

# Diridon Basic Infrastructure Fee

*August 20, 2019*

*Kim Walesh and Bill Ekern*

*Item 4.1*

# Process: Diridon Basic Infrastructure Fee

2014

Diridon  
Station Area  
Plan  
  
City of San Jose

*Planned development*

2017

Infrastructure  
Analysis  
  
HMH Engineering

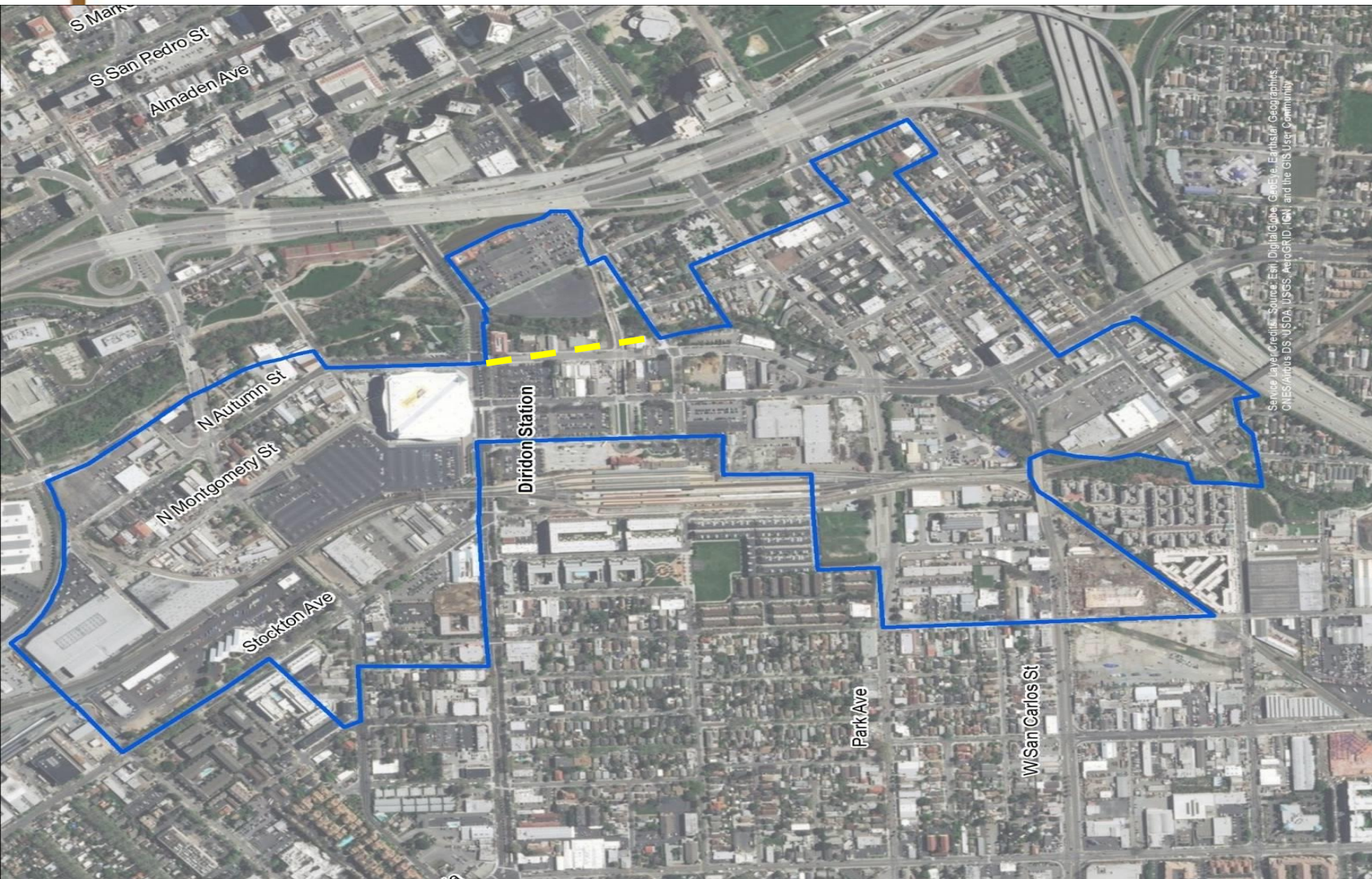
*Specific needs and cost*

2018-2019

Nexus Study  
  
Strategic  
Economics

*Reasonable relationship  
"Fair share" cost allocation*

# Impact Fee Zone

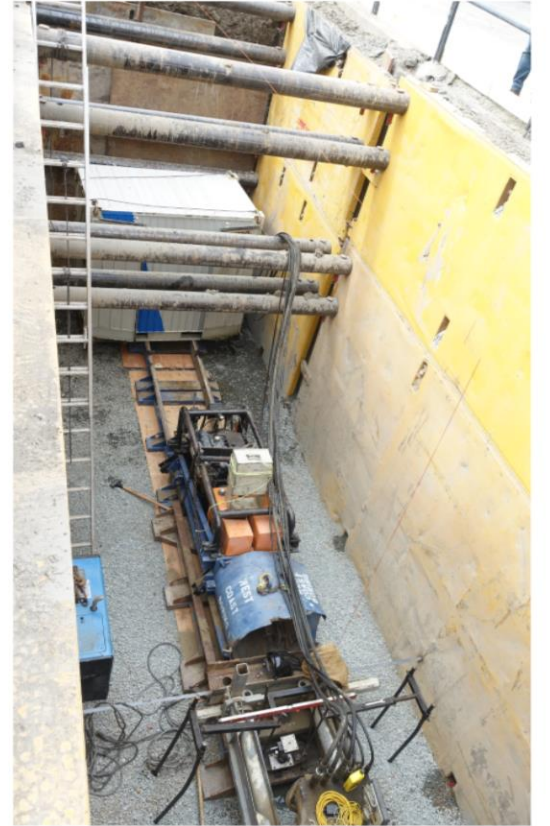


## Added Dev't on:

- ✓ Water Company Site
- ✓ Fire Training Site
- ✓ Lots A/B/C
- ✓ Stadium properties

# 4 Elements of Basic Infrastructure

Infrastructure Category	Scale	Cost Estimate
<b>1. Streets</b>	2.4 miles	\$43,190,000
<b>2. Sanitary Sewer</b>	2,500 linear feet	\$6,960,860
<b>3. Storm Drain and Flood Control</b>	7,900 linear feet	\$9,200,000
<b>4. Plaza/s</b>	1 acre	\$15,000,000
<b>Total</b>		\$74,350,860



# Modest Fee Levels and Impact on Dev't Cost

	<b>Plaza/s</b>	<b>Sanitary Sewer</b>	<b>Storm Drain/ Flood Control</b>	<b>Streets</b>	<b>Total (per sq. ft.)</b>
<b>Retail</b>	\$0.45	\$0.24	\$0.22	\$3.07	<b>\$3.97</b>
<b>Office/ R&amp;D</b>	\$1.46	\$0.45	\$0.71	\$3.33	<b>\$5.95</b>
<b>Hotel</b>	\$0.36	\$0.61	\$0.33	\$4.14	<b>\$5.44</b>
<b>Residential</b>	N/A	\$0.62	\$0.58	\$1.47	<b>\$2.67</b>

# Implementation

- After 45 days, ordinance becomes effective
- Applies to all new development (have 'conditioned' planning permits)
- Fee paid at issuance of building permit
- Fund will track projects and payment
- Fee adjusted annually (Construction Cost Index)

# Further Next Steps

- Evaluate Diridon Station Area Plan when amended for additional public improvements needed
- Amend this impact fee, or create new fee, or as needed
- Explore other mechanisms for operations and maintenance, infrastructure enhancements (CFD, EIFD taxing districts)
- Consider Commercial Impact Fee recommendation



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