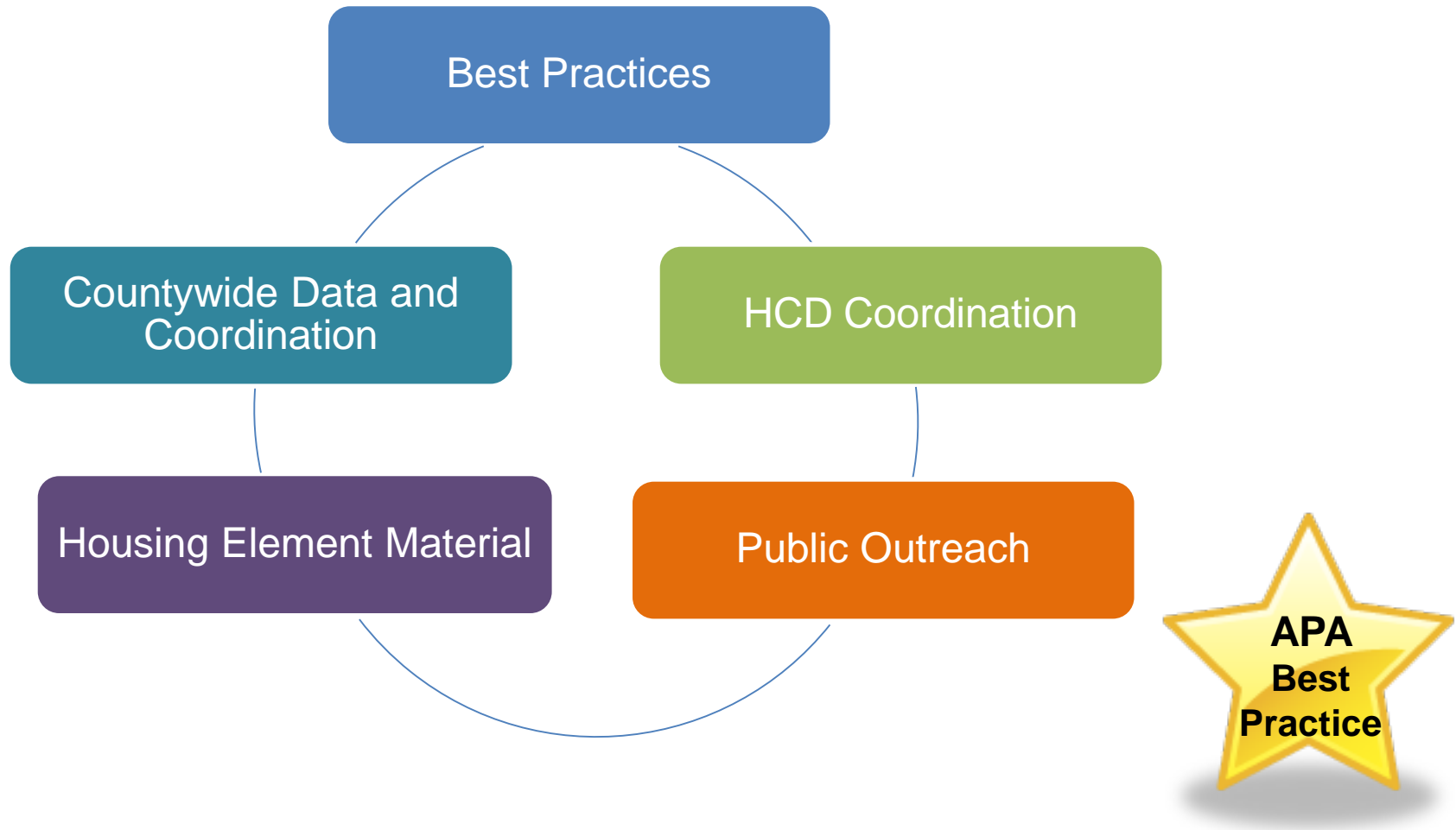


Impact Fees and the Grand Nexus Study



February 2015

21 Elements San Mateo County



Agenda

1. Impact Fee Basics
2. Grand Nexus Study and Other Efforts
3. Effects of Fees (if there is time)



Context

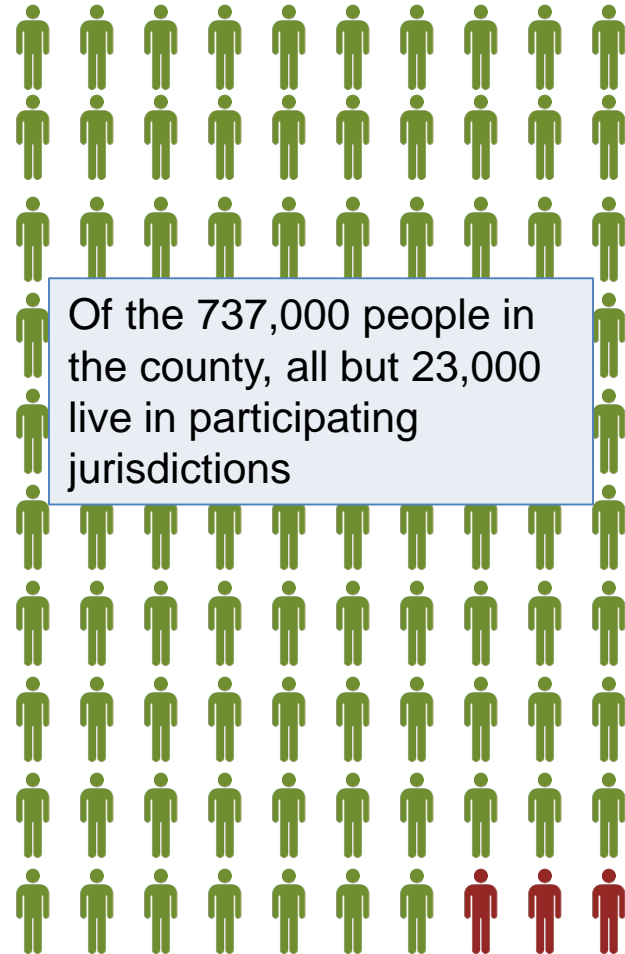



Inclusionary Zoning



Inclusionary Zoning or Redevelopment Agencies

City	Population	Participation
Daly City	103,458	Both
San Mateo	99,167	Both
Redwood City	79,159	RDA
South San Francisco	65,198	RDA
Unicorp County	63,670	Both
San Bruno	42,874	Both
Pacifica	37,988	Both
Menlo Park	32,715	Both
Foster City	31,154	Both
Burlingame	29,458	Both
San Carlos	28,962	Both
East Palo Alto	28,706	Both
Belmont	26,344	RDA
Millbrae	22,432	RDA
Half Moon Bay	11,593	Both
Hillsborough	11,127	--
Atherton	6,900	--
Woodside	5,446	--
Portola Valley	4,453	Inclusionary
Brisbane	4,384	RDA
Colma	1,459	Inclusionary



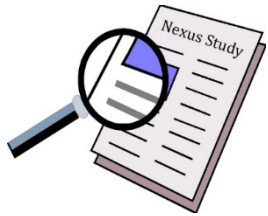
 = 20,000 people

Impact Fees Basics

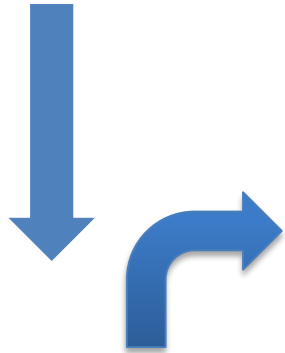


Impact Fees Basics

Impact fee - Charge imposed by a local government on a new development project that is used to reduce the impacts of that development or provide infrastructure associated with the new development.



