



## CITY OF EMERYVILLE

### MEMORANDUM

**DATE:** June 2, 2015

**TO:** Sabrina Landreth, City Manager

**FROM:** Charles S. Bryant, Community Development Director

**SUBJECT:** **Resolution Of The City Council Of The City Of Emeryville  
Establishing Updated Development Impact Fees For Fiscal Year  
2015-2016**

#### **RECOMMENDATION**

Staff recommends that the City Council adopt the attached resolution establishing updated development impact fees for fiscal year 2015-2016.

#### **BACKGROUND**

On July 15, 2014, the City Council adopted Ordinances No. 14-008 and 14-009 amending the Emeryville Municipal Code to enable development impact fees for affordable housing, parks and recreation, and transportation, and passed Resolutions No. 14-103, 14-104, and 14-105 establishing the fees. The fees were based on impact fee studies ("nexus studies") that had been prepared for the City by various consultants. The impact fee studies identified the maximum fee, or cap, that could justifiably be imposed on new development. The City Council established the affordable housing fee at \$20,000 per unit for rental housing, or about 56% of the cap. The parks and recreation impact fee was set at 25% of the cap, and the transportation impact fee was set at 20% of the cap.

The resolution adopting the affordable housing impact fee listed several land uses that are exempt from the fee, and established the fee at \$4.00 per square foot for all other non-residential land uses. The nexus studies for the parks and recreation impact fee and the transportation impact fee listed the fee for many common land uses. The adopting resolutions provided that land uses not included in the nexus studies shall have their fee determined by the Community Development Director using the latest edition of the Institute of Transportation Engineers (ITE) Trip Generation Manual and the same methodology as used in the nexus studies.

The resolutions also provided that "The City Council may review and amend the impact fees from time to time. For any annual period during in which the City Council does not review the impact fees, fee amounts shall be adjusted once as of July 1st by the Community Development Director based on the percentage increase in the Engineering News-Record Construction Cost Index for San Francisco, California."

The purpose of this item is for the City Council to review and approve the annual increase to the fees.

## **DISCUSSION**

Following adoption of the development impact fees, staff prepared a table that listed all three fees, and their totals, for every use classification included in the Planning Regulations. In preparing this table, staff found that many of the less common use classifications were not included in the nexus studies, and required interpretation by the Community Development Director. The table included the 25% and 20% ratios for the parks and recreation and transportation impact fees, respectively. Staff has found this table to be a very useful tool in implementing the development impact fees.

Most uses listed in the table have fees based on dwelling units for residential uses and square footage for non-residential uses. Some uses have fees based on other units of measure including beds, hotel rooms, marina berths, car wash stalls, and gas pumps. For a few uses, the fees are based on a combination of these because different units of measure were used in the different nexus studies. For example, for hotels the housing and parks fees are based on square footage, while the transportation fee is based on rooms.

Several points from the Community Development Director's interpretation are worth noting:

- In addition to the exempt uses listed in the adopting resolution, the Director has determined that several other uses should be exempt from the affordable housing fee because of their nature serving disadvantaged or at-risk populations. These include: Domestic Violence Shelters, Group Residential, Supportive Housing, and Transitional Housing.
- Some uses, because of their characteristics, have had their fees set at zero. These include Mobile Food Vendors, which are temporary uses involving no building square footage; Bed and Breakfasts, which are part of residential units that are required to be owner-occupied; Parking, which involves no building square footage and does not generate traffic on its own (the trips involved are generated by the uses for which the parking is provided, and which do have fees); Community Gardens, which are neighborhood amenities involving little or no development impacts; and Transmission Towers, which have no building square footage or associated employees.
- For a few uses, some or all of the fees are listed as "TBD" (to be determined) because of their indeterminate nature. These include Outdoor Entertainment, which are outdoor theaters; Major Public Services, which covers low-impact uses such as cemeteries and golf courses as well as more intensive uses such as airports and stadiums; and Bus/Rail Passenger Stations, for which data is not currently available.

Comparing the Engineering News-Record Construction Cost Index for San Francisco for April 2015 (the most recent data available) to that for April 2014 yields an annual increase of 2.46%. As stipulated by the adopting resolutions, the development impact fees in the attached table have been increased by this amount to establish the fees for fiscal year 2015-2016.

## **FISCAL IMPACT**

As noted in the staff report from July 15, 2014 for the resolutions establishing the development impact fees, approximately \$55.5 million is expected to be generated in the first five years, including about \$4.9 million for transportation facilities, \$8.7 million for parks and recreation facilities, and \$41.9 million for affordable housing. In the seven-and-a-half months that the fees have been in effect (September 15, 2014 to April 30, 2015) they have generated about \$431,000, including \$281,000 for transportation, \$73,000 for parks, and \$77,000 for affordable housing. It should be noted that no building permits have been issued during this time for any major development projects, including residential projects. However, a number of large projects are queued up in the “pipeline”, so the amount of development impact fees collected should increase in the future.

