

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
CHULA VISTA AMENDING CHAPTER 16 (DEVELOPMENT
& IN-LIEU FEES) AND CHAPTER 19 (HOUSING AUTHORITY
FEES) OF THE CITY'S MASTER FEE SCHEDULE TO ADD
FEES RELATED TO AFFORDABLE HOUSING PROJECT
ADMINISTRATION AND MONITORING

WHEREAS, on May 21, 2024, the City Council conducted a first reading of Ordinance No. _____, which adds Chapter 19.91 (Inclusionary Housing) to the Chula Vista Municipal Code ("CVMC"), codifying the requirement for housing developers to provide affordable housing units within new housing developments; and

WHEREAS, CVMC section 19.91.070 provides that the inclusionary housing requirements may be satisfied by payment of an in-lieu fee instead of providing affordable units on-site; and

WHEREAS, CVMC section 19.91.070 provides that the City Council shall, by resolution establish the amount of the inclusionary in-lieu fee; and

WHEREAS, the City of Chula Vista ("City") commissioned RSG, Inc., a consulting firm, to prepare a study dated April 29, 2024 to determine an appropriate in-lieu fee amount based on construction costs, rental revenue, and development funding gaps for affordable housing units; and

WHEREAS, CVMC Chapter 19.91.070 provides that all monies collected by the City in lieu of constructing affordable units on-site shall be deposited into the Housing Inclusionary fund maintained by the City for use in producing, protecting, and preserving affordable housing; and

WHEREAS, to establish the in-lieu fees under CVMC section 19.91.070, the City wishes to amend Chapter 16 of the City's Master Fee Schedule to add section "Inclusionary Housing In-Lieu Fee", as set forth in Exhibit 1, attached hereto and incorporated herein by reference as if set forth in full; and

WHEREAS, the City incurs costs associated with the review and administration of projects requiring a regulatory agreement, including projects applying for and receiving a density bonus pursuant to CVMC Chapter 19.90, and projects providing onsite affordable units pursuant to CVMC Chapter 19.91; and

WHEREAS, the City also incurs costs associated with the ongoing monitoring of affordable projects and in its collection of fees for the review, administration, and ongoing monitoring of affordable projects provides its services to a limited segment of the public, specifically developers of affordable housing; and

WHEREAS, an analysis of the staff effort and the current fully burdened hourly rates for impacted staff associated with the review, administration, and ongoing monitoring of affordable projects, as well as an analysis of the cost of third-party contracts, has been conducted to determine the cost of service associated with providing these administrative services; and

WHEREAS, to achieve full and equitable cost recovery for the review, administration, and monitoring services provided, the City Council wishes to amend Chapter 19 of the City's Master Fee Schedule to add section "Compliance Fees (Non-Bond)", as set forth in Exhibit 2, attached hereto and incorporated herein by reference as if set forth in full; and

WHEREAS, the proposed fees do not exceed the estimated reasonable cost of providing the associated services; and

WHEREAS, Article XIII C of the California Constitution requires a vote of the electorate to increase any levy, charge, or exaction imposed by a local government, unless specifically exempted; and

WHEREAS, the proposed fees are exempt from the vote requirement per Sections 1(e)(2) and 1(e)(3); and

WHEREAS, the proposed amendments to the Master Fee Schedule Chapters 16 and 19 shall become effective upon adoption of this Resolution by the City Council and the Housing Authority; and

WHEREAS, in accordance with the requirements of the California Environmental Quality Act ("CEQA"), the Environmental Review Coordinator has determined that the activity is not a "Project" as defined under Title 14, Section 15378 of the California Code of Regulations, and that therefore, pursuant to Section 15060(c)(3) of the California Code of Regulations, no environmental review is required.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chula Vista, that it does hereby amend Chapter 16 (Development & In-Lieu Fees) of the City's Master Fee Schedule to establish an inclusionary in-lieu fee as set forth in Exhibit 1 to this Resolution.

BE IT FURTHER RESOLVED by the City Council of the City of Chula Vista, that it does hereby amend Chapter 19 (Housing Authority Fees) of the City's Master Fee Schedule to establish administrative fees related to the review, administration, and ongoing monitoring of affordable projects as set forth in Exhibit 2 to this Resolution.