New Affordable Housing



Market rate development



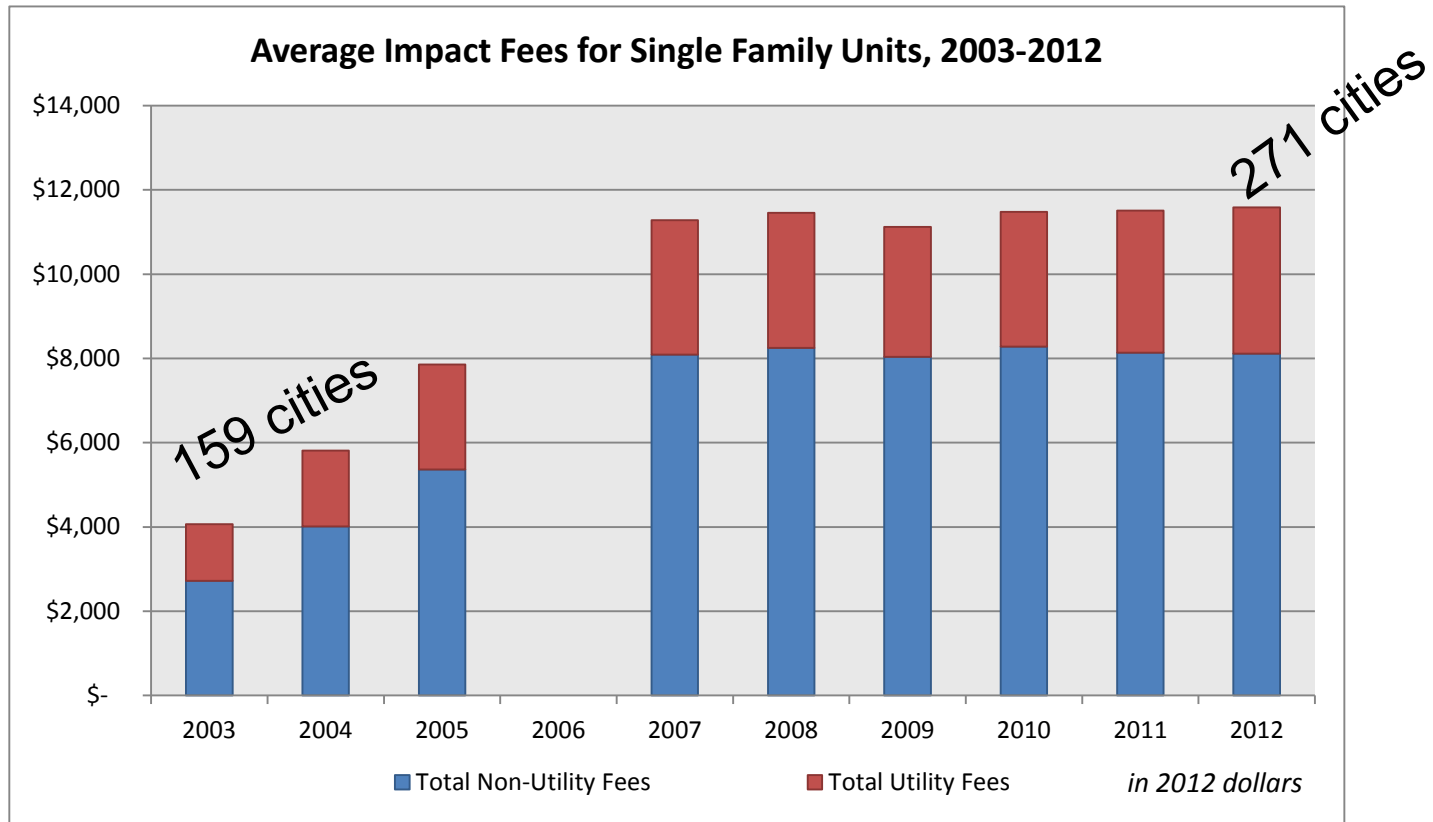
Fees paid



Affordable Housing
Trust Fund



Growth of Impact Fees



Source: Clancy Mullen, Duncan Associates, National Impact Survey

Residential / Affordable Housing Nexus



New market rate
homes



New jobs, some
pay low wages



Need for new
affordable homes

Commercial / Affordable Housing Nexus

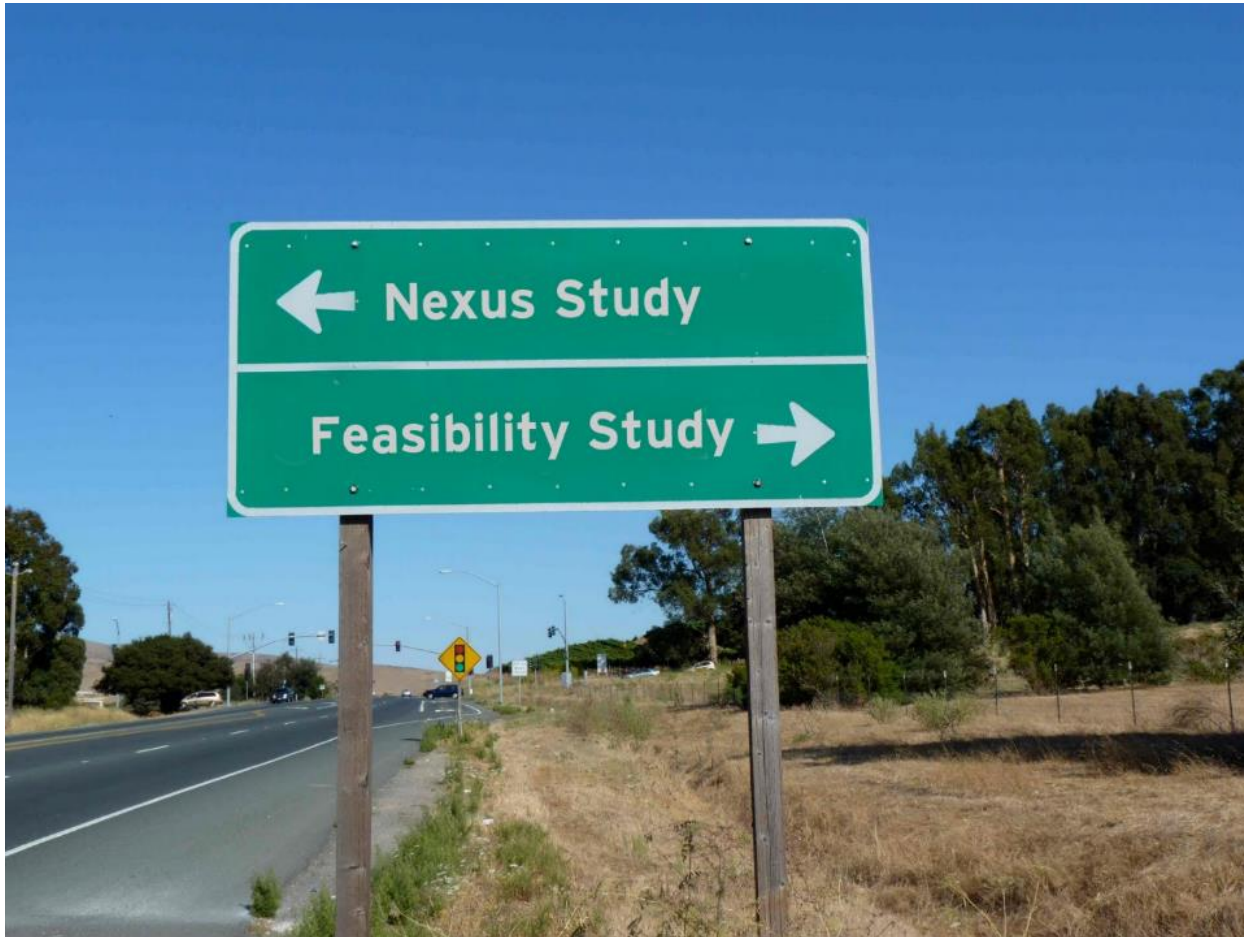


New jobs, some
pay low wages



Need for new
affordable homes

Nexus and Feasibility



Grand Nexus Study



Current Residential Fees

- San Jose - \$17 per sf
- Sunnyvale - \$17 per sf
- Cupertino - \$15 - \$25 per sf
- Daly City - \$14 - \$25 per sf
- East Palo Alto - \$22 - \$44 per sf
- Mountain View - \$15 per sf
- San Carlos - \$23 - \$45 per sf

Current Commercial Fees

- Menlo Park - \$9 - \$15 (office and R+D)
- Cupertino - \$10 - \$20 (office)
- Mountain View - \$25 (office)
- Sunnyvale - \$15 office, \$7.50 retail-
Proposed
- Palo Alto - \$19
- Walnut Creek - \$5

