

SANTA BARBARA COUNTY BOARD AGENDA LETTER



Clerk of the Board of Supervisors
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TO: Board of Supervisors

FROM: John Patton, Director
Planning & Development

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SUBJECT: Reconfirm or Modify Goleta Development Impact Fees

RECOMMENDATION:

That the Board of Supervisors reconfirm or modify as determined appropriate the Goleta Development Impact Fee Package including, the Quimby Fee, County-wide Park Development and Mitigation Fee, Commercial and Industrial Park Fee, Fire Fee, Transportation Fee, Public Administration Fee, Library Fee, and Sheriff Fee and reconfirm the adopted and proposed fees or direct staff to return to the Board with any modifications on June 15, 1999.

ALIGNMENT WITH BOARD STRATEGIC PLAN: The recommendation(s) are primarily aligned with Goal No. 2. A Safe and Healthy Community in Which to Live, Work, and Visit; Goal No. 4. A Community that is Economically Vital and Sustainable; and Goal No. 5. A High Quality of Life for All Residents

EXECUTIVE SUMMARY AND DISCUSSION:

1. Summary

As directed by your Board, Planning & Development (P&D) staff prepared updates to existing development impact fee programs and developed new development impact fee programs to address the impacts of new development on County provided public infrastructure in Goleta. The adopted and proposed Goleta development impact fees provide the necessary funding to construct the needed public improvements to serve new development. Staff recommends that your Board reconfirm the fees adopted to date.

2. Background

In July of 1998, the Board of Supervisors directed P&D to begin work on updating existing and establishing new development impact fees to be collected to finance the public facilities that were determined necessary to mitigate the impacts generated by new development in the Goleta Planning Area. The County facilities to be evaluated under the fee program were the following:

- Park and Recreation Facilities
- Transportation Facilities
- Fire Facilities
- Library Facilities
- Public Administration Facilities
- Sheriff Facilities

To date, the Board has adopted revised Quimby and Park Development Mitigation fees, new Fire, Library, and Public Administration Fees, and a new Commercial and Industrial Park fee. Your Board is still considering an updated Transportation Fee and a new Sheriff Fee.

This report provides your Board a comprehensive review of all the development impact fees adopted and proposed for adoption in the Goleta Planning Area. It also provides an opportunity for your Board to reconsider or confirm previous Board action on the adopted and proposed fees taking into consideration the full fee burden placed on new development.

Current law authorizes the County to charge development impact fees for a variety of infrastructure needs associated with new residential and/or commercial and industrial development in a community. The new Goleta development impact fees were developed through close coordination with affected line departments. This coordination focused on identifying both the future public facility needs and associated costs from projected new growth. Based on the public facility needs and costs provided by line departments, updated and new development impact fees were identified. The fees will generate sufficient revenues to build or acquire the needed park, transportation, fire, library, public administration, and sheriff facilities necessary to mitigate the impacts of new development on these public facilities over the next 10 years.

The total development impact fee program for the Goleta Planning Area (GPA) is outlined below in Table 1.

Table 1

<u>Fee Program</u>	<u>Fee Per Single Family Dwelling</u>	<u>Fee Per Multiple Family Dwelling</u>	<u>Fee Per 1,000 sf of Retail Commercial</u>	<u>Fee Per 1,000 sf of Non-Retail Commercial</u>
Parks	\$7,004.00	See below	\$1,111.50	\$1,567.53
Transportation	\$9,075.00	Refer to GTIP ¹	Refer to GTIP ¹	Refer to GTIP ¹
Fire	\$532.70	\$394.53	\$372.53	\$525.38
Library	\$288.75	\$213.86	\$100.97	\$142.39
Public Admin.	\$1,280.58	\$948.43	\$447.78	\$631.49
Sheriff	\$328.66	\$243.42	\$229.84	\$324.15

¹ GTIP is the acronym for the Goleta Transportation Improvement Plan. Contained within the 1999 GTIP is a development impact fee schedule by land use. For example, the proposed transportation fees for an apartment unit is \$5,571; for a condominium unit, \$4,852; for a shopping center <= 50,000 sf, \$47,775 per 1,000 sf; and for a research & development building, \$9,704 per 1,000 sf.

