

Council Meeting of  
**November 21, 2006**

Honorable Mayor and Members  
of the City Council  
City Hall  
Torrance, California

Members of the Council:

**SUBJECT: Development Impact Fees for Police and Fire**

**Expenditure: None**

### **RECOMMENDATION**

The Community Development Director recommends that the City Council:

- Review and approve the amendment to the Development Impact Fee Justification Study to include Police and Fire facilities;
- Hold an open and public meeting regarding the proposed Development Impact Fee for Police and Fire facilities; and
- Consider and approve the time and place for the public hearing, to be held on December 19, 2006 at 7:00 p.m. in the City Council Chambers, regarding the adoption of the development impact fees for Police and Fire.

### **FUNDING**

None

### **BACKGROUND**

On August 16, 2005 your Honorable Body held a public hearing regarding the implementation of a Development Impact Fee, Phase I, for the purpose of paying a portion of the cost of public facilities for, undergrounding utilities, transportation, sewer and storm drain. At that meeting, the City Council also approved and adopted separate resolutions and ordinances for each of these facilities. Subsequently, pursuant to Government Code Section 66017, after a waiting period of 60 days, the development impact fee took effect on October 31, 2005. (**Attachment A**)

As directed by City Council, staff proceeded with adding the public safety facilities to the "Development Impact Fee Justification Study", for the purpose of paying a portion of the cost of Police and Fire facilities, Phase II. These facilities are presented in the Needs List. The Needs List identifies public infrastructure facilities needed to meet increased demand for services resulting from new development within the City limits. The Needs

List identifies the total estimated facility in current cost, including construction, land acquisition, and equipment, as provided by the City.

This Study enables the City to levy fees and partially fund facilities identified by the Study's Needs List for police and fire. The Study was to develop the methodologies to justify the collection of fees in accordance with the California Government Code 66000 (AB 1600) and satisfies the "rational nexus" tests used by California courts to determine the legality of development exactions.

## **ANALYSIS**

The total net costs of facility improvements needed to accommodate new development projected through 2020 for Police and Fire are approximately \$26 million. It is estimated that a total of \$7.5 million can be financed through the levying of impact fees, which represents 28.8% of the net facility costs needed to meet the future demands of the City through 2020. **Table I, II and III** summarizes the facilities costs in 2006 dollars.

**Table I  
Facilities Costs Through 2020**

<b>Facility Name</b>	<b>Total Net Cost For Facility</b>	<b>% of Cost Allocated To New Development</b>	<b>Cost Allocated To New Development</b>
Police	\$5,669,241	48.36%	\$2,741,712
Fire	\$20,666,409	22.55%	\$4,659,417
<b>Total Facilities</b>	<b>\$26,335,650</b>	<b>28.8%</b>	<b>\$7,401,129</b>

**Table II  
Residential Land Use Categories  
Development Impact Fee**

<b>Single-Family Detached</b>	<b>Multi-Family/Others</b>
N/A	\$557.00 per unit

**Table III  
Non-Residential Land Use Categories  
Development Impact Fee**

<b>Commercial</b>			<b>Industrial</b>		
<b>Local</b>	<b>General</b>	<b>Commercial Center</b>	<b>Light</b>	<b>Heavy</b>	<b>Business Park</b>
In \$ per 1,000 SF	In \$ per 1,000 SF	In \$ per 1,000 SF	In \$ per 1,000 SF	In \$ per 1,000 SF	In \$ per 1,000 SF
<b>\$327</b>	<b>\$334</b>	<b>\$327</b>	<b>\$245</b>	<b>\$157</b>	<b>\$245</b>

Using cost estimates from the Needs List, projected future population assuming current growth trends in housing, commercial, and industrial development extrapolated over the next fourteen-year period to 2020, and the development assumptions presented in the Fee study, DTA calculated preliminary fee amounts for each type of facility on the Needs List. **Table IV** summarizes the results of the calculations for each separate facility.

