Weekly Management Report
October 4, 2021

1. Memo	Landlord-Tenant Commission Meeting on September 13, 2021 **Community Development Department**
2. Memo	Downtown Burbank Partnership (PBID) Meeting on August 5, 2021 **Community Development Department**
3. Notice	Burbank-Glendale-Pasadena Airport Authority Meeting on October 4, 2021 **Burbank-Glendale-Pasadena Airport Authority**
4. Memo	Transitioning Transient Occupancy Tax Admin. And Audit Services to Hinderliter, De Lamas, & Associates **Financial Services Department**
5. Memo	City Manager Tracking List Item #2285- Development Impact Fee Program Update **Community Development Department**

MEMORANDUM

COMMUNITY DEVELOPMENT

DATE: September 21, 2021

TO: Justin Hess, City Manager

FROM: Patrick Prescott, Community Development Director
VIA: Simone McFarland, Assistant Community Development Director

SUBJECT: **Landlord-Tenant Commission Meeting – September 13, 2021**

- Two members of the public attended the Zoom meeting. One member had comments and a question regarding funding for homelessness, evictions and rental assistance. The other member was listening for educational purposes.

- The Commission agreed to move the Landlord-Tenant intake form update to the beginning of the agenda for the September meeting and permanently for future meetings.

- Staff provided an update of the continuous social media outreach efforts in coordination with the Public Information Office (PIO). These updates included August postings and Landlord Tenant information in newsletters from various departments including Burbank Water and Power and Parks and Recreation. Staff will provide an update and include statistical data from the promotional outreach during the October meeting.

- The Commission voted to finalize the FAQ document. The final version will be posted on the City's Housing page and will be distributed to the public for reference.

- Commissioners provided updates on ten cases related to AB 1482, AB 832, notices to vacate, code enforcement, rent assistance, and relocation fees. The Commission provided mediation, legal resources and information also posted on the City's Housing page.

- The meeting adjourned at 7:17 pm.

MEMORANDUM

COMMUNITY DEVELOPMENT

DATE: September 29, 2021

TO: Justin Hess, City Manager

FROM: Patrick Prescott, Community Development Director
VIA: Simone McFarland, Asst. Community Development Director
Mary Hamzoian, Economic Development Manager
BY: Marissa Minor, Economic Development Analyst II

SUBJECT: Downtown Burbank Partnership (PBID) Meeting – August 5, 2021

- Staff announced that former StreetPlus Team Leader Bob Newman had accepted a position with the City of Burbank in Homeless Services. Mr. Newman introduced the two employees that will be overseeing the Hospitality and Social Outreach Services program for Downtown Burbank to the Board. StreetPlus staff then updated the Board on July activities and staffing for Downtown Burbank.

- Staff from ANYONE Collective provided an update to the Board on the Downtown Burbank Marketing Program including year to date metrics for social media channels, the Batman comic book giveaway, and DTNBUR.com website. Plans for paid digital campaigns and an overview of future social media plans for the remainder of the year were also shared.

- The Broker Marketing Request for Proposal for Downtown Burbank is now complete. After a review of proposals submitted, the Subcommittee chose to move forward with ANYONE Collective. A formal agreement for marketing services will be presented to the Board for approval at a future meeting.

- Staff has been working on a new concept to activate the Downtown Burbank streets called 'Music on the Blvd.' The musical series feature small groups of acoustic and semi-acoustic performers playing on weekends in the Downtown. This is a pilot Program that will run from mid-August thru September. Performers will be paid a small stipend for their work. If the Program is successful the Partnership can reevaluate the term and parameters in the future.

September 30, 2021

CALL AND NOTICE OF A REGULAR MEETING
OF THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

NOTICE is hereby given that a regular meeting of the Burbank-Glendale-Pasadena Airport Authority will be held on Monday, October 4, 2021, at 9:00 a.m., in the Airport Skyroom of Hollywood Burbank Airport, 2627 N. Hollywood Way, Burbank, California 91505.

Pursuant to Government Code Section 54953(e), members of the Commission may participate in this meeting via teleconference. In the interest of maintaining appropriate social distancing, a physical location is not being provided for the public to attend or comment. Members of the public may observe the meeting telephonically and may offer comment in real time through the following number:

Dial In: (818) 862-3332

Terri Williams, Board Secretary
Burbank-Glendale-Pasadena Airport Authority

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

Airport Skyroom

Regular Meeting of Monday, October 4, 2021

9:00 A.M.

The public comment period is the opportunity for members of the public to address the Commission on agenda items and on airport-related non-agenda matters that are within the Commission's subject matter jurisdiction. At the discretion of the presiding officer, public comment on an agenda item may be presented when that item is reached.

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When in-person attendance or participation at meetings of the Commission is allowed, members of the public are requested to observe the following rules of decorum:

- ***Turn off cellular telephones and pagers.***
- ***Refrain from disorderly or boisterous conduct, including loud, threatening, profane, or abusive language, clapping, whistling, stamping, or other acts that disrupt or otherwise render unfeasible the orderly conduct of the meeting.***
- ***If you desire to address the Commission during the public comment period, fill out a speaker request card and present it to the Board Secretary.***
- ***Confine remarks to agenda items or to airport-related non-agenda matters that are within the Commission's subject matter jurisdiction.***
- ***Limit comments to five minutes or to such other period of time as may be specified by the presiding officer.***

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The following activities are prohibited:

- ***Allocation of speaker time to another person.***
- ***Video presentations requiring use of Authority equipment.***

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Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the Authority to the Commission less than 72 hours prior to that meeting are available for public inspection at Hollywood Burbank Airport (2627 N. Hollywood Way, Burbank) in the administrative office during normal business hours.

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In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to attend or participate in this meeting, including auxiliary aids or services, please call the Board Secretary at (818) 840-8840 at least 48 hours prior to the meeting.

e. First Amendment to Concession and Lease Agreement
Certified Folder Display Service, Inc. *[See page 31]*

f. Extension of Deferral of Art Covenant Agreement
Regional Intermodal Transportation Center
Art Panels Project *[See page 35]*

7. ITEMS FOR COMMISSION DISCUSSION

   a. Measure B and Replacement Passenger Terminal Entitlements

8. CLOSED SESSION

   a. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
   (California Government Code Section 54956.9(d)(1))
   Name of Case: City of Los Angeles v. FAA et al. (Case No. 21-71170)

9. EXECUTIVE DIRECTOR COMMENTS

10. COMMISSIONER COMMENTS
    (Other updates and information items, if any)

11. ADJOURNMENT - In Memory of Airport Police Officer Kevin Giberson

COMMISSION NEWSLETTER

Monday, October 4, 2021

[Regarding agenda items]

5. CONSENT CALENDAR

(Consent Calendar items may be enacted by one motion. There will be no separate discussion on these items unless a Commissioner so requests, in which event the item will be removed from the Consent Calendar and considered in its normal sequence on the agenda.)

a. COMMITTEE MINUTES. Approved minutes of the Operations and Development Committee meeting of August 16, 2021; approved minutes of the Finance and Administration Committee meeting of August 16, 2021; and approved minutes of the Legal, Government and Environmental Affairs Committee meeting of August 16, 2021, are included in the agenda packet for information purposes.

b. COMMISSION MINUTES. Draft minutes of the September 20, 2021, Commission meeting are attached for the Commission's review and approval.

c. AB 361 FINDINGS FOR SPECIAL BROWN ACT REQUIREMENTS FOR TELECONFERENCE MEETINGS. A staff report is included in the agenda package. Staff has placed this item on the agenda to give the Commission an opportunity to make findings specified in AB 361 (2021) for special Brown Act requirements for teleconference meetings. These special requirements give local public agencies greater flexibility to conduct teleconference meetings when there is a declared state of emergency and either social distancing is mandated or recommended, or an in-person meeting would present imminent risks to the health and safety of attendees.

6. ITEMS FOR COMMISSION APPROVAL

a. ELECTION OF VICE PRESIDENT. A staff report is included in the agenda packet. With the resignation by Commissioner Don Brown as Vice President of the Authority, Staff recommends that the Commission elect a Vice President to serve the remainder of the 2021-2022 term.

b. BOEING DISTRIBUTION, INC. (FORMERLY AVIALL SERVICES, INC.) – ACCESS AGREEMENT. A staff report is included in the agenda packet. At its meeting on September 20, 2021, the Legal, Government and Environmental Affairs Committee voted unanimously (3–0) to recommend that the Commission approve an Environmental Access License Agreement ("Agreement") with Boeing Distribution, Inc. (formerly known as Aviall Services, Inc.) ("Boeing"). The Agreement will allow Boeing to have limited access to the Authority's real property located at 3111 Kenwood Street, Burbank to drill and collect certain soil investigations as required by the California Regional Water Quality Control Board, Los Angeles Region.

c. FIRST EXTENSION OPTION – AIRPORT CONVEYANCE EQUIPMENT SERVICES AGREEMENT – ELEVATORS ETC., LP. A staff report is included in the agenda packet. At its meeting on September 20, 2021, the Operations and Development Committee voted (2–0, 1 absent) to recommend that the Commission authorize the

exercise of the first of two one-year extension options for the Airport Conveyance Equipment Services Agreement with Elevators Etc., LP.

d. TERMINAL SPACE LEASE – HG BURBANK JV DBA HUDSON GROUP RETAIL, LLC. A staff report is included in the agenda packet. At its meeting on September 20, 2021, the Finance and Administration Committee voted unanimously (3–0) to recommend that the Commission approve a proposed Terminal Space Lease with HG Burbank JV dba Hudson Group Retail, LLC to provide two post-security concession kiosks inside Terminal A at Hollywood Burbank Airport.

e. FIRST AMENDMENT TO CONCESSION AND LEASE AGREEMENT – CERTIFIED FOLDER DISPLAY SERVICE, INC. A staff report is included in the agenda packet. At its meeting on September 20, 2021, the Finance and Administration Committee voted unanimously (3–0) to recommend that the Commission approve the proposed First Amendment to the Concession and Lease Agreement with Certified Folder Display Service, Inc.

f. EXTENSION OF DEFERRAL OF ART COVENANT AGREEMENT – REGIONAL INTERMODAL TRANSPORTATION CENTER ART PANELS PROJECT. A staff report is included in the agenda packet. At its meeting on September 20, 2021, the Legal, Government and Environmental Affairs Committee voted unanimously (3–0) to recommend that the Commission approve a proposed Extension of Deferral of Art Covenant Agreement with the City of Burbank ("City") to afford the Authority an additional 24 months to provide public artwork at the Regional Intermodal Transportation Center in compliance with the City's Art in Public Places requirement.

7. ITEMS FOR COMMISSION DISCUSSION

a. MEASURE B AND REPLACEMENT PASSENGER TERMINAL ENTITLEMENTS. No staff report attached. This item has been placed on the Commission agenda for discussion regarding Measure B, the Development Agreement between the City of Burbank and the Authority, and other entitlements for the Replacement Passenger Terminal Project.

ADJOURNMENT. IN MEMORY OF AIRPORT POLICE OFFICER KEVIN GIBERSON. A slide presentation will be shown honoring the life of Airport Police Officer Kevin Giberson.

MEMORANDUM

FINANCIAL SERVICES

DATE: September 29, 2021

TO: Justin Hess, City Manager

FROM: Jennifer Becker, Financial Services Director
BY: Susan Langford, Revenue Manager

SUBJECT: Transitioning Transient Occupancy Tax (TOT) Administration and Audit Services to Hinderliter, De Llamas, & Associates (HdL)

During the Audit Committee Meeting of August 30, 2021, it was discussed and agreed upon by the committee that the City's Transient Occupancy Tax (TOT) audits and administration would be transitioned to Hinderliter, De Llamas, & Associates (HdL). Currently, the administration and tracking of the TOT payments are performed in-house by the Financial Services Department while the compliance and audits are performed through the third-party audit firm, Lance, Soll, & Lunghard, LLP (LSL). The proposed TOT administration and audits services offered by HdL would provide additional services and shorter audit cycles for a lower cost than the City's current audit provider.

The City's annual internal audit contract with LSL provides for four TOT audits, four Transient Parking Tax (TPT) audits, and two special audits for an approximate annual cost of $50,000. The TOT audit portion of the contract averages out to approximately $20,000 for the four hotels. The audits cover a period of two years and the selected hotels are rotated annually so that each hotel provider is audited approximately once every five years. HdL's proposal will provide audit and administrative services at a cost of approximately $800 per hotel annually. This would total $16,000 for Burbank's 20 hotel providers; a savings of $4,000 compared to the current agreement with LSL. HdL has proposed an audit cycle in which all hotel providers would be audited at least once every three years.

HdL's TOT administration service goes beyond scheduled cyclical audits, providing compliance monitoring of each return as it is filed as well as payment processing and remittance to the City. Additionally the new contract will provide an option for hotel vendors to submit returns and tax payments electronically through a portal maintained and operated by HdL. Similar to the service they provide to Burbank for sales tax and property tax, HdL's TOT service will a provide a variety of reports and information to the City analyzing account activity and revenue trends. Their breadth of experience with agencies throughout California make them an excellent resource for projecting revenues for new hotels and monitoring overall industry trends in TOT revenues.

The cost savings from the transition to HdL provides an opportunity for the City to redirect funds towards expanding the City's Internal Audit program. Staff is proposing to direct the TOT audit dollars saved towards adding one or two additional special audits to the City's annual internal audit schedule. Staff will provide an updated list of potential audit options and recommendations for 2022 to the Audit Committee at their next meeting in December.

MEMORANDUM

COMMUNITY DEVELOPMENT

DATE: January 12, 2021

TO: Justin Hess, City Manager

FROM: Patrick Prescott, Community Development Director
BY: David Kriske, Assistant Community Development Director

SUBJECT: **City Manager Tracking List Item #2285 –Development Impact Fee Program Update**

At the February 4, 2020 City Council meeting, Staff held a Study Session on updating the City's Development Impact Fee (DIF) program and ordinance. The Study Session provided an overview DIFs, background on the City's current DIF program, the process for updating the DIFs, and some City Council policies to consider when updating these fees. Staff also indicated that staff would return to the City Council with a more in-depth analysis of existing and proposed fee levels, and the potential effects on new development.

In addition to the specific information staff will present, staff will also respond to the City Council's specific questions raised at the first study session, including:

- Identifying the public benefits generated by recent large approved developments and comparing the financial value of those benefits to the revenues generated from current and proposed increased DIFs
- Comparing existing and proposed DIFs for Burbank with those in Glendale and Pasadena and whether assessing DIFs in Burbank's neighboring cities impacted planning and development
- Providing a profile of existing and proposed DIF assessments on medium to high density projects and provide an assessment of fees generated by medium to high density multi-family residential projects

In addition, staff continues to coordinate with development of the Golden State Specific Plan and Burbank Center Plan Update to ensure that public infrastructure improvements

identified in these proposed plans can be accommodated in the updated DIF program and ordinance. Staff expects to return to the City Council with the requested in-depth information at a second Study Session to be held in Spring 2021.

CITY OF BURBANK
Community Development Department
STAFF REPORT

DATE: February 4, 2020

TO: Justin Hess, City Manager

FROM: Patrick Prescott, Community Development Department
VIA: David Kriske, Asst. Community Development Director
BY: Beverly Wong, Senior Administrative Analyst

SUBJECT: Update on Development Impact Fee Nexus Study

RECOMMENDATION

1. Provide policy direction and input on the City's Development Impact Fee ordinance update; and
2. Direct staff to bring back a refined analysis of existing and proposed DIF levels, including case studies of recently-approved development projects, at a subsequent City Council meeting.

BACKGROUND

Under the California Mitigation Fee Act (AB 1600) cities and counties have the authority to implement development impact fees (DIF). DIFs allow cities to collect fees from new development projects to fund improvements that address those projects' impacts to the City's infrastructure. To impose DIFs, a jurisdiction must prepare a study showing that reasonable connection (nexus) exists between the impacts caused by new development and the capital improvements needed to address those impacts. This study must also calculate the proportional fee that can be assessed on each project that pays for that project's share of the impact.

The City of Burbank currently relies on DIFs to help partially fund various transportation and community facility improvements, and DIFs are one of many types of capital funding the City uses to expand its infrastructure. The City's DIFs were established in 1993 and

are charged to new residential and non-residential development. They were established based on two studies:

- Infrastructure Blueprint for the Twenty-first Century (Infrastructure Blueprint) identified a list of transportation improvements needed to address transportation and traffic growth and
- Community Facilities Study identified Police, Fire, Library, and Parks infrastructure needed to support new development.

Both studies forecasted growth under the City's General Plan, identified necessary infrastructure improvements needed to accommodate that growth, and calculated the maximum proportional fee that could be charged to development projects so that each project paid its fair share of the cost to build the required improvements. Since that time, the City of Burbank has been implementing projects from the Infrastructure Blueprint and Community Facilities Study in response to new development. This has helped to ensure that the City's transportation system and community facilities grow to accommodate needs caused by new development.

While DIFs are an important revenue source for capital infrastructure, there are several limits and restrictions on how these fees are spent, which means that DIFs alone cannot finance the City's infrastructure needs. DIFs are considered restricted funds and are collected outside the City's general fund. They are only eligible to pay for the initial capital costs of new infrastructure specifically identified in the nexus study, and cannot be used for the operations or maintenance of that infrastructure. Additionally, DIF funds can only be used to address the proportional impact that new development has on infrastructure. They cannot be used to pay for an existing deficiency or shortfall in infrastructure spending. This means that the City must rely on other capital funding to build required improvements in combination with DIFs. Finally, impact fees are collected proportionally over time as new development occurs. This means that projects funded with DIFs are generally long-term projects that must be financed over time as development occurs and revenues are collected and set aside to construct improvements.

Reporting Requirements

State law and the City's municipal code require the City to produce an annual report on the status of each development impact fee account or fund. City Council reviewed the most recent FY 2018-2019 report at the December 17, 2019 meeting.

Additionally, every fifth year the City is required to make certain findings with respect to the funds collected for development impact fees. Pursuant to Burbank Municipal Code (BMC) Section 10-1-2210, if development fees are unexpended or uncommitted five (5) or more years after deposit in a development fee account, the City Council shall make

findings once each fiscal year to identify the purpose to which the fee is to be put and to demonstrate a reasonable relationship between the fee and the purpose for which it was charged. At the next DIF study session, staff will satisfy this requirement and present a report to City Council to demonstrate the need for the unexpended funds and continued need to collect DIF. The City has continually collected and spent its DIF revenue on several major infrastructure projects that have been completed or are still underway. Since its inception, DIFs have contributed to the community through partially funding a variety of capital projects, including:

- Ovrom Park facilities,
- Central Library Children's and Teens' Areas,
- Buena Vista Library improvements,
- Library operating equipment,
- Police and Fire Headquarters,
- Intersection improvements,
- Interstate 5/Empire Interchange,
- Alameda North Neighborhood Protection Plan, and
- Burbank Channel Bikeway.

DIFs alone generally do not pay for capital projects. For several of the projects, DIFs provided the required "local match" to leverage and help the City secure grants and other funding assistance. As mentioned above, DIFs can only fund the portion attributable to new growth. Therefore, additional funding sources must be identified to pay for the portion attributable to existing deficiencies.

DISCUSSION

The City currently charges the Community Facility DIF on all development and Transportation DIF on non-residential development. The fees are assessed on each new square foot of commercial development constructed and on each new unit of residential development. The fees vary by type of development based on the relative level of impact development types have on the City's infrastructure. The City's current fees are based on the original nexus study used to justify the fee, and have risen each year based on a construction cost adjustment factor. The current fees are shown in Table 1.