All fees listed per sf

Initial Residential Results

- **Maximum fees:**
\$19 - \$80 per sf,
depending on
jurisdiction and
development type
- **Recommended fees:**
\$5 - \$40 + per sf



Initial Commercial Results

- **Maximum fees:** All over \$100 per sf
- **Recommended**
 - **Hotel:** \$5 - \$15 per sf
 - **Office:** \$5 - \$30+ per sf
 - **Retail:** \$5 - \$13 per sf



Fast Moving Cities

- Belmont
- Foster City
- Menlo Park
- Millbrae
- Pacifica
- Redwood City *
- San Bruno
- San Mateo City *
- San Mateo County

Summary

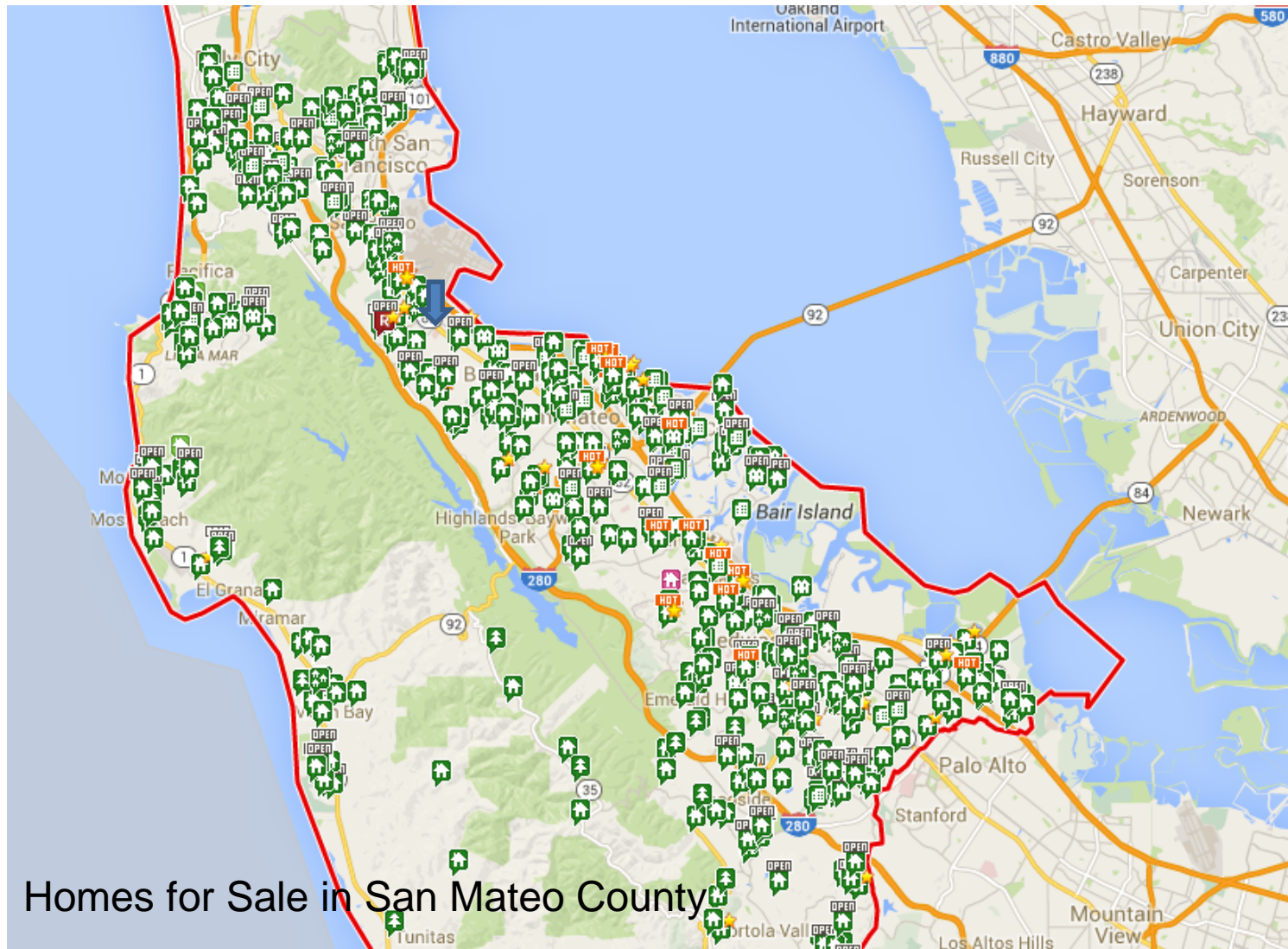
- Increasingly common approach
 - San Mateo County
 - Other counties
- Grand Nexus
 - Resource for cities that are interested
 - Countywide collaboration, local control
 - Customized reports
- Development can continue to thrive
- Resources - www.21elements.com

