

**LODI CITY COUNCIL
SHIRTSLEEVE SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, JUNE 12, 2012**

A. Roll Call by City Clerk

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, June 12, 2012, commencing at 7:00 a.m.

Present: Council Member Hansen, Council Member Johnson, Council Member Katzakian, Mayor Pro Tempore Nakanishi, and Mayor Mounce

Absent: None

Also Present: City Manager Bartlam, City Attorney Schwabauer, and City Clerk Johl

B. Topic(s)

B-1 Development Impact Mitigation Fee Program Update (PW)

Public Works Director Wally Sandelin provided a PowerPoint presentation regarding the impact mitigation fee update. Specific topics of discussion included Shirtsleeve Session history, developer meeting history, changes to the fee program, residential low density and commercial office considerations, new developer costs, incentive fee zones, water, wastewater, and storm drainage costs and fees, transportation, electric utility costs, park costs, south sewer trunk line costs, fee summaries and comparisons, and next steps for the August 1 meeting.

In response to Council Member Hansen, Mr. Sandelin stated that, although Lower Sacramento Road was pulled out of the fee program to be handled by the City directly, generally streets in new developments are put in by the developer.

In response to Mayor Mounce, Mr. Sandelin stated in the future developers will also need to pay prevailing wage and the workers on new development projects are often from the localized area.

In response to Mayor Mounce, Mr. Sandelin stated the South Hutchins and Reynolds Ranch projects were subject to the electric capacity charge based on panel size.

In response to Mayor Mounce, Mr. Sandelin stated Public Works and Parks and Recreation will be working with the developers in overseeing neighborhood parks construction to ensure quality and standards compliance.

In response to Mayor Mounce, Mr. Sandelin stated the amount of the residential fee based on the number units is consistent with other surrounding communities.

In response to Council Member Hansen, Mr. Sandelin stated transportation costs reflect street and traffic signal projects and there are not many that need to be constructed to serve new development.

In response to Council Member Katzakian, Mr. Sandelin stated the last impact fee update occurred in 2002.

In response to Mayor Pro Tempore Nakanishi, Mr. Sandelin and Mr. Bartlam confirmed that the art in public places fee is \$80 per unit, less than the original 2% amount, and there must be a nexus between the benefit and fee charged.

In response to Mayor Mounce, Mr. Sandelin stated staff will contact the Arts Commission to notify them of the change in fee for the art in public places program.

In response to Council Member Hansen, Mr. Sandelin stated with respect to incentive fee zones, if there are changes to a pipe size, the developer would only need to pay for the difference in the upgrade and will get full credit for the pipe that already exists.

In response to Council Member Hansen, Mr. Sandelin and Mr. Bartlam confirmed that the impact fee program is for bricks and mortar types of projects and not for operations that would be addressed through the planning and use permit side.

In response to Council Member Hansen, Mr. Sandelin stated it generally costs \$1 million to construct a single well and the wells are still needed despite the new treatment plant for fire flow and protection purposes.

In response to Council Member Katzakian, Mr. Sandelin stated approximately five or six new homes in the City have installed in-home sprinklers and staff is still working with the community on the new requirement.

In response to Mayor Pro Tempore Nakanishi, Mr. Sandelin confirmed that well construction is necessary to have enough water pressure to ensure fire protection throughout the City.

In response to Council Member Hansen, Mr. Sandelin stated every property that builds in the gray area shown on the wastewater map will pay for construction of the new trunk line, which is estimated to cost \$6 million.

In response to Council Member Johnson, Mr. Sandelin stated the park project south of Harney Lane near the Woodbridge Irrigation District canal was eliminated from the program because it will not be developing within the next five years.

In response to Mayor Mounce, Mr. Sandelin and Mr. Bartlam confirmed that the fee is going to be high for Pixley Park if it is transferred to industrial users versus residential users and the actual benefit to the user of the park and basin would need to be looked at.

In response to Council Member Johnson, Mr. Sandelin stated the \$3 million figure for Lodi Lake Park is to develop the remainder of the 13 acres on the north side into a covered group area with various facilities.

In response to Mayor Mounce, Mr. Sandelin stated the new treatment plant will not be open to the public due to homeland security concerns for these types of facilities.

In response to Mayor Mounce, Mr. Sandelin stated the City of Lodi is comparatively low in fees based on the chart of neighboring cities although each community is different with respect to its needs and priorities so it is not an apples to apples comparison.

In response to Mayor Mounce, Mr. Bartlam confirmed that the unused portion of the 2% annual growth amount is banked and could theoretically be used at one time in the future.

The following individuals spoke in opposition to any increases in the impact fee program based on concerns regarding the current economic and market conditions, direct and indirect cost transfers to developers, preferred economic incentives to restart development, development costs of outside agencies, local job and property tax creation, and a preference for the overall fee amount to be in the \$20,000 range:

Pat Patrick
Tom Doucette
Jeffrey Kirst
Dennis Bennett
John Beckman
Mike Carouba

C. Comments by Public on Non-Agenda Items

None.

D. Adjournment

No action was taken by the City Council. The meeting was adjourned at 9:00 a.m.

ATTEST:

Randi Johl
City Clerk

AGENDA ITEM



**CITY OF LODI
COUNCIL COMMUNICATION**

TM

AGENDA TITLE: Development Impact Mitigation Fee Program Update
MEETING DATE: June 12, 2012 (Shirtsleeve Session)
PREPARED BY: Public Works Director

RECOMMENDED ACTION: Development Impact Mitigation Fee Program Update.

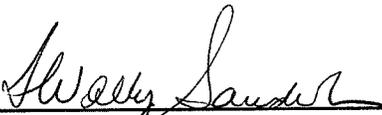
BACKGROUND INFORMATION: On March 16, 2011, City Council approved the professional services agreement with Harris and Associates for the Development Impact Fee Program Update. Members of the project team will make a presentation to the City Council regarding the final draft report for this project. The following topic areas will be covered:

1. Water Fee
2. Wastewater Fee
3. Storm Drainage Fee
4. Transportation Fee
5. Police Fee
6. Fire Fee
7. Parks Fee
8. Electric Utility Fee
9. General City Facilities Fee
10. Art In Public Places Fee

A public workshop was conducted on April 11, 2012, to present the various utility master plans and the fee program. Draft master plan and impact fee report documents have been distributed to the development community and copies are available for review at the Public Works Department. Adoption of the program documents, implementing resolution(s) and amendments to the Lodi Municipal Code sections is scheduled on August 1, 2012.