Park Development Impact Fees for residential development (e.g., multi-family dwellings) which is not associated with a land division are as follows:

<u>Land Use Type</u>	<u>Fee Per Unit</u>
• Second Unit	\$2,521.00
• Mobile Home	\$4,552.00
• Apartment	\$4,972.00
• Duplex	\$6,023.00
• Single Family	\$7,004.00

As mentioned above, the Goleta Development Impact Fees provide revenue to acquire and construct the needed public facilities determined necessary to serve new development. The following discussion provides a summary of each of the adopted and proposed fee programs as to the purpose of the fee and the proposed public facilities to be built.

Park Fee: The purpose of the park fee is to acquire and construct new active and passive park facilities. Since new development will generate additional residents and/or employees who will increase the demand for park facilities, park fees collected from new development will be used exclusively for this purpose.

The County’s existing park standard was used to determine the amount of new park facilities required to serve new development. Based on this standard, approximately 43 acres of new park facilities would be needed to serve new development in the Goleta Valley.

Transportation Fee: The purpose of the Transportation Fee is to increase the capacity of Goleta area roadways, intersections and alternative transportation modes to handle the increase in traffic anticipated from new development. The transportation fees will be used exclusively to mitigate the impacts of traffic generated by new development.

The Transportation Fee is based on a detailed traffic and circulation report identifying the effect of future land use development will have on the existing circulation system in Goleta. Contained within the Goleta Transportation Improvement Plan are the proposed improvements made necessary by the anticipated new development and cost estimates for the improvements.

Fire Fee: The purpose of the Fire Fee is to construct and/or acquire new fire protection facilities. Since new development in Goleta will result in additional system-wide service calls, the County Fire Department identified the need to relocate an existing fire station to the area where much of the anticipated growth is planned.

The adopted Fire Fee is based on the costs associated with relocating the fire station. Fire Fees collected from new development would be used exclusively for this purpose.

Library Fee: The purpose of the Library Fee is to provide funding to build additional library facilities in Goleta. An additional 4,000 square feet of new library space was determined necessary

to serve new development. Library Fees collected from new development would be used exclusively for this purpose.

Public Administration Fee: The purpose of the Public Administration Fee is to construct and/or expand buildings used to provide general governmental services. Since new residential and commercial development will generate additional residents and employees who will increase the demand for county governmental services, public administration fees collected from new development will be used exclusively for this purpose.

New development in Goleta was determined to generate the need for an additional 19,000 square feet of new or expanded government facility space. The additional space would be used to house personnel for county provided services such as public administration, social services, mental health, and the court system.

Sheriff Fee: New development will generate new residents and employees which will increase the need for more correctional facilities and additional patrols in Goleta. Thus, the purpose of the Sheriff Fee is twofold. First, to construct and/or acquire new sheriff correctional facilities such as jail, probation, and juvenile facilities to serve the residents and employees generated by new development in Goleta. Second, to purchase equipment such as vehicles, radios, and uniforms for the additional patrols that will be needed to serve new development in Goleta. Fees collected from new development will be used exclusively for these two purposes.

New development in Goleta was determined to generate the need for an additional 6,206 square feet of new or expanded correctional facilities and three additional patrol vehicles.

3. Total Fee Burden

Your Board requested P&D to provide the Board with a comprehensive review of the full fee burden on new development in Goleta. The total fee burden for a market rate new single family dwelling, apartment unit, and a 10,000 square foot retail store in Goleta are illustrated in Table 2 below. The fee burden estimate shown for an apartment unit includes the proposed transportation fee reduction.

The adopted and proposed fee programs in Goleta are consistent with the Board adopted fee programs in Orcutt, with the exception of the Public Administration and Sheriff fees. These two fee programs differ slightly from what was adopted in Orcutt.

