



STAFF REPORT TO THE CITY COUNCIL

DATE: Regular Meeting of March 13, 2018

TO: Members of the City Council

SUBMITTED BY: David Biggs, City Manager

SUBJECT: Public Hearing to Adopt a Resolution Amending Development Impact Fees to Incorporate the Updated Rodeo-Hercules Fire Protection District Levied Fire Facilities Impact Fee and Amending the City's Master Fee Schedule.

RECOMMENDATION: Open the Public Hearing, Take Public Testimony, Close the Public Hearing, and Adopt a Resolution Amending Development Impact Fees to Incorporate the Updated Rodeo-Hercules Fire Protection District Levied Fire Facilities Impact Fee and Amending the City's Master Fee Schedule.

COMMISSION/SUBCOMMITTEE ACTION AND RECOMMENDATION: Not Applicable.

FISCAL IMPACT OF RECOMMENDATION: None for the City as the Fire Facilities Impact Fee is passed on in its entirety to the District.

DISCUSSION: California cities and special districts have a constitutional police power to protect the public health, safety and welfare. From that police power flows a broad authority to regulate new development, including the power to exact things of value as a condition of allowing new development to occur. New development causes impacts on the need to provide permanent public infrastructure. A city or other agency may exact a fee upon new development, if the city can demonstrate a reasonable relationship leading from the new development's impacts to the need for permanent public infrastructure. That relationship may include both direct and indirect impacts.

The Rodeo-Hercules Fire Protection District is an independent agency which provides fire protection services in the City of Hercules and the unincorporated community of Rodeo. On January, 11, 2018, the Board of the District conducted a public hearing and adopted Resolution 2018-01 which approved an updated nexus study and an update to the Fire Facilities Impact Fee already being levied. The Resolution and the supporting nexus study are provided as Attachment 2.

The Fire Facilities Impact Fees as imposed by the Rodeo-Hercules Fire Protection District as adopted by Resolution 2018-01 are \$1,729 per residential unit, \$1,060 per multifamily residential unit, \$0.87/sq. ft. Commercial, \$1.18 sq. ft. Office, \$0.50/sq. ft. Industrial for new enclosed/habitable construction including miscellaneous building and garages, and \$92.00 per hotel/motel room, with an automatic annual adjustment based on the “construction cost index,” or the “consumer price index,” whichever is higher.

The City is required to add the new fees to our Master Fee Schedule for the fees to become effective. Attachment 1 is a resolution which accepts the District’s updated nexus study and fees with the updated fees being added to the City’s Master Fee Schedule. The new fees would be effective here in Hercules as of the date of adoption of the City’s resolution.

ATTACHMENTS:

1. Resolution
2. Fire District Request, Resolution, and Nexus Study
3. City’s Master Fee Schedule – Fire Facilities Fees