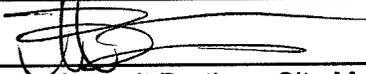
FISCAL IMPACT: Not applicable.

FUNDING AVAILABLE: Not applicable.



F. Wally Sandelin
Public Works Director

FWS/pmf

APPROVED: 

Konradt Bartlam, City Manager

The City of Lodi
**Public Works
Engineering**



Impact Mitigation Fee Program

Shirtsleeve Session

June 12, 2012

Today



- History
- Changes to Fee Program
- New Developer Costs
- Incentive Zones
- Projects Review
- Fee Summary
- Comparison Other Communities
- August 1st Council Meeting



Shirtsleeve History

April 19

- Growth Forecast
- Vacant Land Inventory
- Fee Incentive Areas
- Location of Development

July 12

- Water Connection Fee
- Wastewater Connection Fee
- Storm Drainage Fee Concept
- Police Fee
- Fire Fee

August 23

- Transportation Fee
- Storm Drainage Fee
- General City Facilities Fee
- Revised Fire Fee



Shirtsleeve History

September 22

- Revised Transportation Fee
- Parks and Recreation Fee
- Art in Public Places Fee
- Comparison

March 27

- Police, Fire and General Facilities
- Revised Transportation Fee
- Revised Parks and Recreation Fee
- Art in Public Places Fee
- Revised Wastewater Fee
- Revised Water Fee
- EUD Fee



Developer Meetings History

Pre-Project Meetings: 7/29/2010 10/28/2010
 8/26/2010 12/9/2010
 9/23/2010

Project Meetings: 7/29/2010 6/22/2011
 8/26/2010 7/21/2011
 9/23/2010 8/18/2011
 10/28/2010 9/22/2011
 3/15/2011 1/19/2012
 4/19/2011 3/22/1012
 5/26/2011

Public Meeting: 4/11/2012



Changes to Fee Program

- No Over Sizing Reimbursement
- Water and Wastewater Capacity Charge Based Upon Water Meter Size
- Developer Constructs Road (Except Median)
- Electric Capacity Charge Based Upon Panel Size
- Electric Capacity Charge Applies City-Wide



Changes to Fee Program

- Developer Constructs Neighborhood Parks
- Developer Constructs Storm Drainage Facilities
- Art In Public Places Stand Alone Fee
- Residential Fees Based Upon Unit (DUE)
- Non-Residential Fees Based Upon 1,000 SF (Except Storm Drainage)
- Limited Exceptions (Except Transportation)



Residential – Low Density

Fee Component	Existing Fees	New Fees
	<i>(per Unit)</i>	<i>(per Unit)</i>
Water	\$954	\$3,103
Wastewater	\$7,675	\$4,225
Storm Drainage	\$3,487	\$0
Transportation	\$2,713	\$711
Police	\$375	\$753
Fire	\$366	\$385
Electric	\$845	\$826
Park	\$5,266	\$3,890
General City Facilities	\$1,514	\$617
Art in Public Places	2% Included in Fee	\$80
TOTAL	\$23,195/Unit	\$14,590/Unit



Commercial Office – 7,900 SF

Fee Component	Existing Fees	New Fees
	<i>(per Acre)</i>	<i>(per 1,000 SF)</i>
Water	\$7,541	\$13,436
Wastewater	\$6,140	\$4,225
Storm Drainage	\$57,328	\$54,402
Transportation	\$109,646	\$6,932
Police	\$17,234	\$4,198
Fire	\$11,138	\$4,293
Electric	\$0	\$5,440
Park	\$35,150	\$5,168
General City Facilities	\$28,632	\$3,442
Art in Public Places	2% Included in Fee	\$445
TOTAL	\$272,809	\$101,711



New Developer Costs

- Looked at a Sample 120-Acre Project
- Mostly Low Density Residential
- Small Medium Density Component
- New Developer Costs Include:
 - Full ½ Width of Road
 - Neighborhood Parks and Open Space
 - Water/Wastewater Pipe Oversizing
 - Storm Drainage Pipes and Basins



New Developer Costs

	Low Density	Medium Density
Water	\$34	\$23
Wastewater	\$34	\$23
Storm Drainage	\$4,237	\$2,118
Transportation	\$424	\$229
Parks	\$1,213	\$1,026
Total	\$5,942	\$3,419