## **LEGAL CONSIDERATIONS**

The City Attorney has reviewed and approved this staff report and the attached resolution.

## **CONCLUSION**

Staff requests that the City Council adopt the attached resolution establishing updated development impact fees for fiscal year 2015-2016.

## **APPROVED AND FORWARDED TO THE EMERYVILLE CITY COUNCIL:**



Sabrina Landreth  
City Manager

Attachments:           Draft Resolution, including Exhibit A: Development Impact Fees for  
Fiscal Year 2015-2016

**RESOLUTION NO. 15-49**

**Resolution Of The City Council Of The City Of Emeryville Establishing Updated Development Impact Fees For Fiscal Year 2015-2016**

**WHEREAS**, on July 15, 2014, the City Council of the City of Emeryville passed and adopted Ordinance No. 14-008 amending the City of Emeryville Planning Regulations to enable Development Impact Fees, including fees for transportation and park and recreation facilities; and

**WHEREAS**, on July 15, 2014, the City Council of the City of Emeryville passed and adopted Ordinance No. 14-009 amending the City of Emeryville Planning Regulations to enable an Affordable Housing Impact Fee; and

**WHEREAS**, on July 15, 2014, the City Council of the City of Emeryville passed Resolutions No. 14-103, 14-104, and 14-105, establishing, respectively, an Affordable Housing Impact Fee, a Parks and Recreation Facility Impact Fee, and a Transportation Facility Impact Fee; and

**WHEREAS**, Resolutions No. 14-103, 14-104, and 14-105, stipulate that the development impact fees shall be increased on July 1 of each year based on the percentage increase in the Engineering News-Record Construction Cost Index for San Francisco, California; and

**WHEREAS**, the table entitled "City of Emeryville Development Impact Fees, Fiscal Year 2015-2016" attached hereto as Exhibit A includes adjusted fees based on the percentage increase in the Engineering News-Record Construction Cost Index for San Francisco, California from April 2014 to April 2015; now, therefore, be it

**RESOLVED**, that the City Council of the City of Emeryville, hereby adopts updated development impact fees for Fiscal Year 2015-2016 as set forth in Exhibit A, attached hereto and incorporated herein, effective July 1, 2015.


