

TO: James L. App, City Manager
FROM: Ed Gallagher, Director of Community Development
SUBJECT: Updated Development Impact Fees
DATE: March 18, 2014

Needs: That the City Council consider updating and adjusting Development Impact Fees associated with State Assembly Bill 1600.

Facts:

1. Development Impact Fees are a tool to implement the General Plan policy that new development will pay for its impacts.
2. Development Impact Fees reflect policy adopted in the Economic Strategy to “establish stable, long-term funding for infrastructure”.
3. On April 25, 2013, the Council reviewed and confirmed a list of City infrastructure needs pursuant to the General Plan.
4. On February 18, 2014, the City Council held a public hearing to review infrastructure needs and to discuss updated development impact fees.
5. The City retained David Taussig & Associates to prepare a Development Impact Fee Justification Study in order to “determine how there is a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed”.

Analysis & Conclusion: The Development Fee Justification Study was not available to the public as of the date publically noticed. It is recommended that the Council open the public hearing, accept testimony, and continue the discussion to the next regular meeting of the Council on April, 1, 2014.

Policy Reference: City General Plan; Government Code Sections 66000-66009;

Fiscal Impact: Adoption of the Development Impact Fees in the Study would generate an estimated \$124 million, out of the estimated \$353 million needed for infrastructure to serve build-out as provided in the General Plan.

Options:

- a. Open the Public Hearing and continue the discussion to the Council’s regular meeting of April 1, 2014.
- b. Amend, modify or reject the above options.