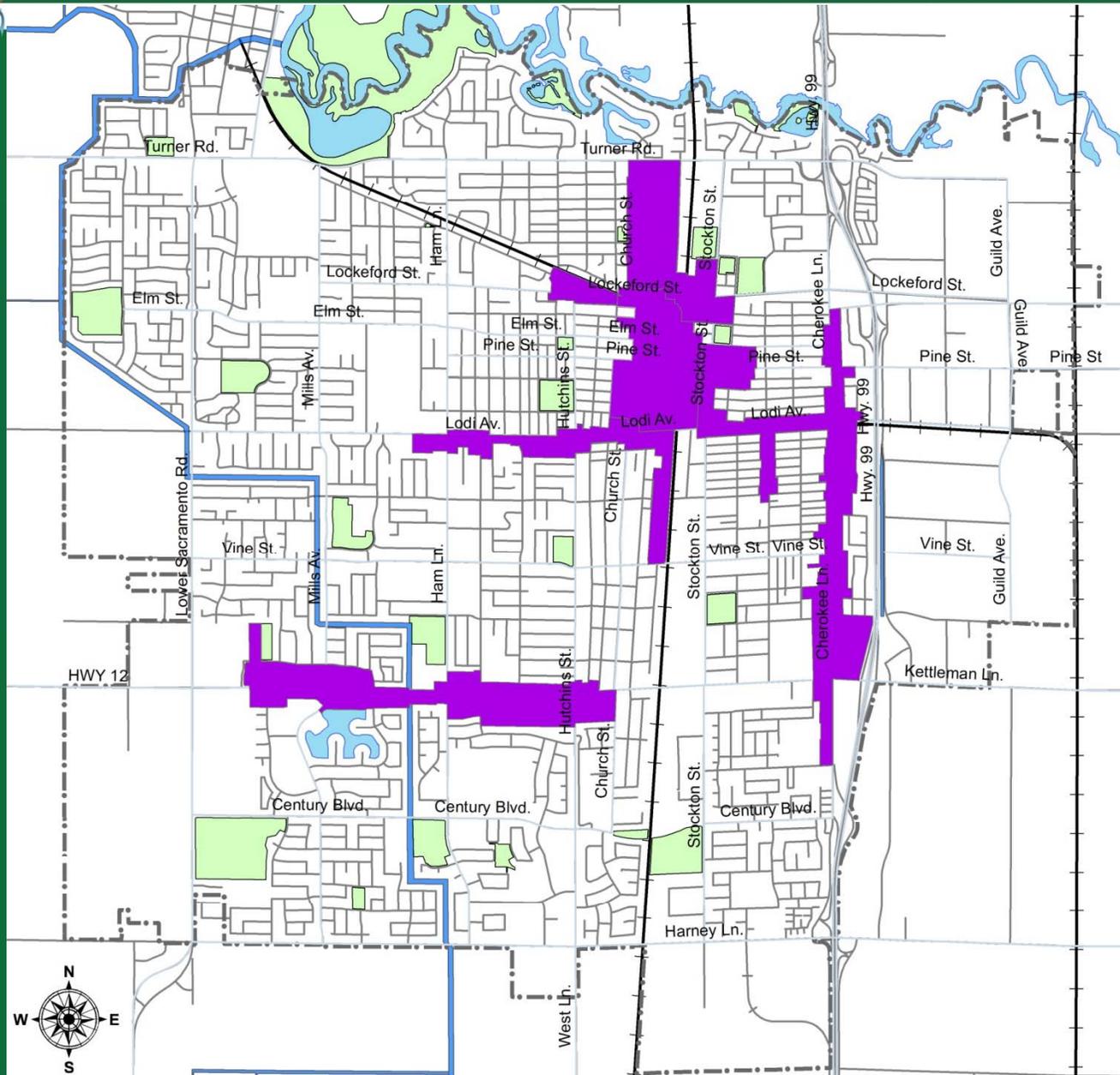


Incentive Fee Zones

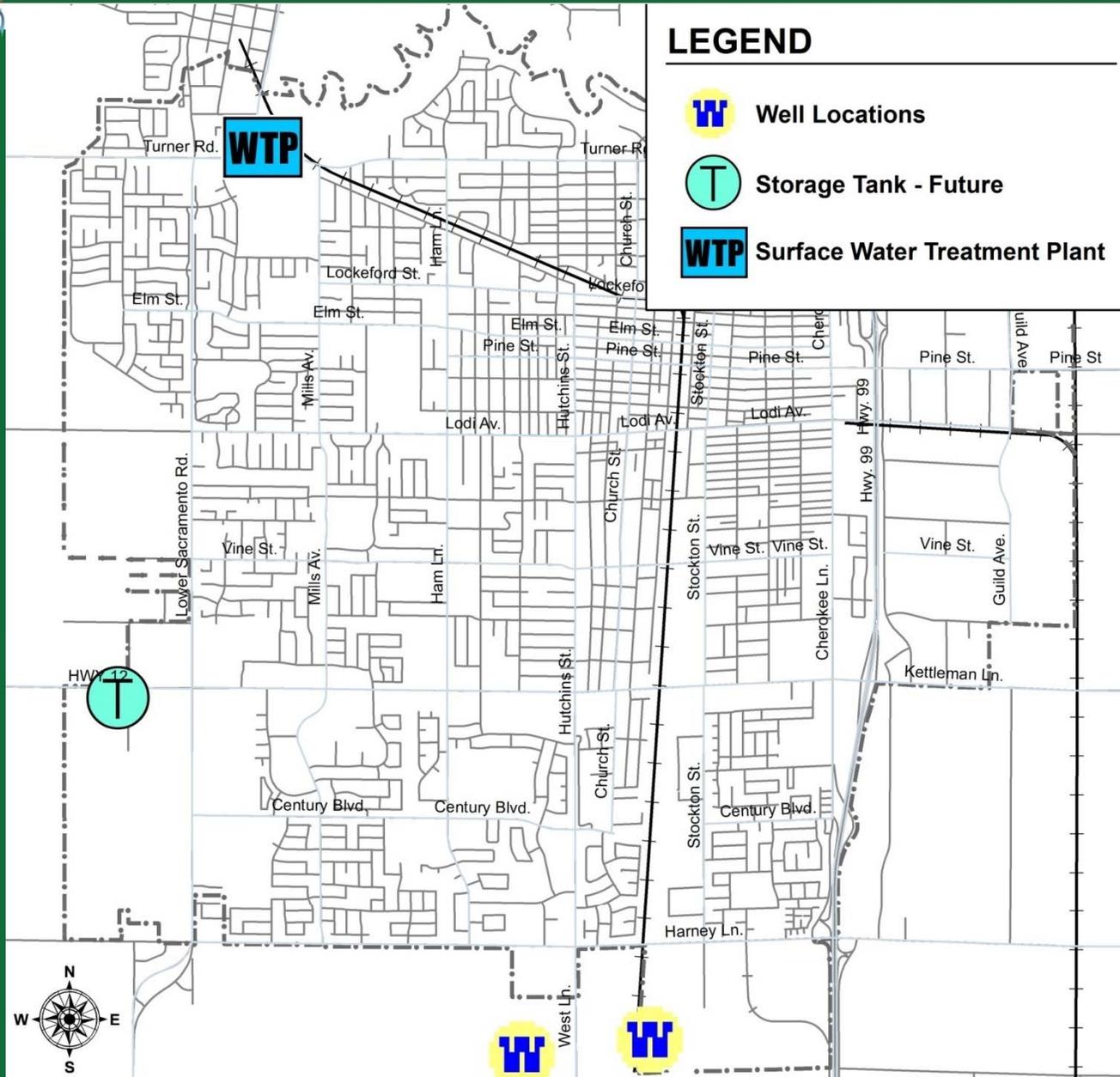
	Downtown Mixed Use	Corridor Mixed Use
Water Capacity	✓	✓
Wastewater Capacity	✓	✓
Storm Drainage		
Transportation		
Police		
Fire		
Electric	✓	✓
Parks		
General City Facilities		
Art In Public Places	✓	✓

