Development Fee Framework Status Report

Community and Economic Development Committee

April 22, 2024 Item (d)5

Jerad Ferguson, Principal Planner, PBCE



Background





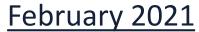








Concept of
"Universal
Development Fee"
introduced



Changes to IHO
changes include Fee
Framework
Geography

January 2022

Working Group established to further work on Fee Framework June 2022

Report to CED introduced concept of Council Policy

June 2023

Council Adopted
Housing Element
included item P-10
"Standardize and
Streamline Permitting,
Fees, Applications"

Shift to concept of "Framework"



Concept and Established Outcomes

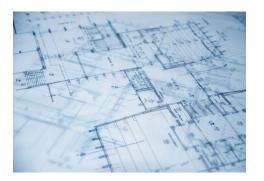
- Aligning fees in Framework gives holistic view of City added costs
- Facilitate housing production by making costs more transparent and predictable
- Not proposing increases or decreases to fees or change legal structure

Development Fee Framework Outcomes		
Objective	Simplify the administration and calculation of major residential development fees and taxes to provide transparency and certainty to the public and development community.	
Goal #1	Adoption of a Council Policy to memorialize the Development Fee Framework elements and parameters.	
Goal #2	Develop a webpage and other resources that disclose current fee structures and are organized by geography that can be used to estimate City development costs (fees and taxes) quickly and easily.	



Common Elements

Metric of Calculation



Development Geography



Timing of Payment



Development Typology





Proposed Work Plan (Phase 1)

Working Group Reestablished with bimonthly meetings	April 2024
Develop initial draft of the Council Policy and establish the webpage	May 2024 – October 2024
Initial Draft of Council Policy and Public Outreach	October 2024 – December 2025
Revisions to Council Policy based review and feedback	January 2025 – February 2025
Draft Policy presented to City Council	March 2025



"Parks Fee" Study









Purpose

- Assess land values to set the base of park fees
- Consider
 establishing a
 commercial park
 impact fee
- Evaluate credits that offset the fee

Possible Outcomes

- Maximum park fees that can legally be adopted
- New formulas for calculation
- Alignment with the Framework

Status

- Additional fiscal analysis needed
- Fiscal analysis
 expected in
 spring/summer
 2024

Next Steps

- On hold market does not support fee increases
- Complete policy work with an equity lens
- Study if a Citywide program can distribute fees to areas with greatest need



Development Fee Framework Status Report

Community and Economic Development Committee

April 22, 2024 Item (d)5

Jerad Ferguson, Principal Planner, PBCE

