



Legislation Details (With Text)

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File created: 9/7/2021 **In control:** City Council Meeting
On agenda: 10/12/2021 **Final action:** 10/12/2021
Title: Approve a Resolution Eliminating Fee Reductions for High-Cube and Light Industrial Development Circulation Fees

Sponsors:

Indexes:

Code sections:

Attachments: 1. Resolution- Eliminate 50% Reduction for High-Cube and Light Industrial Development DIFs

Date	Ver.	Action By	Action	Result
10/12/2021	1	City Council Meeting		

FROM:
Engineering

SUBJECT:
Approve a Resolution Eliminating Fee Reductions for High-Cube and Light Industrial Development Circulation Fees

RECOMMENDATION:

COUNCIL GOALS:

- To invest in the city's infrastructure (streets, sewers, parks, etc.) by providing for the development of new infrastructure.
- To invest in the city's infrastructure (streets, sewers, parks, etc.) by focusing on relief of traffic congestion.

DISCUSSION:

On March 28, 2006, the City of Fontana (City) approved Resolution No. 2006-46, to adopt certain Development Impact Fees. As part of the Development Impact Fee schedule, high-cube warehouse developments received a 50% reduction due to lower trip generation rates per the Institute of Transportation Engineers (ITE) trip generation rates. Subsequently, the City approved Resolution No. 2015-18 on March 24, 2015, to allow a 50% reduction of circulation fee for light industrial development, less than 200,000 sq. ft. if the project generates equal to or less than a high-cube warehouse trip generation rate.

Since the adoption of Resolution No. 2006-46 and Resolution No. 2015-18, ITE studied high-cube warehouse projects and evaluated their trip generation rates. The latest edition of the ITE Trip Generation Manual shows that multiple categories of high-cube warehouses and the average of trip generation rates of high-cube warehouses actually generate higher trip generation rate than

previously studied, which means that the justification for the 50% reduction in fees is no longer supported by the reduction of traffic volume anymore.

In conclusion, due to the changes of ITE Trip Generation Manuals, the 50% fee reduction languages from the Circulation Fee are no longer supported. Therefore, staff recommends eliminating the 50% fee reduction language from the Circulation Fee for high-cube warehouse development and light industrial development, less than 200,000 sq. ft.

Stakeholders including the Building Industry Association (BIA), NAIOP- the Commercial Real Estate Development Association and key local developers were notified of the proposed amendment and no substantial comments or concerns were received.

FISCAL IMPACT:

The elimination of the 50% reduction in circulation fees for high-cube warehouse development and light industrial development will result in an increase of applicable Development Impact Fees by 50%, consistent with the fee amounts that were originally adopted by City Council.

MOTION:

Approve staff recommendation.