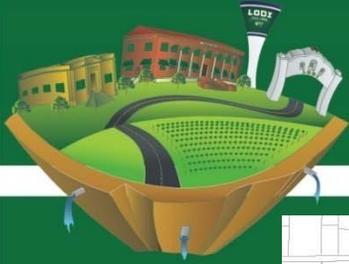


Incentive Fee Zones

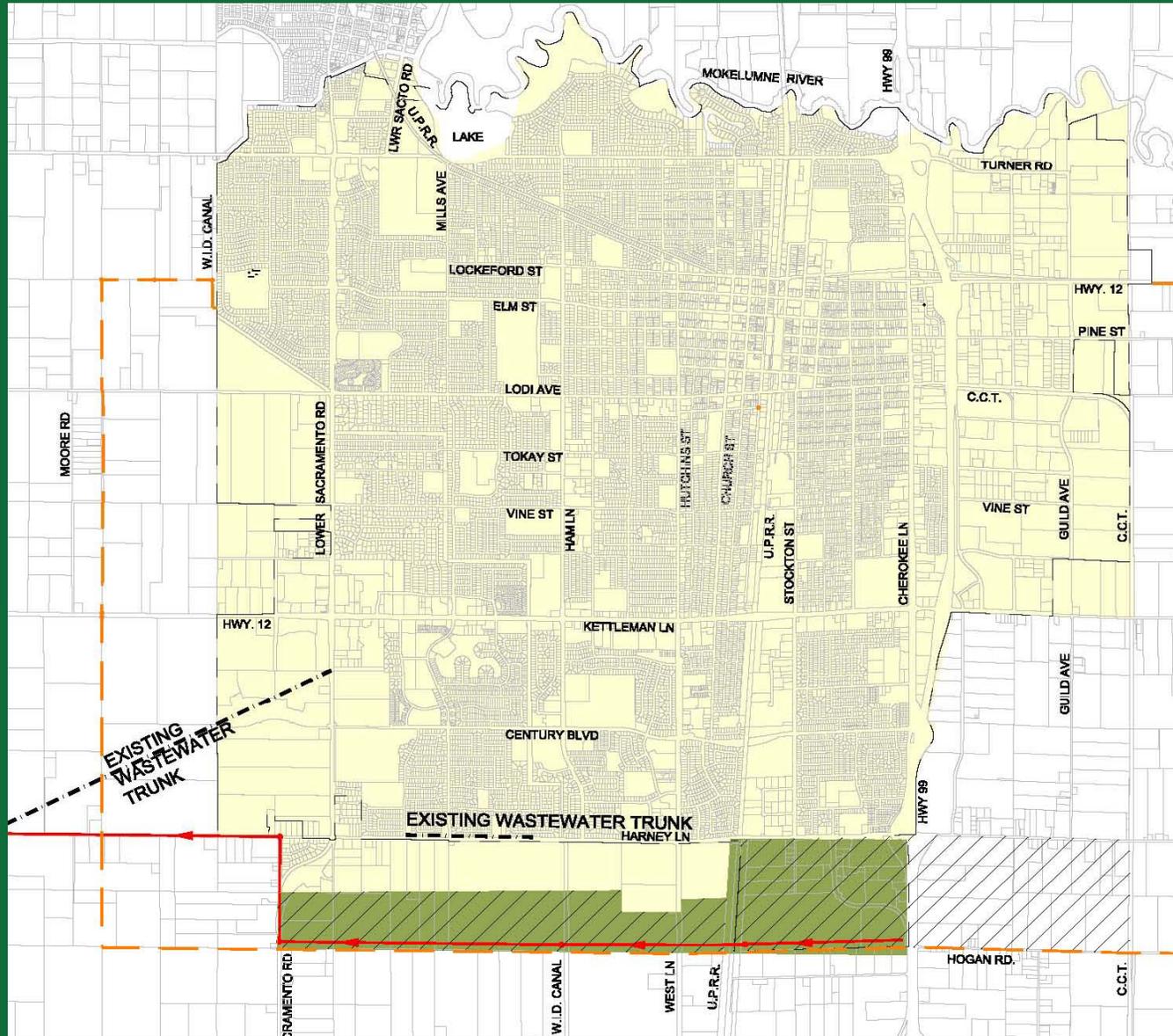


Water



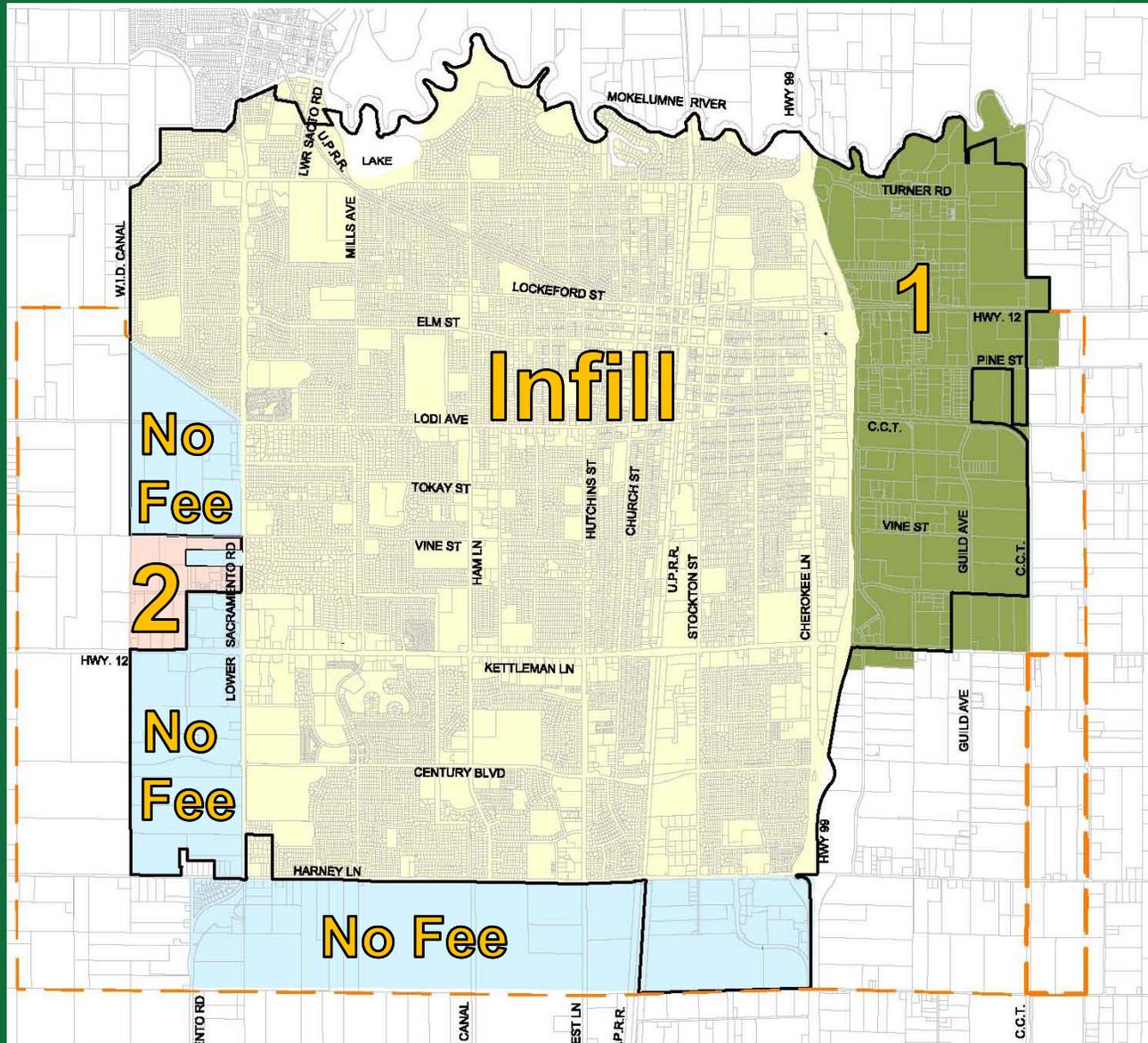


Wastewater



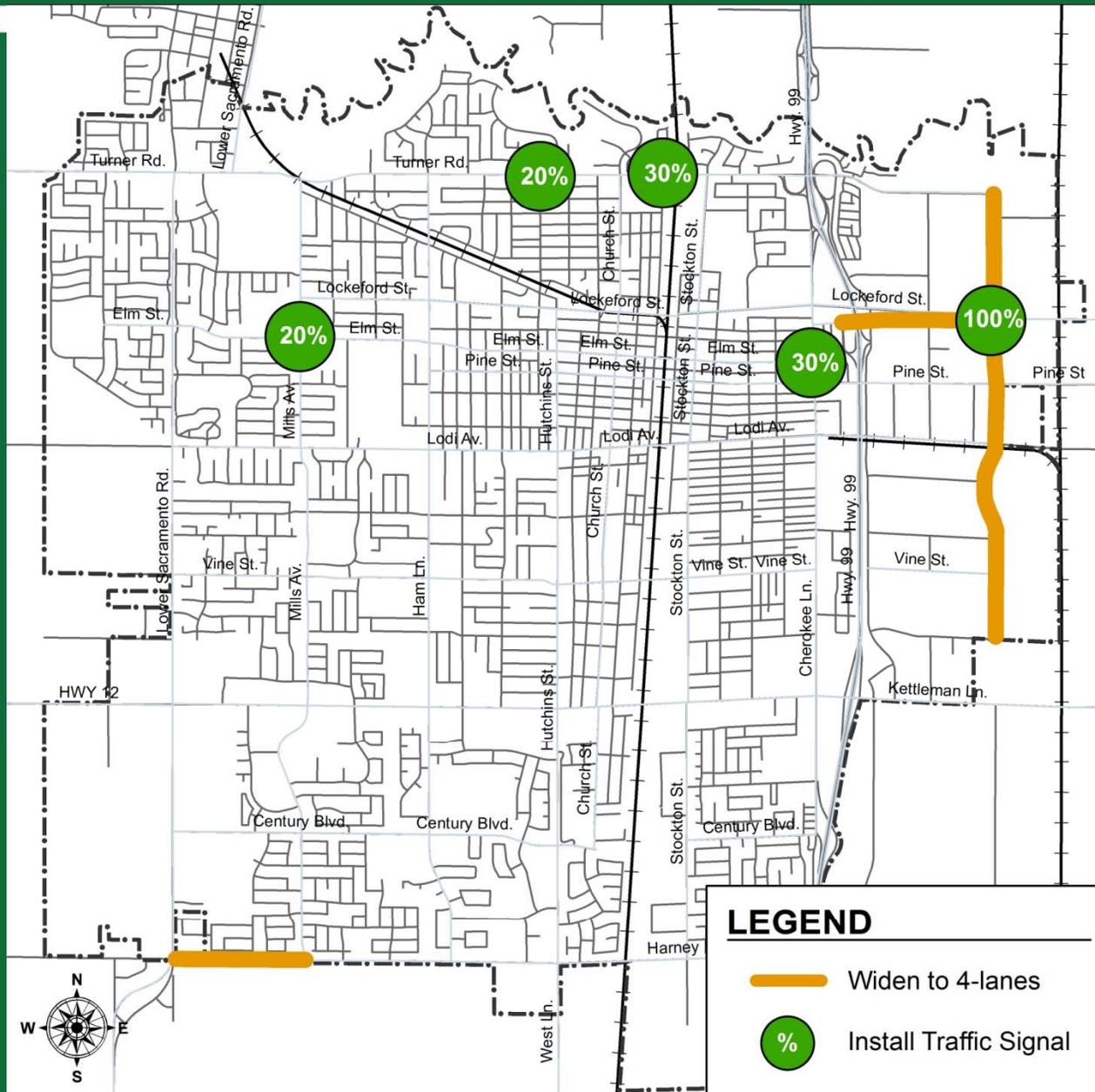


Storm Drainage





Transportation



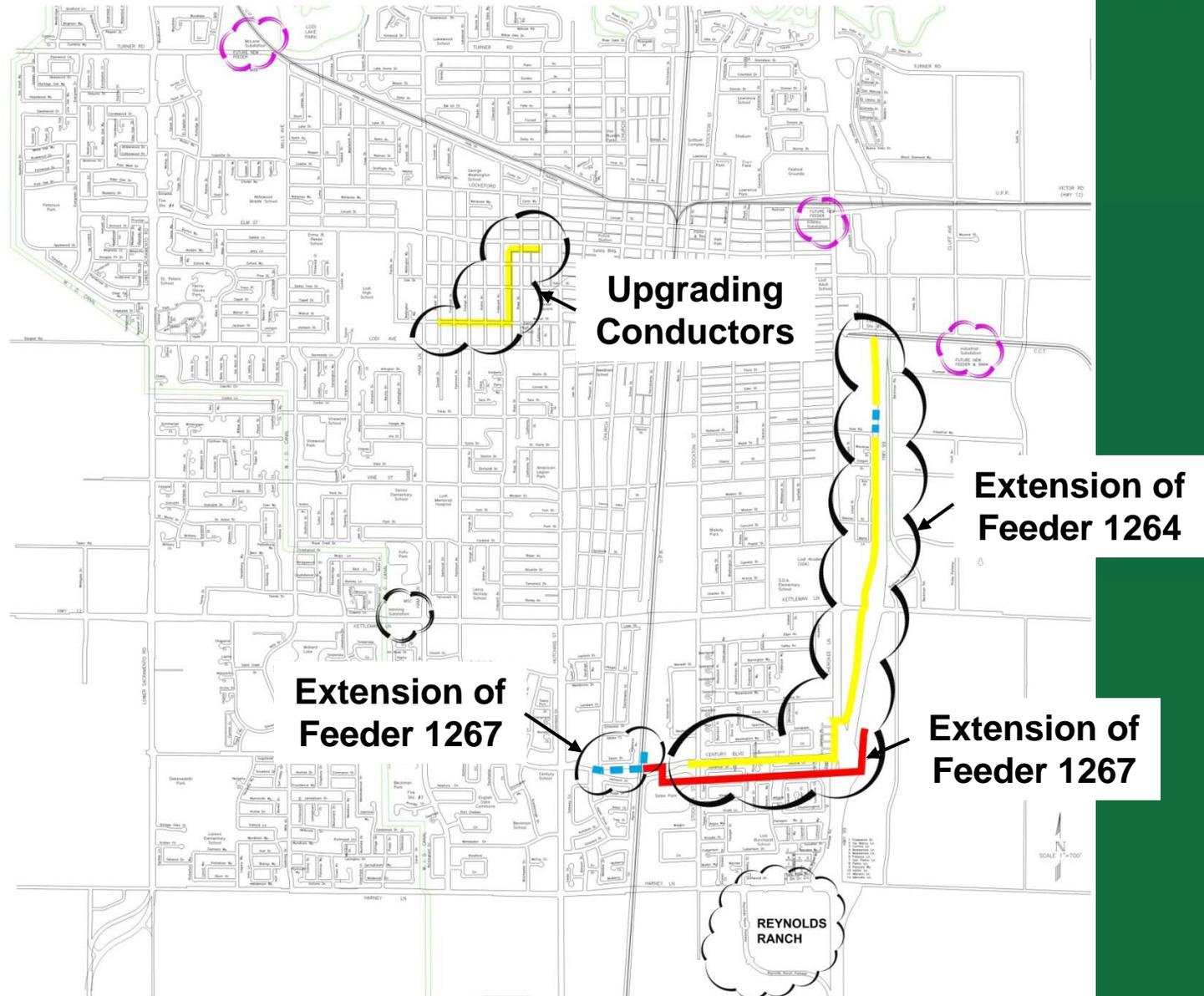


Electric Utility Cost

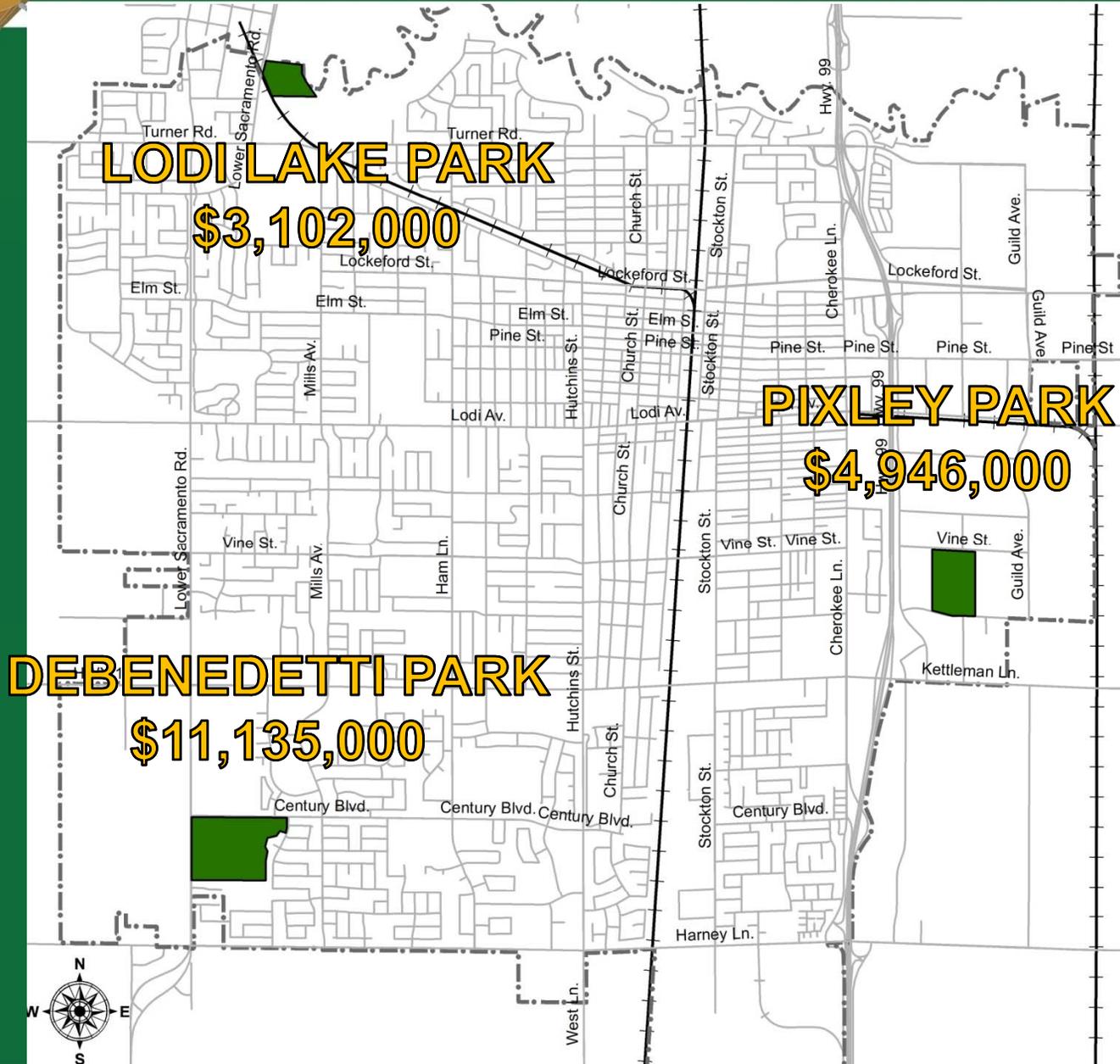
Project	Estimated Cost
Distribution Reinforcements	\$1,023,000
Feeder Additions	\$707,000
Added Bank at Industrial	\$4,200,000
Reynolds Ranch Phase 1 Line Extension	\$557,000
East Side Overhead Phase 1 Line Extension	\$215,000
Future Underground North Line Extension	\$390,000
Total Cost Allocated to Future Development	\$7,092,000