Presented by

Approved as to form by

Stacey Kurz
Director of Housing and Homeless Services

Marco A. Verdugo
City Attorney

Exhibit 1

 <p>CITY OF CHULA VISTA</p>	<p>MASTER FEE SCHEDULE</p> <p>Chapter 16 – Development & In-Lieu Fees</p> <p>Development & In-Lieu Fees</p> <p>City of Chula Vista Development Services 276 Fourth Avenue, Chula Vista, CA 91910</p>	<p>FEE BULLETIN</p> <p>16-100</p> <p>October 2023</p>
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New building projects are subject to Development Impact Fees. For expansion/renovation of existing projects, fees apply to the net increase in impact only, as determined by increase in dwelling units, gross acres, square feet, or vehicular trips. Pursuant to California Government Code Section 65852.2(f)(3)(A), Junior Accessory Dwelling Units and Accessory Dwelling Units of less than 750 square feet are exempt from all development impact and in-lieu fees. Accessory Dwelling Units 750 square feet or larger are charged proportionately to the primary residence, on a square footage basis.

All rates are current as of the date of this Fee Bulletin. Development & In-Lieu fees may be set by Ordinance, Resolution, or Council Policy.

PUBLIC FACILITIES DIF

Applicable: Citywide

Single Family, per dwelling unit (DU)

Civic Center.....	\$4,180
Police.....	\$2,315
Corporation Yard.....	\$621
Libraries	\$2,403
Fire Suppression System	\$2,112
Program Administration	\$831
Recreation Facilities	\$1,824
Single Family Total PFDIF, per DU.....	\$14,286

Multifamily, per DU

Civic Center.....	\$3,960
Police.....	\$2,500
Corporation Yard.....	\$498
Libraries	\$2,403
Fire Suppression System	\$1,520
Program Administration	\$787
Recreation Facilities	\$1,824
Multi Family Total PFDIF, per DU.....	\$13,492

Commercial, per gross acre

Civic Center.....	\$13,337
Police.....	\$10,934
Corporation Yard.....	\$10,570
Fire Suppression System	\$5,584
Program Administration	\$2,655
Commercial Total PFDIF, per acre.....	\$43,080

Industrial, per gross acre

Civic Center.....	\$4,214
Police.....	\$2,357
Corporation Yard.....	\$4,978
Fire Suppression System	\$1,111
Program Administration	\$839
Industrial Total PFDIF, per acre	\$13,499

TRAFFIC SIGNAL FEE

Applicable: Citywide

Fee per vehicular trip.....	\$48.22
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See Master Fee Schedule Fee Bulletin 16-200 for Vehicular Trip Generation Table

PARKLAND ACQUISITION & DEVELOPMENT

The Parkland Acquisition and Development (PAD) fee consists of two fee components: land acquisition and park development.

Applicable: Citywide. Parkland acquisition fees vary between eastern and western Chula Vista, as divided by I-805. Development fees are consistent citywide.

Single Family, per dwelling unit

Acquisition, west of I-805	\$4,994
Acquisition, east of I-805	\$12,676
Development, citywide.....	\$9,533
Total single family fee, west of I-805.....	\$14,527
Total single family fee, east of I-805.....	\$22,209

Multifamily, per dwelling unit

Acquisition, west of I-805	\$3,707
Acquisition, east of I-805	\$9,408
Development, citywide.....	\$7,076
Total multifamily fee, west of I-805	\$10,783
Total multifamily fee, east of I-805	\$16,484

Mobile Home, per unit

Acquisition, west of I-805	\$2,337
Acquisition, east of I-805	\$5,932
Development, citywide.....	\$4,461
Total mobile home fee, west of I-805	\$6,798
Total mobile home fee, east of I-805	\$10,393

EASTERN TRANSPORTATION DIF

Applicable: East of I-805

Per Daily Vehicular Trip.....\$1,764.70

A list of residential ETDIF fee is provided below.

Residential, per dwelling unit (DU)

Low Density: 0 – 6 DU/gross acre \$17,647

Medium Density: 6.1 – 20 DU/gross acre \$14,117

High Density: > 20.1 DU/gross acre \$10,588

Senior Housing: > \$7,058

Residential Mixed Use: >20 DU/gross acre \$7,058

*Note: Mixed Use projects are subject to both a Mixed Use Commercial rate for the commercial portion of the project **AND** the Mixed Use Residential rate for the residential units.*

WESTERN TRANSPORTATION DIF

Applicable: West of I-805, except Bayfront area

Per Daily Vehicular Trip.....\$532.20

A list of residential WTDIF fee is provided below.

Residential, per dwelling unit (DU)

Low Density: 0 – 6 DU/gross acre \$5,322

Medium Density: 6.1 – 20 DU/gross acre \$4,257

High Density: > 20.1 DU/gross acre \$3,193

Senior Housing: > \$2,128

Residential Mixed Use: > 20DU/gross acre \$2,128

BAYFRONT TRANSPORTATION DIF

Applicable: Bayfront area

Per Daily Vehicular Trip.....\$1,286.42

A list of residential WTDIF fees is provided below.

