



Legislation Details (With Text)

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**Title:** BILL - (For introduction) - Adopting an ordinance amending Article 4.14 of Chapter 12 of the Fresno Municipal Code relating to the exemption of development impact fees for certain projects in economically disadvantaged neighborhoods

**Sponsors:** Esmeralda Z. Soria

**Indexes:**

**Code sections:**

**Attachments:** 1. Ord- Amending 12-4.1404 Exemption from Payment of Fees.pdf

Date	Ver.	Action By	Action	Result
6/14/2018	1	City Council	approved	Pass

**REPORT TO THE CITY COUNCIL**

**June 14, 2018**

**FROM:** ESMERALDA Z. SORIA, Council President

**SUBJECT**

BILL - (For introduction) - Adopting an ordinance amending Article 4.14 of Chapter 12 of the Fresno Municipal Code relating to the exemption of development impact fees for certain projects in economically disadvantaged neighborhoods

**RECOMMENDATION**

It is recommended that Council approve the introduction of the ordinance amending Article 4.14 of Chapter 12 of the Fresno Municipal Code relating to the exemption of development impact fees for certain projects in economically disadvantaged neighborhoods.

**EXECUTIVE SUMMARY**

On December 17, 2015, the Council adopted an ordinance which administratively eliminated the collection of police facilities, fire facilities, major streets, new growth streets, and traffic signal impact fees for grocery stores, professional and medical offices, banks, and mixed-use developments in economically disadvantaged neighborhoods. For the purposes of the ordinance, an Economically

Disadvantaged Neighborhood is defined as a designated Community Development Block Grant (CDBG) targeted area; a census tract where 40% or more of residents are considered to be of low or moderate income; property within ½ mile of the Blackstone BRT corridor south of Shaw Avenue; or one of the former Redevelopment Project Areas. The recommended amendment would add a new category of land use to exempt from payment of development impact fees, to include facilities that are open to and serve the general public to provide social services and activities, such as community workshops, events, educational activities and health screenings.

## **BACKGROUND**

A development project located in an Economically Disadvantaged Neighborhood is exempt from payment of police facilities, fire facilities, major streets, new growth streets, and traffic signal impact fees if the following criteria are met:

- The development project is either:
  - A grocery store dedicating at least fifty percent of its retail space for a general line of food and non-food grocery products intended for home preparation, consumption and use; or a grocery store dedicating at least thirty percent of its retail space for perishable goods that include dairy, fresh produce, fresh meats/poultry/fish, and frozen foods; or a grocery store dedicating at least 500 square feet of retail space to fresh produce. Does not apply to convenience stores;
  - Any building used as a professional or medical office;
  - A bank or credit unions. Does not apply to payday lending establishments; or
  - A mixed-use development.
  - Newly constructed or newly renovated hotels.
- The development project is either owner-occupied or subject to a commercial lease of three years or more; and
- Necessary City infrastructure is already in place.

If the above criteria are met, the City Manager shall grant the exemption. The Manager's decision may be appealed to the City Council. The recommended amendment would add a new category of land use to exempt from payment of development impact fees, to include facilities that are open to and serve the general public to provide social services and activities, such as community workshops, events, educational activities and health screenings.

The current ordinance is slated to expire on December 31, 2018. The City Manager shall prepare and present a report to Council at the end of the fiscal year detailing the amount and type of development impact fees eliminated for each project, and a running total of eliminated fees that may need to be offset by other legally permissible funding sources, and/or capital improvement projects that will be reduced or eliminated.

## **ENVIRONMENTAL FINDINGS**

This is not a project for CEQA purposes.

## **LOCAL PREFERENCE**

This is not a contract subject to local preference.

## **FISCAL IMPACT**

Negligible impact to facilities accounts. An increase to the City in property tax revenue may occur once projects are completed and commercial operations commence at a subject site.

Attachment:  
Ordinance