**ADOPTED**, by the City Council of the City of Emeryville at a regular meeting held on Tuesday, June 2, 2015.

  
\_\_\_\_\_  
**MAYOR**

**ATTEST:**

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
**CITY CLERK**

  
\_\_\_\_\_  
**CITY ATTORNEY**



**City of Emeryville**  
**Development Impact Fees**  
 Fiscal Year 2015-2016 (valid July 1, 2015 through June 30, 2016)

Use Type	Affordable Housing	Park and Recreation Facility	Transportation Facility	TOTAL IMPACT FEES
<b>Residential Use Types</b>				
Single Unit	\$0	\$3,834	\$2,570	\$6,404 / dwelling unit
Two Unit and Multi-Unit				
<i>Rental - Apartment</i>	\$20,491	\$3,691	\$1,593	\$25,775 / dwelling unit
<i>In TH Transit Hub Overlay Zone</i>	\$20,491	\$3,691	\$1,542	\$25,724 / dwelling unit
<i>Owner - Condominium</i>	\$0	\$3,691	\$1,336	\$5,027 / dwelling unit
<i>In TH Transit Hub Overlay Zone</i>	\$0	\$3,691	\$1,285	\$4,976 / dwelling unit
<i>Owner - Townhome</i>	\$0	\$3,834	\$1,336	\$5,170 / dwelling unit
<i>In TH Transit Hub Overlay Zone</i>	\$0	\$3,834	\$1,285	\$5,119 / dwelling unit
Domestic Violence Shelter	\$0	\$1,444	\$566	\$2,010 / bed
Group Residential	\$0	\$1,444	\$566	\$2,010 / bed
Mobile Home Park				
<i>Rental</i>	\$20,491	\$3,691	\$1,593	\$25,775 / dwelling unit
<i>Owner</i>	\$0	\$3,834	\$1,336	\$5,170 / dwelling unit
Residential Care Facility	\$4.10	\$6.00	\$1.91	\$12.01 / square foot
Supportive Housing	\$0	\$1,444	\$566	\$2,010 / bed
Transitional Housing	\$0	\$1,444	\$566	\$2,010 / bed
<b>Commercial and Institutional</b>				
Adult Oriented Businesses				
<i>Retail</i>	\$4.10	\$2.06	\$4.80	\$10.96 / square foot
<i>Performance</i>	\$4.10	\$1.55	\$99.37	\$105.02 / square foot
Animal Care and Sales				
<i>Grooming</i>	\$4.10	\$1.85	\$3.73	\$9.68 / square foot
<i>Kennel/Animal Care</i>	\$4.10	\$2.89	\$14.27	\$21.26 / square foot
<i>Pet Stores</i>	\$4.10	\$2.06	\$4.80	\$10.96 / square foot
<i>Veterinary Services</i>	\$4.10	\$1.85	\$12.13	\$18.08 / square foot
Arts and Entertainment				
<i>Gallery</i>	\$4.10	\$0.31	\$0.46	\$4.87 / square foot
<i>Indoor Entertainment</i>	\$4.10	\$1.24	\$12.62	\$17.96 / square foot
<i>Outdoor Entertainment</i>	TBD	TBD	TBD	TBD
Banks and Financial Institutions	\$4.10	\$2.06	\$10.91	\$17.07 / square foot
Business Services	\$4.10	\$2.06	\$19.05	\$25.21 / square foot
Colleges and Trade Schools	\$0.00	\$1.85	\$6.53	\$8.38 / square foot
Community Assembly	\$0.00	\$0.51	\$7.04	\$7.55 / square foot
Day Care Centers	\$0.00	\$2.89	\$14.27	\$17.16 / square foot
Eating and Drinking Establishments				
<i>Bars/Nightclubs/Lounges</i>	\$4.10	\$5.15	\$8.74	\$17.99 / square foot
<i>Restaurants</i>				
Quality (ITE Land Use 931)	\$4.10	\$5.15	\$5.78	\$15.03 / square foot
High Turnover (ITE Land Use 932)	\$4.10	\$5.15	\$7.59	\$16.84 / square foot
Fast Food (ITE Land Use 933)	\$4.10	\$5.15	\$33.60	\$42.85 / square foot
Fast Food with Drive-Thru (ITE Land Use 934)	\$4.10	\$5.15	\$41.96	\$51.21 / square foot
<i>Mobile Food Vendors</i>	\$0.00	\$0.00	\$0.00	\$0.00
Emergency Shelters	\$0	\$1,444	\$566	\$2,010 / bed
Funeral Homes, Mortuaries and Mausoleums	\$4.10	\$0.51	\$1.41	\$6.02 / square foot

Use Type	Affordable Housing	Park and Recreation Facility	Transportation Facility	
Health Care				
<i>Clinics and Medical Offices</i>	\$4.10	\$3.75	\$9.17	\$17.02 / square foot
<i>Hospitals</i>	\$4.10	\$2.99	\$2.39	\$9.48 / square foot
<i>Medical Laboratories (non research)</i>	\$4.10	\$1.85	\$8.09	\$14.04 / square foot
Instructional Services				
<i>Individual/ Small Group Instruction</i>	\$4.10	\$0.61	\$2.49	\$7.20 / square foot
<i>Group Instruction</i>	\$4.10	\$0.61	\$2.49	\$7.20 / square foot
Libraries and Museums				
<i>Libraries</i>	\$4.10	\$1.44	\$18.76	\$24.30 / square foot
<i>Museums</i>	\$4.10	\$0.31	\$0.46	\$4.87 / square foot
Live/Work Unit	\$4.10	\$1.55		\$5.65 / square foot plus
plus			\$1,670	\$1,670 / unit
Lodging				
<i>Hotels and Motels</i>	\$4.10	\$1.03		\$5.13 / square foot plus
plus			\$1,079	\$1,079 / room
<i>Bed &amp; Breakfast</i>	\$0.00	\$0.00	\$0.00	\$0.00 / square foot
Major Public Services	\$4.10	TBD	TBD	TBD / square foot
Marina	\$0	\$1,031	\$488	\$1,519 / berth
Motor Vehicle Sales and Services				
<i>Cleaning (Self-Service Car Wash - ITE Land Use 947)</i>	\$4.10			\$4.10 / square foot plus
plus		\$258	\$7,118	\$7,376 / stall
<i>Rentals</i>	\$4.10	\$1.55	\$2.57	\$8.22 / square foot
<i>Sales and Leasing</i>	\$4.10	\$1.34	\$6.73	\$12.17 / square foot
<i>Repair and Service</i>	\$4.10	\$1.03	\$11.46	\$16.59 / square foot
<i>Service Station</i>	\$4.10			\$4.10 / square foot plus
plus		\$258	\$7,129	\$7,387 / pump
<i>Towing and Impounding</i>	\$4.10	\$1.03	\$12.85	\$17.98 / square foot
Offices				
<i>General/Government/Walk-In Clientele</i>	\$4.10	\$3.75	\$3.83	\$11.68 / square foot
<i>Corporate Headquarters (ITE Land Use 714)</i>	\$4.10	\$3.75	\$3.63	\$11.48 / square foot
Parking	\$0.00	\$0.00	\$0.00	\$0.00 / square foot
Personal Services	\$4.10	\$2.06	\$3.73	\$9.89 / square foot
Public Safety Facilities	\$0.00	\$2.06	\$3.10	\$5.16 / square foot
Recreation				
<i>Gaming</i>	\$4.10	\$2.06	\$34.52	\$40.68 / square foot
<i>All Other</i>	\$4.10	\$2.06	\$9.07	\$15.23 / square foot
Repair Services	\$4.10	\$1.34	\$2.49	\$7.93 / square foot
Retail				
<i>Food and Beverage Sales</i>				
<i>Supermarket (ITE Land Use 850)</i>	\$4.10	\$2.06	\$10.96	\$17.12 / square foot
<i>Convenience Market (ITE Land Use 851)</i>	\$4.10	\$2.06	\$40.41	\$46.57 / square foot
<i>All Other</i>	\$4.10	\$2.06	\$4.80	\$10.96 / square foot
Schools	\$0.00	\$1.03	\$3.08	\$4.11 / square foot
Social Service Facilities	\$0.00	\$3.30	\$3.83	\$7.13 / square foot

