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Date	Ver.	Action By	Action	Result
1/7/2021	1	City Council	approved	Pass

REPORT TO THE CITY COUNCIL

January 7, 2021

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SUBJECT
Annual Review and Acceptance of the FY 2020 Summary of Impact Fee Waivers

RECOMMENDATIONS

Staff recommends that the City Council review and accept the FY2020 Summary of Impact Fee Waivers.

EXECUTIVE SUMMARY

The Council required an annual report be made by the City Manager, summarizing development impact fee waivers and public funding to potentially offset the waivers. This action was taken by the Council as part of the Economically Disadvantaged Neighborhoods Incentive Program. Fee waivers have been totaled for each participating development project and by impact fee type. Public infrastructure funds may help offset the loss of waived or reduced development impact fees.

BACKGROUND

The City charges development impact fees to new development for various types of public infrastructure, consistent with Section 66000 et seq. of the California Government Code, generally known as the Mitigation Fee Act or AB1600. Fees collected by the City include Regional Street Impact Fees, New Growth Area Street Impact Fees, Traffic Signal Mitigation Impact Fees, Citywide Fire Facilities Impact Fees, Citywide Police Facilities Impact Fees, Citywide Park Facilities Impact Fees, Quimby Parkland Dedication Fees, Water Capacity Fees and Wastewater Capacity Fees.

Each development fee was established in accordance with an adopted nexus study. The law requires that impact fees bear a reasonable relationship to the impact of the proposed development. Developers can be charged no more than their “fair share” under AB1600. Therefore, any waived or reduced fees are tracked against public infrastructure funds which may help offset the lost impact fee revenue. The Council has adopted various impact fee waiver or reduction programs:

- iDIFER
- BUILD Act
- Commercial BUILD Act
- Economically Disadvantaged Neighborhoods
- Economic Expansion Act
- Businesses Impacted by High-Speed Rail Condemnation
- Ventura / Kings Canyon Corridor Job Creation Act

The full listing of waivers by incentive program, entitlement number, applicant and development location/address is attached to the staff report. Total waivers from 2014 through today are summarized below, broken down by incentive program and by fee program:

- Commercial BUILD / Economically Disadvantaged Neighborhoods - \$1,406,784.08
- iDIFER - \$3,816,526.57
- Residential BUILD - \$416,772.99

Fees waived and the total amounts are listed below:

- Citywide Fire Facilities - \$515,802.16
- Citywide Police Facilities - \$1,361,406.40
- Citywide Park Facilities - \$721,532.00
- Citywide Regional Streets - \$835,113.72
- New Growth Area Major Streets - \$910,997.96
- Traffic Signal Mitigation Impact Fee - \$1,295,231.40

The grand total of fees waived from the 2014 inception to today is \$5,640,083.62. Grants and other public infrastructure funds received by the City during this time period, which may help offset fee waivers, are listed below by fee program:

- Fire and Police - \$0
- Parks - \$10,491,902
- Regional Streets - \$12,713,582

- New Growth Streets - \$2,344,900
- Traffic Signals - \$1,655,235

The grand total of public infrastructure funding received which may help offset fee waivers is \$27,205,619.

ENVIRONMENTAL FINDINGS

The annual fee waiver summary is not a project under the California Environmental Quality Act and does not require an environmental finding.

LOCAL PREFERENCE

Local preference does not apply as this item is only for acceptance of the annual update.

FISCAL IMPACT

There is no fiscal impact of implementing the staff recommendation of receiving the report.

Attachments:

Summary of Approved Impact Fee Waivers

Summary of Public Infrastructure Funds Received