



CITY OF WHEATLAND

CITY COUNCIL MEETING STAFF REPORT

August 9, 2022

SUBJECT: Second reading and adoption of the Draft City of Wheatland Ordinance Amending Section 3.26.030 of the Wheatland Municipal Code to Expand the Existing Development Impact Fee Program.

PREPARED BY: Tim Raney, Community Development Director

Recommendation

Staff recommends that the Wheatland City Council waive the second reading of, and adopt the Ordinance Amending Section 3.26.030 of the Wheatland Municipal Code to Expand the Existing Development Impact Fee Program.

Background

On June 16, 2022, the administrative draft of the Nexus Fee Study Update was completed and made available to the public on the City of Wheatland's website. The purpose of the study is to update the City's development impact fees (DIF) for future development within the City of Wheatland. DIF mitigate the impacts on the City of Wheatland from future development regarding the cost of necessary facilities, as set forth in the bullet list included below. All future development would pay its fair share of these necessary facilities.

The Nexus Study was prepared in compliance with the regulations set forth in AB 1600, ensuring that a rational nexus exists between future development in the Fee Program Area and the use and need of the proposed facilities. The Nexus Study demonstrates a reasonable relationship exists between the amount of each impact and the cost of the facilities attributable to the type of development that will be required to pay the impact fee.

The Nexus Study determines the development impact fees for the following:

- Bridges, signals, and thoroughfares;
- Sewer collection improvements;
- Water distribution improvements;
- Storm drainage facilities;
- Law enforcement facilities;
- Pool facility;
- Parkland facilities;

- General government facilities; and
- Public meeting facilities.

In compliance with the California Government Code, prior to levying a new fee or increasing an existing fee, the City of Wheatland held an open public meeting on June 28, 2022.

Discussion

On June 28, 2022, the Wheatland City Council voted to adopt the Development Impact Fee Updated Nexus Study. On July 26, 2022 the Wheatland City Council voted to introduce and waive the first reading of the draft ordinance.

In order to establish the new pool facility fee included in the adopted Nexus Study, Section 3.26.030(A) of the Wheatland Municipal Code needs to be amended to identify the new pool facility fee.

On July 26, 2022, the Wheatland City Council held a public hearing to introduce the attached ordinance and voted to waive the first reading of, and introduce the ordinance Amending Section 3.26.030 of the Wheatland Municipal Code to Expand the Existing Development Impact Fee Program.

The new pool facility fee amount and the remaining updated fee amounts, as well as, the two new land use categories (AG Tourism and Light Industrial) identified in the adopted Nexus Study will be adopted through a City Council resolution by amending the City's Master Fee Schedule at a future meeting, pursuant Section In order to establish the new pool facility fee included in the adopted Nexus Study, Section 3.26.030(A) of the Wheatland Municipal Code.

Fiscal Impact

The new DIF identified in the Updated Nexus Study will fund the necessary facilities to support future development within the City of Wheatland.

Attachment

1. Draft City of Wheatland Ordinance Amending Section 3.26.030 of the Wheatland Municipal Code to Expand the Existing Regarding Development Impact Fee Program.

ORDINANCE NO. 488

**AN ORDINANCE OF THE CITY COUNCIL
OF THE CITY OF WHEATLAND, CALIFORNIA, AMENDING SECTION 3.26.030 OF THE
WHEATLAND MUNICIPAL CODE TO EXPAND THE EXISTING DEVELOPMENT IMPACT
FEE PROGRAM**

The Wheatland City Council does ordain as follows:

SECTION 1: Purpose and Authority. The City of Wheatland has an existing development impact fee program that imposes certain fees on new development. The purpose of this ordinance is to permit the City of Wheatland to establish and impose certain new development impact fees on new development for the purposes of funding public facilities necessary to serve that new development pursuant to Chapter 3.26 of the Wheatland Municipal Code and the Mitigation Fee Act, contained in Government Code Section 66000 et seq.

SECTION 2. Findings.

The Wheatland City Council finds and determines as follows:

- A. In order to effectively implement the Wheatland General Plan, manage new development, and address impacts caused by such development, certain facilities must be constructed or acquired.
- B. In order for the City of Wheatland to construct or acquire the needed facilities, it is necessary to require that all new development bear its fair share cost of providing the facilities reasonably needed to serve that development. However, new development shall not be unfairly burdened with the cost of facilities associated with serving the existing population.
- C. The City of Wheatland has an existing development impact fee program that imposes certain fees on new development, but the City finds that the program needs to be expanded to include additional fees to fund public facilities necessary to serve new development. These new development impact fees (fees) are hereby created for that purpose.
- D. As indicated in the Nexus Study, the fees set forth herein do not reflect the entire cost of the facilities needed in order to effectively meet the needs created by new development. Additional revenues will be required from other non-fee sources. The City Council finds that the benefit to each development project is greater than the amount of the fees to be paid by that project.
- E. Payment of the fees does not necessarily mitigate to a level of insignificance all impacts from new development. Whether impacts associated with a particular development project have been mitigated to a level of insignificance will be determined by the City of Wheatland on a case-by-case basis. If the City of Wheatland determines that payment of the fees, coupled with other feasible mitigation measures, does not mitigate impacts to a level of insignificance, an environmental impact report will be required for the development project in question.
- F. The fees collected pursuant to this ordinance shall be used toward the construction and acquisition of facilities identified in the City of Wheatland's Capital Improvement Plan. The need for the facilities is related to new development within the City of Wheatland because

such new development will bring additional people and other uses into the City of Wheatland thus creating an increased demand for the facilities.

