



CITY OF SACRAMENTO

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February 3, 1987

Law & Legislation Committee
City Council Chambers
Sacramento, CA 95814

Re: AB 13 (Leonard) re Development Fees

Honorable Members in Session:

SUMMARY

This report recommends that the Committee express the City's opposition to AB 13 (Leonard).

BACKGROUND

AB 13 (Leonard) would prohibit a city or county from imposing any fees, charges, other exactions, dedications or reservations on a development which exceed the need caused by that particular development.

The comments of the Public Works Department are attached. On a scale of 1 to 10 (with 10 as the most important), Public Works rates this bill a 10.

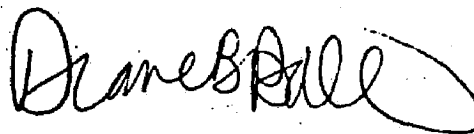
As described by Public Works, AB 13 proposes a simplistic and devastating restriction on City and County development fees. The provisions of this bill would prohibit any development fee or exaction needed to assist in financing public improvements caused by accumulated development or demand. The impact of development often exceeds the immediate geographic boundaries of the project. As an example, the City's master plan for an area might call for 48" storm drains to be installed throughout the planning area. If the immediate impact of the development only warranted installation of a 24" drain throughout the development, the fee or exaction would be restricted to the amount required to provide the smaller drain. A subsequent developer might then be required to pay for yet another 24" drain, or some other variable; the result of AB 13 would be to remove all flexibility in determining fees and exactions. Cities would have no authority to assess fees to cover cumulative effects of development.

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RECOMMENDATION

It is recommended that the Committee oppose AB 13.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Diane B. Balter". The signature is written in a cursive style with a large, sweeping flourish at the end.

DIANE B. BALTER
Deputy City Attorney

DBB: rmm

Attachment

BILL REFERRAL

DATE: 1/23/87

COMMITTEE ACTION _____

TO: Public Works

DATE _____

FROM: Diane Batten, Deputy City Alder
~~THEODORE H. KOBAY, JR., Legislative Representative~~

REPLY NO LATER THAN:

A.B. 13 S.B. _____ Relating to Development Fees (as amended)

STATUS: Pending Hearing in Assembly Local Government Committee

Please review the attached measure to determine its effect upon the City of Sacramento and complete the following questions as appropriate. During your analysis of this measure, if questions arise, please feel free to contact me at 5346. This questionnaire should be returned to me for presentation to the Council Committee on Law and Legislation. PLEASE LEAVE THE BILL ATTACHED TO THIS FORM.

PLEASE TYPE YOUR RESPONSE

1. Briefly describe the provisions of the bill. (Attach additional sheets if necessary.)

AB13 requires that all City and County development fees, charges, exactions or requirements for dedication imposed as a condition of approval for construction of public improvements "not exceed the need for the capital facility or improvement which is caused by the development," nor could the facility or improvement serve a development other than the one paying the fee.

2. Should this measure be: (please circle desired position)

Supported Opposed Support if Amended
Placed on Watch List Other (Explain)

3. Please explain your reasons for the above determination, including how this measure affects your Department and the fiscal impact of this measure to the City. (Your analysis will be used in communicating with the Governor and the Legislature, so please make your comments in a format that can be used in a letter to those officials.) (attach additional sheets if necessary)

See attached.

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CITY ATTORNEY'S OFFICE

4. Specify the City's legislative policy guideline(s) applicable to this measure (if any). 7.6 (a) Permit a city the flexibility of choosing between sources of revenue and using the combination of sources that best meets the situation of the individual city. 7.9 (b) Oppose legislation which will reduce the options, alternatives, and flexibility available
5. If this measure could be amended to either improve its favorable aspects or to minimize its adverse aspects, what amendments would you propose?
As the intent of the bill appears to be to severely limit the flexibility of local governments to address the cumulative effects of development, we do not believe the bill could be satisfactorily amended.