Contact Information

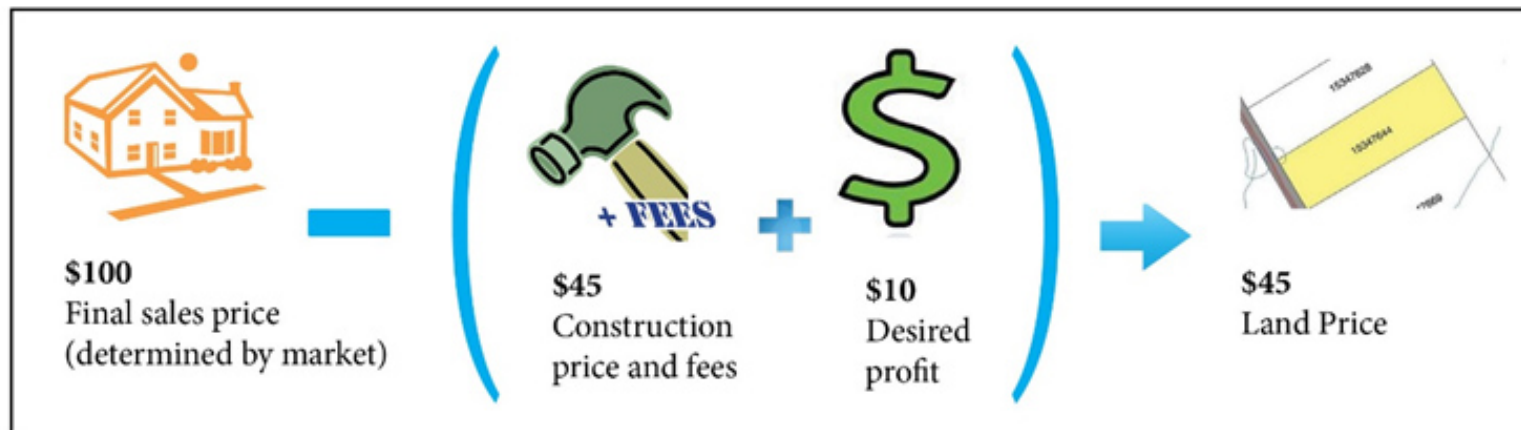
Josh Abrams, AICP
Baird + Driskell Community Planning
abrams@bdplanning.com
510.761.6001