Use Type	Affordable Housing	Park and Recreation Facility	Transportation Facility	TOTAL IMPACT FEES
<b>Industrial</b>				
Arts-Industrial - All	\$4.10	\$1.34	\$2.49	\$7.93 / square foot
Commercial Kitchens	\$4.10	\$1.34	\$2.49	\$7.93 / square foot
Construction and Maintenance	\$4.10	\$0.72	\$0.82	\$5.64 / square foot
Crematories	\$4.10	\$2.26	\$1.87	\$8.23 / square foot
Food Production and Assembly - All	\$4.10	\$1.34	\$2.49	\$7.93 / square foot
Hazardous Waste Facilities - All	\$4.10	\$2.26	\$1.87	\$8.23 / square foot
Laundry and Dry Cleaning Services	\$4.10	\$1.34	\$2.49	\$7.93 / square foot
Manufacturing				
<i>Pharmaceutical</i>	\$4.10	\$1.03	\$2.49	\$7.62 / square foot
<i>Custom</i>	\$4.10	\$1.03	\$1.67	\$6.80 / square foot
<i>Light</i>	\$4.10	\$1.03	\$2.49	\$7.62 / square foot
<i>General</i>	\$4.10	\$1.03	\$1.87	\$7.00 / square foot
<i>Heavy</i>	\$4.10	\$1.03	\$1.87	\$7.00 / square foot
Recycling Facilities - All	\$4.10	\$2.26	\$1.87	\$8.23 / square foot
Research and Development	\$4.10	\$2.58	\$2.75	\$9.43 / square foot
Salvage and Wrecking	\$4.10	\$2.26	\$1.87	\$8.23 / square foot
Storage and Distribution				
<i>Indoor and Outdoor</i>	\$4.10	\$0.72	\$0.82	\$5.64 / square foot
<i>Personal</i>	\$4.10	\$0.04	\$0.67	\$4.81 / square foot
<b>Agricultural</b>				
Community Gardens	\$0.00	\$0.00	\$0.00	\$0.00
Indoor Agriculture	\$4.10	\$1.34	\$2.49	\$7.93 / square foot
Outdoor Agriculture	\$4.10	\$1.34	\$2.49	\$7.93 / square foot
Animal Husbandry	\$4.10	\$1.34	\$2.49	\$7.93 / square foot
<b>Communication, Transportation and Utilities</b>				
Communication Facilities				
<i>Transmission Towers</i>	\$0.00	\$0.00	\$0.00	\$0.00
<i>Equipment within Buildings</i>	\$4.10	\$0.05	\$0.24	\$4.39 / square foot
Transportation and Delivery Services				
<i>Bus/Rail Passenger Stations</i>	\$4.10	TBD	TBD	TBD / square foot
<i>Truck/Rail Freight Terminals</i>	\$4.10	\$1.34	\$2.13	\$7.57 / square foot
<i>Human-Powered</i>	\$4.10	\$0.72	\$0.82	\$5.64 / square foot
<i>Light Fleet</i>	\$4.10	\$0.72	\$0.82	\$5.64 / square foot
Utility Services	\$4.10	\$7.52	\$1.96	\$13.58 / square foot