From: <u>Jacob Patterson</u>
To: <u>City Clerk</u>

Cc: Whippy, Isaac; Cervenka, Neil

Subject: Comment Regarding the Proposed New Impact fees

Date: Tuesday, January 30, 2024 10:50:35 AM

City Council,

You are scheduled to consider the additional impact fees at an upcoming public hearing. I believe you already handled the waste, sewer, and storm drain capacity fees and I did not have any significant concerns about those fees. (If they are proposed to be adopted again, I am not sure why because these specific impact fees are statutorily exempt from the more rigorous impact fee procedural requirements that necessitated rescheduling the public hearings for the other new proposed fees.) In any case, I don't really support any of these new fees as a matter of policy because I think development is expensive enough here in Fort Bragg and the majority of new development that could generate any significant revenue for our police, fire, or CV Starr facilities is going to come from Mill Site development and those projects most likely will not be subject to our regular impact fees and will instead have specific exactions or negotiated contributions as part of a development agreement—not that I expect any of you or even staff to be familiar with those mechanisms.

However, if a majority of you feel like these three additional fees are prudent or desirable, I recommend you consider something that I don't expect to be part of the staff recommended options. Namely, I suggest that, if imposed at all, the new fees only apply to commercial and industrial development and you don't include any new fees for residential development. That is a legally acceptable option and one that makes a lot of sense from a policy perspective for several reasons. First, I believe that imposing new impact fees on residential development is not consistent with our applicable general plan policies, including several in the housing element, so trying to impose entirely new fees on residential development would arguably be an abuse of discretion on your part. (City staff, including Chantell, are not very competent when it comes to general plan consistency analysis and I doubt any meaningful analysis of these conflicts will be included in the staff report, although I could end up being wrong.) Second, do we really want to start imposing entirely new fees on future residential development we need so desperately? Every additional dollar of fees paid to the City--keep in mind no past residential development has ever had to pay these proposed fees--makes a project more expensive so these fees could mean the difference between getting new housing units and not getting them at all. Even if they do happen, it will drive up the purchase or rental prices of those units and our local housing prices are already too expensive for many local residents to afford.

Why not split the difference and only apply any new fees to non-residential development? Please consider that option. My recommendation is to reject these new fees altogether (both for policy but also for legal reasons) or to limit any new fees to non-residential development. There are legal compliance concerns about the new fees too, including still having inadequate notice for the public hearing since the materials were not available for the 30-day notice period to adopt the nexus study itself but also because of how the fees are proposed to be imposed on a per equivalent residential unit basis. If you don;t impose these new fees, the basis concern is no longer an issue.

Regards,

--Jacob