Effect on Fees on Home Prices



Effect on Prices



Effect on Prices

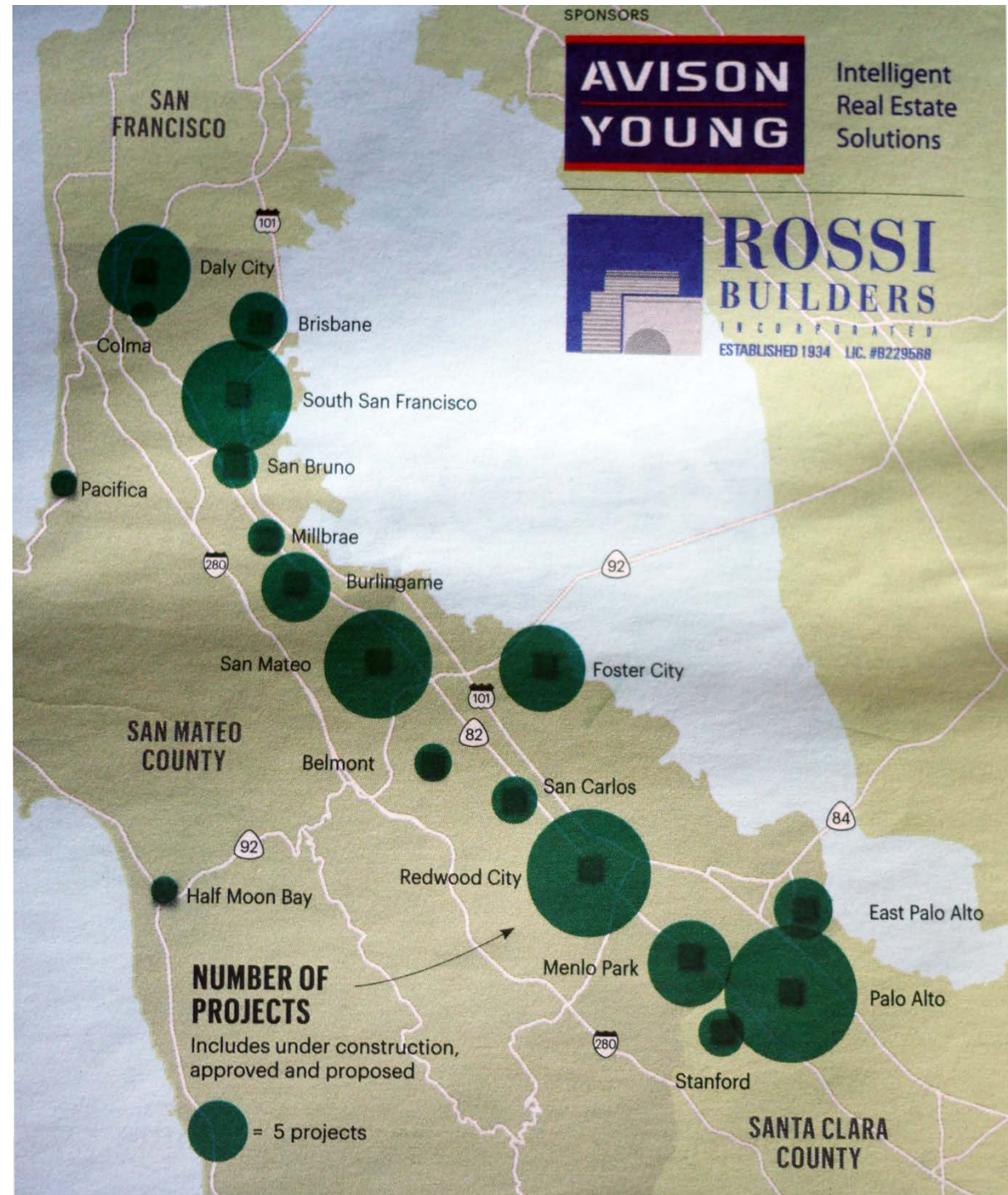
“The argument against inclusionary housing would probably lose much of its power if it became widely known that, in the long run, landowners and not homebuyers bear the costs.”

-Nico Calavita and Kenneth Grimes in the *Journal of the American Planning Association*

Potential Revenue



Potential Revenue



Potential Revenue

- Residential 6,500 units
- Retail 777,000 sf
- Office 15,352,000 sf
- Hotel 700 rooms

Status	City	Address	Residential Units	Retail
Proposed	Belmont	490 El Camino	73	
Proposed	Belmont	576 El Camino F	32	10,000
Approved	Brisbane	Sierra Point Biotech Campus		15,000
Approved	Brisbane	Opus Center	30	
Approved	Brisbane	Bayshore Blvd	4,434	100,000
Proposed	Brisbane	Baylands		
Proposed	Brisbane	Opus Center	124	
under construct	burlingame	1600 Trousdale		
Approved	burlingame	350 Beach Road		

Potential Revenue

- Residential - \$25,000 per unit
 - Retail - \$5 per sf
 - Office - \$20 per sf
 - Hotel - \$750 per room
-
- San Jose - \$17 per sf
 - Sunnyvale - \$17 per sf
 - Cupertino - \$15 - \$25 per sf
 - Daly City - \$14 - \$25 per sf
 - East Palo Alto - \$22 - \$44 per sf
 - Mountain View - \$15 per sf
 - San Carlos - \$23 - \$45 per sf