**Table IV  
DEVELOPMENT IMPACT FEE SUMMARY**

	<b>Utility Under- grounding Facilities</b>	<b>Traffic Facilities</b>	<b>Storm Drain Facilities</b>	<b>Sewer Facilities</b>	<b>Police Facilities</b>	<b>Fire Facilities</b>	<b>Total</b>
<b>Residential</b>	( per unit)	(per unit)	(per unit)	(per unit)	(per unit)	(per unit)	( per unit)
Single-Family	NA	NA	NA	NA	NA	NA	NA
Multi-Family	\$333.25	\$395.98	\$785.98	\$21.83	\$206.00	\$351.00	<b>\$2,094.04</b>
<b>Commercial</b>	per 1,000 SF	per 1,000 SF	per 1,000 SF	per 1,000 SF	per 1,000 SF	per 1,000 SF	per 1,000 SF
Local Commercial	\$1,845.66	\$2,193.04	\$1,082.62	\$36.38	\$121.00	\$206.00	<b>\$5,484.71</b>
General Commercial	\$1,788.29	\$2,124.87	\$721.74	\$34.56	\$124.00	\$210.00	<b>\$5,003.46</b>
Commercial Center	\$382.52	\$454.52	\$433.05	\$34.56	\$121.00	\$206.00	<b>\$1,631.65</b>
<b>Industrial</b>	per 1,000 SF	per 1,000 SF	per 1,000 SF	per 1,000 SF	per 1,000 SF	per 1,000 SF	per 1,000 SF
Heavy Industrial	\$79.69	\$94.69	\$721.74	\$21.83	\$91.00	\$154.00	<b>\$1,162.95</b>
Light Industrial	\$191.26	\$227.76	\$721.74	\$21.83	\$58.00	\$99.00	<b>\$1,319.09</b>
Business Park Industrial	\$318.77	\$378.76	\$721.74	\$21.83	\$91.00	\$154.00	<b>\$1,686.10</b>

If the City Council decides to adopt the proposed development impact fees for Police and Fire facilities, staff recommends that the City adopt a separate ordinance for each type of development fee (i.e., Police and Fire). Therefore, if any of the fees were to be invalidated by a court, the remainder could continue in effect. Also separate fees will make it easier for the City to keep a separate fund for each facility. In order to comply with the accounting requirements contained in Government Code Section 66001, the fees attributable to each planned facility should be maintained in separate funds."

Development Impact Fees for new development will be calculated by the Community Development staff according to the applicable development impact fee ordinances and resolutions, and will be collected at building permit issuance.

In order to implement these fees, City Council needs to take the following steps:

- Review and approve the Development Impact Fee Justification Study (**Attachment B**). This Study has been completed, and as mandated by the Government Code 66000 (AB 1600), has been available for public review at the Community Development Department since November 9, 2006;
- Hold an open and public meeting regarding the proposed Development Impact Fees for Police and Fire facilities. Notice of this meeting (**Attachment C**) was mailed out on November 7, 2006 to the developers, and interested parties; and
- Consider and approve the time and place for the public hearing, to be held on December 19, 2006 at 7:00 p.m. in the City Council Chambers, regarding the adoption of the proposed development impact fee for Phase II, Police and Fire facilities.

Respectfully submitted,

JEFFERY W. GIBSON  
Community Development Director

By   
Ted Semaan, Manager  
Transportation Planning, Development  
Engineering and Records Division

CONCUR:

  
JEFFERY W. GIBSON  
Community Development Director

  
LeROY J. JACKSON  
City Manager

Attachments: A.– July 16, 2005 Council Item 12A (**Limited Distribution**)  
B.– The Development Impact Fee Study (**Limited Distribution**)  
C. – The Public Notice

# CITY OF TORRANCE

## NOTICE OF PUBLIC HEARINGS

**November 21, 2006 7:00 p.m.**

**December 19, 2006 7:00 p.m.**

**City Council Chambers  
3031 Torrance Boulevard  
Torrance, California**

Notice is hereby given that the City Council of City of Torrance will hold an open and public meeting on **November 21, 2006 at 7:00 p.m.** regarding the imposition of a development impact fee on new development to finance the cost of police and fire facilities as identified in the report entitled "Development Impact Fee Justification Study-City of Torrance". At this meeting, the City Council will consider approval of the time and place for the public hearing regarding adoption of the development impact fee. All interested persons are invited to present oral or written testimony regarding the development impact fee at this meeting. The data indicating the amount of cost required to provide the services for which the development impact fee will be levied and the revenue sources anticipated to provide the services, will be available to the public on November 9, 2006 in the Community Development Department.

Notice is hereby given that the City Council of City of Torrance will hold a public hearing on **December 19, 2006 at 7:00 p.m.** regarding the imposition of a development impact fee on new development to finance the cost of police and fire facilities as identified in the report entitled "Development Impact Fee Justification Study-City of Torrance". All interested persons are invited to present oral or written testimony regarding the development impact fee at this meeting.

If you cannot attend and would like to convey your views on this matter, please send any correspondence to the Community Development Department or you may e-mail your comments to [cddtraffic@torrnet.com](mailto:cddtraffic@torrnet.com) and they will become part of the official record. Should you have any questions about the meeting, please call the Transportation Planning of the Community Development Department at 310-618-5990.

### City Council

Frank Scotto, Mayor

Tom Brewer

Gene Drevno

Paul M. Nowatka

Pat McIntyre

Bill Sutherland

Hope Witkowsky



City of Torrance

**Community Development Department**

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Jeffery W. Gibson

Community Development Director