

A handwritten signature in black ink, appearing to read 'William B. Avera'. The signature is fluid and cursive, with the first name 'William' being the most prominent.

William B. Avera, City Manager

RESOLUTION No. 2019-113

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HOLLISTER
APPROVING AN UPDATE TO THE PUBLIC FACILITY IMPACT FEES FOR
DETENTION (JAIL/JUVENILE HALL), LIBRARY, PARK CONSTRUCTION, STORM
DRAINAGE AND WATER FACILITIES AND NEW FEES FOR CITY HALL/CITY
YARD,**

WHEREAS, the City Council determined it was necessary and desirable to conduct a comprehensive review of the City's development impact fees to determine whether those fees are adequate to defray the cost of public facilities necessary to accommodate new and future development within the City; and

WHEREAS, the City contracted with Willdan Financial Services for a comprehensive evaluation of the City's existing development impact fees for City Hall/City Yard, Park Construction, Storm Drainage and Water; and

WHEREAS, a report entitled "City of Hollister Development Impact Fees Update Study" has been prepared that establishes the nexus between the imposition of an updated development impact fee program ("Development Impact fees," or "Fees") and the estimated reasonable cost of providing the services and contracting the public facilities for which the Fees will be charged for City Hall/City Yard, Park Construction, Storm Drainage and Water; and

WHEREAS, Sections 4 and 9 of a report entitled "San Benito County Development Impact Fee Study, October 3, 2017 have been prepared that establish the nexus between the imposition of an updated development impact fee program ("Development Impact fees," or "Fees") and the estimated reasonable cost of providing the services and contracting the public facilities for which the Fees will be charged for Detention Facilities (Jail/Juvenile Hall) and Library; the studies for the basis for adoption of the fees are current; and

WHEREAS, the City Council received a report examining the Public Facility Impact Fee studies in relation to the California Department of Housing and Community Development "Building Blocks" Constraints – Fees and Exactions and it was determined that the new fees would be close to 11% of the average cost of a single family residence; the City uses a variety of strategies to leverage funding for capital improvements and equipment purchase for new growth to keep fees lower; there will not be a significant increase in fees compared to the past ten years; the studies for the basis for adoption of the fees are current; and

WHEREAS, as part of the California Department of Housing and Community Development "Building Blocks" Constraints – Fees and Exactions and it was noted that the traffic impact fees are disproportionately higher than neighboring communities due to the fact that the City is a bedroom community within a bedroom county with requirements from Caltrans to fund improvements to widen sections of Highways 25

and 156 linking to Highway 101 as well as local commuter corridors while neighboring communities do not have a similar financial burden; and

WHEREAS, it is the City's policy that new development should contribute its fair share to public facilities through the imposition of development impact fees which will be used to finance, defray or reimburse the City for the appropriate portion of the cost of public facilities which serve such development; and

WHEREAS, prior to the hearing on the matters set forth herein, notice of the public hearing was published two times in a newspaper of general circulation, and a copy of the Study was made available for public review in accordance with the requirements of the Act; and

WHEREAS, the Nexus Study has been made available for public review on the City of Hollister home page, at City Hollister and a copy is on file in the City Clerk's office; and

WHEREAS, the City Council reviewed the Nexus Study at public meetings on February 25, 2019 and March 25, 2019 and at a Public Hearing on May 20, 2019, in accordance with applicable public notice, to review and consider the Nexus Study and the potential implementation of updated and increased Fees; and

WHEREAS, the City of Hollister desires to adopt and impose the development impact fees in accordance with the nexus calculations and recommendation in the Studies.

NOW, THEREFORE, BE IT RESOLVED, in accordance with the provisions of Government Code Section 66000 Et. Seq. the City Council, after review of the record and consideration of all testimony and evidence present at the public hearing, hereby finds, declares, and resolves as follows:

1. The City Council, using its independent judgement, has reviewed and hereby approves and adopts the Nexus Studies as Attachments "A" and "B" incorporated by this reference. The Nexus Studies identify the purpose of the uses of the Development Impact Fees.
2. A reasonable relationship exists between the need for City public facilities and the type of development project on which the Development Impact Fees are imposed as indicated by the Nexus Study. Development Impact Fees collected from each new development will generate revenue which is necessary to offset each development's impacts to the city's facilities.
3. A reasonable relationship exists between the use of Development Impact Fees and the type of development project on which the fees are imposed as indicated by the Nexus Study. Development Impact Fees collected will be used for the acquisition, installation and construction of the public facilities identified in the Nexus Study and for existing oversized facilities identified in the Nexus Study.