Table 1: Fiscal Year 2019-2020 Development Impact Fees

Land Use	Community Facilities	Transportation
Single-Family Development (per unit)	$ 2,854.05	No Charge
Multi-Family Development (per unit)	$ 2,111.65	No Charge
Institutional (sq. ft.)	$ 0.45	$ 6.85
Office (sq. ft.)	$ 1.80	$ 5.60 - 6.85[1]
Studio (sq. ft.)	$ 1.80	$ 1.95 - 5.85[2]
Retail (sq. ft.)	$ 0.95	$ 6.85
Manufacturing/Warehouse (sq. ft.)[3]	$ 0.85	$ 3.75

Impact Fee Update

As discussed above, the City's current DIFs are based on studies completed in the 1990s. Since that time, several projects identified in the original study have been built, and impacts and development patterns have evolved. Thus, staff believes an important part of the impact fee update is to revise the list of infrastructure projects eligible for funding by DIFs, particularly to account for the City Council's desire to include more multi-modal bicycle, pedestrian, and transit projects in the City's capital improvement program. In addition, the City Council adopted the Burbank2035 General Plan in 2013 that changed the level of development expected over the next 20-25 years and also changed the types of infrastructure projects the City expects to build to address that development. Accordingly, the impact fee program should be updated to include the revised growth forecasts adopted with Burbank2035. Because of these changes, staff undertook a comprehensive update to the City's DIF program and reviewed the infrastructure needed by the City to support the growth forecasts in the General Plan.

Nexus Study

The City hired the consulting team of Economic Planning Systems (EPS), with Fehr and Peers providing the transportation component, to conduct a nexus study to update the City's DIF program. The nexus study (Attachment 1) was designed to provide the City with the necessary technical documentation to support an update to the DIF program. The analysis provided the nexus argument and associated fee calculations for the maximum fees the City can charge for the facilities indicated pursuant to AB 1600.

As part of the proposed updated DIF program, staff determined that the City's existing fee categories (Transportation, Police, Fire, Library, and Parks and Recreation) should be maintained, while proposing to add an Information Technology (IT) fee for citywide IT capital improvement needs. The IT fee analysis was included to account for City infrastructure advancements and the reliance on technology.

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[1] Fee amount varies based on project gross floor area.
[2] Fee amount varies based on type of Studio use (i.e. Office, Technical, or Stage).
[3] Current fee schedule applies $0.85 per sq. ft. community facilities impact fee on industrial development and a $3.75 per sq. ft. transportation impact fee on warehouse and manufacturing development.

Because affordable housing production is an important City goal to address Burbank's high housing costs and severe imbalance between housing and jobs, work is currently underway to study an affordable housing DIF on non-residential development to determine if the City can charge a fee to support new affordable housing for the local workforce. Under this rationale, new non-residential development can be asked to share in the cost of providing affordable housing since the construction of the new development generates new jobs and some of the workers filling these jobs will have low- or moderate-incomes who need affordable housing options in Burbank. Staff will be returning to City Council at a future study session this year to present the Affordable Housing Linkage Fee Nexus Study findings.

Methodology

In general, each fee category used the following steps to calculate the nexus-supported maximum fee amounts:

1. Staff and consultants referred to the Burbank2035 General Plan, which is the blueprint for the future development of the City, to estimate existing and future population and employment;
2. Staff provided a list of their department's new capital improvements needed to serve both existing and future residents and employees during the General Plan horizon year;
3. Staff and consultants developed cost estimates for the projected capital needs;
4. Consultants allocated the costs between existing and new development to determine the DIF share;
5. Consultants distributed the costs further among residential and non-residential uses;
6. Consultants calculated cost per resident or employee. This calculation provides the maximum fee that can be justified by the nexus study;
7. Staff and consultants added a 5% administrative fee to cover the cost of administering the DIF fee program.

These steps provided the necessary technical analysis to support a fee update. It is important to note that the fees calculated by the study represent the *highest fee levels* that can be charged by the City based on the projected new development and the needs and corresponding costs of the capital facilities and improvements needed to accommodate it. The maximum fee may not necessarily be supportable by current building or development costs. Charging the maximum fee may also not necessarily support other important City goals or objectives, or it could reduce other community benefits received as part of the development process. The City Council may wish to adopt

fees at or below these maximum nexus-supported levels based on economic, policy, or other considerations.

Maximum Allowable Fees

Based on the nexus study, the cost needed to fund Capital Facilities and equipment necessary to accommodate projected growth totaled approximately $38.5 million. Additionally, a projected $77.5 million in Transportation improvements is needed to accommodate projected future impacts supporting vehicle, transit, pedestrian, and bicycle modes as a result of new development. The analysis showed that DIF would cover about 30% of the total improvements identified by each department to serve the City through 2035. The City must find other revenue sources, such as grants or the General Fund, to cover the remaining costs.

Using the infrastructure cost attributable to new development and the projected growth assumed in the Burbank2035 General Plan, the nexus study determined the maximum per-square foot or per-unit fee that may be legally charged for each fee category. These maximum-permitted fees are shown in Table 2.

Table 2: 2020 Nexus Fee Study Update: Maximum Allowable Fees by Land Use Type

New Community Facilities Maximum Allowable Fees[4]

	Residential (per unit)		Non-Residential (per sq. ft. or room)				
Community Facilities DIF	**Single-Family**	**Multi-Family**	**Retail**	**Office/ Institutional**	**Studio**	**Warehouse/ Industrial**	**Lodging[5]**
Fire	$ 515.00	$ 405.00	$ 0.28	$ 0.47	$ 0.31	$ 0.28	$ 57.00
Police	$ 372.00	$ 293.00	$ 0.26	$ 0.44	$ 0.29	$ 0.26	$ 53.00
Parks	$ 2,265.00	$ 1,783.00	$ 1.61	$ 2.65	$ 1.76	$ 1.61	$ 321.00
Library	$ 1,751.00	$ 1,378.00	$ 0.74	$ 1.22	$ 0.81	$ 0.74	$ 148.00
IT (New)	$ 413.00	$ 325.00	$ 0.29	$ 0.48	$ 0.32	$ 0.29	$ 59.00
DIF Update Max Allowable	**$ 5,316.00**	**$ 4,184.00**	**$ 3.18**	**$ 5.26**	**$ 3.49**	**$ 3.18**	**$ 638.00**
Existing FY 19-20 Fee	**$ 2,854.05**	**$ 2,111.65**	**$ 0.95**	**$ 1.80**	**$ 1.80**	**$ 0.85**	**$ 475.00**

[4] Fees include 5% administrative fee.

[5] Hotel projects are currently charged the retail impact fee based on the total square feet of the hotel. The proposed separate new fee on hotels would be calculated on each hotel room instead. Staff derived an Existing FY 19-20 Lodging Fee for comparison purposes by converting the per-square-foot retail fee to a per-room fee assuming a 500 sq. ft. per room average.

Table 2: 2020 Nexus Fee Study Update: Maximum Allowable Fees by Land Use Type (continued)

New Transportation Maximum Allowable Fees[4]

	Residential (per unit)		Non-Residential (per sq. ft. or room)				
Transportation DIF	**Single-Family**	**Multi-Family**	**Retail**	**Office/ Institutional**	**Studio**	**Warehouse/ Industrial**	**Lodging[5]**
DIF Update Max Allowable	$ 7,497.00	$ 3,332.00	$ 20.19	$ 8.70	$ 6.55	$ 3.02	$ 4,543.00
Existing FY 19-20 Fee	None	None	$ 6.85	$5.60 - 6.85	$1.95 - 5.85	$ 3.75	$ 3,425.00

Setting Fee Levels

As discussed above, the nexus study calculates the maximum allowed fees that can be justified under nexus fee law, based on infrastructure needs, expected growth, and existing deficiencies. This represents the maximum legal fee that may be charged but does not take into account other considerations the City Council should keep in mind when setting fees. These considerations include:

- How could revenue from impact fees offset other one-time and recurring revenue generated from development?
- How would development impact fee levels encourage appropriate development for the City, such as commercial/office development versus housing?
- How do development impact fee levels relate to other important City Goals?

In setting an appropriate level of development impact fee, the City Council should carefully consider all of these variables to strike a balance between generating important revenue for needed infrastructure while at the same time supporting other City goals required to build and protect neighborhoods, such as the need to maintain a healthy local economy and maintain economic resiliency by providing a variety of different City revenue sources.

As shown in Tables 1 and 2, the updated maximum-allowable fees calculated by the new nexus study are, in some cases, dramatically higher than the current fees. For these land uses, imposing the maximum fee would have dramatic, and potentially catastrophic, effects on City goals and policies. Because setting new fees can be complex, staff recommends the City Council direct staff to return with specific case-studies to illustrate how different changes in fees could affect other goals, policies, and revenue sources, and how different fee levels compare to neighboring jurisdictions who have also recently updated their development impact fees.

The City Council recently approved two large development projects (the Avion Burbank commercial development and the 777 North Front Street residential / mixed-use

development) that could serve as good examples for comparing how setting new development impact fee levels would affect development projects versus the current fee schedule. They also provide important examples of how fees imposed to construct capital infrastructure under DIF compare to other revenue sources and community benefits that are provided by new development projects (e.g., new open space, development and long-term maintenance of adjacent bike lanes and sidewalks, developer funds for neighborhood protection, public services, et cetera).

Comparison Analysis

When considering the appropriate DIF levels, the City Council should consider how fee levels charged in Burbank compare to those of the City's neighbors. Thus, the nexus study examined Pasadena and Glendale's DIF and compared them with Burbank's existing and Maximum Allowable fees (Table 3). While each of the three cities charges DIFs on different land use types and collects funds for different infrastructure needs, a direct one-to-one comparison is not possible. Nonetheless, examining the total fee levels charged by the three cities is instructive in showing how Burbank's current fees and new maximum allowable fees compare to neighboring cities.

Table 3: Fee Comparison to Glendale and Pasadena

Land Use Category	Burbank (Max Allowable)	Burbank (Existing)	Glendale (Existing)	Pasadena (Existing)
Single Family Residential (Per Unit)				
Capital Facilities	$5,316	$3,296	$21,828	$25,800
Transportation	$7,497	-	-	$9,228
Multifamily Residential (Per Unit)				
Capital Facilities	$4,185	$2,256	$18,751	$20,201
Transportation	$3,332	-	-	$3,573
Retail (Per Sq. Ft.)				
Capital Facilities	$3.19	$0.96	$6.50	-
Transportation	$20.19	$6.85	-	$11.18
Office (Per Sq. Ft.)				
Capital Facilities	$5.26	$1.79	$7.92	-
Transportation	$8.70	$6.85	-	$8.42
Industrial (Per Sq. Ft.)				
Capital Facilities	$3.19	$0.85	$3.24	-
Transportation	$3.02	$3.75	-	$1.17

Table 3 shows Burbank's existing fees, 2020 nexus study new maximum allowable fees, and peer-city fees for Transportation and Community Facilities. In reviewing the comparison table above, Burbank currently charges less Transportation and Community Facilities DIFs on residential development than both Glendale and Pasadena. Further, Burbank's new maximum allowable fee for residential development are still lower among

the three cities. On the other hand, Burbank currently charges a comparable amount of DIF on non-residential development as compared to its neighbors, but could charge more than Glendale and Pasadena given the maximum fee identified in the new nexus study. This is mostly due to the higher transportation fee that could be justified given Burbank's status as a major jobs center and, consequently, the amount of commuter traffic that burdens Burbank streets.

Alternatives to DIF Funding

In considering DIF fee levels, the City Council should also consider other methods the City has to meet its infrastructure needs through new development. The most important alternative method the City has to fund new infrastructure is through the Planned Development/Development Agreement (PD/DA) process. When developers request PD/DA's for projects, they are asking for concessions to the City's zoning standards. In response, the City may ask for community benefits in exchange for those concessions, and those benefits are oftentimes infrastructure improvements in the immediate area of the project that results in publicly accessible amenities that are available at the time the project is built.

Infrastructure built as community benefits negotiated through the PD/DA process have several benefits over DIFs. First, community benefits can be funded wholly by the new development because the justification for the improvement is much broader through the PD/DA process versus the nexus required for impact fees. Consequently, the City often does not need to secure complementary funding to build improvements through a PD/DA process. Second, community benefits are constructed up front as part of the construction of the new development, allowing the community to gain benefit from the improvements immediately. As discussed above, projects funded with impact fees are long-term projects that must be planned over time as development occurs and revenue is collected. Third, community benefits through the PD/DA process are constructed by the developer usually using developer-sourced labor for design and construction. This reduces the burden on City staff to take on the capital project as a City improvement. Additionally, under the PD/DA, the developer oftentimes agrees to maintain the improvement on a long-term basis, covering thousands of dollars-worth of expenses ineligible for DIF funding.

Imposing higher DIFs reduces the ability for the City to seek community benefits through PD/DA's because the ability for a private development project to fund both DIFs and the community benefits is limited. If the City increases DIF, consequently, PD/DA community benefits requests will need to decrease or the project will become economically infeasible. Community benefits garnered through the PD/DA process have a greater potential to build better neighborhoods that are more immediately enjoyed by the public, so the imposition of DIFs must be considered thoughtfully so as not to preclude this other

important method that the City has been successful in using to help build better neighborhoods.

Because DIF revenue is collected as development occurs, the funds take time to accumulate before sufficient funds are available to build the improvements. Furthermore, City improvements funded with DIFs are not guaranteed to occur because funds have to be collected over time and are directly related to the rate of development. Consequently, DIF revenue stream is unpredictable.

Considering these factors, the City needs to find a balance between providing an appropriate level of facilities/infrastructure to new residents and businesses consistent with Burbank's goals, while avoiding excessive costs on development that impact other City goals like building more housing with supporting public amenities. Community benefits that can be achieved through other means have the potential to act as an alternative to charging DIF that impose a heavy restriction on developments.

Next Steps

Given the complexity of setting new DIF rates and how new fee levels impact other policies and revenue streams, staff recommends that the City Council direct staff to return to the City Council with a more detailed analysis of different fee levels and their impacts on development projects, other funding sources, and current City policies. In particular, staff recommends the City Council consider the following DIF policies:

1. How should the City set DIF levels to account for other City goals and policies (including the City's fee cost recovery policy, 12,000 units housing goal, and Burbank2035 General Plan compliance)?
2. In charging DIF, how should the City balance different infrastructure needs (community facilities, transportation, affordable housing) while avoiding excessive fees that discourage new development?
3. How do DIF levels affect the City's efforts to facilitate other important development-related community benefits?

Based on the information in this report and direction from the City Council, it is staff's intent to return to the City Council with a more detailed analysis of different DIF levels, how those levels would relate to actual development projects through case studies (including Avion Burbank and 777 North Front Street development projects), and a comparison of the revenue expected to be raised through DIF to other revenues generated by development, such as transient occupancy taxes, community benefits, and other revenue. As part of this process, the City would ensure public outreach is conducted throughout the DIF update process to both residents as well as the development

community to communicate the proposed impact fee changes prior to consideration by the City Council. Subsequent to the City Council's review of this future information, and if directed by the City Council, staff would return a third time with a specific ordinance amending the Burbank Municipal Code to update the DIF program for City Council adoption. Staff's goal would be to present this proposed ordinance by June 2020 for adoption before the start of the 2020-2021 Fiscal Year, pending City Council direction.

FISCAL IMPACT

Maintaining a DIF program and updating the fees to reflect contemporary development patterns and infrastructure needs can have a positive fiscal impact to the City. DIFs provide a stream of funding to support capital improvements resulting from new development. When implemented carefully, they do not reduce the City's competiveness to development relative to its neighboring cities; ensure other goals, like housing production, can also be met; and provide the opportunity to still gain community benefits through the PD/DA process. The cost to the City to maintain a DIF program is the staff time required to apply the fees upon building permit issuance, monitor the program to ensure appropriate collection and use, and manage the construction of capital projects once funds are collected. Many of these costs can simultaneously be paid for by the DIF funds through the administrative charge and by charging staff time for project development as a project cost.

CONCLUSION

Development impact fees allow the City to provide one way of offsetting the cost of funding capital and infrastructure projects needed to support new development. These funds are restricted and cannot be used for operations or maintenance or to address existing deficiencies. The City's DIFs were established over twenty years ago and created a funding source for Transportation facilities and community facilities including Parks and Recreation, Police, Library, and Fire. Since its inception, DIFs have helped fund significant capital and infrastructure projects. Over the past two decades, the types of development projects have changed along with the capital and infrastructure demands and costs associated with these projects or in support of these projects. Therefore, the City needs to update the DIFs now to reflect new infrastructure projects, include land use forecasts expected in the General Plan, and to account for other city goals and policies.

As previously stated, staff prepared a nexus study designed to provide the City with the necessary technical documentation to support an update to the DIF program and meets the procedural requirements that must be undertaken by the City pursuant to AB 1600. This entailed reviewing the infrastructure needed by the City to support projected growth

of the Burbank2035 General Plan. The nexus study maintains the City's existing fee categories (Transportation, Police, Fire, Library, and Parks and Recreation) and proposes adding an IT fee to the community facilities category.

Based on the information presented, staff is seeking City Council direction and input to update the City's DIF program. It is important to take into account several factors including maintaining market competitiveness by taking into consideration our neighboring cities' fees, alternative methods the City has to meet its infrastructure needs to support new development (such as PD/DA's), and striking a balance between charging the appropriate DIF while avoiding excessive fee levels that deter development and prevent building neighborhoods.

ATTACHMENT

Attachment 1 – Burbank Development Impact Fee Nexus Study
Attachment 2 – Development Impact Fee Program Comparison Analysis Draft Memorandum

Draft Report

Burbank Development Impact Fee Nexus Study

The Economics of Land Use

Prepared for:

City of Burbank

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Economic & Planning Systems, Inc.

With support from:

Fehr & Peers Transportation Consultants

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1. INTRODUCTION AND OVERVIEW

This Nexus Study is designed to provide the City of Burbank with the necessary technical documentation to support an update of its comprehensive Development Impact Fee (DIF) program. It has been prepared by Economic & Planning Systems, Inc. (EPS), with technical support from Fehr & Peers Transportation Consultants for transportation fees, as well as input from City of Burbank staff.

Impact fees are one-time charges on new development collected and used by jurisdictions (e.g., a City or County) to cover the cost of capital facilities and infrastructure needed to serve new residential and non-residential growth. Impact fees are generally collected upon issuance of a building permit, although some jurisdictions collect them at certificate of occupancy or other points in the development process. The City of Burbank currently has a comprehensive DIF program that generates funding to support a range of capital improvements necessitated by new growth in the City. The City's existing fee categories include capital facilities, which covers capital improvement needs for the police, fire, library, and parks departments; and transportation facilities. As part of its updated program, the City will maintain its existing fee categories, while adding information technology capital improvement needs to the capital facilities category. The City is also in the process of adopting an affordable housing fee on non-residential development. The technical documentation supporting this fee has been provided in a separate memorandum by EPS.

The Fee Program described in this Report is designed to be consistent with the most recent relevant case law and the principles of Government Code Section 66000 et seq. (subsequently referred to as AB 1600). The Report provides the nexus argument and associated fee calculations for the maximum fees the City can charge for the facilities indicated pursuant to AB 1600.

Consistent with the existing practice, the fees calculated herein are proposed to be collected on a City-wide basis given the broad scope of capital improvements included in this study.