The Goleta Public Administration Fee does not include any sheriff related facilities (i.e., jail, probation, and juvenile facilities); that portion of the impact of new development was calculated into the Orcutt Public Administration Fee. In addition, the Orcutt Public Administration Fee reflects Board direction to: 1) identify a specific project that would be more local serving over general serving, and 2) reduce the fee by 50% from the fee amount determined by the Orcutt Fee Study to be necessary to fully mitigate the impact on public administration facilities from new development in Orcutt.

The Goleta Sheriff Fee was expanded to include those Sheriff related facilities (i.e., correctional facilities) previously identified under the Goleta Public Administration Fee program. As a result, the Goleta and

Orcutt fee programs differ with respect to the facilities included within the public administration and sheriff fee programs.

Table 2
Sample Goleta Fee Burden

<u>Fee Program</u>	<u>Single Family Dwelling</u> <u>(2,500 sq ft dwelling)</u>	<u>Apartment Unit</u> <u>(1,000 sq ft unit)</u>	<u>Retail Store</u> <u>(10,000 sq ft building)</u>
Parks	\$7,004	\$4,972	\$11,110
Transportation	\$9,075	\$2,207	\$477,750
County Fire (\$0.20/sf)	\$500	\$200	\$2,000
Fire	\$533	\$395	\$3,725
Library	\$289	\$214	\$1,010
Public Administration	\$1,281	\$948	\$4,478
Sheriff	<u>\$329</u>	<u>\$243</u>	<u>\$2,298</u>
Sub-Total	\$19,011	\$9,179	\$502,371
<u>Other Agency Fees</u>			
Schools (res: \$1.93/sf; C&I: \$0.31/sf)	\$4,825	\$1,930	\$3,100
Goleta Water District	\$9,301	\$4,875	\$16,770
Goleta Sanitary Districts ¹	\$1,618	\$1,412	\$1,618
Total Fee Burden	\$34,755	\$17,396	\$523,859

¹ Average fee shown between Goleta West Sanitary and Goleta Sanitary District fees.

As shown in the table above, the total fee burden for a new single family home in Goleta would be \$34,755. This includes both county fee programs and other agency/district fees. Table 3 below provides a percentage comparison of the total fee burden on the estimated median selling price for a new single family home in Goleta and Orcutt.

Table 3
Percentage Comparison of Total Fee
Burden on Median New Home Price

	<u>Goleta</u>	<u>Orcutt</u>
Total Fee Burden (per single family unit)	\$34,755	\$21,019
Median New Single Family Home Price ¹	\$445,000	\$175,000
Percentage of Fees to Home Price	7.8 %	12 %

¹ The estimated median new home selling price shown for Goleta and Orcutt is based on information contained in the 1999 UCSB Economic Forecast and information provided by local realtors and developers.

Although the total fee burden for a new single family home in Goleta is greater than the total fee burden adopted for a new single family home in Orcutt, the overall fee burden represents a smaller percentage of the

actual cost of a new single family home. The total fee burden on a new single family home in Goleta represents approximately 7.8% of the estimated median new home selling price, while the total fee burden on a new single family home in Orcutt represents approximately 12% of the estimated median new home selling price.

If the Board, after consideration of the full fee burden, directs staff to modify any of the adopted and proposed fee programs, adequate funding would not be collected to meet the public facility demands generated by new development in Goleta, unless an alternative funding source is identified to offset any fee modifications directed by your Board.

MANDATES AND SERVICE LEVELS: Government Code Section 66000 (AB 1600--Development Impact Fees) allows local jurisdictions to establish development impact fees to fund the construction of public infrastructure necessary to serve new development. If the Board reduces specific fees, the fees collected would not be commensurate with the service demands generated by new development.

FISCAL AND FACILITIES IMPACTS: As noted above, if the Board reduces specific fees, sufficient funding would not be collected to construct facilities needed to meet the demands of new development, unless an alternative source of funding is identified.

SPECIAL INSTRUCTIONS: Please notice in the legal section of the Santa Barbara News-Press 10 and 5 days prior to the hearing. Also, please forward one copy of the minute order to the County Administrator's Office, P&D, Parks, Sheriff Dept., Fire Dept., General Services, Auditor-Controller, and County Counsel.

CONCURRENCE: N/A