Electric



Parks





Fee Summary – Water & Wastewater

Meter Size	Water	Wastewater
5/8-inch meter	\$2,079	\$2,831
3/4-inch meter	\$3,103	\$4,225
1-inch meter	\$5,181	\$7,056
1 1/2-inch meter	\$10,332	\$14,070
2-inch meter	\$16,537	\$22,521
3-inch meter	\$31,026	\$42,253
4-inch meter	\$51,721	\$70,435
6-inch meter	\$103,411	\$140,828
8-inch meter	\$165,464	\$225,333
10-inch meter	\$237,880	\$323,951



South Sewer Trunk Line Costs

Facility	Estimated Cost
24" Line	\$1,225,700
24"Line (Exist)	\$630,700
30" Line	\$4,396,000
South Sewer Trunk Line Cost	\$6,252,400



South Sewer Trunk Line Fees

	Proposed
<i>Residential</i>	<i>Per Dwelling Unit</i>
Low Density	\$1,181
Medium Density	\$994
High Density	\$829
<i>Non-Residential</i>	<i>Per 1,000 Building Square Feet</i>
Retail	\$1,096



Storm Drainage Costs – Zone 1

Facility	Estimated Cost
C-Basin Pump Station	\$2,055,900
C-Basin	\$912,593
Zone 1 Cost	\$2,968,493



Storm Drainage Fee – Zone 1

	Proposed
<i>Residential</i>	<i>Per Dwelling Unit</i>
Low Density	\$2,591
Medium Density	\$1,295
High Density	\$1,041
<i>Non-Residential</i>	<i>Per Acre</i>
Retail	\$27,201
Office/Medical	\$27,201
Industrial	\$29,143



Storm Drainage Costs – Zone 2

Facility	Cost
F-Basin Improvements	\$10,049,843
I-Basin Improvements	\$7,174,351
Total Cost	\$17,224,193
Less Available SD Fee Fund Revenue	(\$560,652)
Net Zone 2 Cost	\$16,663,541



Storm Drainage Fees – Zone 2

	Proposed
<i>Residential</i>	<i>Per Dwelling Unit</i>
Low Density	\$4,237
Medium Density	\$2,118
High Density	\$1,703
<i>Non-Residential</i>	<i>Per Acre</i>
Retail	\$44,485
Office/Medical	\$44,485
Industrial	\$47,663



Fee Summary – EUD

	240 Volts	480 Volts
<u>Single Phase Panel</u>		
60 amps	\$248	n/a
100 amps	\$413	n/a
125 amps	\$517	n/a
200 amps	\$826	n/a
400 amps	\$1,653	n/a
600 amps	\$2,479	n/a
<u>Three Phase Panel</u>		
200 amps	\$1,360	\$2,720
400 amps	\$2,720	\$5,440
600 amps	\$4,080	\$8,159
800 amps	\$5,440	\$10,879
1000 amps	n/a	\$13,599
1500 amps	n/a	\$20,398
2000 amps	n/a	\$27,198
3000 amps	n/a	\$40,796