Purpose and Use of AB 1600 Fees

New development in the City of Burbank will increase the demand for certain public facilities and infrastructure. The DIF revenues would be collected and expended to fund the portion of these new infrastructure and facility improvements needed to accommodate growth and maintain public service standards. Specifically, the DIF revenues calculated in this study will be used to fund:

- **Fire Facilities** – this fee will fund fire department capital facilities and equipment (e.g. vehicles) necessary to accommodate growth.
- **Police Facilities** – this fee will fund police department capital facilities and equipment (e.g. vehicles) necessary to accommodate growth.
- **Parks Facilities –** this fee will fund park and recreation facility improvements necessary to accommodate growth. This fee as calculated will not fund parkland acquisition. In addition to its existing parks impact fee, the City currently levies a separate Park Facility Development

Fee of $150 per bedroom on residential development that is used for "acquisition, improvement, expansion, renovation, and replacement of public park, playground and/or recreation facilities, machinery, and other capital-type improvements and for administration, inspection, and engineering costs of the City directly related thereto."[1]

- **Library Facilities –** this fee will fund library capital facilities and improvements necessary to accommodate growth.
- **Information Technology** – this fee will fund citywide information technology infrastructure and systems necessary to accommodate growth.
- **Transportation Improvements** – this fee will fund needed additions and improvements to the City's transportation infrastructure to accommodate future traffic volumes projected as a result of new development. These improvements will include infrastructure that supports vehicle, transit, pedestrian, and bicycle modes.

DIF Legal Context

This Report is designed to provide the necessary technical analysis supporting a schedule of fees to be established by an update to the City's Impact Fee Ordinance and Resolution. The City will need to approve an updated DIF Ordinance that enables the collection of fees for capital facilities, pursuant to AB 1600. As noted, AB 1600 is codified California Government Section 66000 et seq., which sets forth procedural requirements for establishing and collecting development impact fees. These procedures require that a reasonable relationship, or nexus, must exist between a governmental exaction and the purpose of the condition.

The guiding principles that determine the structure, scope, and amount of the proposed DIF Program are as follows:

- **Collected for Capital Facility and Infrastructure Improvements Only**. Development impact fee revenue will be collected and used to cover the cost of capital facilities and infrastructure that are required to serve new development in the City. Impact fee revenue will not be used to cover the operation and maintenance costs of these or any other facilities and infrastructure.
- **Used to Fund Facility Needs Created by New Development Rather than Existing Deficiencies**. Impact fee revenues will only be used to pay for new or expanded capital facilities needed to accommodate growth. Impact fee revenue will not be collected or used to cover the cost of existing deficiencies in the City's capital facilities or infrastructure. In other words, the cost of capital projects or facilities that are designed to meet the needs of the City's existing population must be funded through other sources.
- **Fee Amount is Based on a Rational Nexus**. The impact fee amount is based on a reasonable nexus, or connection, between new development and the needs and corresponding costs of the capital facilities and improvements needed to accommodate it. The costs associated with improvements that serve the needs of both new development and

[1] Burbank Municipal Code, Section 9-4-1-1103: Park Facility Development Fee

the existing population and employment are split on a "fair share" basis according to the proportion attributable to each.

Summary of Maximum Allowable Fees

Table 1 summarizes the City's maximum allowable development impact fee schedule for facility and equipment needs as evaluated in this Nexus Study, separated into capital facilities and transportation infrastructure. The City can adopt fees below these maximum nexus-supported levels based on policy considerations.

Table 1 Summary of Maximum Allowable Fees

Fee Category	Residential (/unit)		Non-Residential (/sq. ft. or room)				
	SF	MF	Retail	Office/ Institutional	Production Studio / R&D Flex	Warehouse / Industrial	Lodging[2]
Fire	$515	$405	$0.28	$0.47	$0.31	$0.28	$57
Police	$372	$293	$0.26	$0.44	$0.29	$0.26	$53
Parks & Recreation	$2,265	$1,783	$1.61	$2.65	$1.76	$1.61	$321
Library	$1,751	$1,378	$0.74	$1.22	$0.81	$0.74	$148
Information Technology[1]	$413	$325	$0.29	$0.48	$0.32	$0.29	$59
Total Capital Facilities Fee	**$5,316**	**$4,185**	**$3.19**	**$5.26**	**$3.49**	**$3.19**	**$638**
Transportation Fee	**$7,497**	**$3,332**	**$20.19**	**$8.70**	**$6.55**	**$3.02**	**$4,543**
TOTAL IMPACT FEES	**$12,813**	**$7,517**	**$23.38**	**$13.97**	**$10.04**	**$6.21**	**$5,181**

Note: Fees include a five percent administration fee.
(1) Proposed new fee.
(2) New fee category; fee is on a per room basis.

Source: Fehr & Peers; EPS

These development impact fees apply to new residential and nonresidential development based on a "fair share" allocation of specified facility and equipment costs. The maximum fee estimates include a 5 percent fee program administration fee.[2]

Estimated DIF Revenues Through Build-out

Table 2 provides an estimate of the total capital facility and transportation funding generated by the maximum allowable DIF program through buildout. These revenue projections are based on buildout assumptions described in **Chapter 2** of this Report. As shown, the proposed DIF program would generate revenue to cover about 30 percent of the total capital facilities and

[2] The administration fee is designed to cover expenses for preparation of the development impact fee and subsequent updates as well as the required reporting, auditing, collection and other annual administrative costs involved in overseeing the program. The City includes a 5 percent administration fee in its current impact fees.

transportation improvements identified in the fee program. The City must find other sources of revenue to cover the remaining costs.

Table 2 Revenue Projections and Need for Outside Funding

Fee Category	Total Cost of Improvements	Amount Allocation to DIF Program By Buildout			Additional Funding Needs	
		Amount	Cost Allocation	% of Total Cost	Amount	Cost Allocation
Fire	$10,823,873	$3,722,127	34.4%	3.2%	$7,101,746	65.6%
Police	$3,925,071	$2,967,146	75.6%	2.5%	$957,925	24.4%
Parks & Recreation	$78,626,572	$18,056,978	23.0%	15.4%	$60,569,594	77.0%
Library	$12,010,446	$11,608,128	96.7%	9.9%	$402,319	3.3%
Information Technology	$23,800,000	$3,292,163	13.8%	2.8%	$20,507,837	86.2%
Total Capital Facilities Fee	**$129,185,963**	**$39,646,542**	**30.7%**	**33.8%**	**$89,539,421**	**69.3%**
Transportation Fee	**$260,271,050**	**$77,523,151**	**29.8%**	**66.2%**	**$182,747,899**	**70.2%**
Total Impact Fees	**$389,457,013**	**$117,169,693**	**30.1%**	**100%**	**$272,287,320**	**69.9%**

Sources: City of Burbank; Fehr & Peers; EPS

2. SUMMARY OF METHODOLOGY AND KEY ASSUMPTIONS

This section provides a brief overview of the nexus methodology, the key assumptions, and the approach for allocating future capital facility needs between new and existing development and by land use category. It also summarizes the demographic and land use projections underlying the fee. Subsequent chapters provide more detailed calculations for each DIF category.

Summary of Methodology

While the nexus methodology employed in this study varies by fee category as appropriate given the range of capital facilities and improvements covered, there are a number of basic steps common to all. Specifically, for each fee category, EPS has applied the following general steps to calculate the nexus-supported fee amounts:

1. EPS established an estimate of existing and future population and employment in Burbank through buildout of the current General Plan in 2035 using a variety of sources, as described in the subsequent section.

2. The EPS consultant team identified the universe of new infrastructure and capital facility improvements needed to serve both existing and future residents and employees, based on interviews with City staff and analysis of existing city facility capacity and service standards.

3. EPS consultant team developed cost estimates for the capital facility estimates described in step 2 above. These cost estimates were developed based on information provided by City departmental staff as well as additional research and industry standards.

4. EPS allocated the capital facility costs identified in step 3 above between existing and new development to determine the share included in the DIF program. These allocation shares were determined in a variety of ways, dependent on the given improvement, available data, and City guidance. In some cases where the facility or improvement is entirely triggered by new development, the costs are allocated 100 percent to the DIF program. In cases where the improvement is expected to service both the existing population and the future population equally, the share of costs attributable to new development are based on the City's current versus future service population. These cost allocation assumptions are documented in subsequent sections.

5. Once costs have been allocated between new and existing development, they are further distributed among residential and non-residential uses. This process is dependent on facility or improvement type and the associated service population. For many improvements, costs are distributed based on ratios of residents to employees at General Plan buildout (as described further below). Some categories utilize alternative methodologies, such as Transportation, where costs are allocated based on trip rates, or Fire, where costs are allocated based on distribution of calls for service among land uses.

6. Once costs are allocated to residential and non-residential uses, each cost category is divided by the total residential or employment population to arrive at a "cost per resident" or "cost per employee". The cost per user is multiplied by the people per household or trip rate factor

for each residential fee category or by the employment density or trip rate factor for each non-residential fee category.

7. A 5 percent charge is added to the fee to cover the cost of administering the fee program. The fee plus the 5 percent administration charge determines the maximum fee amount by land use. The administration charge is factored into the maximum allowable fee summary in **Table 1**, but is not calculated in the department-specific fee calculation tables found in the report sections below.

Demographic and Land Use Assumptions

This section describes the demographic and land use assumptions utilized in this study for both existing and future General Plan buildout conditions (i.e., in 2035). The estimates are used for the following primary purposes in the fee calculation:

- Estimates of existing population and employment levels are used to formulate service standards for specific capital improvement categories as well as to ascertain existing needs relative to existing standards.
- Estimates of future population and employment growth in the City are the basis for determining the future need for some of the capital facilities which can be appropriately funded by the fee.
- Estimates related to population and employment density (e.g., persons per household, square feet per employee, or employees per room) are used to allocate costs between land use categories.

Population and Employment Growth Projections

This fee study relies on estimates of projected growth in the resident and employee population likely to occur by buildout in 2035. Estimates of existing residential units and nonresidential square feet by land use type, and projected buildout of those spaces, were provided by the City of Burbank based on the 2035 General Plan. The base year utilized for these estimates is 2016.

Estimates of persons per household, based on data from the American Community Survey, were applied to the number of estimated new residential units to estimate residential population growth. Estimates of employment growth are based on dividing the existing square feet of non-residential space by the existing number of employees in Burbank (based on data from the Longitudinal Employer-Household Dynamics (LEHD) program and State of California's Economic Development Department (EDD)) and applying the square-foot-per-employee factor to the projected growth in non-residential space. These estimates are detailed in **Table 3**.

Table 3 Growth Projections for Burbank By Land Use

Use Type	2016	2035	Growth
Residential			
Residential Units[1]	44,929	50,219	5,290
Avg. Persons Per Household[2]	2.47	2.47	2.47
Total Residents	111,171	124,261	13,089
Nonresidential			
Nonresidential Square Feet[3]	41,472,914	52,001,675	10,528,761
Avg. Square Feet Per Employee[4]	291	291	291
Total Jobs	142,286	178,408	36,122

(1) Current residential uses from City of Burbank 2016 Congestion Management Plan. Projected residential uses from Burbank 2035 General Plan

(2) Estimates of residential density are derived from 2013-2017 ACS data.

(3) Current and projected nonresidential uses from City of Burbank.

(4) Estimates of employment density for non-residential development derived from dividing 2016 City of Burbank nonresidential square footage numbers by LEHD 2015 total employment number, escalated for 2016 using Los Angeles County annual employment grow th rate.

Sources: City of Burbank; ACS; LEHD; EDD; EPS

As summarized in **Table 4**, this approach results in a total residential population of 124,260 and total employment of 178,408 at buildout. This equates to an increase of 13,089 residents and 36,122 jobs, representing an 11.8 percent and 25.4 percent increase over existing conditions, respectively.

Table 4 Summary of Existing and Projected Population and Employment

Item	Amount	Percent
Population		
Existing	111,171	89%
New	13,089	11%
Buildout	124,260	100%
Employment		
Existing	142,286	80%
New	36,122	20%
Buildout	178,408	100%
Service Population		
Existing	148,165	87%
Residential	*111,171*	
Employment	*36,994*	
New	22,481	13.2%
Residential	*13,089*	
Employment	*9,392*	
Buildout	170,646	100%
Service Population Share		
Total New Service Population	22,481	
Residential	*13,089*	58%
Employment	*9,392*	42%

Sources: City of Burbank; EPS

This study is based on population and development patterns projected through 2035 in documents adopted by the City. It does not analyze specific projects "in the pipeline" at the local level, as such projects are, at this point, largely speculative and do not cover all years in the planning horizon.

Service Population Calculations

The DIF is largely predicated on calculations that translate the population and employment projections provided above into estimates of existing and future "service populations." The "service population," in turn, is derived from assumptions that compare residents and employees based on the relative service demands or typical service profiles of each, as further described in the following chapters.

While the service population characterization can differ by infrastructure category, in cases where detailed estimates are not available, EPS has relied upon a default service population calculation. This calculation is based on the City's existing "daytime population" as derived using the number of existing residents and employees in the City, and commute patterns for each group, to estimate their relative time spent within the City. This approach is used to derive an

employee to resident equivalency factor that can be used to allocate costs between existing and new growth and between residential and non-residential development.

As illustrated in **Table 4,** the City's existing population, employment, and commute patterns suggest a total service population of 148,165. The existing service population is composed of 111,171 residents and 36,994 employees, with each employee equivalent to 0.26 residents (e.g., the typical service demand of an employee is about 26 percent of a resident). This equivalency factor is calculated in **Table 5**.

Table 5 Service Population Factors

Service Population Category	Labor Force & Commute Patterns[1]		Resident to Employee Equivalencies		
	Number	Distribution	Weight[2]	Weighted Average	Normalized to 100%
		a	*b*	*= a * b*	
Burbank Residents					
Employed in Burbank	10,989	13%	77%	10%	
Employed outside of Burbank	35,856	41%	77%	32%	
All Other Residents	40,507	46%	100%	46%	
Total Residents	87,352	100%		88%	**100%**
Employees in Burbank					
Live in Burbank	10,989	8%	23%	2%	
Live outside of Burbank	128,808	92%	23%	21%	
Total Jobs	139,797	100%		23%	**26%**

[1] Commute patterns data from U.S. Census Bureau and LEHD On The Map Application
[2] Weighting based on percent of annual number of hours [8,760 or 24 hours * 365 days] relative to time at job [2,000 or 40 hours * 50 weeks].

Source: U.S. Census LEHD; ACS 2013-2017; EPS

At buildout, the service population is projected to grow by 22,481 to 170,646, with this new growth accounting for about 13.2 percent of the service population total at that time. New residents are estimated to account for approximately 58 percent of the growth in service population, while new employees account for the remaining 42 percent. These proportions are used to allocate costs between residential and non-residential land uses for many of the facilities included in the DIF, unless otherwise indicated.

Land Use Density Assumptions

In addition to the demographic calculations described above, the DIF also utilizes assumptions related to population and employment densities by land use type. Specifically, DIF improvement cost estimates per capita or per job are converted to fee rates per unit or square foot based on average persons per household and square foot per employee factors. These assumptions are summarized in **Table 6** and rely on a data from the U.S. Census and the 2035 General Plan Update.

Table 6 Land Use Density Assumptions

Item	Amount
Persons per Household (1)	2.47
Single Family	2.82
Multifamily	2.22
Square Feet Per Employee (2)	
Retail/Service Commercial	500
Office	303
Studio/R&D Flex	457
Industrial	500
Employees Per Room (3)	
Lodging	0.4

(1) Estimated by EPS using ACS 2013-2017 data

(2) Provided by City of Burbank

(3) Based on 2019 lodging employment density in Burbank of 1 employee per 585 sq. ft., and a room size of 220 sq. ft.

Sources: U.S. Census Bureau ACS; City of Burbank; EPS

3. *FIRE FACILITIES*

This Chapter describes the technical methodology for calculating fees for Fire Facilities. It is assumed that both residential and non-residential development will pay the Fire fees.

Capital Needs and Costs

The City's Fire Department provided information on the capital facility needs and costs required to serve both existing and future residents. The costs generally fall into two categories:

1. Vehicle purchase and life-cycle costs; and
2. New apparatus floor costs.

The Fire Department has provided cost estimates for all of its vehicle types, as well as for apparatus floors. The cost estimates for the vehicles and floors are summarized in **Table 7.** It is assumed that the need for new apparatus floors will increase the same proportion as the need for new vehicles.

Table 7 Fire Department Capital Facility Needs and Costs

Type of Improvement	Formula	Cost Per Unit	Units	Total Cost
Percent growth in service population[1]	a			13.2%
EXISTING APPARATUS[2]				
Vehicles				
Fire Engines		$750,000	6	$4,500,000
Fire Trucks		$1,100,000	2	$2,200,000
Rescue Ambulances		$300,000	3	$900,000
Hazardous Materials Trucks		$500,000	1	$500,000
Battalion 1 Command Vehicle		$100,000	1	$100,000
Station Alerting System		$270,000	1	$270,000
Fire Prevention Bureau Staff Cars		$40,000	9	$360,000
Total/Weighted Average	b	**$383,913**	**23**	**$8,830,000**
New Vehicles Attributable to New Growth	c = b*a		3.0	$1,163,257
Avg. useful life / vehicle[3]	d			15
Number of Replacements in 20-Year Cycle	e = 20/d			1.33
Total New Vehicle Cost Attributable to Growth	f = c*e			**$1,551,010**
Apparatus Floors (Sq. Ft.)				
Station 11		$600	5,319	
Station 12		$600	3,312	
Station 13		$600	4,828	
Station 14		$600	2,633	
Station 15		$600	7,663	
Station 16		$600	1,470	
Total	g		**25,225**	
Additional New Floor Cost Attributable to Growth	h = g*a	**$600**	**3,323**	**$1,993,873**
TOTAL NEW COST ATTRIBUTABLE TO GROWTH	**f + h**			**$3,544,883**

(1) This figure is derived in Table 4.
(2) Costs and inventory provided by Burbank Fire Department staff.
(3) Useful life includes ten years in front line and five years in reserve.

Sources: City of Burbank Fire Department; EPS

Cost Allocations and Fee Calculations

The total estimate of $3.5 million for fire improvements is allocated to new development based on maintaining the same level of service for new development as is currently provided to existing residents. The portion of fire capital costs allocated to new development is based on the growth in the City's service population relative to the total City service population at buildout, as described in **Chapter 2.**

The allocation of the $3.5 million in Fire Department improvements between residents and employees is based on the proportion of calls for service that the Fire Department responded to at residential versus non-residential locations in FY 2017-2018. **Table 8** shows the total number of calls for service received, divided into residential and non-residential property uses, as coded by the Fire Department. The numbers exclude calls made to roads, airports, vacant lots or buildings, or locations not coded by the Fire Department. The distribution shows that

approximately 64 percent of calls were made to residential locations, while 36 percent were made to non-residential locations.

Table 8 Fire Department Calls for Service by Property Use Type (FY 17-18)

Category[1]	Count	% of Total
Residential	6,184	64%
Non-Residential	3,444	36%
Institutional	820	
Office	728	
Retail	1,464	
Studio/R&D Flex	61	
Warehouse/Industrial	133	
Lodging	238	
TOTAL[1]	**9,628**	

(1) Categories were assigned by EPS, based on property codes provided by Burbank Fire Department. See Appendix A for full list of calls.

(2) Total calls do not include calls made to roads, airports, vacant lots or buildings, or locations not coded by the Fire Department

Source: Burbank Fire Department; EPS

Table 9 allocates the $3.5 million between new residents and employees based on the relative share of calls for service. The fees are then calculated based on assumptions related to persons per household for residential and employees per square foot for non-residential land uses, as detailed in **Table 6**.

