

July 6, 1987

REPORT TO THE HONORABLE
MAYOR AND CITY COUNCIL
DEVELOPMENT IMPACT FEES IN THE URBANIZING AREAS

At the City Council meeting of June 22, 1987, the Council received the report of the Citizen's Advisory Committee on Growth and Development. A part of that report recommended the imposition of increased fees to mitigate the impacts of development in non Facilities Benefit Assessment areas. You requested that this office, the City Manager and the Planning Department proceed with a process to establish the fees. We have reviewed the provisions of the State Constitution, and the procedural provisions of state legislation relating to fees and assessments. This report is intended to provide you with a description of the legal options available to you to carry out your directions of June 22, 1987.

The public hearing of July 7 has been noticed to provide for the legally required public input on the proposal to increase fees.

After receipt of public testimony and the City Manager's recommendations, there are two separate procedures available regarding the imposition of new impact fees on development should you desire to implement them.

1. If you find that the fees described in the City Manager's Report of July 2, 1987 are appropriate and that they are necessary to address the impacts of development you may by resolution impose those fees. This action requires a simple majority vote. The new fees will take effect in sixty (60) days, Government Code section 65962(b).

2. If you find that the public health, welfare or safety are currently and immediately threatened by the potential for development without the collection of these fees you may, as an urgency measure, impose them today. To impose these fees as an urgency matter requires a 4/5 vote of the City Council, Government Code section 65962(c). If you do adopt these fees as

an urgency matter, the resolution is only effective for thirty (30) days.

However, by renoticing and considering the issue again in approximately four weeks, you may by a 4/5s vote extend the urgency collection process to coincide with the initiation of fees under the regular fee implementation process described in

paragraph 1.

Respectfully submitted,
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