



## Agenda Report

21-1407

Agenda Date: 1/12/2021

### REPORT TO COUNCIL

#### SUBJECT

Action on the Adoption of Ordinance No. 2026 Adding Section 17.15.350 to Chapter 15 of Title 17 of the Santa Clara City Code Regarding the Tasman East Specific Plan Infrastructure Fee (Deferred from December 16, 2020)

#### COUNCIL PILLAR

Promote and Enhance Economic, Housing and Transportation Development

#### BACKGROUND

At the November 17, 2020 Council meeting, proposed Ordinance No. 2026 was introduced for publication. Pursuant to City Charter Sections 808 and 812, a summary of proposed Ordinance No. 2026 was published to the Santa Clara Weekly on December 9, 2020 and December 30, 2020, and copies were posted in three public places. The Ordinance now comes to Council for final adoption.

#### DISCUSSION

Proposed Ordinance No. 2026 would amend the City Code to add section 17.15.350 regarding a Tasman East Specific Plan Infrastructure Impact Fee. On November 13, 2018, the City Council adopted the Tasman East Specific Plan to guide the transition of an underutilized 45-acre industrial neighborhood east of the Great America Transit Center into a pedestrian-friendly, transit-oriented development, providing for the addition of 4,500 new residential units, 100,000 square feet of retail, and 10 acres of open space near transit and jobs. In coordination with developers within the Specific Plan area, the City is establishing an Infrastructure Impact Fee for the Specific Plan area to create an equitable distribution of area-wide and common public infrastructure costs for all residential developments within the Specific Plan and to finance capital facility and infrastructure costs to serve these developments.

The proposed impact fee is based upon the recommendations contained within the "Tasman East Specific Plan Infrastructure Impact Fee Nexus Study," dated September 2020, prepared by Economic & Planning Systems, Inc. The Nexus Study recommends a new impact fee of \$6,731 per new residential unit within the Specific Plan area to finance \$30,289,894 in infrastructure improvements including traffic signals, traffic safety devices, pavement rehabilitation, sanitary sewer facilities and structures, storm drainage facilities, and potable and recycled water facilities. The proposed ordinance provides for automatic adjustments annually in order to keep up with construction costs and inflation.

#### ENVIRONMENTAL REVIEW

The action being considered is subject to a statutory exemption from the California Environmental Quality Act ("CEQA") pursuant to Public Resources Code section 21080(b)(8)(D) as the purpose of the Fee is to collect revenue to fund capital projects (i.e. infrastructure) necessary to support the

proposed development within the Specific Plan. Environmental analysis for the infrastructure improvements are included within the EIR prepared for the Specific Plan or any subsequent amendments or addendums.

**FISCAL IMPACT**

The nexus study identifies a list of infrastructure items that would cost approximately \$30 million to complete with the full cost of these improvements to be funded by the proposed Fee of \$6,731 per residential unit. A Tasman East Infrastructure Improvement Fund (Fund 541) will be established to account for impact fee revenues and project expenditures.

**COORDINATION**

This report has been coordinated with the City Attorney's Office and the Department of Public Works.

**PUBLIC CONTACT**

A summary of proposed Ordinance No. 2026 was published to the Santa Clara Weekly on December 9, 2020 and December 30, 2020, and copies were posted in three public places and the Ordinance was made available for public inspection at the City Clerk's Office.

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email [clerk@santaclaraca.gov](mailto:clerk@santaclaraca.gov) <<mailto:clerk@santaclaraca.gov>>.

**RECOMMENDATION**

Adopt Ordinance No. 2026 Adding Section 17.15.350 to Chapter 15 of Title 17 of the Santa Clara City Code Regarding the Tasman East Specific Plan Infrastructure Fee.

Reviewed by: Brian Doyle, City Attorney

Approved by: Deanna J. Santana, City Manager

**ATTACHMENTS**

1. Ordinance No. 2026 (Intro)