Table 9 Maximum Fire Facilities Fee Calculations

Item	Factor / Input	Cost Allocation and Fee Calculation	
Future Residential/ Non-Residential Allocation		**Residential**	**Non-Residential**
% Allocation[1]	100%	64%	36%
Fire Facilities Cost	$3,544,883	$2,276,855	$1,268,028
Net Future Growth in Service Population[2]		13,089	9,392
Cost per Resident or Employee		$174	$135

Land Use	**Building Density**	**Maximum Fees**
Single Family (per unit)	2.82 persons/unit	$491 per unit
Multi-family (per unit)	2.22 persons/unit	$386 per unit
Retail / Svc. Commerical (per sq. ft.)	500 sq. ft./employee	$0.27 per sq. ft.
Office (per sq. ft.)	303 sq. ft./employee	$0.45 per sq. ft.
Production Studio / R&D Flex (per sq. ft.)	457 sq. ft./employee	$0.30 per sq. ft.
Warehouse / Industrial (per sq. ft.)	500 sq. ft./employee	$0.27 per sq. ft.
Lodging (per room)	0.4 employees/room	$54 per room

(1) Based on calls for service, calculated in Table 7.
(2) Calculated in Table 4

4. POLICE FACILITIES

This Chapter describes the technical methodology for calculating fees for Police Facilities. It is assumed that both residential and non-residential development will pay the Police fees.

Capital Needs and Costs

The costs associated with police activities fall into two categories: recurring facilities and one-time need facilities. The City's Police Department provided estimated costs for specific upgrades and additions needed to help the police department serve new growth in the City. These include:

- A range training center
- A body-worn and in-car video camera system
- Rehabilitation of the City's animal shelter

Since these new facilities will serve both the existing and new service population, the total cost for the facilities is allocated in a fair share proportion to both the existing and new service population, as calculated in **Table 4**.

The Police Department will also require the addition of new vehicles to maintain its current level of service to new population, as well as the replacement of these vehicles as typical wear and tear occur. The total cost of police vehicles is based on the replacement schedule of existing police vehicles as provided by the Police Department. These costs are allocated 100 percent to new development, as they are triggered directly by growth.

The cost estimates for the above items are summarized in **Table 10** and sum to $2.8 million.

Table 10 Police Department Capital Needs and Cost Summary

Equipment/ Facility Type	Existing Number/Size	Total Needed by 2035	# of New Vehicles Needed	Lifespan (years)	# of New Vehicles Needed by 2035	Unit Cost	% Attributable to New Growth[2]	Total Cost Attributable to New Growth
	a	b= a*(1+13%)[1]	c = b-a	d	e = (20yrs /d)*c	f	g	h = e*f*g
Recurring Facilities								
Unmarked Vehicles	38	43	6	5	24	$37,000	100%	$888,000
Marked Vehicles	43	49	5	3	33	$39,999	100%	$1,333,300
Motorcycles	20	23	3	6	10	$29,826	100%	$298,260
Parking Control Vehicles	13	15	2	9	4	$31,390	100%	$139,511
One-Time Need Facilities								
Range Training Center	N/A	N/A	N/A	N/A	N/A	$250,000	13.2%	$32,935
Body Worn and In-Car Video Camera System	N/A	N/A	N/A	N/A	N/A	$666,000	13.2%	$87,738
Animal Shelter Rehabilitation	N/A	N/A	N/A	N/A	N/A	$350,000	13.2%	$46,109
Total								**$2,825,853**

(1) Based on projected growth in service population of 13% as derived in Table 4.

(2) 'Recurring Facilities' are calculated to only account for facilities attributable directly to new growth; thus, these are assigned a 100% figure in this column. 'One-Time Need Facilities' are calculated as a total cost that is needed to serve the entire community, including the population not attributable to new growth; thus, the 13% figure is used to derive the total cost attributable solely to new growth.

Source: City of Burbank Police Department; EPS

Cost Allocations and Fee Calculations

Table 11 allocates the $2.8 million in future police facility costs based on the relative share of service population growth attributable to new residents and employees respectively, based on the calculations shown in **Table 4**. The fee is then calculated based on assumptions related to persons per household for residential and employees per square foot for non-residential land uses, as detailed in **Table 6**.

Table 11 Maximum Police Facilities Fee Calculation

Item	Factor / Input	Cost Allocation and Fee Calculation	
Future Residential/ Non-Residential Allocation		**Residential**	**Non-Residential**
% Allocation	100%	58%	42%
Police Facilities Cost	$2,825,853	$1,645,288	$1,180,565
Net Future Growth in Service Population[1]		13,089	9,392
Cost per Resident or Employee		$126	$126

Land Use	**Building Density**	**Maximum Fees**
Single Family (per unit)	2.82 persons/unit	$354 per unit
Multi-family (per unit)	2.22 persons/unit	$279 per unit
Retail / Svc. Commerical (per sq. ft.)	500 sq. ft./employee	$0.25 per sq. ft.
Office (per sq. ft.)	303 sq. ft./employee	$0.41 per sq. ft.
Production Studio / R&D Flex (per sq. ft.)	457 sq. ft./employee	$0.28 per sq. ft.
Warehouse / Industrial (per sq. ft.)	500 sq. ft./employee	$0.25 per sq. ft.
Lodging (per room)	0.4 employees/room	$50 per room

(1) Calculated in Table 4

5. PARKS FACILITIES

This Chapter describes the technical methodology for the Parks and Recreation Facilities fees, which includes parks and recreation facilities. It is assumed that both residential and non-residential development will pay parks facilities fees.

Capital Needs and Costs

The amount of new park land and facilities needed to serve future development is based on the City's existing service level. **Table 12** shows the inventory of existing parks and recreation facilities based on information provided by Parks and Recreation Department staff. It also calculates the department's existing level of service, presented as acres per 1,000 people in the service population. This service level is used to calculate the maximum number of new park acres needed to maintain the service level for the projected new service population.

While the total acreage of developed parks in the City is 845.24 acres, Parks Department staff indicated that no expansion of regional parks is anticipated, and that improvements to the City's golf facilities are to be funded by revenue sources other than the DIF program. Therefore, the service level excludes those parks categories and is based on a total of 128.28 acres of parkland, yielding a service level of 1.15 acres per 1,000 people. This level is applied to the projected growth in service population, demonstrating that an additional 25.94 acres of parkland would be required to maintain the City's existing parks service level at buildout.

Table 12 Burbank Existing Park Inventory and Level of Service

Facility / Park	Existing Inventory Amount	Existing Inventory Unit type	Existing Level of Service (1)
Regional Parks			
Stough Park	103.57	Acres	
Wildwood Canyon Park	500.00	Acres	
Subtotal	603.57		4.07 acres/1,000 daytime pop
Community Parks			
Brace Canyon Park	20.05	Acres	
Izay Park/Olive Rec. Center	15.36	Acres	
Johnny Carson Park	17.62	Acres	
McCambridge Park	17.80	Acres	
Subtotal	70.83		0.48 acres/1,000 daytime pop
Neighborhood Parks			
Lincoln Park	2.50	Acres	
Bel Aire Ballfield	1.75	Acres	
Miller Park	1.60	Acres	
Mt. View Park	2.48	Acres	
Pacific Park (Larry Maxam)	5.29	Acres	
Ralph Foy Park	10.00	Acres	
Palm Ballfield	1.50	Acres	
Valley Park	4.44	Acres	
Verdugo Park	8.00	Acres	
Robert E. Gross Park	4.85	Acres	
Robert E. Lundigan Park	1.32	Acres	
Robert R. Ovrom Park	1.40	Acres	
Vickroy Park	1.40	Acres	
Whitnall Highway Park North	4.50	Acres	
Whitnall Highway Park South	4.40	Acres	
Subtotal	55.43	Acres	0.50 acres/1,000 daytime pop
Pocket Parks			
Compass Tree Park	0.25	Acres	
EarthWalk Park	0.53	Acres	
Maple Street Playground	0.40	Acres	
Santa Anita Playlot	0.34	Acres	
Five Points Plaza	0.50	Acres	
Subtotal	2.02		0.02 acres/1,000 daytime pop
Other Facilities			
DeBell Golf Course	113.39	Acres	0.77 acres/1,000 daytime pop
Total Developed Parks	**845.24**	**Acres**	**7.60 acres/1,000 daytime pop**
Total Developed Parks Covered by Fee (2)			
(Excludes Regional Parks and Golf Facilities)	**128.28**	**Acres**	**1.15 acres/1,000 daytime pop**
New Service Population	**22,481**	**People**	
New Parkland Supported by Growth	**25.94**	**Acres**	

(1) Based on population and employment estimates shown in Table 4.
(2) Parks Department does not anticipate expansion of regional parks, and City golf facilities are being funded through other means.

Source: The City of Burbank; EPS

While the parks fee can be based on the cost to acquire and improve an additional 25.94 acres of parkland, the Parks Department provided a detailed list of capital improvements and associated costs that the Department anticipates undertaking to serve new population. **Table 13** details these new facilities and their costs. Since the total acreage for these projects, at 23.45 acres, is below the maximum new acreage needed to maintain the level of service for new development, the costs of these projects—approximately $7.9 million—can be allocated 100 percent to new development. These costs include only improvements, not land acquisition, as it is anticipated that the new parks will be developed on land already owned by the City.

The parks development impact fee category also includes consideration of renovation needs for existing parks and recreation facilities. **Table 13** provides the total estimated capital costs for these anticipated facility improvements, based on cost information provided by the Parks Department. Unlike new parks development, the renovation projects are needed to serve both City's existing and future service population. Consequently, the costs for these improvements allocated to new development are based on the growth in service population as a percentage of the total service population at buildout, as calculated in **Table 4**. Total improvement costs attributable to growth sum to about $9.3 million.

Table 13 Parks Facility Capital Needs and Cost Estimates

Park Type	Formula	# of Acres	Cost Per Acre	Total Cost
NEW FACILITIES				
New Facilities Needs Identified By City Staff[1]				
Dog Park		1.5	$466,667	$700,000
Community Garden		0.3	$500,000	$150,000
Soccer Fields		2.25	$704,375	$2,060,297
New Park and Parking Lot over BWP Reservoir #1		19.00	$242,105	$4,600,000
Pocket Park		0.40	$704,375	$366,275
Total/Weighted Average	**a**	**23.45**	**$336,000**	**$7,876,572**
EXISTING FACILITIES				
Renovation Needs[1]				
Hillside Trail Network and Mountain Bike Course Expansion				$4,500,000
Artificial Turf at Brace and Palm Ballfield				$2,000,000
Starlight Bowl Renovation				$18,000,000
Recreation Centers (MCC, ORC, VRC) Renovation				$45,000,000
Joslyn Adult Center Modernization				$1,000,000
Stough Canyon Nature Center Renovation				$250,000
McCambridge Pool Replacement				$12,000,000
Subtotal	**b**			**$70,750,000**
Percent Supportable by Growth[2]	c			13.2%
Renovation Costs Supportable by Growth	**d = b*c**			**$9,320,550**
TOTAL COST SUPPORTABLE BY GROWTH	**e = d+a**			**$17,197,122**

(1) Needs and costs identified by Parks Department staff
(2) Calculated in Table 4.

Sources: City of Burbank Parks Department; EPS

Cost Allocation and Fee Calculation

Table 14 allocates the $17.2 million in future park facility costs attributable to growth between residential and non-residential development, based on the relative share of service population growth attributable to new residents and employees respectively, as shown in **Table 4.** The fee is then calculated based on assumptions related to persons per household for residential and employees per square foot for non-residential land uses, as detailed in **Table 6.**

Table 14 Maximum Parks Facilities Fee Calculation

Item	Factor / Input	Cost Allocation and Fee Calculation	
Future Residential/ Non-Residential Allocation		**Residential**	**Non-Residential**
% Allocation	100%	58%	42%
Parks Facilities Cost	$17,197,122	$10,012,626	$7,184,496
Net Future Growth in Service Population[1]		13,089	9,392
Cost per Resident or Employee		$765	$765

Land Use	**Building Density**	**Maximum Fees**
Single Family (per unit)	2.82 persons/unit	$2,157 per unit
Multi-family (per unit)	2.22 persons/unit	$1,698 per unit
Retail / Svc. Commerical (per sq. ft.)	500 sq. ft./employee	$1.53 per sq. ft.
Office (per sq. ft.)	303 sq. ft./employee	$2.52 per sq. ft.
Production Studio / R&D Flex (per sq. ft.)	457 sq. ft./employee	$1.68 per sq. ft.
Warehouse / Industrial (per sq. ft.)	500 sq. ft./employee	$1.53 per sq. ft.
Lodging (per room)	0.4 employees/room	$306 per room

(1) Calculated in Table 4

6. *LIBRARY FACILITIES*

This Chapter describes the technical methodology for calculating fees for Library Facilities. It is assumed that both residential and non-residential development will pay the Library fees.

Capital Needs and Costs

The costs associated with library activities fall into two categories: existing facilities and new planned facilities. For existing facilities, the fee is calculated to account for the cost of growth in the City's library system resources needed to accommodate new resident and employee growth. **Table 15** illustrates the library system's existing service level, divided by resident and employee uses and broken out by facility type (i.e. books, AV materials, and public computers). A "use," which is the standard unit used by libraries to determine service level, is defined as a unique visit to a library. Therefore, there are more "uses" than actual residents or employees, accounting for multiple visits annually to the library by single individuals. Library Department staff indicated that approximately 70 percent of its uses are by City residents and 30 percent are by workers in the City.

Table 15 Library Service Standard

Category	Formula	Total Amount
Existing Service Level		
Total Existing Sq. Ft.	a	77,500
Existing Uses Per Sq. Ft.	b	10.49
Total Uses	c = a*b	812,975
Resident Uses[1]	d = c * 0.7	569,083
Total Existing Residents	e	111,171
Uses per Resident	f = d/e	5.12
Employee Uses[1]	g = c * 0.3	243,893
Total Existing Employees	h	142,286
Uses Per Employee	i = g/h	1.71
Total Books	j	348,656
Books Per Use	k = j/c	0.43
Total AV Materials[2]	l	25,866
AV Materials Per 1,000 Uses	m = l/(c/1000)	31.82
Total Public Computers	n	89
Computers Per 1,000 Uses	o = n/(c/1000)	0.11
New Service Standard		
New Uses Per Sq. Ft. Service Standard[3]	u	6.81
New Residents	p	13,202
New Resident Uses	q = p * f	67,579
New Employees	r	17,800
New Employee Uses	s = r * i	30,511
Total New Uses	**t = q+s**	**98,090**

[1] Library staff indicated that approximately 70% of uses are by residents and 30% are by employees

[2] Includes DVDs, audiobooks, and CDs

[3] Average for market library systems, including Glendale, Pasadena, Santa Monica, Thousand Oaks, and Torrance

Sources: City of Burbank Library Department; EPS

While the City's current level of service for library facilities is 10.49 uses per square feet, Library Department staff indicated that this level of service is well below the average for other library systems in its market area, which include Glendale, Pasadena, Santa Monica, Thousand Oaks, and Torrance. The average service standard for this market area is 6.81 uses per square foot.

The bottom of **Table 15** calculates the number of new library uses at buildout based on the market area service standard, divided by residents and employees. **Table 16** details the costs associated with needed library facility growth to accommodate the updated service standard for new residents and employees.

The Library Department also provided estimated costs for new planned facilities, which include:

- A radio-frequency identification (RFID) system
- A makerspace

The new facilities projects are needed to serve both City's existing and future service population. Consequently, the costs allocated to new facilities are based on the growth in service population as a percentage of the total service population at buildout, as calculated in **Table 4**.

The cost estimates for the above items are summarized in **Table 16** and sum to approximately $11.1 million.

Table 16 Library Capital Needs and Cost Estimates Based on Service Standard

Category	Formula	Total Amount	Per Unit Cost	Total Cost
EXISTING FACILITIES				
Total New Uses	a	98,090		
New Uses Per Sq. Ft. Service Standard[1]	b	6.81		
New Sq. Ft. Attributed to Growth	c = a/b	14,404	$692	9,967,422
New Books Attributed to Growth[2]		42,067	$20	$841,344
New AV Materials Attributed to Growth[2]		3,121	$30	$93,626
New Computers Attributed to Growth[2]		11	$750	$8,054
Service Standard Costs Attributable to Growth	**d**			**$10,910,446**
NEW FACILITIES				
New Planned Facilities/Systems[3]				
RFID System				$500,000
Makerspace				$600,000
Total Cost	**e**			**$1,100,000**
Percent Supportable by Growth[4]	f	**13.2%**		
New Facilities Cost Attributable to Growth	**g = e*f**			**$144,913**
TOTAL COSTS ATTRIBUTABLE TO GROWTH	**h = g+d**			**$11,055,360**

[1] Average for market library systems, including Glendale, Pasadena, Santa Monica, Thousand Oaks, and Torrance
[2] Based on new service standard as calculated in Table 15
[3] Capital improvements planned by Library Department
[4] Calculated in Table 6

Sources: City of Burbank Library Department; EPS

Cost Allocations and Fee Calculations

Table 17 allocates the $11.1 million in future library facility costs between new residents and employees based on the distribution of library uses provided by the Library Department—70 percent to residential development and 30 percent to non-residential development. The fee is then calculated based on assumptions related to persons per household for residential and employees per square foot for non-residential land uses, as detailed in **Table 6**.

Table 17 Maximum Library Facilities Fee Calculation

Item	Factor / Input	Cost Allocation and Fee Calculation	
Future Residential/ Non-Residential Allocation		**Residential**	**Non-Residential**
% Allocation[1]	100%	70%	30%
Library Facilities Cost	$11,055,360	$7,738,752	$3,316,608
Net Future Growth in Service Population[2]		13,089	9,392
Cost per Resident or Employee		$591	$353

Land Use	**Building Density**	**Maximum Fees**
Single Family (per unit)	2.82 persons/unit	$1,667 per unit
Multi-family (per unit)	2.22 persons/unit	$1,313 per unit
Retail / Svc. Commerical (per sq. ft.)	500 sq. ft./employee	$0.71 per sq. ft.
Office (per sq. ft.)	303 sq. ft./employee	$1.17 per sq. ft.
Production Studio / R&D Flex (per sq. ft.)	457 sq. ft./employee	$0.77 per sq. ft.
Warehouse / Industrial (per sq. ft.)	500 sq. ft./employee	$0.71 per sq. ft.
Lodging (per room)	0.4 employees/room	$141 per room

(1) Service allocation is based on input from Library staff regarding library usage by residents and non-residents
(2) Calculated in Table 4

7. INFORMATION TECHNOLOGY

The Information Technology portion of the DIF covers facility needs associated with the City's technology systems and infrastructure. Since these facilities will serve the needs of both residents and businesses, it is assumed that both residential and non-residential development will pay the Information Technology fee.

Capital Needs and Costs

City staff provided information on the Information Technology capital facility needs and costs required to serve both existing and future residents. Specifically, cost estimates were developed for new Smart City Edge technology infrastructure and for control and management systems. **Table 18** below shows the capital costs associated with each element of these systems. Since the new facilities are needed to serve both City's existing and future service population, the costs of the facilities allocated to new growth are based on the growth in service population as a percentage of the total service population at buildout, as calculated in **Table 4**. The total cost allocated to new growth is approximately $3.1 million.

