

STAFF REPORT



COMMUNITY DEVELOPMENT

DATE: June 21, 2022

TO: Justin Hess, City Manager

FROM: Patrick Prescott, Community Development Director
VIA: David Kriske, Assistant Community Development Director
BY: Beverly Ibarra, Senior Administrative Analyst

SUBJECT: Adoption of an Ordinance Amending Burbank Municipal Code Title 10, Chapter 1, Article 22 Related to Community Facility Fees (Project No. 22-0002020) and Adoption of a Resolution Amending Fiscal Year 2022-2023 Citywide Fee Schedule

RECOMMENDATION

1. Adopt AN ORDINANCE OF THE COUNCIL OF THE CITY OF BURBANK AMENDING BURBANK MUNICIPAL CODE TITLE 10, CHAPTER 1, ARTICLE 22, RELATED TO COMMUNITY FACILITY FEES (Project No. 22-0002020) (ATTACHMENT 1) and
2. Adopt A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK AMENDING ARTICLE VIII, SECTION 3, OF THE FISCAL YEAR 2022-2023 CITYWIDE FEE SCHEDULE TO UPDATE DEVELOPMENT IMPACT FEES (ATTACHMENT 2).

SUMMARY

On June 7, 2022, the City Council held a Public Hearing to introduce AN ORDINANCE OF THE COUNCIL OF THE CITY OF BURBANK AMENDING BURBANK MUNICIPAL CODE TITLE 10, CHAPTER 1, ARTICLE 22, (ATTACHMENT 1) RELATED TO COMMUNITY FACILITY FEES (Project No. 22-0002020).

At the Public Hearing, the City Council considered staff's recommendation and public comments on updating the City's Development Impact Fee (DIF) program. After discussion, the City Council voted to introduce the proposed Ordinance with a minor change related to the fees charged to affordable residential housing units. Specifically, the City Council requested that the proposed Ordinance be updated to assess fees on affordable housing units in two tiers. The first fee tier would be applied to affordable housing built to satisfy the minimum number of affordable units required as part of the approval for that particular project. The second fee tier would be applied to any additional

affordable housing units built above the minimum number of affordable units required. The City Council asked that the affordable housing unit residential DIFs for these two tiers be set as follows:

- 1) The residential DIF shall be set at 67% of the cost recovery level for affordable units within a housing development that are built to provide the minimum required number of affordable units.
- 2) The residential DIF shall be set at 50% of the cost recovery level for affordable units built above or in addition to the minimum required number of affordable units.

Based on the tiered system described above, the residential DIFs for affordable housing units shall be as follows:

Land Use Type	Transportation Improvement Fee
RESIDENTIAL (Affordable Units within Minimum Required Quantity)	
Single-Family (per new dwelling unit)	\$6,709
Multi-Family (per new dwelling unit)	\$2,784
RESIDENTIAL (Affordable Units above Minimum Required Quantity)	
Single-Family (per new dwelling unit)	\$5,007
Multi-Family (per new dwelling unit)	\$2,077

Land Use Type	Community Facilities Non-Transportation Related Fee					
	Total	Fire	Police	Library	Parks	Information Technology
Residential (Affordable Units within Minimum Required Quantity)						
Single-Family (per new dwelling unit)	\$3,838	\$320	\$245	\$1,205	\$1,778	\$290
Multiple-Family (per new dwelling unit)	\$3,015	\$252	\$192	\$946	\$ 1,397	\$228
Residential (Affordable Units above Minimum Required Quantity)						
Single-Family (per new dwelling unit)	\$2,864	\$239	\$183	\$899	\$1,327	\$216
Multiple-Family (per new dwelling unit)	\$2,250	\$187	\$144	\$707	\$1,043	\$169

If the City Council wishes to adopt the proposed ordinance, as amended, that was introduced on June 7, 2022, staff also recommends that the proposed Resolution (Attachment 2) also be approved. The resolution is required to amend the Fiscal Year 2022-2023 Fee Schedule to update the Community Facilities Fees (e.g. DIFs) to be

consistent with the Ordinance, including the proposed changes requested by the Council for affordable housing units.

Should the City Council adopt the proposed Ordinance and Resolution, the Ordinance and the new DIFs would become effective on August 21, 2022, consistent with the state law's requirement that updates to DIFs become effective no sooner than sixty days after adoption.

Vote at Introduction:

AYES: Anthony, Frutos, Schultz, Springer, and Talamantes

NOES: None

ABSENT: None

This Ordinance is now presented for adoption.

FISCAL IMPACT

DIFs allow the City to collect funds from new development projects to offset public infrastructure, facilities, and improvements costs impacted by those new developments. The City's cost to maintain the DIF program is the staff time required to apply the fees, monitor the program to ensure appropriate collection and use, and manage the construction of capital projects once funds are collected. Many of the City's 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

Staff recommends City Council adopt the Ordinance and Resolution to update the DIF program to continue to ensure that new development pays its fair share of the new facilities and infrastructure necessary to accommodate impacts resulting from that new development. Staff's proposed updates to the Ordinance include the City Council's request to include a tiered system to incentivize affordable housing production. In adopting the Ordinance and Resolution, the City Council will be setting the appropriate DIF levels that strike the balance between requiring new development to contribute toward their impacts on needed infrastructure while at the same time supporting other City goals required to build and protect neighborhoods.

ATTACHMENTS

Attachment 1 – Ordinance

Attachment 2 – Resolution