

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA  
APPROVING THE FINDINGS OF THE PATRICK HENRY DRIVE  
SPECIFIC PLAN INFRASTRUCTURE IMPACT FEE NEXUS  
STUDY, ADOPTING THE NEXUS STUDY, AND SETTING THE  
IMPACT FEES FOR FISCAL YEAR 2021-2022**

**BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:**

**WHEREAS**, on March 22, 2022, the City Council adopted the Patrick Henry Drive Specific Plan (the “Project”), a specific plan for a transit-oriented neighborhood of up to 12,000 residential units with supportive retail uses, located on approximately 74-acres of land bounded by Mission College to the south, Great America Parkway to the East, the Hetch-Hetchy right-of-way to the north, and Calabazas Creek to the west that are currently developed with industrial uses;

**WHEREAS**, on March 22, 2022, the City Council adopted and certified the Environmental Impact Report (“EIR”) for the Project (SCH #2019120515), as well as a set of CEQA Findings and a Statement of Overriding Considerations, in accordance with the requirements of CEQA;

**WHEREAS**, the Project and EIR specified that certain public improvements are necessary to support the Project and new level of service which include sanitary sewer facility upgrades, potable water facility upgrades, non-potable water facility upgrades, storm water facility upgrades, public and private street improvements and expansions, traffic signal installations, traffic safety device installations, traffic signal mitigations, fair-share traffic payments, emergency response vehicle and tiller aerial ladder apparatus purchases, entry monument and signs, and formation of a transportation management association, collectively the capital improvement plan;

**WHEREAS**, in 2021, the Project consultant, MIG, contracted with Economic & Planning Systems, Inc. (EPS Consultants), to prepare a nexus study to justify the creation of an infrastructure impact fee (“Infrastructure Impact Fee”) to apply to new residential and office development within the Project area;

**WHEREAS**, the intent of the of the Infrastructure Impact Fee is to create an equitable distribution of area-wide and common infrastructure costs for all new residential and office development within

the Project area;

**WHEREAS**, the Department of Public Works has prepared a report entitled “Patrick Henry Drive Specific Plan Infrastructure Impact Fee Nexus Study“ (the “Study”), which provides the purpose, nexus, improvements, cost estimates, and justification for the creation of an Infrastructure Impact Fee, and is on file in the Office of the City Clerk, available for public inspection, attached hereto and incorporated herein by this reference;

**WHEREAS**, the Study proposes that the fee applies to new residential and office uses within the Project area;

**WHEREAS**, the Study recommends fee levels be adjusted annually in order to keep up with construction costs and inflation;

**WHEREAS**, the Study provides an evaluation of the need for an infrastructure impact fee and establishes the nexus between the imposition of such impact fee and the estimated reasonable cost of providing the improvements for which the fees are charged;

**WHEREAS**, The Mitigation Fee Act, California Government Code section 66000 et seq., requires that, in any action establishing a fee as a condition of approval of a development project, a local agency shall make the following findings:

- 1) Under Government Code Section 66001(a)(1), identify the purpose of the fee.
- 2) Under Government Code Section 66001(a)(2), identify the use to which the fee is to be put.
- 3) Under Government Code Section 66001(a)(3), determine how there is a reasonable relationship between the fee’s use and the type of development project on which the fee is imposed.
- 4) Under Government Code Section 66001(a)(4), determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is imposed.
- 5) Under Government Code Section 66001(b), Determine how there is a reasonable

relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed;

**WHEREAS**, the City wishes to adopt this proposed Infrastructure Impact Fee in accordance with the calculations and recommendations contained in the Study;

**WHEREAS**, pursuant to Sections 6062a and 66018 of the California Government Code, notice of a public hearing to be held on March 22, 2022 was published in the *Weekly*, a newspaper of general circulation in the City, on March 9, 2022 and March 16, 2022;

**WHEREAS**, on March 7, 2022, a notice of the public hearing to be held on March 22, 2022 was emailed to persons who requested notice of new and increased fees in accordance with Government Code Section 66019;

**WHEREAS**, on March 22, 2022, the City Council held a public hearing with respect to the Study and the proposed Infrastructure Impact Fee;

**WHEREAS**, the Study was made available for public inspection at least ten days before the public hearing by placing the data on file with the City Clerk's Office on March 7, 2022 in accordance with Government Code 66016;

**WHEREAS**, on March 22, 2022 the City Council introduced an ordinance to add Section 17.15.360, "Patrick Henry Drive Specific Plan Infrastructure Impact Fee," to Chapter 17.15 ("Property Developments") of Title 17 ("Development") establishing an infrastructure impact fee for the Project area.

**WHEREAS**, the City Council adopts a Master Fee Schedule as part of its budget, fixing and establishing fees, rates, and charges for good and services provided by the City; and,

**WHEREAS**, pursuant to the Mitigation Fee Act (California Government Code Section 66000 et seq.), the City Council now desires to approve the Study and proposed Infrastructure Impact Fee.

**NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:**

1. That in accordance with the Mitigation Fee Act and the Report, and based on the facts and substantial evidence in the record, the Infrastructure Impact Fee is hereby adopted by the City Council based on the following findings:

A. Development projects in the Project area will create the need for improvements to support increased residential and office uses in the Project area.

B. The Project provides the analysis and justification for the need for the required improvements with new residential and office development within the Project.

C. The Study estimates the cost of each infrastructure improvement necessary to support the anticipated new residential and office development in the Project and substantiates an Infrastructure Impact Fee rate that will charge each new development project only for the portion of the costs of the improvements necessary to support that development project.

D. There is a reasonable relationship between the need for the identified improvements and the development projects on which the Infrastructure Impact Fee will be imposed.

E. The Infrastructure Impact Fee does not exceed the estimated reasonable cost of providing the facilities for which the Infrastructure Impact Fee is imposed. The Infrastructure Impact Fee is not levied, collected, or imposed for general government purposes.

F. As the purpose of this Resolution is to begin collection of an impact fee to fund improvements identified within and necessary to support development within the Project for which an EIR was adopted by the City Council, the setting and imposition of the Infrastructure Fee is exempt from environmental review under the California Environmental Quality Act (CEQA) pursuant to Section 21080(b)(8)(D) of the California Public Resources Code.

2. That the Fee is hereby imposed upon every person or entity having equitable or legal title, or other interest as owner, lessee, or otherwise who causes the development of new Multifamily Residential Use Buildings or Office Buildings within the Project area on or after June 4, 2022 at the following rate:

Multi-Family Residential	\$9,626 per dwelling unit
Office	\$21.00 per square foot

3. That unless otherwise modified by the City Council, the Infrastructure Impact Fee shall automatically adjust for inflation annually at the start of each fiscal year, based on the latest Engineering News Record Construction Cost Index. If this index ceases to exist, the Director of Public Works shall substitute another construction cost index, which in his or her judgment is as nearly equivalent to the original index as possible.

4. That the Study is hereby approved, confirmed, and adopted.

5. Effective date. This resolution shall become effective 60 days following the date of its passage and adoption.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE \_\_\_ DAY OF \_\_\_\_\_, 2022, BY THE FOLLOWING VOTE:

AYES:                    COUNCILORS:  
NOES:                    COUNCILORS:  
ABSENT:                COUNCILORS:  
ABSTAINED:           COUNCILORS:

ATTEST: \_\_\_\_\_  
NORA PIMENTEL, MMC  
ASSISTANT CITY CLERK  
CITY OF SANTA CLARA

Attachments incorporated by reference:  
1. Patrick Henry Drive Specific Plan Infrastructure Impact Fee Nexus Study