Table 18 Information Technology Capital Cost Summary

Category	Formula	Amount
NEW FACILITIES[1]		
Smart City Edge Technology Infrastructure		
Video Cameras		$760,000
Environmental Sensor		$1,900,000
Sound Sensor		$1,900,000
WiFi Access Point		$3,040,000
Fiber Connectivity		$5,700,000
Traffic & Parking Sensor		$7,600,000
Casing		$1,900,000
Control and Management Systems		
Video System		$300,000
Traffic & Parking Management System		$500,000
Sensor Management System		$200,000
Total Costs	**a**	**$23,800,000**
Percent Supportable by Growth[2]	b	13.2%
Costs Supportable by Growth	**c = a * b**	**3,135,394**

(1) Needs and costs for new facilities provided by IT Department staff.
(2) Calculated in Table 3

Sources: City of Burbank; EPS

Cost Allocations and Technical Analysis

Table 19 allocates the $3.1 million in Information Technology facilities between residential and non-residential land uses based on the relative share of service population growth attributable to new residents and employees respectively, as calculated in **Table 4**. The fees are then calculated based on assumptions related to persons per household for residential and employees per square foot for non-residential land uses, as detailed in **Table 6**.

Table 19 Maximum Information Technology Fee Calculations

Item	Factor / Input	Cost Allocation and Fee Calculation	
Future Residential/ Non-Residential Allocation		**Residential**	**Non-Residential**
% Allocation	100%	58%	42%
IT Facilities Cost	$3,135,394	$1,825,510	$1,309,883
Net Future Growth in Service Population[1]		13,089	9,392
Cost per Resident or Employee		$139	$139

Land Use	Building Density	Maximum Fees
Single Family (per unit)	2.82 persons/unit	$393 per unit
Multi-family (per unit)	2.22 persons/unit	$310 per unit
Retail / Svc. Commerical (per sq. ft.)	500 sq. ft./employee	$0.28 per sq. ft.
Office (per sq. ft.)	303 sq. ft./employee	$0.46 per sq. ft.
Production Studio / R&D Flex (per sq. ft.)	457 sq. ft./employee	$0.31 per sq. ft.
Warehouse / Industrial (per sq. ft.)	500 sq. ft./employee	$0.28 per sq. ft.
Lodging (per room)	0.4 employees/room	$56 per room

(1) Calculated in Table 4

8. TRANSPORTATION

The Transportation portion of the DIF covers improvement needs associated with the City's transportation infrastructure. Since these facilities will serve the needs of both residents and businesses, it is assumed that both residential and non-residential development will pay the Transportation fee. The following chapter provides a summary of the improvement needs, cost allocations, and fee levels for the Transportation Fee. A detailed technical memorandum on the methodology used to calculate the Transportation Fee is included in **Appendix A**.

Improvement Needs and Costs

Fehr & Peers worked with City staff to identify the transportation improvement needs and costs required to serve both existing and future residents. The needs were divided into four categories: roadway improvements, transit improvements, bikeway improvements, and pedestrian improvements. **Table 20** below shows the costs associated with each category of transportation improvement.

Table 20 Transportation Improvement Program Cost Summary

Transportation Improvement Program	Total Cost
Roadway Improvements	$76,746,050
Transit Improvements	$74,725,000
Bikeway Improvements	$56,930,000
Pedestrian Improvements	$51,870,000
Total	**$260,271,050**

Cost Allocations and Technical Analysis

The allocation of transportation improvement costs to new growth is based on vehicle trips generated. **Table 21** shows the projected change in vehicle trips generated by new growth in the City.

Table 21 Change in Vehicle Trips, 2016-2035

City of Burbank Vehicle-Trips PM Peak Hour	
2035	70,861
2016	60,112
New Trips	10,749
% New Trips	15.2%

Fehr & Peers conducted a PM Peak Hour select link analysis for each roadway and intersection improvement project to determine the number of new trips generated by growth in the City. A select link analysis tracks the origin and destination of trips on a specified roadway segment so that trips generated by City (trips that begin and/or end in the City) can be separated from other regional trips (External Trips). Select link results report the number of Internal (II), Internal to External (IX), External to Internal (XI), and External to External (XX).

The cost allocation for roadway and intersection projects is calculated by removing all External (XX) trips, since City development can't pay for regional travel growth (e.g., if XX trips account for 10% of 2035 trips, then max fee is 90%). The cost allocation for all other types of projects is calculated by applying the percent growth (15.2%) to project cost.

Table 22 shows the fair-share to be contributed by new development and the transportation fee per PM peak hour trip.

Table 22 Allocation of Transportation Project Costs to New Development

Project Type	Total Cost	New Development Fair Share	% of Total Cost
Roadway Improvements	$76,746,050	$49,683,998	65%
Transit Improvements	$74,725,000	$11,335,135	15%
Bikeway Improvements	$56,930,000	$8,635,788	15%
Pedestrian Improvements	$51,870,000	$7,868,230	15%
Total	**$260,271,050**	**$77,523,151**	**30%**
PM Peak Hour New Growth Trips		10,749	
Average Cost per PM Peak Hour Trip		**$7,212**	

Table 23 details the allocation of fees among land uses of the $77.5 million in transportation improvement costs attributable to new growth. **Appendix A** provides further detail on the methodology used to make this allocation.

Table 23 Maximum Transportation Fees By Land Use

Fee per PM Peak Hour Trip	$7,212				
Land Use Category	**Unit[1]**	**ITE Code[2]**	**PM Trip Rate[2]**	**% New Trips[3]**	**City TIA Fee per Unit**
Single Family Residential	**DU**	210	0.99	100%	**$7,140**
Multi-Family Residential	**DU**	221	0.44	100%	**$3,173**
Lodging	**Room**	310	0.60	100%	**$4,327**
Retail/Service Commercial	**sq.ft.**	820	3.81	70%	**$19.23**
Office/Institutional	**sq.ft.**	710	1.15	100%	**$8.29**
Warehouse/Industrial	**sq.ft.**	130	0.40	100%	**$2.88**
Production Studio/R&D Flex	**OE-GSF**	--[4]	0.86	100%	**$6.24**

Notes:

1) Units = Dwelling Units (DU), Hotel Rooms (Rooms), Square Feet (sq.ft.), and Office Equivalent-Gross Square Feet (OE-GSF).
2) ITE Trip Generation, 10th Edition. PM peak hour trip rate per DU, Room, or KSF (1,000 sq. ft.).
3) Pass-by Trips are accounted for retail uses.
4) Trip Rate based on media office factor of 1.33 per the Media District Specific Plan.

Special Generators: If City determines that a proposed use cannot be classified under the land use categories listed in the TIA Fee table, then City will have the discretion to determine the appropriate data for input to the TIA Fee calculation. This will likely require a study to determine the trip rate for the proposed use.



APPENDIX A:

Fehr & Peers Technical Memorandum - Burbank Development Impact Fees for Transportation

FEHR & PEERS

MEMORANDUM

Date: September 10, 2019

To: Beverly Wong and David Kriske, City of Burbank
Julie Cooper and Jason Moody, EPS

From: Sarah Brandenberg and John Muggridge, Fehr & Peers

Subject: ***Burbank Development Impact Fees for Transportation - Nexus Study***

Ref: LA14-2721

This memorandum provides the nexus analysis conducted for the transportation component of Burbank's Development Impact Fee (DIF) program. The transportation fees will fund needed improvements to the City's transportation infrastructure to accommodate future traffic volumes projected as a result of new development. The fees will fund infrastructure that supports vehicle, transit, pedestrian, and bicycle travel modes in the City. The transportation project list that reflects the City's planned improvements and the nexus methodology and analysis completed for the DIF program update are provided below.

OVERVIEW

For transportation improvements needed to accommodate future growth, the purpose of a DIF program is to collect funding from new development to build the infrastructure needed. Funds collected are often used to augment other funding sources that can be secured by the City, such as the County's sales tax for transportation improvements (Measures R and M) or State and local grant opportunities. The State of California Mitigation Act (AB 1600) (Government Code, sections, 66000, et seq.) establishes a requirement for "nexus" in the establishment of a development fee for transportation. The nexus requirements are as follows:

- A development fee is directly related to the impacts of the development.
- The nature of the fee is roughly proportional to the impacts of the project.

The development of the transportation component of the DIF program consists of producing a list of transportation improvements to be funded, in part, by the impact fees collected from new development and then calculating the fair share portion of the funding that is the responsibility of new development. The City's transportation project list and the analysis completed to determine new developments fair-share is described in the following sections.

TRANSPORTATION PROJECTS

The transportation projects to be funded (in part) through the City's DIF program consist of improvements that have been identified in previous City planning efforts needed to accommodate planned growth. The transportation improvement projects included in *Infrastructure Blueprint for*

the 21st Century (March 9, 1993) were reviewed to determine if they were still applicable for the City's DIF program. To determine applicability, these projects were compared to the transportation goals, policies, and infrastructure needs identified in the Burbank2035 General Plan. Transportation projects that were still required to accommodate future growth and consistent with Burbank2035 were included in the transportation improvement project list and infrastructure projects identified Burbank2035 were also added to the list. In addition, projects identified in other planning studies, such as the City's Bicycle Master Plan or Safe Routes to School Plan, were included in the transportation project list. The following types of projects are contained in the transportation project list:

1. ***Roadway Capacity Improvement Projects***: These improvements include roadway widenings, grade separations, and bridge enhancements that will increase vehicular capacity and improve safety at specific locations in the City.
2. ***Intersection Capacity Improvement Projects***: These improvements include widening or restriping to provide additional turn lanes or through lanes and traffic signal upgrades at specific intersections in the City that will increase vehicular capacity and better accommodate all modes of travel through intersections.
3. ***Transportation System Management Projects***: These improvements include data collection, monitoring, systemwide signal upgrades, and parking management that can be applied Citywide to effectively manage the transportation network through design and technology solutions.
4. ***Transit Improvement Projects***: These improvements include additional service and facility upgrades for Metrolink, BurbankBus and Metro buses within the City, bus rapid transit improvements to provide additional regional travel opportunities by transit for those living and working in Burbank, and quiet zone treatments to mitigate the noise impacts of rail transit.
5. ***Path and Protected Bikeway Improvement Projects and On-Street Bicycle Improvement Projects***: These improvements include new path and separated bicycle facilities in the City and the improvements identified in the Bicycle Master Plan to improve accessibility for bicycle travel Citywide and fulfill the City's goals of providing a complete streets network.
6. ***Pedestrian Improvement Projects***: These improvements include sidewalk and pedestrian safety projects with many improvements focused on areas in the City where pedestrian travel is most concentrated, such as downtown and adjacent to schools.

Table 1 presents the transportation project list for the DIF program. As shown, the projects are organized by the type of improvement and mode of travel as described in the six categories above.

Table 1: Transportation Project List		
Type	**Project Location**	**Description**
Roadway Capacity Improvement Projects	Hollywood Way: Avon to Thornton	Widen to 6 lanes with Class IV protected bike lanes
	Olive Way: Six lanes – Barham to Lincoln	Restripe and peak period parking removal
	Empire Ave / Vanowen St	Construct railroad grade separation
	Buena Vista St / Vanowen St	Construct railroad grade separation
	Victory Pl Rail Undercrossing	Widen rail bridge for a second northbound lane and Class I Bikeway
	Interstate 5 / Buena Vista Interchange and Winona Rail Tunnel	Improve I-5 Ramps, Construct Winona Rail undercrossing to connect Winona across rail tracks
	Widen Olive Bridge	Widen bridge to provide turn lanes at First Street, standard width lanes, shoulders/bike lanes, ped improvements, seismic upgrades
	Widen Magnolia Bridge	Widen bridge to provide turn lanes at First Street, standard width lanes, shoulders/bike lanes, ped improvements, seismic upgrades
	North San Fernando Master Plan Improvements	Construct improvements identified in the North San Fernando Master Plan
Intersection Capacity Improvement Projects	Media District – Olive Ave, Alameda Ave, and Riverside Dr	Signal enhancements: adaptive timing, signal synchronization, advanced detection
	Victory Blvd Corridor	Signal enhancements: adaptive timing, signal synchronization, advanced detection
	Olive Ave / Verdugo Ave	Realign Verdugo, Modify Olive, Modify Traffic Signal, Pedestrian Crossing Treatments
	Buena Vista St / NB I-5 Ramps	Widen intersection approaches, upgrade signal
	Hollywood Way / Verdugo Ave	Widen intersection approaches, upgrade signal
	Victory Blvd / Olive Ave	Widen intersection approaches, upgrade signal
	Buena Vista St / Olive Ave	Widen intersection approaches, upgrade signal
	Hollywood Way / Thornton Ave	Widen intersection approaches, upgrade signal
	Pass Ave / Olive Ave	Widen intersection approaches, upgrade signal
	Hollywood Way / Alameda Ave	Widen intersection approaches, upgrade signal
	Buena Vista St / San Fernando Blvd	Widen intersection approaches, upgrade signal
	Lake St / Alameda Ave	Restripe intersection approaches, upgrade signal
	Hollywood Way / Riverside Dr	Restripe intersection approaches, upgrade signal
	Hollywood Way / Olive Ave	Restripe intersection approaches to covert parking to peak period travel lane

Table 1: Transportation Project List (continued)		
Type	**Project Location**	**Description**
Transportation System Management Projects	Monitoring Program	Data collection and monitoring needed to maintain transportation system performance and update City Traffic Model
	Neighborhood Protection	Citywide Neighborhood Protection Program (NPP)
	Citywide Parking Management	Manage all public parking throughout the City, including commercial street parking, City parking lots, structures, and the Downtown Burbank Metrolink Station
	CSCS Full Adaptive Control	Infrastructure hardware and communication upgrades
	CSCS Synchronization	Signal phasing, detection, and hardware upgrades
Transit Improvement Projects	BurbankBus Transit Capital and Electrification	Ongoing 17 vehicle fleet replacement 2019-2035, 12-year lifespan, electrification after 2023
	BurbankBus Transit Expanded Operations	Service expansion on existing routes and new service
	BurbankBus Maintenance, Storage, and Operations Facility	New bus maintenance facility
	Media District Transit Center	Bus transit facility with layover facilities
	BRT Extension to Burbank Airport	Extend Orange Line to Airport as street-running BRT
	Downtown Metrolink Pedestrian Rail Crossing Improvements	Construct Safety Gates and Rail Signal Modifications at the Downtown Metrolink Station Ped Crossings
	Citywide Railroad Quiet Zones	Construct Quiet Zone Improvements at Airport
	Quiet Zone/Grade Separation - Vanowen/Clybourn	Clybourn rail grade crossing to improve safety and access to Airport; initially a quiet zone improvement and ultimately a grade separation
	Pasadena to North Hollywood BRT	Local contribution towards Metro North Hollywood to Pasadena Corridor BRT Project
Path and Protected Bikeway Improvement Projects	Chandler Bikeway Extension	Class I: Mariposa St to Downtown Metrolink Station
	San Fernando Bikeway	Class I: City limit to Downtown Metrolink Station
	Los Angeles River Bridge	Class I: Bob Hope Dr to Forest Lawn Dr
	Palm Avenue Bridge	Class I: Downtown Metrolink Station to Palm Ave/First St
	Pacific Park - Vanowen Path	Class I: Vanowen St to Pacific Ave
	First Street Class IV	Class IV: San Fernando Boulevard to Verdugo Avenue
	Third Street Class IV	Class IV: Amherst Drive to Verdugo Avenue
	Glenoaks-Verdugo-Front Class IV	Class IV: Glenoaks, Alameda, Verdugo, Front, Burbank
	Magnolia Boulevard Class II/IV	Class II/IV: First Street to Glenoaks Blvd
	Angeleno Avenue Class IV	Class IV: Glenoaks Blvd to First Street

Table 1: Transportation Project List (continued)		
Type	**Project Location**	**Description**
On-Street Bicycle Improvement Projects	Top Priority Bike Master Plan Projects On-Street Class II and Class III Facilities (see description for specific locations)	Clark Avenue Bicycle Boulevard, Class III: Clybourn Ave to Victory Ave
		Citywide Bicycle Boulevard Network
		Verdugo Ave, Class III: Victory to Flower St
		Empire Ave, San Fernando Blvd, Class II/III: Clybourn Ave to Burbank Blvd
		Olive Ave, Pass Ave, California St, Front St, Class III
		Amherst Dr, Third St, Third St, Glenoaks Blvd, Class II/III
		Riverside Dr, Class II/III: Clybourn Ave to California St, California St to Bob Hope Dr
		Orange Grove Ave, Class II: Third St to Sunset Canyon
	Other Priority Bike Master Plan Projects; On-Street Class II and Class III Facilities (see description for specific locations)	Vanowen St, Class II: Clybourn Ave to Buena Vista St
		Ontario St, Class II: San Fernando Blvd to Empire Ave
		Fairview St and Ontario St, Class III: Vanowen St to Chandler Path
		Mariposa St, Palm Ave, Lake St, Class III
		Stough Canyon Ave, Walnut Ave, Walnut Ave, Class II/III
		Tulare Ave, 6th St, Class II/III
		Lincoln St, Class II: San Fernando Blvd to Empire Ave
		Cohasset St, Cohasset St, Avon St, Class II/III
		Sunset Canyon, Class III: Walnut Ave to City limit
		Harvard Rd, Class II: Wildwood Canyon to Sunset Canyon
		Alameda Ave, Class II: Glenoaks Blvd to Lincoln Street, SR-134 to Riverside
		Coast Mainline Path, Pacific Ave, Class I/III
		Eton Dr, Class II/III: Glenoaks Blvd to Kenneth Rd
		Glenoaks Blvd, Class III: L.A. City limit to Providencia Ave
		Clybourn Ave, Class II: Victory Blvd to Chandler Path
		Jeffries Ave, Class III: Clybourn Ave to Lincoln St
		Olive Ave, Class III: L.A. City limit to Sunset Canyon Dr

Table 1: Transportation Project List (continued)		
Type	**Project Location**	**Description**
Pedestrian Improvement Projects	Sidewalk Improvements to General Plan Standards	Construct sidewalks to standard widths as identified in Burbank2035
	Pedestrian Safety Improvements	Construct curb extensions, crosswalks, traffic signal modifications at 100 arterial and collector intersections
	Citywide Safe Routes to School	Construct Safety Improvements per Safe Routes to School Program
	Pedestrian Safety Assessment Projects	Construct improvements identified in the Pedestrian Safety Assessment
	Downtown Sidewalk and Pedestrian Safety Projects	Replace deteriorating brick/concrete sidewalk and improve ped safety at intersections in Downtown
	Subregional Equity Projects	Subregional Equity Projects selected for implementation in City

NEXUS ANALYSIS

The purpose of a nexus study is to establish the relationship, referred to as the "nexus," between new development expected to occur and the need for new and expanded major public facilities. After establishing the nexus, the transportation fees to be levied for various land use types are calculated based on the proportionate share of the total facility use. The nexus analysis is comprised of the following steps:

- Growth anticipated under Burbank2035 was input into the City's travel demand forecasting model, and then the model was used to track vehicle-trip growth on each of the roadway infrastructure improvements contained in the project list and determine the number of new PM peak hour vehicle trips generated by overall growth in the City.
- New development's fair-share contribution to each of the improvements contained in the transportation project list was calculated based on the model output and local cost contribution for each of the planned improvements.
- The number of trips generated by various land use types were used to calculate the transportation fees as part of the DIF program update.

Each of these steps is explained in further detail below.

Growth Forecasts

The Burbank travel demand model was used to generate traffic growth forecasts for use in the nexus analysis. The City's model was previously used to determine the traffic impacts resulting from the future land uses envisioned under Burank2035. As part of that analysis, a detailed level of service (LOS) analysis was performed on key citywide intersections and roadways using the traffic volume forecasts, and the results were then used to identify the infrastructure improvements needed to accommodate the planned growth as reflected in the transportation project list.

