



CITY OF MARTINEZ

**CITY COUNCIL AGENDA
February 15, 2012**

TO: Mayor and City Council
FROM: Philip Vince, City Manager
PREPARED BY: Tim Tucker, City Engineer
SUBJECT: Extending Amended Schedule of Fees
DATE: February 9, 2012

RECOMMENDATION:

Adopt a resolution extending the “Economic Stimulus Package” Schedule of Fees for City Services from March 15, 2012 through September 15, 2013.

BACKGROUND:

On September 15, 2010 the City Council approved Resolution 093-10 that provides a variety of economic incentives to encourage new development and rehabilitation projects through March 15, 2012. The fee discounts are as follows:

- 1) New Residential or Commercial Projects: 35% reduction in development impact fees
- 2) Unreinforced Masonry (URM) Projects: 75% reduction in building permit fees
- 3) Non-URM Commercial Tenant Improvements and Rehabilitation Projects: 50% reduction in building permit fees
- 4) New Commercial Projects: 50% reduction in building permit fees
- 5) New Single Family Residential (SFR) Projects: 50% reduction in building permit fees
- 6) Plumbing permits for solar water system fixtures and electrical permits for solar photovoltaic: 50% reduction

To date two new single family residents, four seismic retrofit projects and seven tenant improvement projects have benefitted from the program. Unfortunately the Building Industry continues to struggle in recovering from the recent recession. This is primarily due to the inability to obtain construction loans industry wide over the first twelve months of the City’s Stimulus Program. Staff has discussed the problem with local developers. They continue to believe a reduction in fee is the best means the City has in stimulating local jobs and economic development.

Staff recommends extending the eligibility period for our local Stimulus program another eighteen months. These fee discounts will not apply retroactively to any development impact fees or building permit fees paid prior to September 15, 2010.

FISCAL IMPACT:

In 2010 it was projected that the cost of the development impact fee and building permit fee incentives would most likely amount to no more than \$500,000. In actuality there was only approximately \$63,000 in impact fees incentives and \$13,450 in building permit fee incentives taken advantage of to date. It is unlikely the three year cumulative incentive impacts to City revenues to be more than \$300,000. Should the Shell Heights project be revived the incentives could reach the original estimated amount.

ACTION:

Adopt a resolution extending the “Economic Stimulus Package” Schedule of Fees for City Services.

Attachment: Resolution

RESOLUTION NO. -12

EXTENDING THE "ECONOMIC STIMULUS PACKAGE"
SCHEDULE OF FEES FOR CITY SERVICES
FROM MARCH 15, 2012 THROUGH SEPTEMBER 15, 2013

WHEREAS, the City Council on September 15, 2010 adopted resolution 093-10 to provide a variety of economic incentives to encourage new development and rehabilitation projects, including unreinforced masonry (URM) projects, Impact Mitigation Fees for New Development and plumbing permits for solar water system fixtures and electrical permits for solar photovoltaic; and

WHEREAS, these building permit and impact fee and other incentives, would be effective for 18 months, from September 15, 2010 through March 15, 2012 (the "eligibility period"); and

WHEREAS, the Building Industry continues to be impacted by the lingering effects of the recent recession; and

WHEREAS, to promote job creation and economic stimulus for the residents of Martinez and development within the City limits the Council is desirous of extending the "eligibility period" an additional eighteen months to, and including, September 15, 2013.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Martinez extends the fee amendments as set forth in the the Building Fee Schedule and Impact/Mitigation Fee Schedule, amending pages 2, 6, and 11 of the City's Schedule of Fees for City Services, including plumbing permits for solar water system fixtures and electrical permits for solar photovoltaic, approved and attached with Resolution 093-10 to, and including, September 15, 2013.

BE IT FURTHER RESOLVED that any fees amended by this Resolution which were paid prior to September 15, 2010, shall not be subject to refund, reimbursement, or reduction as a result of the adoption of this Resolution.

* * * * *

I HEREBY CERTIFY that the foregoing is a true and correct copy of a resolution duly adopted by the City Council of the City of Martinez at a Regular Meeting of said Council held on the 15th day of February 15, 2012, by the following vote:

AYES:
NOES:
ABSENT:

RICHARD G. HERNANDEZ, CITY CLERK
CITY OF MARTINEZ