May 29, 2025 Item No. **10f(7)** 

Honorable Mayor and Members of the Marina City Council

City Council Meeting of June 3, 2025

CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2025-, ACKNOWLEDGING THE PUBLIC HEARING NOTICE AND RATIFYING THE SETTING OF A PUBLIC HEARING FOR JULY 1, 2025, ON THE PROPOSED INTENTION TO ADOPT AN IMPACT FEE NEXUS STUDY AND AMEND CHAPTER 3.26 OF THE MARINA MUNICIPAL CODE REGARDING MITIGATION FEES FOR NEW DEVELOPMENT WITHIN THE CITY OF MARINA

#### **REQUEST:**

It is requested that the City Council:

1. Consider adopting Resolution No. 2025-, acknowledging the public hearing notice and ratifying the setting of a public hearing for July 1, 2025, on the proposed intention to adopt an impact fee nexus study and amend Chapter 3.26 of the Marina Municipal Code regarding mitigation fees for new development within the City of Marina.

# **BACKGROUND:**

The Mitigation Fee Act, Section 66000 et seq. of the California Government Code, and the Marina Municipal Code Chapter 3.26 Mitigation Fees for New Development, provide a mechanism whereby the City may impose and charge mitigation fees as a condition of approval for development projects. These mitigation or public facility impact fees (PFIF) may only be used to offset the cost of certain infrastructure attributable to development.

In 2007, the City contracted with Kimley Horn to conduct a Development Impact Fee Study. Following this study, the Council adopted public facility impact fees. In 2011, and subsequently in 2016, the Development Impact Fee Study was updated and the City Council adopted updated public facility impact fees.

## **ANALYSIS:**

The City is in the process of working with a consulting team to provide an update to the prior impact fee studies through a new Development Impact Fee Nexus Study (Study) to be adopted by the City Council. This new study will update all five (5) City public facilities impact fee programs:

- Public building facilities
- Public safety facilities
- Roadways
- Intersections
- Parks

The purpose of the Study is to re-evaluate and update the fees developed from the 2016 study; incorporate projects from the City's Capital Improvement Program (CIP), and recommend additional projects. In establishing impact fees, it is important to remember that a nexus must be established between the fee and the development impact. A fee cannot be more than the cost of the public facility needed to accommodate the new development, and the fee revenues can only be used for their intended purpose.

Public Facilities Impact Fees are based on future infrastructure needs that are generated by new development projects. These future projects are included in the current General Plan boundary of the City.

Chapter 3.26.070 of the Marina Municipal Code requires the adoption or increase of fees by ordinance, and in accordance with Government Code Section 66016. These fees can only become effective sixty (60) days following the adoption of the ordinance.

In accordance with Government Code 66016.5(a)(7) the City has provided notice of intent to adopt an impact fee nexus study and to amend Chapter 3.26 of the Marina Municipal Code regarding mitigation fees within the City of Marina by publishing such notice on its website as well as with this item on May 30, 2025. This item serves to acknowledge that notice and ratify the setting of a public hearing on July 1, 2025 to adopt the Study as well as to take certain actions on that date to update the City's Public Facility Impact Fees.

The following schedule of regular City Council meetings will satisfy the requirements of Chapter 3.26.070 in updating the fee schedule and ordinance:

- May 30, 2025 Publication of notice on the City's website regarding City's intent to adopt
  an impact fee nexus study and to amend Chapter 3.26 of the Marina Municipal Code, and
  proposed adoption of Resolution 2025-XX acknowledging such notice . This resolution
  and report were published to the City website on May 30, 2025, with the June 3, 2025 City
  Council agenda packet.
- Ten days prior to the July 1, 2025 Council Meeting A public notice will be placed in a local newspaper twice regarding the public hearing date and intent to amend the mitigation fees at such Council Meeting date. A copy of the fee study will also be placed on the City's website and will be made available at City Hall.
- July 1, 2025 A presentation of the updated Development Impact Fee Nexus Study will be provided at the regular City Council Meeting on July 1, 2025. As part of the same agenda item, a public hearing will be held regarding the adoption of the Study, along with the hearing and first reading of an ordinance to adopt the updated mitigation fees.
- August 6, 2025 A second reading of the ordinance will be made, along with adoption of the ordinance. The new fees would then become effective sixty (60) days after adoption.

### **FISCAL IMPACT:**

Adoption of the proposed development impact fees will provide revenue to fund the development driven public facility projects.

### **CONCLUSION:**

This request is submitted for City Council's approval.

Respectfully submitted,

Tori Hannah
Finance Department
City of Marina

## **REVIEWED/CONCUR:**

Layne P. Long
City Manager
City of Marina

#### **RESOLUTION NO. 2025-**

A RESOLUTION OF CITY COUNCIL OF THE CITY OF MARINA ACKNOWLEDGING THE PUBLIC HEARING NOTICE AND RATIFYING THE SETTING OF A PUBLIC HEARING FOR JULY 1, 2025, ON THE PROPOSED INTENTION TO ADOPT AN IMPACT FEE NEXUS STUDY AND TO AMEND CHAPTER 3.26 OF THE MARINA MUNICIPAL CODE REGARDING MITIGATION FEES FOR NEW DEVELOPMENT WITHIN THE CITY OF MARINA

WHEREAS, at the regular meetings of May 17, 2016, and July 6, 2016, the City Council held public meetings to receive any public comments regarding the proposed update to the City's Public Facilities Impact Fee (PFIF) Study, and;

WHEREAS, at the regular City Council meeting of July 19, 2016, the City Council passed and adopted Ordinance No. 2016-04, amending Chapter 3.26 of the Marina Municipal Code updating developer impact mitigation fees for new development; and

WHEREAS, Government Code Section 66016.5 requires that mitigation fee studies be updated at least every eight years, from the period beginning on January 1, 2022; and

WHEREAS, the City has retained a consulting team to prepare a Development Impact Fee Study to reevaluate and update the fees developed from the 2016 study, incorporate projects from the City's adopted Capital Improvement Program (CIP), and incorporate additional recommended projects; and

WHEREAS, a public notice is required 30 days prior to a public hearing to adopt an impact fee nexus study to amend Chapter 3.26 of the Marina Municipal Code to update the City's impact fees which serve to mitigate for new development; and

WHEREAS, the notice of public hearing for July 1, 2025 was published on May 30, 2025; and

WHEREAS, this resolution and agenda report which acknowledges such notice were published to the City website on May 30, 2025 with the June 3, 2025 City Council agenda packet.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Marina:

1. Resolution 2025-XX acknowledges publication of notice on May 30, 2025 of the setting of a public hearing at a regular City Council Meeting on July 1, 2025, on the proposed intention to adopt a Development Impact Fee Nexus Study to amend Chapter 3.26 of the Marina Municipal Code regarding mitigation fees for new development within the City of Marina.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 3<sup>rd</sup> day of June 2025, by the following vote:

AYES: COUNCIL MEMBERS: NOES: COUNCIL MEMBERS: ABSENT: COUNCIL MEMBERS: ABSTAIN: COUNCIL MEMBERS:	
ATTEST:	Bruce C. Delgado, Mayor
Anita Sharp, Deputy City Clerk	