AGENDA 5:00 – 6:30

• 5:00 PM: Presentation
  o What are Development Impact Fees or “DIFs”?  
  o Why DIF Update and Nexus Study?  
  o Proposed Fees  
  o Next Steps  

• 5:30 PM: Questions & Comments  
  o Maximum three minutes per person  
  o Questions and comments can be submitted in writing via Q&A feature
OPPORTUNITIES TO SHARE QUESTIONS

• Raise hand during Questions and Comments
• Q&A always enabled on side panel
  o Some questions may not be answered during webinar, but will be posted on website
• Contact us post-meeting
  o Bibarra@burbankca.gov or (818) 238-5290
• Meeting is being recorded and will be posted on City’s website
  o https://www.burbankca.gov/web/community-development/development-impact-fees
PURPOSE

• Comprehensive update to Development Impact Fee (DIF) Program
• Prepare a new DIF Update Nexus Study to support update
  o Incorporate Development Assumptions from Burbank2035 General Plan
  o Revise infrastructure projects list
• Amend Burbank Municipal Code Title 10, Chapter 1, Article 22 of the relating to Community Facility Fees
WHAT ARE DIFS?

- Address new developments’ impact on Capital/Infrastructure
- Reasonable Connection (Nexus)
- Proportional
- Restricted Funds, Separate from the General Fund
- Not to address existing capital/infrastructure deficiencies
- Funds cannot be used to pay for operations or maintenance, only improvements identified in the nexus study
NEXUS STUDY PROCESS

1. **Estimate** future population and employment (Burbank2035)
2. **Identify** infrastructure and capital facility improvements needed during the General Plan horizon year
3. Develop **cost estimates** for the projected capital needs
4. **Allocate** the costs between existing and new development
5. **Distribute** costs per square foot or unit among residential and non-residential uses

NOTE: A 5% administrative fee may be also charged to cover program administration
PROPOSED CAPITAL IMPROVEMENTS

• Parks and Recreation (Park facilities on existing park land)
  o Dog Park, Community Garden, Soccer Fields, Pocket Park, Renovation Needs

• Library
  o Books, Equipment, Materials, Library Space, Makerspace

• Police
  o Vehicles, Range Training Center, Body-Worn and In-Vehicle Camera System

• Fire
  o Vehicles, Station Apparatus Floors
PROPOSED CAPITAL IMPROVEMENTS

- Transportation
  - Roadway, Transit, Complete Streets Improvements
- IT (Proposed New Fee)
  - SmartCity Edge Technology Infrastructure, Control and Management Systems
NEXUS STUDY FEE FINDINGS

- Study identifies maximum allowable fees
- Does not determine what City should charge
- City may adopt fees at or below these maximums
- There are policy considerations when setting fees
DIF UPDATE PROPOSED CHANGES

• Updates fees based on infrastructure list
• Adds IT facilities
• Charges Transportation fees on Residential development
• Consolidated some uses and separated out Hotel/Lodging use
• Modifies reporting and update requirements per State law
# NEW MAXIMUM DIFS VS CURRENT DIFS

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Current</td>
</tr>
<tr>
<td>Single Family (/unit)</td>
<td>$2,914</td>
</tr>
<tr>
<td>Multi-Family(/unit)</td>
<td>$2,156</td>
</tr>
<tr>
<td>Retail (/sq. ft.)</td>
<td>$7.95</td>
</tr>
<tr>
<td>Office/Institutional (/sq. ft.)</td>
<td>$8.85</td>
</tr>
<tr>
<td>Studio (/sq. ft.)</td>
<td>$3.85 - 7.80</td>
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<tr>
<td>Warehouse/Industrial (/sq. ft.)</td>
<td>$4.70</td>
</tr>
<tr>
<td>Lodging* (/room or /sq. ft.)</td>
<td>$7.95/sq. ft.</td>
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</table>
GUIDING POLICY CONSIDERATIONS

1. **Align** fee levels with City goals
2. **Balance** fees with building neighborhoods
3. **Facilitate** community benefits that build neighborhoods
CITY COST RECOVERY POLICY

- **Core Services**: General Fund-Tax Supported
  - 0%-20% Cost Recovery
- **Important Subsidized – Taxes & Fees**
  - 20%-80% Cost Recovery
- **Added Value User Fees**
  - 80%-110% Cost Recovery
- **Individual and Public Benefit**
- **Individual Benefit**

Base: **Broad Public Benefit**
CITY COST RECOVERY POLICY

- **Individual Benefit**
- **Added Value**
  - **User Fees**
  - **Important Subsidized – Taxes & Fees**
  - **Core Services General Fund-Tax Supported**
- **Broad Public Benefit**

- **80%-110% Cost Recovery**
- **20%-80% Cost Recovery**
- **0%-20% Cost Recovery**
PRELIMINARY FEE RECOMMENDATIONS

- Recommend charging at 80% of maximum allowable fee
  - Retail contribute ongoing revenues – Adjust fee to 30% of maximum
- Recommend charging affordable housing units 50% of maximum
## Proposed DIFS vs Current DIFS

<table>
<thead>
<tr>
<th>Category</th>
<th>Total DIF Fee</th>
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<tbody>
<tr>
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<td>Current</td>
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<tr>
<td>Studio (/sq. ft.)</td>
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<td>Lodging* (/room or /sq. ft.)</td>
<td>$7.95/sq. ft</td>
<td>$5,617/room</td>
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## Proposed Affordable Units DIFS vs Current DIFS

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<td>Affordable Units</td>
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<td></td>
<td>$4,508</td>
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UPDATES TO DIF FEES

- Once adopted, DIFs are updated:
  - Annually - Updates based on CPI and adjustment factors
  - In 2-3 Years - Updates based on Specific Plans
  - Every 8 Years - Updated Nexus Studies required every 8 years (new law, AB 602)
<table>
<thead>
<tr>
<th>Land Use Category</th>
<th>Burbank (Proposed)</th>
<th>Burbank (Current)</th>
<th>Glendale (Current)</th>
<th>Pasadena (Current)</th>
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<tr>
<td>Total</td>
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NEXT STEPS

1. April 6, 2022 – Virtual Community Meeting
2. May 9, 2022 – Planning Board Public Hearing
3. May 24, 2022 – City Council Public Hearing – Ordinance First Reading (Same night as Budget)
4. June 7, 2022 – City Council Ordinance Second Reading – Adoption
5. August 6, 2022 – If adopted, new DIF Program goes into effect 60 days from Adoption
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THANK YOU!

CITY OF BURBANK COMMUNITY DEVELOPMENT