For the nexus analysis, the model was updated to reflect a more current baseline (Year 2016) and the final land use plan adopted in Burbank2035. The model was compiled with these updated land uses to determine overall travel demand growth anticipated by Year 2035. **Table 2** summarizes the growth in PM peak hour vehicle trips for land uses in the City.

Table 2:
City of Burbank Vehicle-Trips

Year	PM Peak Hour Trips
2016	60,112
2035	70,861
New Trips	**10,749**
% New Trips	**15.2%**

Fair-Share Contribution

To determine the fair-share contribution for new development in the City, the Burbank travel demand model was used to conduct a select link analysis for each roadway and intersection improvement contained in the transportation project list. A select link analysis tracks the origin and destination of trips on a specified roadway segment so that trips generated by City of Burbank land uses (trips that begin and/or end in the City) can be separated from other regional trips (external trips that travel through the City but do not begin or end in the City). Since the DIF program only pertains to land use growth in the City, the fee program cannot include regional traffic growth generated by external trips. Therefore, the City's model was used to track the number of Internal (II) trips, Internal to External (IX) trips, External to Internal (XI) trips, and External to External (XX) trips, and all external trips were removed from new developments fair-share contribution.

In addition to removing regional travel growth from the fair-share analysis, the City refined the transportation project list cost estimates for the DIF program to only reflect the portion of funding expected from local sources, including Federal, State and grant funding provided to the City for infrastructure needs. For the larger infrastructure projects that are considered regional in nature, such as the railroad grade separations, freeway interchange improvements, bridge widenings, and regional bus rapid transit projects, a minor local funding contribution (3% or less) was included in the DIF program. **Table 3** shows the costs for the improvements in the transportation project list

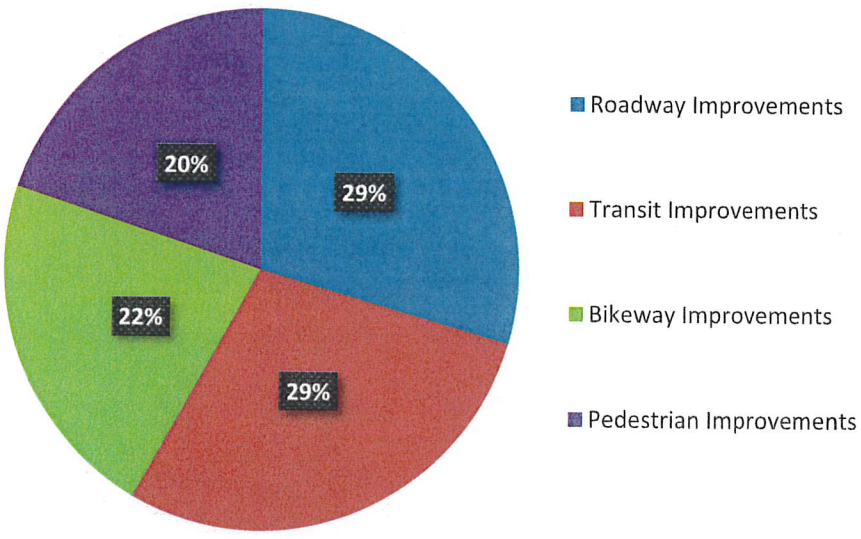
(see Attachment A for detailed cost estimates). The total cost of the transportation project list is approximately $260 million.

Table 3:
Transportation Project List Cost Estimates

Project Type	Cost
Roadway Improvement Projects	**$76,746,050**
- *Roadway Capacity Improvement Projects*	*$19,771,050*
- *Intersection Capacity Improvement Projects*	*$22,600,000*
- *Transportation System Management Projects*	*$34,375,000*
Transit Improvement Projects	**$74,725,000**
Bikeway Improvement Projects (Pathway, Protected Lanes, and On-Street)	**$56,930,000**
Pedestrian Improvement Projects	**$51,870,000**
Total	**$260,271,050**

Figure 1 shows the cost distribution by primary mode of travel. Roadway and transit improvement costs each comprise just under 30% of the fee program and bikeway and pedestrian improvement costs are each approximately 20% of the fee program.

Figure 1: Transportation Funding Distribution by Mode



The new development funding contribution was calculated for each project by multiplying the fair-share growth and the DIF program project cost to obtain the portion of the project cost attributable

to new growth. For the roadway and intersection capacity improvements, the City's model was used to calculate the fair-share growth contribution for each project individually. For the other project types, the overall PM peak hour traffic growth resulting from new development in the City (15.2%, see Table 2) was used to calculate the fair-share funding contribution. **Table 4** shows the portion of the DIF program that can be funded by new development for each project type.

Table 4:
Fair-Share Contribution to DIF Program for Transportation Improvements

Project Type	Total Cost	New Development Fair Share	% of Total Cost
Roadway Improvements	$76,746,050	$49,683,998	65%
Transit Improvements	$74,725,000	$11,335,135	15%
Bikeway Improvements	$56,930,000	$8,635,788	15%
Pedestrian Improvements	$51,870,000	$7,868,230	15%
Total	**$260,271,050**	**$77,523,151**	**30%**

As shown, new development would fund up to 30% of the transportation project list. This funding level represents the maximum funding that can be assessed to new development based on the results of the nexus study.

Fair-Share Cost by Land Use Type

New development's fair-share funding contribution towards the transportation project list was compared to the PM peak hour trip growth in the City to determine the average cost per new trip. As shown in **Table 5** below, the average cost per new PM peak hour trip is $7,212.

Table 5:
Average Cost per PM Peak Hour Trip

New Development Fair-Share Funding	$77,523,151
PM Peak Hour New Growth Trips	10,749
Average Cost per PM Peak Hour Trip	**$7,212**

The average cost per trip was then used to generate the transportation fee by land use based on the PM peak hour trip generation rate for each land use type. The seven land use categories for the DIF program are listed in **Table 6** below. Using the average trip generation rates for each of these land use types, the DIF fee was calculated on a per unit basis. As discussed previously, the fees shown represent the maximum fee for transportation that can be attributed to new development based on the nexus study.

Table 6:
DIF Program Fees for Transportation

Land Use Category	Unit[1]	ITE Code[2]	PM Trip Rate[2]	% New Trips[3]	City TIA Fee per Unit
Single Family Residential	**DU**	210	0.99	100%	**$7,140**
Multi-Family Residential	**DU**	221	0.44	100%	**$3,173**
Lodging	**Room**	310	0.60	100%	**$4,327**
Retail/Service Commercial	**SF**	820	3.81	70%	**$19.23**
Office/Institutional	**SF**	710	1.15	100%	**$8.29**
Warehouse/Industrial	**SF**	130	0.40	100%	**$2.88**
Production Studio/ R&D Flex/Media Office	**OE-GSF**	--[4]	0.86	100%	**$6.24**

Notes:

1) Units = Dwelling Units (DU), Hotel (Rooms), Square Feet (SF), and Office Equivalent-Gross Square Feet (OE-GSF).

2) Trip Generation, 10th Edition, Institute of Transportation Engineers. PM peak hour trip rate per DU, Room, or KSF.

3) Pass-by Trips are accounted for retail uses.

4) Trip Rate based on media office factor of 1.33 per the Media District Specific Plan.

Special Generators: If City determines that a proposed use cannot be classified under the land use categories listed in the TIA Fee table, then City will have the discretion to determine the appropriate data for input to the TIA Fee calculation. This will likely require a study to determine the trip rate for the proposed use.

Attachment A

Cost Estimates for DIF Program Transportation Project List

Project Location	Description	DIF Cost	Cost Reference
Roadway Capacity Improvement Projects			
Hollywood Way: Avon to Thornton	Widen to 6 lanes with Class IV protected bike lanes	$1,500,000	Per mile cost assumptions applied for widening and Class IV bicycle facility improvements
Olive Way: Six lanes – Barham to Lincoln	Restripe and peak period parking removal	$2,500,000	Per mile cost assumptions assuming 300 feet east of Riverside to LA River Remove peak period parking to provide 3 lanes each direction plus center turn lane
Empire Ave / Vanowen St	Construct railroad grade separation	$1,650,000	Regional project with total estimate of $50 million based on Grade Separation Study 3% local contribution
Buena Vista St / Vanowen St	Construct railroad grade separation	$1,500,000	Regional project with total estimate of $50 million based on Grade Separation Study 3% local contribution
Victory Pl Rail Undercrossing	Widen rail bridge for a second northbound lane and Class I Bikeway	$1,500,000	Regional project with total estimate of $50 million based on Grade Separation Study 3% local contribution
Interstate 5 / Buena Vista Interchange and Winona Rail Tunnel	Improve I-5 Ramps, Construct Winona Rail undercrossing to connect Winona across rail tracks	$1,500,000	Regional project with total estimate of $50 million based on Grade Separation Study 3% local contribution
Widen Olive Bridge	Widen bridge to provide turn lanes at First Street, standard width lanes, shoulders/bike lanes, ped improvements, seismic upgrades	$606,990	Regional project with total estimate of $20.2 million based on Bridge Feasibility Study 3% local contribution
Widen Magnolia Bridge	Widen bridge to provide turn lanes at First Street, standard width lanes, shoulders/bike lanes, ped improvements, seismic upgrades	$414,060	Regional project with total estimate of $20.2 million based on Bridge Feasibility Study 3% local contribution
North San Fernando Master Plan Improvements	Construct improvements identified in the North San Fernando Master Plan	$8,600,000	Estimate from North San Fernando Blvd Specific Plan Improvement Plan
	Sub-total Roadway Capacity Improvement Projects	**$19,771,050**	
Intersection Capacity Improvement Projects			
Media District – Olive Ave, Alameda Ave, and Riverside Dr	Signal enhancements: adaptive timing, signal synchronization, advanced detection	$8,000,000	Assumes $400,000 per signal for new poles, conduit, detection, controllers, fiber connection to CSCS system, programming, implementation
Victory Blvd Corridor (ASTAC)	Signal enhancements: adaptive timing, signal synchronization, advanced detection	$8,000,000	Assumes $400,000 per signal for new poles, conduit, detection, controllers, fiber connection to CSCS system, programming, implementation
Olive Ave / Verdugo Ave	Realign Verdugo, Modify Olive, Modify Traffic Signal, Pedestrian Crossing Treatments	$3,600,000	Estimate based on Alternatives Selection
Buena Vista St / NB I-5 Ramps	Widen intersection approaches and upgrade traffic signal	$400,000	Per mile cost assumptions for southbound approach widening, relocate curb, gutter, catch basin, streetlights
Hollywood Way / Verdugo Ave	Widen intersection approaches and upgrade traffic signal	$400,000	Estimate from Burbank2035 Technical Studies/EIR
Victory Blvd / Olive Ave	Widen intersection approaches and upgrade traffic signal	$400,000	Estimate from Burbank2035 Technical Studies/EIR
Buena Vista St / Olive Ave	Widen intersection approaches and upgrade traffic signal	$300,000	Estimate from Burbank2035 Technical Studies/EIR
Hollywood Way / Thornton Ave	Widen intersection approaches and upgrade traffic signal	$250,000	Estimate from Burbank2035 Technical Studies/EIR
Pass Ave / Olive Ave	Widen intersection approaches and upgrade traffic signal	$250,000	Estimate from Burbank2035 Technical Studies/EIR

Project Location	Description	DIF Cost	Cost Reference
Hollywood Way / Alameda Ave	Widen intersection approaches and upgrade traffic signal	$200,000	Per mile cost estimate to restripe south leg of intersection for 300 feet. Modify traffic signal to install protected phasing.
Buena Vista St / San Fernando Blvd	Widen intersection approaches and upgrade traffic signal	$200,000	Estimate from Burbank2035 Technical Studies/EIR
Lake St / Alameda Ave	Restripe intersection approaches and upgrade traffic signal	$200,000	Estimate from Burbank2035 Technical Studies/EIR
Hollywood Way / Riverside Dr	Restripe intersection approaches and upgrade traffic signal	$200,000	Per mile cost estimate for intersection striping and signal upgrade
Hollywood Way / Olive Ave	Restripe intersection approaches to covert parking to peak period travel lane	$200,000	Per mile cost estimate for intersection striping and signal upgrade
	Sub-total Intersection Capacity Improvement Projects	**$22,600,000**	
Transportation System Management Projects			
Monitoring Program	Data collection and monitoring needed to maintain transportation system performance and update City Traffic Model	$1,500,000	Assume one travel demand model update every 5 years for (2019-2035) at $350,000. Assume annual data collection for transportation system performance monitoring at $50,000 per year. Assume one General Plan Mobility Element Update for the life of the plan (2019-2035).
Neighborhood Protection	Citywide Neighborhood Protection Program (NPP)	$4,750,000	Assume 5 new neighborhood protection plans to be implemented Assume 950,000 per plan per Alameda North NPP completed in July 2019
Citywide Parking Management	Manage all public parking throughout the City, including commercial street parking, City parking lots, structures, and the Downtown Burbank Metrolink Station	$15,000,000	Cost estimate to implement parking management plan
CSCS Full Adaptive Control	225 signals, Vehicle 2 Infrastructure hardware and communication upgrades	$5,625,000	Per signal cost estimate
CSCS Synchronization	50 signals, signal phasing, detection, and hardware upgrades	$7,500,000	Per signal cost estimate
	Sub-total Transportation System Management Projects	**$34,375,000**	
	Total Roadway Projects	**$76,746,050**	
Transit Improvement Projects			
BurbankBus Transit Capital and Electrification	Ongoing 17 vehicle fleet replacement 2019-2035, 12-year lifespan, electrification after 2023	$15,000,000	Assume ongoing BurbankBus fleet replacement (12-year vehicle life) during life of plan 2019-2035 Assume replacement cost at $550k per bus, $625k after 2023 for electrification
BurbankBus Transit Expanded Operations	Includes all-day service on existing routes and new service	$26,850,000	Assume two new 35-foot electric buses, 1.6 million per year operations costs above current operations
BurbankBus Maintenance, Storage, and Operations Facility	Construct new bus maintenance facility for BurbankBus	$10,000,000	Cost estimate to construct new bus facility
Media District Transit Center	Construct bus transit facility with layover facilities for BurbankBus and Metro	$10,000,000	Cost estimate for transit center located on north side of Riverside Drive between Olive and Hollywood Way in City and Caltrans right of way, potentially as part of freeway cap between Alameda and California

Project Location	Description	DIF Cost	Cost Reference
BRT Extension to Burbank Airport	Extend Orange Line to Bob Hope Airport as street-running BRT	$480,000	Estimate from MGAPS Study
Downtown Metrolink Pedestrian Rail Crossing Improvements	Construct Safety Gates and Rail Signal Modifications at the Downtown Metrolink Station Ped Crossings	$750,000	Estimate for quiet zone ready pedestrian safety gates, lights, updated fencing, ped channelization at both at-grade ped rail crossings at Downtown Burbank Metrolink Station. Update track circuitry to separate ped crossings to allow each crossing to operate independently
Citywide Railroad Quiet Zones	Construct Quiet Zone Improvements at Burbank Airport South Station	$1,250,000	Estimate for quiet zone ready pedestrian safety gates, lights, updated fencing, ped channelization at both at-grade ped rail crossings at the Burbank Airport South Metrolink Station, install quiet-zone ready grade crossing safety improvements at the Clybourn/Vanowen grade crossing.
Quiet Zone/Grade Separation - Vanowen/Clybourn	Clybourn rail grade crossing to improve safety and access to Burbank Airport; initially a quiet zone improvement and ultimately a grade separation	$7,725,000	Estimate for quiet zone and partial funding for grade separation improvements.
Pasadena to North Hollywood BRT	Local contribution towards Metro North Hollywood to Pasadena Corridor BRT Project	$2,670,000	Regional project with estimate of $267 million total project cost 1% local funding for expanded station amenities, first-last mile improvements, capital for local transit connections
	Sub-total Transit Improvement Projects	**$74,725,000**	
Path and Protected Bikeway Improvement Projects & On-Street Bicycle Improvements			
Chandler Bikeway Extension	Class I: Mariposa St to Downtown Burbank Metrolink Station	$3,800,000	Cost Estimate from Call for Projects Grant Application
San Fernando Bikeway	Class I: L.A. City limit to Downtown Burbank Metrolink Station	$8,800,000	Cost Estimate from Call for Projects Grant Application
Los Angeles River Bridge	Class I: Bob Hope Dr to Forest Lawn Dr	$1,700,000	Cost Estimate derived from Burbank Channel Bikeway Costs and pre-fab bridge cost estimates
Palm Avenue Bridge	Class I: Downtown Burbank Metrolink Station to Palm Ave/First St	$10,600,000	Cost Estimate from Bike Master Plan
Pacific Park - Vanowen Path	Class I: Vanowen St to Pacific Ave	$3,000,000	Per mile cost estimate for bikeway projects ($10,000,000 per mile Class I; $5,000,000 per mile Class IV; $250,000 per mile Class II; $50,000 per mile Class III)
First Street Class IV	Class IV: San Fernando Boulevard to Verdugo Avenue	$4,000,000	Assume Class IV at 5,000,000 per mile to relocate curb and gutter, streetlights, catch basins, traffic signals, trees
Third Street Class IV	Class IV: Amherst Drive to Verdugo Avenue	$6,000,000	Assume Class IV at 5,000,000 per mile to relocate curb and gutter, streetlights, catch basins, traffic signals, trees
Glenoaks-Verdugo-Front Class IV	Class IV: Glenoaks; Alameda to Verdugo; Verdugo, Glenoaks to Front; Front, Verdugo to Burbank	$5,500,000	Assume Class IV at 5,000,000 per mile to relocate curb and gutter, streetlights, catch basins, traffic signals, trees
Magnolia Boulevard Class II/IV	Class II/IV: First Street to Glenoaks Blvd	$1,500,000	Assume Class IV at 5,000,000 per mile to relocate curb and gutter, streetlights, catch basins, traffic signals, trees
Angeleno Avenue Class IV	Class IV: Glenoaks Blvd to First Street	$1,500,000	Assume Class IV at 5,000,000 per mile to relocate curb and gutter, streetlights, catch basins, traffic signals, trees
Top Priority Bike Master Plan Projects On-Street Class II and Class III Facilities	Clark Avenue Bicycle Boulevard, Class III: Clybourn Ave to Victory Ave	$340,000	Bike Master Plan Cost Estimate
	Citywide Bicycle Boulevard Network	$2,710,000	Bike Master Plan Cost Estimate
	Verdugo Ave, Class III: Victory to Flower St	$120,000	Bike Master Plan Cost Estimate
	Empire Ave, San Fernando Blvd, Class II/III: Clybourn Ave to Burbank Blvd	$140,000	Bike Master Plan Cost Estimate
	Olive Ave, Pass Ave, California St, Front St, Class III	$80,000	Bike Master Plan Cost Estimate