- G. The cost estimates set forth in the report and the Capital Improvement Plan are reasonable cost estimates for the facilities and that portion of the fees expected to be generated by new development will not exceed the total fair share of these costs.
- H. Failure to mitigate growth impacts on public safety facilities within the City of Wheatland will place residents in a condition perilous to their health, safety and welfare.
- I. There is a reasonable relationship between the use of the fees and the type of development projects on which the fees are imposed because the fees will be used to construct the facilities and the facilities are necessary for the health and welfare of the development projects on which the fees will be levied.
- J. There is a reasonable relationship between the need for the facilities and the type of development project on which the fees are imposed because it will be necessary for the development projects to have access to the facilities in order to use, inhabit, and have access to the development projects. New development will benefit from the facilities and the burden of such new development will be mitigated in part by the payment of the fees.
- K. The Wheatland City Council finds it necessary to pass and implement the proposed ordinance is for the purpose of promoting public health, safety, comfort, and welfare and adopts means which are appropriate to attaining those ends.

SECTION 3. Amendments.

- A. Section 3.26.030 of the Wheatland Municipal Code is amended to read as follows:

3.26.030 Imposition and payment of development impact fees.

A. The city hereby approves and adopts the following development impact fees as described in the applicable Development Impact Fee Report and in the amounts as set forth in the ordinance initially adopting the fee:

- 1. Law enforcement development impact fee.
- 2. Fire protection development impact fee.
- 3. Streets, bridges and signals development impact fee.
- 4. Regional bypass development impact fee.
- 5. Storm drainage development impact fee.
- 6. Water development impact fee.
- 7. Wastewater collection development impact fee.
- 8. Wastewater treatment development impact fee.
- 9. General governmental facility development impact fee.

10. Public meeting facility development impact fee.
11. Parkland development impact fee.
12. Bear River Levee Project development impact fee.
13. Pool facility.

The amount of the development impact fees may be adjusted from time to time by resolution of the city council and after noticed public hearing as required by law. The fee amounts also will be adjusted annually by the city manager pursuant to Section 3.26.040(C).

B. The city also approves and adopts a development impact fee administrative charge, which shall be levied and collected at the same time as the development impact fees. The administrative charge shall be one percent of the development impact fees imposed upon a building permit for any new construction. The administrative charge shall be deposited into the city general fund in order to pay and reimburse the city costs to implement, administer and account for the development impact fee program, including, but not necessarily limited to, city staff time, materials and expenses, and accountants and other consultants used in administering the program.

C. The development impact fees shall be imposed upon issuance of any building permit for any new construction as provided in Section 3.26.020 and shall be paid at the rate in effect on the day of payment. For the water development impact fee, wastewater collection development impact fee and wastewater treatment development impact fee and for all fees imposed on a nonresidential construction project, the fees shall be due and payable prior to issuance of a building permit for construction. For residential construction, the development impact fees (other than the water development impact fee, wastewater collection development impact fee and wastewater treatment development impact fee) shall be due and payable prior to the date of final inspection of the construction project or at such earlier time as determined by the city in accordance with Government Code Section 66007.

D. Development impact fees for detached dwelling residential, attached dwelling residential and mobilehome residential construction shall be based on the number of new or additional dwelling units constructed. Development impact fees for commercial lodging construction shall be based on the number of new or additional lodging units constructed. Development impact fees for retail use and employment use construction shall be based on the new or additional square footage constructed. Square footage shall be determined in the same manner as for school impact fees in accordance with Government Code Section 65995(b)(2). For any new construction that does not clearly fit within one of these use categories, the city manager or designee shall determine the appropriate use category and fees based on analysis of the public service impacts of the proposed construction in relation to the other uses described in the Development Impact Fee Report.

E. The development impact fees imposed by this chapter shall be cumulative and in addition to any other fees, charges, assessments, taxes or other exactions or payments required by law or contract.

SECTION 4. Exemption from CEQA. The proposed adoption of additional development impact fees is exempt from environmental review pursuant to the California Environmental Quality Act (CEQA) Guidelines sections 15378(b)(5), organizational or administrative activities of governments which will not result in direct or indirect physical changes in the environment, and 15061(b)(3), the commonsense exemption.

SECTION 5. Severability. If any section, subsection, sentence, clause, phrase or portion of this ordinance is held by a court of competent jurisdiction to be invalid or unconstitutional, that portion shall be deemed a separate, distinct and independent provision, and the holding shall not affect the validity of the remaining portions of this ordinance.

SECTION 6. Effective Date. This ordinance shall take effect and be enforced thirty (30) days from and after the date of its adoption.

SECTION 7 Posting. Within fifteen (15) days from the date of passage of this ordinance, the City Clerk shall post a copy of it in at least three public places in the city.

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I HEREBY CERTIFY that the foregoing ordinance was introduced and adopted at a regular meeting of the Wheatland City Council, held on the 26th day of 2022, and passed and adopted at a regular meeting thereof, held on the August 9th of August 2022, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Mayor of the City of Wheatland

ATTEST:

City Clerk of the City of Wheatland