



CITY OF BIGGS Staff Report

TO: City of Biggs City Council

FROM: Mark Sorensen, City Administrator
Scott Friend, AICP, City Planner

MEETING DATE: October 14, 2014; 6:30 p.m.
Biggs City Hall, 3016 Sixth Street, Biggs, CA 95917

SUBJECT: CHIP Impact Fees Adjustment Request – North Biggs Estates

Summary:

The Community Housing Improvement Program (CHIP), owner/developer of the North Biggs Estates project, has requested that the City of Biggs consider an adjustment to the City's Impact Fee program to address impact fee amounts for a future multiple family dwelling unit project. This report presents an option to the Council for further discussion related to a potential scenario for a fee adjustment addressing a future multi-family development in the North Biggs Estates project.

With this recommendation, staff is recommending that the Council give direction to the City Administrator to pursue the preparation of Development Agreement with CHIP for the purposes of establishing a modified impact fee amount for a future development in the North Biggs Estates project.

Discussion:

The Community Housing Improvement Program (CHIP) owns an existing parcel of land in the North Biggs Estates project designated on the City's General Plan as High Density Residential and zoned with the R-3, High Density Residential zone district. CHIP is currently working on the development of site development options for a future project on the site. In reviewing the City's Development Impact Fee (DIF) Program, CHIP correctly identified that the City's DIF program does not have an impact fee dollar amount for multiple family residential projects. As a result, CHIP has requested that the City consider a modified impact fee dollar amount, potentially applicable to a future project on the multiple family site, based upon the establishment of smaller units than were used as the baseline equivalent dwelling unit (EDU) size in the City's approved fee study.

The City's DIF study utilized a hypothetical 3 bedroom, 2 bath room 1,500sq.ft. dwelling unit as the baseline unit for the calculation of potential system impacts and thus the basis for the calculation of the impact fee dollar amount for a residential project. Staff understands that CHIP is evaluating options for the development of the site that include a combination of 1-bedroom, 2-bedroom, 3-bedroom and 4-bedroom units. In an effort to identify an equitable approach to the determination of a specific impact fee for each type of unit, staff has put together the following fee table for discussion and consideration by the Council for the purposes of determining an appropriate impact fee dollar amount for dwelling units substantially smaller than those used in the City's original impact fee study.

Existing Approved DIF:

	Projected Cost	Total Cost Per Unit
Sewer	\$5,513,000	\$7,273
Drainage	\$1,725,000	\$2,276
Water	\$2,888,000	\$3,810
Electric	\$1,100,000	\$1,451
Roads	\$1,347,295	\$1,777
Parks & Recreation		
<i>Residential</i>	\$1,641,016	\$3,060
<i>Indust/Comm</i>	\$182,335	\$820
General Government	\$429,641	\$567
Police		
<i>Residential</i>	\$34,400	\$64
<i>Indust/Comm</i>	\$8,600	\$39
Fire	\$171,008	\$226
Development Type	Total Projected Improvement Cost	Total Fee Per Development Type
Total Residential	\$14,849,359	\$20,504
Total Industrial	\$13,364,879	\$18,239
Total Commercial	\$13,364,879	\$18,239

Notes: DUE is dwelling unit equivalent. (1) Commercial DUE: 2,500 sq. ft. = 1 DUE. (2) Industrial DUE: 5,000 sq. ft. = 1 DUE.

Proposed Adjusted Fee Table – Multiple Family Residential:

	Per SFR	3+ <i>Bedroom</i> <i>MFR</i>	2 <i>Bedroom</i> <i>MFR</i>	<i>Adjusted</i> <i>fee</i>	1 <i>Bedroom</i> <i>MFR</i>	<i>Adjusted</i> <i>fee</i>
Sewer	\$7,273	no change	.66%	\$4800.18	.50%	\$3636.50
Drainage	\$2,276	no change	.66%	\$1502.16	.50%	\$1138.00
Water	\$3,810	no change	.66%	\$2514.60	.50%	\$1905.00
Electric	\$1,451	no change	.66%	\$957.66	.50%	\$725.50
Roads	\$1,777	no change	.66%	\$1172.82	.50%	\$888.50
Parks and Recreation	\$3,060	no change	no change	\$3,060	no change	\$3,060
General Government	\$567	no change	no change	\$567	no change	\$567
Police	\$64	no change	no change	\$64	no change	\$64
Fire	\$226	no change	no change	\$226	no change	\$226
Total	\$20,504	\$20,504		\$14,863		\$12,209
<i>Percent reduction:</i>				<i>(27%)</i>		<i>(40%)</i>

Environmental determination:

Not applicable at this time.

Fiscal Impact:

Staff time only. All time spent on this matter has been accommodated within the City's existing on-call services contract. No supplemental funds are being requested.

Recommendation:

Staff recommends that the Council review the modified fee table contained in this report and provide feedback as to the Council's opinion of the approach to a fee modification presented above.

If the Council is supportive of staff's recommendation, staff requests that the Council authorize the City Administrator to begin discussions with CHIP related to the preparation of a Development Agreement for a future project based upon the recommended fee modification ratios presented with this report. If Council does not agree with the fee modification recommendation, staff requests that the City Council provide direction to staff on how (if at all) to modify the DIF to provide for a future multiple family project in the North Biggs Estates project.

Attachments:

None