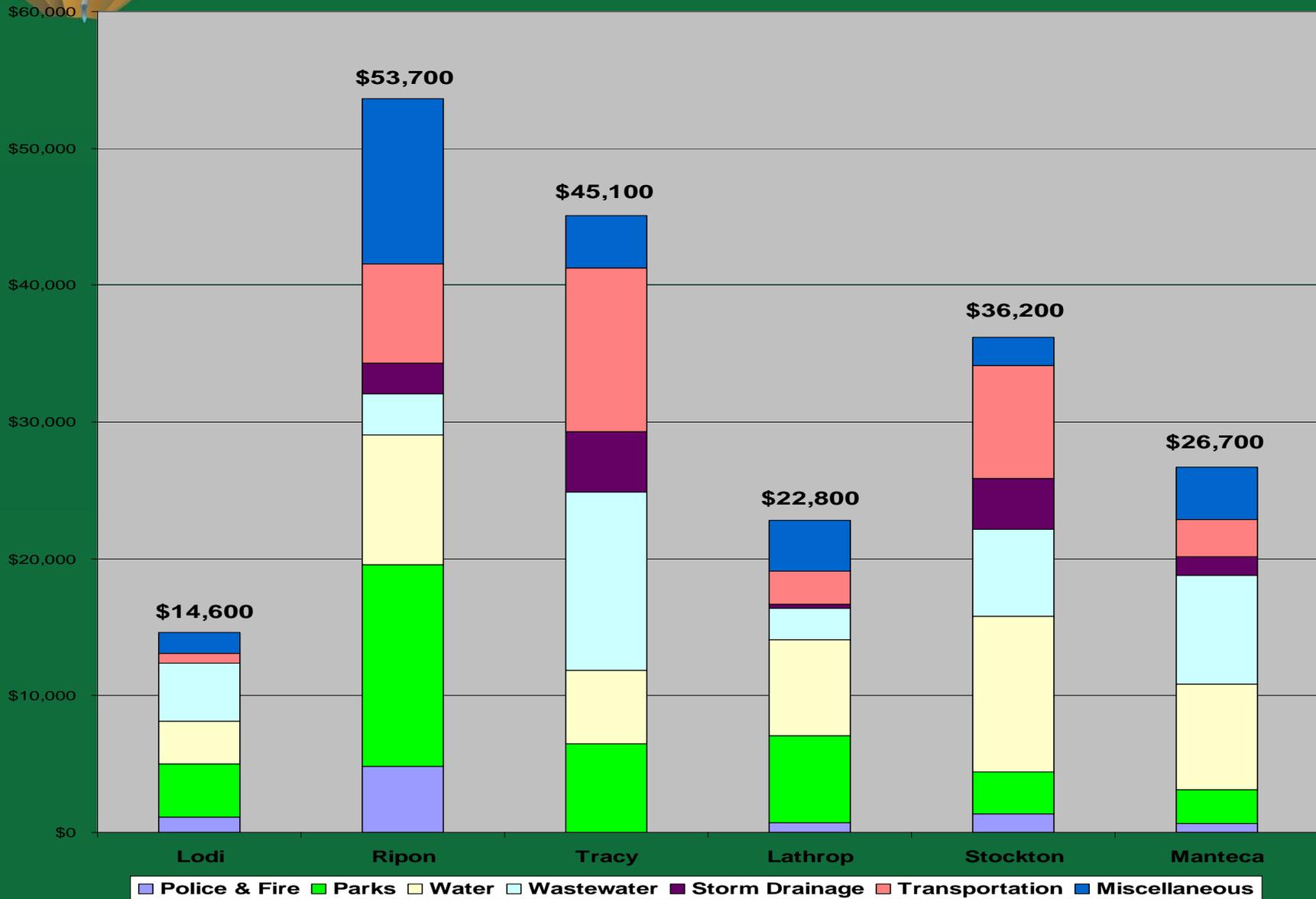


Fee Summary – All Others

Fee Component	RESIDENTIAL LAND USES			NON-RESIDENTIAL LAND USES		
	<i>Low</i>	<i>Medium</i>	<i>High</i>	<i>Office/</i>		
	<i>Density</i>	<i>Density</i>	<i>Density</i>	<i>Retail</i>	<i>Medical</i>	<i>Industrial</i>
	<i>(per Dwelling Unit)</i>			<i>(per 1,000 SF)</i>		
Transportation	\$711	\$386	\$386	\$1,199	\$872	\$443
Police	\$753	\$634	\$528	\$330	\$528	\$176
Fire	\$385	\$324	\$270	\$338	\$540	\$180
Park	\$3,890	\$3,276	\$2,730	\$406	\$650	\$217
General City Facilities	\$617	\$519	\$433	\$270	\$433	\$144
Art in Public Places	\$80	\$67	\$56	\$35	\$56	\$19



Fee Comparison – per Single Family Unit





August 1st Meeting

- Conduct a Public Hearing
- Receive Public Comment
- Approve Infrastructure Master Plans
- Certify Mitigated Negative Declaration
- Approve Resolution Setting Fees
- Introduce Municipal Code Changes



Questions?

City of Lodi

Building and Impact Fees

	Proposed City Fees
Impact Fees	
Street Improvements	711
Storm Drainage-West Area-(Note 1)	
Wastewater Facility/Connection Fee	4,225
Water Facility/Connection Fee	3,103
General City Facilities Fee	617
Fire	385
Police	753
Parks and Recreation	3,890
Electrical Utility	826
Art in Public Places	80
Total Impact Fees	\$14,590
Costs Transferred from IMFP To Developers	
Neighborhood Parks	\$3,620
Pipeline Oversizing	\$500
Road Widening	\$80
Storm Drainage-West Area-(Note 1)	\$5,452
Total Costs Transferred from IMFP	\$9,652
Total IMFP and Costs Transferred	\$24,242
Planning and Building Fees	
Building Permit	2,717
Plan Check	1,630
Energy	272
Miscellaneous	257
Water Meter Fee	300
Total Planning and Building Fees	\$5,176
Total Fees to City of Lodi	\$29,418
Other Agency Fees	
County Regional Transportation Impact Fee	2,987
County Capital Facilities Fee (CFF)	1,819
County Habitat Fee (14,000 / 5.5 D.U. per Acre)	2,545
Ag. Mitigation (10,000 / 5.5 D.U. per Acre)	1,818
School Mitigation Fees	6,683
Air Quality	1,072
Total County Fees	\$16,924
Estimated Permit Cost Per Unit	\$46,342