Project Location	Description	DIF Cost	Cost Reference
Top Priority Bike Master Plan Projects On-Street Class II and Class III Facilities	Amherst Dr, Third St, Third St, Glenoaks Blvd, Class II/III	$60,000	Bike Master Plan Cost Estimate
	Riverside Dr, Class II/iii: Clybourn Ave to California St, California St to Bob Hope Dr	$60,000	Bike Master Plan Cost Estimate
	Orange Grove Ave, Class II: Third St to Sunset Canyon Dr	$155,000	Bike Master Plan Cost Estimate
Other Priority Bike Master Plan Projects On-Street Class II and Class III Facilities	Vanowen St, Class II: Clybourn Ave to Buena Vista St	$325,000	Per mile cost estimate for bikeway projects ($10,000,000 per mile Class I; $5,000,000 per mile Class IV; $250,000 per mile Class II; $50,000 per mile Class III)
	Ontario St,Class II: San Fernando Blvd to Empire Ave	$175,000	Per mile cost estimate for bikeway projects ($10,000,000 per mile Class I; $5,000,000 per mile Class IV; $250,000 per mile Class II; $50,000 per mile Class III)
	Fairview St and Ontario St, Class III: Vanowen St to Chandler Path	$65,000	Per mile cost estimate for bikeway projects ($10,000,000 per mile Class I; $5,000,000 per mile Class IV; $250,000 per mile Class II; $50,000 per mile Class III)
	Mariposa St, Palm Ave, Lake St, Class III	$90,000	Per mile cost estimate for bikeway projects ($10,000,000 per mile Class I; $5,000,000 per mile Class IV; $250,000 per mile Class II; $50,000 per mile Class III)
	Stough Canyon Ave, Walnut Ave, Walnut Ave, Class II/III	$195,000	Per mile cost estimate for bikeway projects ($10,000,000 per mile Class I; $5,000,000 per mile Class IV; $250,000 per mile Class II; $50,000 per mile Class III)
	Tulare Ave, 6th St, Class II/III	$305,000	Per mile cost estimate for bikeway projects ($10,000,000 per mile Class I; $5,000,000 per mile Class IV; $250,000 per mile Class II; $50,000 per mile Class III)
	Lincoln St, Class II: San Fernando Blvd to Empire Ave	$75,000	Per mile cost estimate for bikeway projects ($10,000,000 per mile Class I; $5,000,000 per mile Class IV; $250,000 per mile Class II; $50,000 per mile Class III)
	Cohasset St, Cohasset St, Avon St, Class II/III	$65,000	Per mile cost estimate for bikeway projects ($10,000,000 per mile Class I; $5,000,000 per mile Class IV; $250,000 per mile Class II; $50,000 per mile Class III)
	Sunset Canyon Dr, Class III: Walnut Ave to Glendale City limit	$65,000	Per mile cost estimate for bikeway projects ($10,000,000 per mile Class I; $5,000,000 per mile Class IV; $250,000 per mile Class II; $50,000 per mile Class III)
	Harvard Rd, Class II: Wildwood Canyon Rd to Sunset Canyon Dr	$150,000	Per mile cost estimate for bikeway projects ($10,000,000 per mile Class I; $5,000,000 per mile Class IV; $250,000 per mile Class II; $50,000 per mile Class III)
	Alameda Ave, Class II: Glenoaks Blvd to Lincoln Street, SR-134 to Riverside	$575,000	Per mile cost estimate for bikeway projects ($10,000,000 per mile Class I; $5,000,000 per mile Class IV; $250,000 per mile Class II; $50,000 per mile Class III)
	Coast Mainline Path, Pacific Ave, Class I/III	$4,010,000	Per mile cost estimate for bikeway projects ($10,000,000 per mile Class I; $5,000,000 per mile Class IV; $250,000 per mile Class II; $50,000 per mile Class III)
	Eton Dr, Class II/III: Glenoaks Blvd to Kenneth Rd	$60,000	Per mile cost estimate for bikeway projects ($10,000,000 per mile Class I; $5,000,000 per mile Class IV; $250,000 per mile Class II; $50,000 per mile Class III)
	Glenoaks Blvd, Class III: L.A. City limit to Providencia Ave	$150,000	Per mile cost estimate for bikeway projects ($10,000,000 per mile Class I; $5,000,000 per mile Class IV; $250,000 per mile Class II; $50,000 per mile Class III)
	Clybourn Ave, Class II: Victory Blvd to Chandler Path	$275,000	Per mile cost estimate for bikeway projects ($10,000,000 per mile Class I; $5,000,000 per mile Class IV; $250,000 per mile Class II; $50,000 per mile Class III)
	Jeffries Ave, Class III: Clybourn Ave to Lincoln St	$65,000	Per mile cost estimate for bikeway projects ($10,000,000 per mile Class I; $5,000,000 per mile Class IV; $250,000 per mile Class II; $50,000 per mile Class III)
	Olive Ave, Class III: L.A. City limit to Sunset Canyon Dr	$220,000	Per mile cost estimate for bikeway projects ($10,000,000 per mile Class I; $5,000,000 per mile Class IV; $250,000 per mile Class II; $50,000 per mile Class III)
	Sub-total Bicycle Improvement Projects	**$56,930,000**	
Pedestrian Improvement Projects			
Sidewalk Improvements to General Plan Standards	Construct sidewalks to standard widths as identified in Burbank2035	$7,000,000	Assume 5 percent of Burbank's 280 miles of streets will receive funding for sidewalk improvements
Pedestrian Safety Improvements	Construct curb extensions, crosswalks, traffic signal modifications at 100 arterial and collector intersections	$25,000,000	Per intersection estimate of $250,000

Project Location	Description	DIF Cost	Cost Reference
Citywide Safe Routes to School	Construct Safety Improvements per Safe Routes to School Program	$9,450,000	Assume triple SR2S Cycle 10 Short Term improvements applied to all schools ($525,000 per school). Improvements include curb extensions, ped ramps, signage, street narrowing, and other traffic calming elements.
Pedestrian Safety Assessment Projects	Construct improvements identified in the Pedestrian Safety Assessment	$420,000	Estimate from Pedestrian Safety Assessment costs
Downtown Sidewalk and Ped Safety Project	Replace deteriorating brick/concrete sidewalk and improve ped safety at intersections in Downtown Burbank	$5,000,000	Per intersection cost estimate
Subregional Equity Projects: 2018-2058	Subregional Equity Projects selected for implementation in City	$5,000,000	Assume 1/2 percent local contribution to Measure M Subregional Equity Projects 2018-2058
	Sub-total Pedestrian Improvement Projects	**$51,870,000**	
	Total Transportation Project List	**$260,271,050**	

DRAFT MEMORANDUM

To: City of Burbank

From: Economic & Planning Systems, Inc.

Subject: Development Impact Fee Program Comparison Analysis

Date: January 28, 2020

The Economics of Land Use

As part of the Development Impact Fee Nexus Study conducted for the City of Burbank, Economic & Planning Systems (EPS) compared the proposed maximum allowable fees to fees in two of the City's neighboring jurisdictions: the cities of Glendale and Pasadena. This memo presents a comparison of fee programs among the three jurisdictions, including both the maximum allowable fees and current charged fees in Burbank. It also includes a discussion of the potential economic implications of the maximum allowable fee levels in Burbank, as informed by this comparison.

The memo presents the capital facilities and transportation fees charged in each city, summarized in **Table 1**. Capital facilities fees include those for fire, police, parks and recreation, library, and information technology. Pasadena and Glendale both also levy a public arts fee—however, this fee is based on project value, rather than on a per unit or per square foot basis, so it has not been included. Additionally, the memo does not include a comparison of the three cities' affordable housing impact fees.

Table 1 and the subsequent analysis include the fee levels levied on single family residential, multifamily residential, retail, office, and industrial uses. Fees on residential uses are presented on a per unit basis, while fees on nonresidential uses are presented on a per square foot basis. The levels for Burbank's maximum allowable fees include a five percent administrative fee, in line with the City's existing administrative fee.

While the City of Burbank is also proposing distinct fee levels on studio and lodging uses, a comparison of these fees has not been included, as Pasadena and Glendale do not levy distinct fees on these land uses. However, an analysis of the economic implications of the lodging and studio fees (in Burbank only) is included in the final section of this memo.

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Table 1 Summary of Fees Charged By Land Use Type

Land Use Category	Burbank (Max Allowable) [1]	Burbank (Existing) [1]	Glendale	Pasadena
Single Family Residential (Per Unit)				
Capital Facilities	$5,316	$3,296	$21,828	$25,800
Transportation	$7,497	-	-	$9,228
Multifamily Residential (Per Unit)				
Capital Facilities	$4,185	$2,256	$18,751	$20,201
Transportation	$3,332	-	-	$3,573
Retail (Per Sq. Ft.)				
Capital Facilities	$3.19	$0.96	$6.50	-
Transportation	$20.19	$6.85	-	$11.18
Office (Per Sq. Ft.)				
Capital Facilities	$5.26	$1.79	$7.92	-
Transportation	$8.70	$6.85	-	$8.42
Industrial (Per Sq. Ft.)				
Capital Facilities	$3.19	$0.85 *[2]*	$3.24	-
Transportation	$3.02	$3.75	-	$1.17

Note: Pasadena and Glendale also levy a public art fee on some land uses, equivalent to one percent of the project's value.

[1] Includes 5% Administrative Fee

[2] Burbank's current fee program levies a capital facilities impact fee of $0.85 per sq. ft. on industrial development and a transportation impact fee of $3.75 per sq. ft. on warehouse and manufacturing development.

Key Findings

1. **Both the current and maximum allowable residential development impact fee calculated in the EPS Nexus Study are lower than those charged by its neighbors.** Although the potential maximum capital facilities plus transportation impact fees on residential development in Burbank are higher than the City's current fees, they are still about half the level or less than fees charged on residential development in Glendale and Pasadena.

2. **The maximum allowable transportation fees calculated for Burbank on nonresidential uses are higher than those charged by its neighbors, while those charged on capital facilities are lower.** Currently, Burbank's transportation fees on retail and office uses are lower than its neighbors, but higher on warehouse/ manufacturing uses (a category being combined with industrial uses in the updated fee program). The City's existing capital facilities fees are lower on all nonresidential types as compared to its neighbors. All three cities' existing capital facilities plus transportation impact fees on nonresidential development are within less than four dollars of each other.

3. **The differences in fee burden relative to development value across each city tracks with the differences in absolute fee value.** Estimates of median development values for each land use show general similarity among the three cities. As such, the fees as a percentage of development value have a similar relationship between the jurisdictions as the absolute fee levels. Specifically, the residential impact fees in Burbank as a percentage of median home values and rents are lower than in Glendale and Pasadena, and the percentage would still be lower even if the maximum allowable residential fees were implemented. Conversely, the current nonresidential fees as a percentage of development value in Burbank are lower than or comparable to the percentages in its neighbors, while the City's maximum allowable fees on nonresidential development would be a significantly higher percentage of development value than in the other two jurisdictions. This calculation is based on the combined capital facilities and transportation fee levels.

Fee Comparison

The following section summarizes the fee categories that each city charges, and then provides a comparison of fees levied on each land use type.

Fee Categories

Tables 2 and **3** illustrate the fee categories that have been adopted by each of the three cities for residential and nonresidential land uses, respectively. These tables demonstrate that Burbank has the most comprehensive fee program among the three cities. Specifically, neither Pasadena nor Glendale have adopted impact fees for police, fire, or information technology facilities. Additionally, Pasadena only levies a transportation impact fee on nonresidential development, while Glendale does not have a transportation impact fee as part of its fee program.

Table 2 Fee Categories: Residential

Fee Category	Burbank (Max Allowable)	Burbank (Existing)	Glendale	Pasadena
Capital Facilities				
Fire	✓	✓	*NA*	*NA*
Police	✓	✓	*NA*	*NA*
Parks & Recreation	✓	✓	✓	✓
Parks In-Lieu Fee	*NA*	✓	✓	*NA*
Library	✓	✓	✓	*NA*
Information Technology	✓	*NA*	*NA*	*NA*
Transportation	✓	*NA*	*NA*	✓

Note: Glendale levies a public art fees on multifamily residential development, equivalent to one percent of the project's value

Table 3 Fee Categories: Nonresidential

Fee Category	Burbank (Max Allowable)	Burbank (Existing)	Glendale	Pasadena
Capital Facilities				
Fire	✓	✓	*NA*	*NA*
Police	✓	✓	*NA*	*NA*
Parks & Recreation	✓	✓	✓	*NA*
Parks In-Lieu Fee	*NA*	✓	✓	*NA*
Library	✓	✓	✓	*NA*
Information Technology	✓	*NA*	*NA*	*NA*
Transportation	✓	✓	*NA*	✓

Note: Pasadena and Glendale levy public art fees on nonresidential development, equivalent to one percent of the project's value. Pasadena's fee is on retail, office, and industrial projects; Glendale's fee is on retail and office projects only.

Single Family Residential

Table 4 presents the fee comparisons for single family residential units. The City of Burbank's maximum allowable capital facilities impact fee is $5,316 per unit, while the current capital facilities impact fee is $3,296 per unit. Both the current and maximum allowable Burbank fee level is significantly below the fee levels charged in Glendale and Pasadena. The bulk of all three cities' capital facilities fees is for parks facilities, with Pasadena and Glendale's level over eight times more than Burbank's maximum allowable. Additionally, Burbank's maximum allowable transportation fee level is $7,497, which is lower than the level charged in Pasadena.

Table 4 Comparison of Impact Fees for Single Family Residential Land Use (Per Unit)

Item	Burbank (Max Allowable) [1]	Burbank (Existing) [1]	Glendale	Pasadena
Most Recent Update	-	5/14/2019	6/4/2019	8/22/2017
Fee Category				
Capital Facilities	$5,316	$3,296	$21,828	$25,800
Fire	*$515*	*$65*	-	-
Police	*$372*	*$310*	-	-
Parks & Recreation	*$2,265*	*$1,475*	*$19,883*	*$25,800 [2]*
Parks In-Lieu/Quimby Fee	-	*$450 [3]*	*$19,795 [4]*	-
Library	*$1,751*	*$996*	*$1,945*	-
Information Technology	*$413*		-	-
Transportation	$7,497	-	-	$9,228

[1] Includes 5% Administrative Fee

[2] Pasadena's parks and parks facility fee is tiered based on number of bedrooms. This is the three bedroom fee.

[3] Burbank's Parks In-lieu fee is $150/bedroom. This assumes three bedrooms.

[4] Glendale's Quimby fee is only levied on developments with a subdivision; otherwise developments pay the mitigation fee. The total capital facilities reflects the mitigation fee only.

Multifamily Residential

Table 5 presents the fee comparisons for multifamily residential units. The City of Burbank's maximum allowable capital facilities impact fee is $4,185 per unit, while the current capital facilities impact fee is $2,256 per unit. As with single family residential, the current Burbank fee is significantly lower than the fee charged in Glendale and Pasadena, where the level for parks facilities is much higher. Similarly, Burbank's maximum allowable transportation fee of $3,332 on multifamily is lower than the fee charged in Pasadena, although by less than ten percent.

Table 5 Comparison of Impact Fees for Multifamily Residential Land Use (Per Unit)

Item	Burbank (Max Allowable) [1]	Burbank (Existing) [1]	Glendale	Pasadena
Most Recent Update	-	5/14/2019	6/4/2019	8/22/2017
Fee Category				
Capital Facilities	$4,185	$2,256	$18,751	$20,201
Fire	*$405*	*$48*	-	-
Police	*$293*	*$229*	-	-
Parks & Recreation	*$1,783*	*$1,092*	*$17,080*	*$20,201 [2]*
Parks In-Lieu/Quimby Fee	-	*$150 [3]*	*$17,006 [4]*	
Library	*$1,378*	*$737*	*$1,671*	-
Information Technology	*$325*		-	-
Transportation	$3,332	-	-	$3,573

[1] Includes 5% Administrative Fee

[2] Pasadena's parks and parks facility fee is tiered based on number of bedrooms. This is the one bedroom fee.

[3] Burbank's Parks In-lieu fee is $150/bedroom. This assumes one bedroom.

[4] Glendale's Quimby fee is only levied on developments with a subdivision; otherwise developments pay the mitigation fee. The total capital facilities reflects the mitigation fee only.

Retail

Table 6 presents the fee comparison for retail development. The fees are shown per square feet of space. The capital facilities fee on retail currently levied in Burbank is $0.96 per square foot, which is lower than Glendale. Pasadena does not levy a capital facilities fee on retail. The City's maximum allowable capital facilities fee on retail is $3.19 per square foot, which would still be lower than Glendale. However, the city's maximum allowable transportation fee on retail of $20.19 per square foot is nearly double the level charged in Pasadena, while its current transportation fee on retail is about half of Pasadena's fee. Glendale does not levy a transportation fee on retail.

Table 6 Comparison of Impact Fees for Retail Land Use (Per Sq. Ft.)

Item	Burbank (Max Allowable) [1]	Burbank (Existing) [1]	Glendale	Pasadena
Most Recent Update	-	5/14/2019	6/4/2019	8/22/2017
Fee Category				
Capital Facilities	$3.19	$0.96	$6.50	-
Fire	*$0.28*	*$0.04*	-	-
Police	*$0.26*	*$0.19*	-	-
Parks & Recreation	*$1.61*	*$0.61*	*$6.04*	-
Library	*$0.74*	*$0.12*	*$0.46*	-
Information Technology	*$0.29*	-	-	-
Transportation	$20.19	$6.85	-	$11.18

[1] Includes 5% Administrative Fee

Office

Table 7 presents the fee comparison for office development per square feet of space. The capital facilities fee on office currently levied in Burbank is $1.79 per square foot, which is lower than Glendale. Pasadena does not levy a capital facilities fee on office. The City's maximum allowable capital facilities fee on office is $5.29 per square foot, which, as with retail, would still be lower than Glendale. The city's maximum allowable transportation fee on office of $8.70 per square foot would be about three percent higher (less than $0.30) than the level charged in Pasadena, while its current transportation fee on office is about twenty percent lower than Pasadena's fee. Glendale does not levy a transportation fee on office.

Table 7 Comparison of Capital Facilities Fees for Office Land Use (Per Sq. Ft.)

Item	Burbank (Max Allowable) [1]	Burbank (Existing) [1]	Glendale	Pasadena
Most Recent Update	-	5/14/2019	6/4/2019	8/22/2017
Fee Category				
Capital Facilities	$5.26	$1.79	$7.92	-
Fire	*$0.47*	*$0.07*	-	-
Police	*$0.44*	*$0.36*	-	-
Parks & Recreation	*$2.65*	*$1.14*	*$7.36*	-
Library	*$1.22*	*$0.21*	*$0.56*	-
Information Technology	*$0.48*	-	-	-
Transportation	$8.70	$6.85	-	$8.42

Note: Only includes office fees; existing Burbank fees on institutional development are lower.
[1] Includes 5% Administrative Fee

Industrial

Table 8 presents the fee comparison for industrial development per square foot of space. The current capital facilities fee level on industrial uses in Burbank is $0.85 per square foot, while the maximum allowable capital facilities fee is $3.19 per square foot. The City's current fee is the significantly lower than Glendale's, while the maximum allowable capital facilities fee would be nearly the same. Pasadena does not levy a capital facilities fee on industrial uses. The City's maximum allowable transportation fee of $3.02 would be 2.5 times higher than Pasadena's, although it would be lower than the City's current transportation fee, which is only on warehouse and manufacturing uses (a category that will be combined with industrial uses in the updated fee program).

Table 8 Comparison of Capital Facilities Fees for Industrial Land Use (Per Sq. Ft.)

Item	Burbank (Max Allowable) [1]	Burbank (Existing) [1] Industrial/ Warehouse/ Manufacturing [2]	Glendale	Pasadena
Most Recent Update	-	5/14/2019	6/4/2019	8/22/2017
Fee Category				
Capital Facilities	$3.19	$0.85	$3.24	-
Fire	*$0.28*	*$0.03*	-	-
Police	*$0.26*	*$0.17*	-	-
Parks & Recreation	*$1.61*	*$0.55*	*$3.01*	-
Library	*$0.74*	*$0.11*	*$0.23*	-
Information Technology	*$0.29*	-	-	-
Transportation	$3.02	$3.75	-	$1.17

[1] Includes 5% Administrative Fee

[2] Burbank's current fee program levies a capital facilities impact fee of $0.85 per sq. ft. on industrial development and a transportation impact fee of $3.75 per sq. ft. on warehouse and manufacturing development.