6. List known support or opposition to this measure by groups with which you are familiar and include addresses and phone numbers, if known. League of California Cities position:

League of California Cities: OPPOSED

7. Does this bill involve a State-mandated local program? If so, does the bill contain an S.B. 90 waiver, or an appropriation for allocation and disbursement to local agencies pursuant to Revenue and Taxation Code Section 2231?

No

8. Using a rating scale of 1 to 10 (with 10 as the most important) how important do you think this bill is to the City of Sacramento? 10

FORM COMPLETED BY Roberta Larson

DATE: 1/28/87

3. AB13 proposes a simplistic and devastating restriction on City and County development fees. The provisions of this bill would prohibit any development fee or exaction needed to assist in financing public improvements caused by accumulated development or demand. The impact of development often exceeds the immediate geographic boundaries of the project. As an example, the City's master plan for an area might call for 48" storm drains to be installed throughout the planning area. If the immediate impact of the development only warranted installation of a 24" drain throughout the development, the fee or exaction would be restricted to the amount required to provide the smaller drain. A subsequent developer might then be required to pay for yet another 24" drain, or some other variable; the result of AB 13 would be to remove all flexibility in determining fees and exactions. Cities would have no authority to assess fees to cover cumulative effects of development.

4. (Continued)

to the City in dealing with problems, issues and policies of local government.

AMENDED IN ASSEMBLY JANUARY 16, 1987

CALIFORNIA LEGISLATURE—1987-88 REGULAR SESSION

ASSEMBLY BILL

No. 13

Introduced by Assembly Member Leonard

December 1, 1986

An act to add Chapter 11.5 (commencing with Section 54976) to Part 1 of Division 2 of Title 5 of the Government Code, relating to fees.

LEGISLATIVE COUNSEL'S DIGEST

AB 13, as amended, Leonard. Development exactions: public capital facilities and improvements.

Existing law authorizes counties and cities to impose fees for various purposes.

This bill would prohibit any fees, charges, other exactions, dedications, or reservations imposed by a city or county on a development, as defined, for a public capital facility or improvement, as defined, as a condition to the approval of the development from exceeding the need for the facility or improvement caused by the development. The bill would also prohibit a public capital facility or improvement from serving a development other than one that is subject to a fee, charge, exaction, dedication, or reservation imposed by the city or county for the capital facility or improvement.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Chapter 11.5 (commencing with Section
2 54976) is added to Part 1 of Division 2 of Title 5 of the
3 Government Code, to read:

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5 CHAPTER 11.5. FEES FOR PUBLIC CAPITAL
6 FACILITIES AND IMPROVEMENTS

7

8 54976. As used in this chapter:

9 (a) "Development," means the construction,
10 reconstruction, demolition, rehabilitation, or alteration of
11 any commercial, residential, or industrial structure.

12 (b) "Public capital facility or improvement," includes
13 the planning, acquisition, construction, repair,
14 replacement, rehabilitation, or improvement of streets
15 and roads, street lighting, bridges, overpasses, viaducts,
16 water storage and delivery systems, storm and sanitary
17 sewage systems, parks and plazas, sidewalks, bikeways,
18 landscaping, and transportation systems.

19 54977. Any fees, charges, other exactions, or
20 requirements for dedications or reservations, imposed by
21 a city or county on a development for a public capital
22 facility or improvement, as a condition of approval of the
23 development, shall not exceed the need for the public
24 capital facility or improvement caused by the
25 development, nor shall that public capital facility or
26 improvement serve a development other than the
27 development that is subject to a fee, charge, other
28 exaction, or dedication or reservation requirement
29 imposed by the city or county for the public capital
30 facility or improvement.

31 54978. This chapter does not grant any additional
32 authority to levy or impose any fee, charge, exaction,
33 dedication, or reservation which is not otherwise
34 authorized by another provision of law nor does this
35 chapter grant authority to levy or impose a new fee,
36 charge, exaction, dedication, or reservation when other
37 provisions of law specifically prohibit the levy or
38 imposition of a fee, charge, other exaction, dedication, or

1 reservation.

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