

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA
ADOPTING THE FINDINGS OF THE TRAFFIC IMPACT FEE
NEXUS STUDY AND SETTING THE TRAFFIC IMPACT FEES FOR
FISCAL YEAR 2018-2019**

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

WHEREAS, Section 17.15.330 of the Code of the City of Santa Clara, California, authorizes the City Council to designate areas of the City within which traffic impact fees will be imposed upon new development;

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;

WHEREAS, in 2017, the City contracted with Hexagon Transportation Consultants, Inc. to complete a comprehensive review and analysis of the City's existing Traffic Mitigation Program;

WHEREAS, the Department of Public Works has prepared a report entitled "SANTA CLARA TRAFFIC IMPACT FEE NEXUS STUDY" (the "Study"), which includes the updated report prepared by Hexagon Transportation Consultants, Inc., and is on file in the Office of the City Clerk, available for public inspection, and incorporated herein by this reference;

WHEREAS, the Study provides an evaluation of the need for the traffic 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 66001 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 Study substantiates the need for the proposed updates to the traffic impact fee;

WHEREAS, the City wishes to adopt these proposed traffic impact fees 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 July 10, 2018 was published in the *Santa Clara Weekly*, a newspaper of general circulation in the City, on June 20, 2018 and June 27, 2018;

WHEREAS, on July 3, 2018, a notice of the public hearing to be held on July 17, 2018 was mailed to persons who requested notice of new and increased fees in accordance with Government Code Section 66019;

WHEREAS, the Report 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 July 6, 2018 in accordance with Government Code 66016;

WHEREAS, on July 10, 2018, the City Council opened a public hearing with respect to the Study and the Fee, and then continued the hearing to July 17, 2018, and on July 17, 2018 at the continued public hearing, all interested persons were given an opportunity to provide testimony and present evidence both in support of and in opposition to the Report and the Fee; and

WHEREAS, pursuant to the Mitigation Fee Act and Section 17.15.330 of the Santa Clara City Code, the City Council now desires to approve the Study and proposed rate modifications to the

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 Study, and based on the facts and substantial evidence in the record, the Fee is hereby adopted by the City Council based on the following findings:

A. Development projects in the Program Area will create additional demand on the City's existing transportation infrastructure.

B. Especially during commute hours, the City's transportation infrastructure serving the Program Area operates at or near capacity. Consequently, the introduction of additional vehicles onto the City's streets has the effect of increasing traffic congestion. Increased congestion has negative effects on commute times, transit system efficiency, air quality, traffic safety, pedestrian and cyclist comfort, and other quality-of-life issues affecting the community.

C. As required by Government Code Section 66001(a)(1), the Study proposed updating and expanding the scope of the Fee for the purpose of mitigating the impacts of new development on traffic congestion;

D. As required by Government Code Section 66001(a)(2), the Study identified specific projects for which the Fee will be used;

E. The Report estimates the cost of each traffic infrastructure improvement necessary to mitigate the anticipated traffic impacts of anticipated new development in the Program Area and substantiates a Fee rate that will charge each new development project only for the portion of the costs of the Program necessary to mitigate the traffic congestion expected to be caused by that development project.

F. The Study also identifies the extent to which the need for certain of the identified improvements is not entirely attributable to new development so that the Fee will not fund mitigation of such congestion.

G. As required by Government Code Section 66001(a)(4), the Study identified a reasonable relationship between the need for the identified improvements and the development projects on which the Fee will be imposed, because such development projects cause traffic congestion that the Program will mitigate.

H. As required by Government Code Section 66001(a)(3), the Study identified a reasonable relationship between the Fee's use and development projects on which the Fee will be imposed, because the Fee will only fund the portion of improvement costs allocable to congestion caused by those development projects.

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

J. As the purpose of this Resolution is to continue collection of an impact fee to fund capital projects necessary to maintain traffic circulation service within the City's existing service areas, the setting and imposition of the 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. This Resolution is for the purpose of continuing the Fee only and is not intended to approve any capital projects to be funded by said fee. Such capital projects will undergo separate review under CEQA, if applicable, at such time as the City considers those capital projects for approval.

2. The Fee is hereby imposed upon development projects within the Program Area at the following rates:

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Office/R&D	\$1.36 per square foot
Industrial	\$0.74 per square foot
Warehouse/Utilities/Communications	\$0.22 per square foot
Hotel/Motel	\$708.60 per room
Multi-Family Residential	\$519.64 per dwelling unit
Single-Family Residential	\$1,169.19 per dwelling unit
Retail	\$4.50 per square foot

3. The Program Area shall be expanded to Citywide.
4. The land uses subject to the Fee shall be expanded to include residential and retail development.
5. A Fee exemption shall be given to any affordable housing units built as part of a development, as defined in SCCC Section 17.40.020 and individual retail establishments below 50,000 square feet.
6. Unless otherwise modified by the City Council, the 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.
7. That the Report is hereby approved, confirmed and adopted.

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8. 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 _____, 2018, BY THE FOLLOWING VOTE:

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ABSTAINED: COUNCILORS:

ATTEST: _____
JENNIFER YAMAGUMA
ACTING CITY CLERK
CITY OF SANTA CLARA

Attachments incorporated by reference:

1. Santa Clara Traffic Impact Fee Nexus Study

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