Residential, per dwelling unit (DU)

Low Density: 0 – 6 DU/gross acre \$12,864

Medium Density: 6.1 – 20 DU/gross acre \$10,291

High Density: > 20.1 DU/gross acre \$7,718

Senior Housing: > 4 DU/gross acre \$5,145

Residential Mixed Use: > 4 DU/gross acre \$5,145

PEDESTRIAN BRIDGE DIFs

Otay Ranch Village 1, 2, 5, and 6 Pedestrian Bridge DIF

Applicable: Otay Ranch Villages 1, 2, 5, and 6

Single Family, per DU \$1,117

Multifamily, per DU \$828

Otay Ranch Village 11 Pedestrian Bridge DIF

Applicable: Otay Ranch Village 11

Single Family, per DU \$3,170

Multifamily, per DU \$2,350

EUC (Millenia) Pedestrian Bridge DIF

Applicable: Millenia Eastern Urban Center Project

Single Family, per DU \$615.13

Multifamily, per DU \$456.10

SEWER & DRAINAGE DIFs

Poggi Canyon Sewer, Gravity Flows

Applicable: Poggi Canyon sewer basin

Fee per equivalent dwelling unit (EDU) \$265

Salt Creek Sewer, Gravity Flows

Applicable: Salt Creek and Wolf Canyon sewer basins

Fee per equivalent dwelling unit (EDU) \$1,800

INCLUSIONARY HOUSING IN-LIEU FEE

Rental Housing Developments

In-lieu fee per square foot of market-rate residential space \$16

Ownership Housing Developments

In-lieu fee per square foot of market-rate residential space \$8

Exhibit 2

 <p>CITY OF CHULA VISTA</p>	<p>MASTER FEE SCHEDULE Chapter 19 – Housing Authority General Housing Authority Fees</p>	<p>FEE BULLETIN 19-100</p>
	<p>City of Chula Vista Development Services 276 Fourth Avenue, Chula Vista, CA 91910</p>	<p>April 2018</p>

TEFRA HEARING FEE

Applies to public hearings conducted pursuant to Section 147(f) of the Internal Revenue Code, in compliance with the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA). The TEFRA Hearing Fee shall only be charged if the City or Housing Authority does not serve as the Issuer of the subject bonds.

TEFRA Hearing fee, non-refundable \$3,500

ISSUANCE DEPOSIT & FEE

Issuance Deposit

An issuance deposit shall be collected at the time of application submission. The deposit is nonrefundable, unless the Housing Authority or CDLAC declines the proposed financing. If the financing proceeds, the issuance deposit is applied to offset issuance fees at closing.

Issuance deposit..... \$3,500

Issuance Fee

The Housing Authority charges issuance fees associated with the application, preparation and issuance of multifamily housing revenue bonds on behalf of a Project Sponsor. Issuance fees shall be assessed based on the total original principal amount of the bonds (both tax-exempt and taxable) to be issued, and are inclusive of the TEFRA Hearing.

Issuance fee 20 basis points (0.20%)
Minimum Issuance fee..... \$15,000

ANNUAL ADMINISTRATIVE FEE

An annual fee for the ongoing administration and monitoring costs (e.g. financial and site monitoring, and annual reporting) of Housing Authority issued Bonds required throughout the Qualified Project Period and until expiration of the CDLAC Compliance Period, reportable to CDLAC. Administrative fees shall be assessed on a dwelling unit (DU) basis.

Annual Administrative Fee

0 – 50 DUs \$13,000
51 – 199 DUs \$17,000
200 or more DUs \$21,000
Additional Staff Services Full Cost Recovery

COMPLIANCE FEES (NON-BOND)

Applies to projects subject to a regulatory agreement or restrictive covenant enforced by the City of Chula Vista or the Chula Vista Housing Authority, including inclusionary and density bonus units. Projects subject to the Annual Administrative Fee applied to projects receiving Housing Authority issued bonds shall be exempt from the Annual Monitoring Fee. Project setup fees are due at the time of recordation of the agreement; monitoring fees are due annually upon invoicing.

Project Setup Fee (per project) \$300
Annual Monitoring Fee (per unit) \$70

FULL COST RECOVERY

For all full cost recovery fee items, an initial deposit shall be collected to cover the City's full cost, including overhead, incurred in conjunction with review and processing as request by the applicant. Additional funds may be collected, as requested by applicant. Additional funds may be collected as required, to cover City costs. Should the application be withdrawn at any time, the deposit shall be adjusted to cover the City's actual costs,

including overhead, up to that time. Any funds remaining on deposit at the time of the completion or withdrawal of the application shall be returned to the depositor, after accounting for expenses incurred to date.

See Master Fee Schedule Bulletins 1-100 and 1-200 for additional discussion of full cost recovery and current hourly rates.