICE OF PUBLIC HEARING  
NOTICE IS HEREBY GIVEN that the City Council of  
the City of El Paso de Robles will hold a public  
hearing on Tuesday, March 1, 2005 to consider Spe-  
cific Plan Amendment 05-001 establishing and  
adopting a revised schedule of fees for Subarea "D"  
of the Borkey Area Specific Plan. The public hearing  
will be held beginning at the hour of 7:30 p.m. in the  
Conference Center (First Floor) at the Paso Robles  
Library/City Hall, 1000 Spring Street, Paso Robles,  
CA 93446. Background information on the Fee  
Update is available for review in the Community  
Development Department at Paso Robles Library/  
City Hall. Copies of the staff report on this matter  
will be available for review on the Thursday before  
the public hearing.  
All persons interested in the proposed Specific Plan  
Amendment are invited to comment by written  
response prior to the hearing or by oral testimony at  
the hearing. If you challenge any aspect of this  
proposal in court, the challenge may be limited to  
those issues you or someone else raised at the pub-  
lic hearing described in this notice, or in written cor-  
respondence delivered at, or prior to, the public  
hearing. For additional information, call Darren  
Nash at (805) 237-9970.  
/s/ Darren Nash, Associate Planner  
Feb. 16, 2005 6138344