Economic Implications

The following section describes a general framework by which the economic implications of Burbank's proposed fees may be viewed and then provides an overview of potential implications by land use type.

General Considerations

On an economic and financial level, development impact fees should be considered from two perspectives:

1. **Fee Revenues and Economic Benefits**. Development impact fees, especially in growing areas, provide an important portion of the funding for development of infrastructure and capital facilities. As such, they support the policy goals of a jurisdiction in terms of providing desired public facilities and infrastructure such as transportation infrastructure, parks and recreation amenities, and public safety facilities/equipment. These improvements mitigate the impacts and demands of new development on public improvements and help in maintaining the quality of life attributes that both residents and employers seek. Development impact fees can also help overcome infrastructure development obstacles by providing an opportunity to spread the cost burden of improvements over a broader range of developments where substantial upfront infrastructure investment is required. The provision of essential public infrastructure and the associated creation of an attractive public realm serve to increase the demand for and value of housing and employment-generating commercial development. For commercial uses, for example, the current and future availability and capacity of transportation infrastructure can be a key determinant in a City's ability to attract development, and as a result, affects job creation.

2. **Development Costs and Economic Impacts**. Development impact fees directly add to the costs to construct new residential and commercial buildings (i.e., vertical development costs). In the short term, development impact fees increase overall development costs, reducing the expected return on investment/profit margin on an individual development project at a particular point in time. Over the medium to long term, a portion of these vertical development cost increases is absorbed by reductions in land value, while improvements in the quality of infrastructure support higher property values. As a result, under normal market conditions, reductions in development impacts fees can, in the short term, bring forward the timing on projects that are close to showing the level of return required to support financing and risk. And, by extension, the earlier timing of those projects would bring forward the timing of construction and the associated construction jobs and the other impacts of new development.

As a general principle, these competing benefits and costs associated with development impact fees point to the importance of establishing aggregate fee levels that strike an appropriate balance between providing an appropriate level of facilities/infrastructure to new residents and businesses consistent with jurisdiction's goals/vision, while avoiding excessive costs on development and thereby slowing the pace of growth.

Fees as a Percentage of Development Value

In addition to comparing the absolute value of impact fees across the three jurisdictions, it is also useful to look at the fee levels relative to development values across land uses in each city. This calculation illustrates the relative cost burden that the fee program will have given each cities' unique real estate markets.

Table 9 calculates estimated development values in each city, based on median home prices, commercial rents, and hotel revenue per available room (RevPAR) for the city, as well as standard operating costs and capitalization rates, by land use. The values are comparable across all three cities, although Burbank has a notably higher value per unit for multifamily developments and per square foot for retail developments.

Table 10 shows the combined capital facilities and transportation fee levels for each city (including Burbank's existing and maximum allowable fees) divided by the development values. In the case of Burbank and its peers, the comparison between relative fee burden tracks with the comparison between absolute fee level. The fees as a percent of development value is, and would be, lower in Burbank than in its peers for residential development. The fees as a percent of development value for nonresidential development is currently lower or comparable in Burbank as compared to Glendale and Pasadena, but would be higher if the maximum allowable fees were implemented.

Table 9 Estimated Median Development Values By Land Use

Item	Burbank	Glendale	Pasadena
Single Family Residential (Per Unit)			
Median Home Value	$829,400	$850,400	$824,800
Operating Costs	0%	0%	0%
Cap Rate	N/A	N/A	N/A
Value	$829,400	$850,400	$824,800
Multifamily Residential (Per Unit)			
Median Annual Rent	$38,400	$34,800	$32,400
Operating Costs	30%	30%	30%
Cap Rate	5.3%	5.3%	5.3%
Value	$507,170	$459,623	$427,925
Retail (Per Sq. Ft.)			
Median Annual Rent	$36	$39	$38
Operating Costs	2%	2%	2%
Cap Rate	6.2%	6.2%	6.2%
Value	$574	$617	$594
Office (Per Sq. Ft.)			
Median Annual Rent	$40	$35	$36
Operating Costs	30%	30%	30%
Cap Rate	6.4%	6.4%	6.4%
Value	$433	$388	$395
Industrial (Per Sq. Ft.)			
Median Annual Rent	$18	$18	$21
Operating Costs	15%	15%	15%
Cap Rate	5.5%	5.5%	5.5%
Value	$278	$278	$324
Studio (Per Sq. Ft.)			
Median Annual Rent	$37	N/A	N/A
Operating Costs	5%	N/A	N/A
Cap Rate	6%	N/A	N/A
Value	$586	N/A	N/A
Lodging (Per Room)			
Annual RevPAR	$47,366	N/A	N/A
Operating Costs	70%	N/A	N/A
Cap Rate	7.4%	N/A	N/A
Value	$192,025	N/A	N/A

Sources: Zillow; CoStar; City of Burbank; EPS

Table 10 Capital Facilities Fees as a Percentage of Development Value

Item	Burbank (Max Allowable)	Burbank (Existing)	Glendale	Pasadena
Single Family Residential (Per Unit)				
Capital Facilities and Transportation Fee	$12,813	$3,296	$21,828	$25,800
Median Development Value	$829,400	$829,400	$850,400	$824,800
Fee as Percentage of Value	1.5%	0.4%	2.6%	3.1%
Multifamily Residential (Per Unit)				
Capital Facilities and Transportation Fee	$7,517	$2,256	$18,751	$23,774
Median Development Value	$507,170	$507,170	$459,623	$427,925
Fee as Percentage of Value	1.5%	0.4%	4.1%	5.6%
Retail (Per Sq. Ft.)				
Capital Facilities and Transportation Fee	$23.38	$7.81	$6.50	$11.18
Median Development Value	$574	$574	$617	$594
Fee as Percentage of Value	4.1%	1.4%	1.1%	1.9%
Office (Per Sq. Ft.)				
Capital Facilities and Transportation Fee	$13.96	$8.64	$7.92	$8.42
Median Development Value	$433	$433	$388	$395
Fee as Percentage of Value	3.2%	2.0%	2.0%	2.1%
Industrial (Per Sq. Ft.)				
Capital Facilities and Transportation Fee	$6.21	$4.60	$3.24	$1.17
Median Development Value	$278	$278	$278	$324
Fee as Percentage of Value	2.2%	1.7%	1.2%	0.4%
Studio (Per Sq. Ft.)				
Capital Facilities and Transportation Fee	$10.04	N/A	N/A	N/A
Median Development Value	$586	N/A	N/A	N/A
Fee as Percentage of Value	1.7%	N/A	N/A	N/A
Lodging (Per Room)				
Capital Facilities and Transportation Fee	$5,181	N/A	N/A	N/A
Median Development Value	$192,025	N/A	N/A	N/A
Fee as Percentage of Value	2.7%	N/A	N/A	N/A

DEVELOPMENT IMPACT FEES

Study Session #1

February 4, 2020


AFFORDABLE HOUSING PUZZLE
Protecting and Building Neighborhoods
HOMELESSNESS PROGRAMS
EXISTING HOUSING
DEVELOPMENT INCENTIVES
CITY INFRASTRUCTURE FINANCING
LONG-RANGE PLANNING
HOUSING ASSISTANCE & REFERRALS
CODE AMENDMENTS
HOUSING POLICIES
EXPANDED HOUSING CHOICES
HOUSING
JOBS

GUIDING POLICY CONSIDERATIONS

- **Align** fee levels with City goals
- **Balance** fees with building neighborhoods
- **Facilitate** community benefits that build neighborhoods



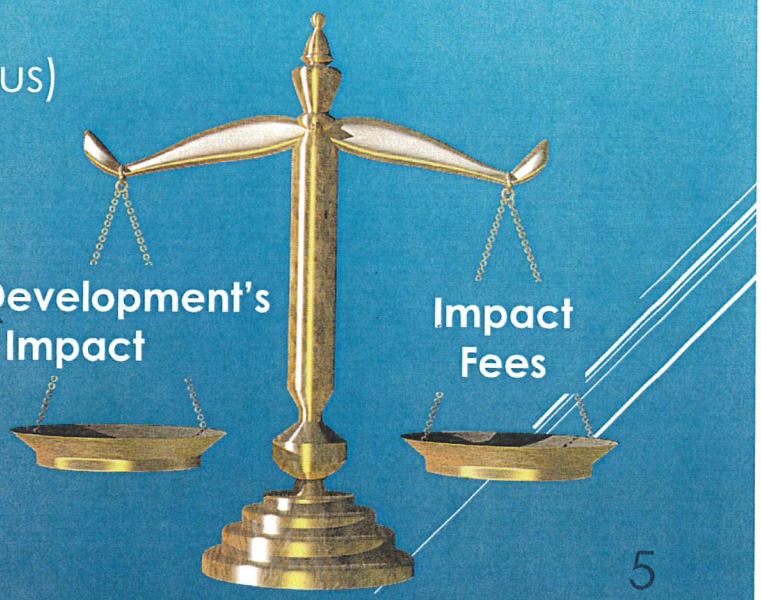
OVERVIEW

- What are Development Impact Fees or "DIFs"?
- How do we update the DIF program?
- Moving Ahead, What's Next
  - Seek City Council's policy direction
  - Direct staff to return with a more in-depth analysis of existing and proposed fee levels and the potential effects on new development

WHAT ARE DIFS?

"Getting the Balance Right"

- Reasonable Connection (Nexus)
- Proportional

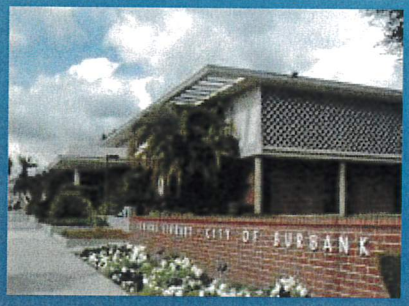


WHAT ARE DIFS?

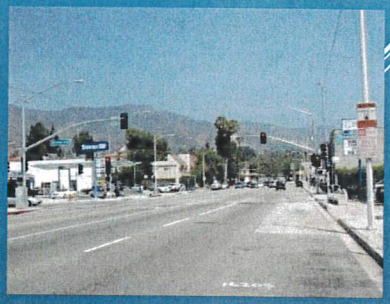
- Restricted and Separate from the General Fund
- Funds to address new developments' needs only, not to address existing capital/infrastructure deficiencies
- Capital and Infrastructure only
  - Funds cannot be used to pay for operations or maintenance
- Amount of funds received are dependent on rate of development

BURBANK'S DIFS

- Established in 1993
- Community Facilities
  - Library
  - Police
  - Parks
  - Fire
- Transportation







EXAMPLES OF DIF FUNDED PROJECTS

- Buena Vista Library improvements
- Library operating equipment
- Ovrom Park facilities
- Police and Fire Headquarters
- Central Library Children's and Teens' Areas
- Intersection improvements
- Interstate 5/Empire Interchange
- Burbank Channel Bikeway







DIF UPDATE

- Burbank2035 General Plan
- Revise infrastructure projects list
- DIF Update Nexus Study
  - Consultants
    - Economic Planning Systems and Fehr and Peers
  - Necessary technical documentation to support DIF update
  - **MAXIMUM ALLOWABLE FEES**

DIF UPDATE - MAXIMUM FEES

- Determines *highest fee levels*
- Does not determine what City should charge
- Adopt fees at or below these maximum fees
- Policy Considerations

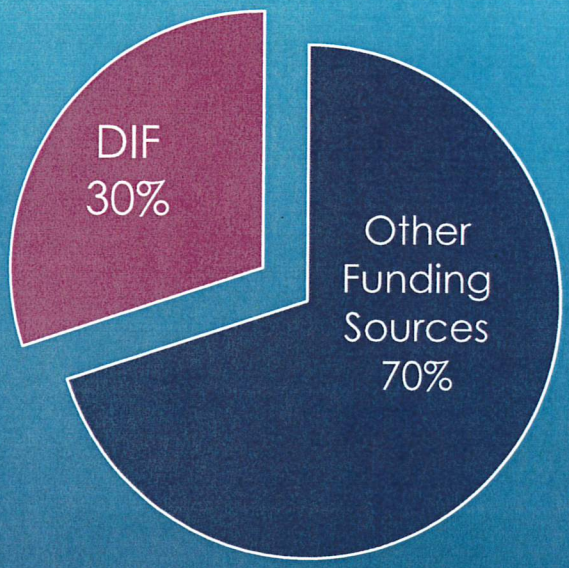
DIF UPDATE - NEXUS STUDY FEE CATEGORIES

- Community Facilities
  - Parks and Recreation
  - Library
  - Police
  - Fire
- Transportation
- IT (Proposed New Fee)

DIF UPDATE - NEXUS STUDY PROCESS

1. Estimate existing and future population and employment (Burbank2035)
2. New infrastructure and capital facility improvements needed during the General Plan horizon year
3. Cost estimates for the projected capital needs
4. Determine the DIF share - Allocate the costs between existing and new development
5. Distribute costs among residential and non-residential uses
6. Calculated cost per resident or employee
7. Added a 5% administrative fee to cover the cost of administering DIF fee program

DIF UPDATE – NEXUS STUDY FAIR SHARE ANALYSIS



MAXIMUM FEES – RESIDENTIAL FEES

Community Facilities	Residential (per unit)	
	Single-Family	Multi-Family
Fire	$515.00	$405.00
Police	$372.00	$293.00
Parks	$2,265.00	$1,783.00
Library	$1,751.00	$1,378.00
IT (New)	$413.00	$325.00
New Maximum Fee	**$5,316.00**	**$4,184.00**
Existing Fee	**$2,854.05**	**$2,111.65**

Transportation DIF	Residential (per unit)	
	Single-Family	Multi-Family
New Maximum Fee	**$7,497.00**	**$3,332.00**
Existing Fee	**None**	**None**

MAXIMUM FEES – NON-RESIDENTIAL FEES

Community Facilities	Non-Residential (per sq. ft. or room)				
	Retail	Institutional	Studio	Industrial	Lodging
Fire	$0.28	$0.47	$0.31	$0.28	$57.00
Police	$0.26	$0.44	$0.29	$0.26	$53.00
Parks	$1.61	$2.65	$1.76	$1.61	$321.00
Library	$0.74	$1.22	$0.81	$0.74	$148.00
IT (New)	$0.29	$0.48	$0.32	$0.29	$59.00
New Maximum Fee	**$3.18**	**$5.26**	**$3.49**	**$3.18**	**$638.00**
Existing Fee	**$0.95**	**$1.80**	**$1.80**	**$0.85**	**$475.00**

Transportation DIF	Non-Residential (per sq. ft. or room)				
	Retail	Office/ Institutional	Studio	Warehouse/ Industrial	Lodging
New Maximum Fee	**$20.19**	**$8.70**	**$6.55**	**$3.02**	**$4,543.00**
Existing Fee	**$6.85**	**$5.60 - 6.85**	**$1.95 - 5.85**	**$3.75**	**$3,425.00**

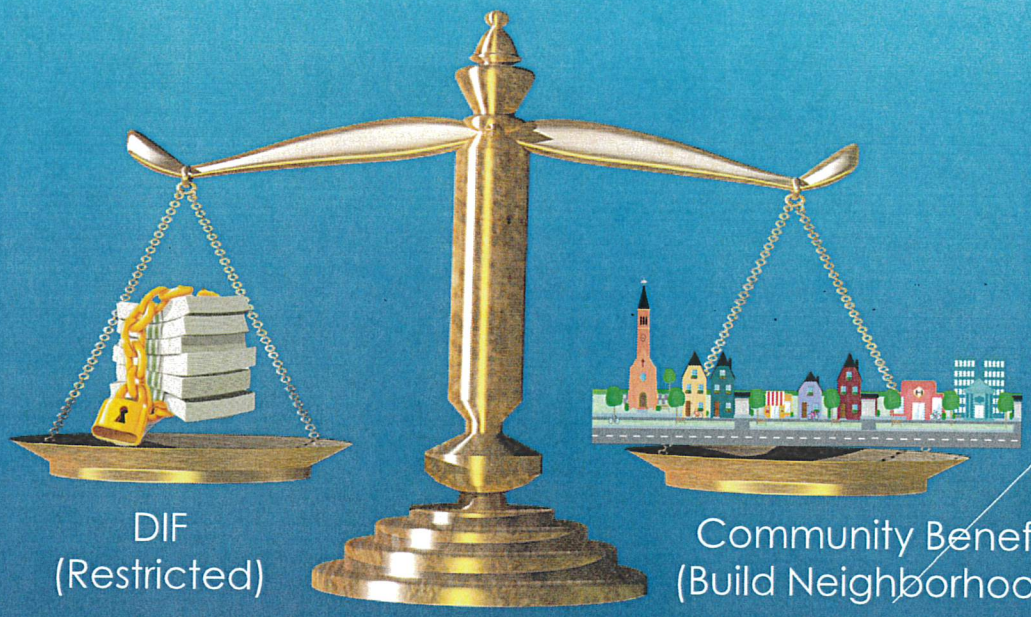
MOVING AHEAD – QUESTIONS TO CONSIDER

- How do development impact fee levels relate to City Goals?
- How would development impact fee levels encourage appropriate development for the City?
- How could impact fees revenue offset other one-time, recurring revenue generated from development?

BURBANK VS. NEIGHBORING CITIES

Land Use Category	Burbank (Max Allowable)	Burbank (Existing)	Glendale (Existing)	Pasadena (Existing)
Single Family Residential (Per Unit)				
Capital Facilities	$5,316	$3,296	$21,828	$25,800
Transportation	$7,497	None	None	$9,228
Total	**$12,813**	**$3,296**	**$21,828**	**$35,028**
Multifamily Residential (Per Unit)				
Capital Facilities	$4,185	$2,256	$18,751	$20,201
Transportation	$3,332	None	None	$3,573
Total	**$7,517**	**$2,256**	**$18,751**	**$23,774**
Retail (Per Sq. Ft.)				
Capital Facilities	$3.19	$0.96	$6.50	None
Transportation	$20.19	$6.85	None	$11.18
Total	**$23.38**	**$7.81**	**$6.50**	**$11.18**
Office (Per Sq. Ft.)				
Capital Facilities	$5.26	$1.79	$7.92	None
Transportation	$8.70	$6.85	None	$8.42
Total	**$13.96**	**$8.64**	**$7.92**	**$8.42**
Industrial (Per Sq. Ft.)				
Capital Facilities	$3.19	$0.85	$3.24	None
Transportation	$3.02	$3.75	None	$1.17
Total	**$6.21**	**$4.60**	**$3.24**	**$1.17**

BALANCE – DIFS VS COMMUNITY BENEFITS



DIF
(Restricted)

Community Benefits
(Build Neighborhoods)

POLICY CONSIDERATIONS

- **Align** fee levels with City goals
- **Balance** fees with building neighborhoods
- **Facilitate** community benefits that build neighborhoods



OTHER THINGS TO CONSIDER

- Pending Legislation (e.g., AB 1484—Mitigation Fee Act)
- Economy Fluctuation (e.g., Economic down turn, Global events)
- Future Fee Updates

NEXT STEPS

- Policy Direction
- Case Studies of current developments
  - 777 North Front Street
  - Avion Burbank
- Public Outreach
- Adopt updated DIF program