4. A reasonable relationship exists between the amount of the Development Impact Fees and the cost of the public facilities attributable to the development on which the Fees are imposed as indicated by the Nexus Study. The method of allocation of the respective Fees to a particular development project bears a fair relationship, and is roughly proportional to, the development project's burden on, and benefits from, public facilities to be funded by the Development Impact Fees.

5. The Development Impact Fees collected shall be placed in an individual interest bearing account, or multiple accounts, established for the purpose of tracking the fee revenue and expenses separately.

6. Use of Fees. The Development Impact Fees shall be solely used for (i) the purposes described in the Nexus Study; (ii) reimbursing the City for a development project's fair share of those public facilities identified in the Nexus Study and constructed by the City; or (iii) reimbursing development for construction of public facilities identified in the Nexus Study.

7. Adoption of Study. The City Council hereby adopts the City of Hollister Development Impact Fee Update Study Final May 1, 2019 prepared by Willdan Financial Services and sections Chapters 4 and 9 of the San Benito County Development Impact Fee Study Final October 3, 2017 prepared by Willdan Financial Services.

8. Schedule of Maximum Supportable Impact Fees. The City Council hereby approves and adopted the update for certain public facilities as set forth in the following Tables. The amount of the Fees shall be modified annually each July 1 based on the change in the Engineering News Record's construction cost index as reported for the twelve month period ending in April of each year.

Residential Fee Per Dwelling Unit

	Single Family	Multifamily (2+ Bedrooms)	Multifamily (= /> 1 Bedroom)
City Yard/City Hall	\$ 525	\$ 466	\$ 224
Detention (Jail/Juvenile Hall)	\$2,614	\$2,395	\$2,395
Library	\$1,290	\$1,182	\$1,182
Park Construction	\$13,510	\$11,979	\$5,779
Storm Drainage	\$1,897	\$1,765	\$ 607
Water *	\$4,756	\$4,233	\$2,045

Non- Residential Fee Per 1,000 Square Feet

	Commercial	Office	Industrial
City Yard/City Hall	\$ 356	\$ 465	\$ 172
Detention (Jail/Juvenile Hall)	\$ 0.50	\$ 0.38	\$ 0.23
Storm Drainage	\$ 285	\$ 285	\$ 589

Water *	\$ 286	\$ 286	\$ 143
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- Does not include fees for installation of water meter.
9. Payment of Fee. A development impact fee shall be imposed upon the issuance of any development permit and shall be paid at the earliest time authorized by law as set forth in Government Code section 66007, and no later than the issuance of a certificate of occupancy for the project. A “development permit” means any permit or approval from the City including but not limited to, subdivision map, building permit or other permit for construction or expansion of commercial, office or industrial buildings. The fees set forth in this Resolution shall apply to all new or pending development in the City for which a building permit has not yet issued.
 10. CEQA Finding: The adoption of this resolution is statutorily exempt, pursuant to Public Resources Code Section 21080(b)(8) and the California Environmental Quality Act (“CEQA”) and the CEQA Guidelines under Section 15273(a).
 11. Effective date of fees. The development impact fees specified in the Tables in this resolution shall become effective sixty (60) days following the adoption of this Resolution by the City Council.
 12. Prior Resolutions and Ordinances Superseded. This Resolution shall supersede previously adopted resolutions or ordinances that set the amounts of development impact fees for Detention (Jail/Juvenile Hall), Library, Park Construction, Storm Drainage and Water.
 13. Severability. If any action, subsection, sentence, clause or phrase of this Resolution or the imposition of a development impact fee for any project described in the Studies or the application thereof to any person or circumstance shall be held invalid or unconstitutional by a court of competent jurisdiction, such invalidity shall not affect the validity of the remaining portions of this Resolution or other fees levied by this Resolution that can be given effect without the invalid provisions or application of fees.

PASSED AND ADOPTED, by the City Council of the City of Hollister at a Regular Meeting held this 20th day of May, 2019, by the following vote:

Ignacio Velazquez, Mayor

ATTEST:

Christine Black, MMC, City Clerk

APPROVED AS TO FORM:

Prentice, Long & Epperson, Attorneys at Law

Jason S. Epperson, City Attorney