

RESOLUTION NO. _____ (N.C.S.)

**A RESOLUTION UPDATING THE PUBLIC FACILITIES IMPACT FEE
SCHEDULE**

WHEREAS, California Government Code §§ 66000-66008, also known as the Mitigation Fee Act, provide local jurisdictions the authority to impose fees to defray all or part of the cost of public facilities including fire, police, libraries, and recreation related to new development; and

WHEREAS, the City of Salinas desires to recover the costs of public facilities necessary to maintain established City service standards for new development within the City; and

WHEREAS, the City of Salinas completed a Public Facilities Development Impact Fee Nexus Study on February 3, 2014, establishing the findings and nexus required to support such fees pursuant to the Mitigation Fee Act; and

WHEREAS, the City's current impact fees for Public Facilities are charged per unit, regardless of housing type, bedroom size or occupancy rate and discourage the production of smaller, more affordable housing, which cannot absorb the higher development impact fees; and

WHEREAS, 77% of Salinas households experience significant housing cost burdens according to the 2015-2023 Housing Element, but supply of affordable housing continues to lag behind the need as only 108 affordable and moderate housing units were developed in 2019; and

WHEREAS, the 2018 Salinas Plan includes a goal of producing over 4,000 affordable housing units within 10 years to meet the community's need for this housing type; and

WHEREAS, one of the ways to incentivize more affordable housing is to re-scale development impact fees based upon size, which is also a recommendation in the Monterey Bay Economic Partnership's (MBEP) White Paper on *Policy Changes that Could Improve Housing Affordability in the Monterey Bay Region*; and

WHEREAS, Community Development Department staff worked with Willdan Financial Services to prepare a Residential Development Impact Fee Structure Analysis to differentiate public facilities fees by housing size to more equitably spread the cost of public service level maintenance; and

WHEREAS, Community Development Department staff integrated recommendations from the Technical Advisory Committee on Housing Policies and Procedures (TAC) to include adjustments for age-restricted senior dwelling units; and

WHEREAS, The California State Legislature amended requirements on local agencies for the imposition of development impact fees on accessory dwelling units (ADU) with Assembly Bill 68 stipulating that local agencies may not impose any impact fees on ADUs less than 750 square feet as reflected in the proposed fee schedule; and

WHEREAS, a public hearing on the update to the Public Facilities Fee Schedule for Residential Units was properly noticed and held on December 1, 2020, pursuant to Government Code 66017 and public comments received; and

WHEREAS, the City of Salinas has adopted and codified Ordinance Number 1847 (N.C.S.) establishing a public facility development impact fee Chapter 9, Article V of the Salinas Municipal Code; and

WHEREAS, the public facility development impact fee is consistent with and within the scope of Ordinance Number 1847.

NOW, THEREFORE BE IT RESOLVED by the Salinas City Council that the public facilities impact fees are hereby updated according to the schedule shown below.

	Residents per DU	Impact Fee Schedule				Total
		Fire	Police	Library	Recreation	
Existing Impact Fee per Capita ¹		\$ 86	\$ 475	\$ 338	\$ 188	\$ 1,087
Occupant Density per Dwelling Unit, by Dwelling Unit Square Footage ²						
9: 4,000 square feet or more						
8: 3,000 to 3,999 square feet	4.18	\$ 359	\$ 1,986	\$ 1,413	\$ 786	\$ 4,544
7: 2,500 to 2,999 square feet	4.02	346	1,910	1,359	756	4,370
6: 2,000 to 2,499 square feet	3.84	330	1,824	1,298	722	4,174
5: 1,500 to 1,999 square feet	3.70	318	1,758	1,251	696	4,022
4: 1,000 to 1,499 square feet	3.41	293	1,620	1,153	641	3,707
3: 750 to 999 square feet	2.77	238	1,316	936	521	3,011
2: 500 to 749 square feet	2.27	195	1,078	767	427	2,467
1: Less than 500 square feet	1.97	169	936	666	370	2,141
Senior Unit Fee Schedule ³						
9: 4,000 square feet or more						
8: 3,000 to 3,999 square feet	2.59	\$ 223	\$ 1,230	\$ 875	\$ 487	\$ 2,815
7: 2,500 to 2,999 square feet	2.49	214	1,183	842	468	2,707
6: 2,000 to 2,499 square feet	2.38	205	1,131	804	447	2,587
5: 1,500 to 1,999 square feet	2.29	197	1,088	774	431	2,489
4: 1,000 to 1,499 square feet	2.11	181	1,002	713	397	2,294
3: 750 to 999 square feet	1.72	148	817	581	323	1,870
2: 500 to 749 square feet	1.41	121	670	477	265	1,533
1: Less than 500 square feet	1.22	105	580	412	229	1,326

¹ Calculated by dividing current fee per single family unit by 3.67, the assumed residents per dwelling unit.

² Based on 2017 American Housing Survey data for the Pacific Division, adjusted based on difference in average dwelling unit density for Salinas v. Pacific Division. Average residents per square foot, by dwelling unit sq. ft.

³ Assumes that a senior unit contains 62% the population of regular unit based on data regarding average household size from Table S0103 from the American Community Survey for the City of Salinas for all dwelling units and units occupied by residents over 65 years of age.

PASSED AND APPROVED this 1st day of December 2020 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Christie Cromeenes, Mayor Pro Tem

ATTEST:

Patricia M. Barajas, City Clerk