



CITY CLERK'S OFFICE

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Mr. Jeff Laws
Acting City Manager
119 Fox Street
Lemoore CA, 93245
Jeff.laws@lemoorepd.com

SUBJECT: Request to Modify Impact Fee Area Designation

Dear Mr. Laws,

We attended the City Council public meeting on May 7, 2013 regarding a review of development fees the City of Lemoore. We appreciated the opportunity to provide input at that session. Following that meeting we met with you and members of the planning staff regarding the requirements for our proposed multi-family project. The plans for our project have now been submitted to the City for plancheck.

In consideration of these discussions we remain very concerned about the cost of the Lemoore development fees for this project and with this letter we are requesting relief from a portion of those fees. The financial impact of our request is summarized in the attached sheet, which compares the Eastside and Westside fee structures and is based on the following requests and rationales:

1. Development Impact Fee Schedule. We request that the development impact fees for our project (Ref. CUP 2012-01) be calculated on the *Eastside* Impact Fee Schedule, rather than the *Westside* Impact Fee Schedule.

Rationale:

As you may know, the demarcation line for the geographic determination for Impact Fees in the vicinity of our project is 19 ½ Ave. The east side of 19 ½ is in the Eastside Fee Area and the west side (which is the location of our project) is in the Westside Fee area. Our understanding of the fee structure, put into effect May 16, 2011, was to generate additional fee income to offset new infrastructure cost created by *commercial* developments in the "western" section of the City. In the process of entitling CUP 2012-01, we underwent a zoning change from Professional Office (PO) to Multi-Family Residential (RMF). We believe subjecting our project to the Westside Impact Fee schedule is not warranted because: (1) It is a *residential* and not *commercial* development and, (2) The designation of the west side of 19 ½ into the Westside schedule is arbitrary since it will operate within an existing *residential* neighborhood, and will not require any new or expanded City infrastructure or improvements. If our development were to be located on the east side of 19 ½, we would impose no more burden on City infrastructure

or services than its approved location. Therefore we believe the use of the Eastside fee schedule is appropriate and warranted.

2. Community Recreation Facility fee

We request that the Community Recreation Facility Fee be waived for CUP 2012-01.

Rationale: We understand and appreciate the need for appropriate city-wide recreation facilities. Few single-family residential developments offer facilities other than those provided by the City. However, our project includes its own community recreation building, pool, entertainment area and children's play yards and will maintain them in perpetuity at our expense. Given the access to these on-side facilities, it is unlikely that our residents will frequently go offsite for similar facilities.

Please note that we are not objecting to the Parkland acquisition or Parkland Improvement fees (which total nearly \$500,000 for CUP 2012-01), as we recognize that over time, our residents will use the larger parkland resources of the community.

The net reduction in fees represented by these requests is \$ 445,742. In order for our project to move forward in a timely manner we must resolve these matters to achieve the underwriting objectives with our lender. Your accommodation of these requests is critical to a \$15M construction investment in Lemoore, along with the property, sales and related tax revenue. This will also stem the need for residents to seek attractive market-rate housing in Hanford, Visalia, Fresno and other Cities. Cities throughout the state and nation have responsibly reduced or eliminated certain impact fees in favor of economic stimulation as we pull ourselves out of the recession and invest in our communities.

We request that you place this item on the Council's agenda for earliest consideration. Thank you for your help in advancing this matter.

Paul Quiring

Member,
for Montrio Capital Partners



Westside/Eastside Impact Fee Calculation comparison

Number of units: 184

Development Impact Fees (Allowances - Actual fees may vary)

		<u>Westside Impact Fees</u>		<u>Eastside Impact Fees</u>		<u>Difference</u>
Streets/Through-West	est	1,833.00	337,272	740.00	136,160	
Law Enforcement	est	326.00	59,984	326.00	59,984	
Fire Facilities-East	est	628.00	115,552	0.00	-	
General Facilities	est	861.00	158,424	861.00	158,424	
Storm Driage Facility	est	525.00	96,600	525.00	96,600	
Waste Water Treatment/Disposal	est	133.00	24,472	133.00	24,472	
Waste Water Collection	est	428.00	78,752	428.00	78,752	
Water Supply/Holding	est	1,428.00	262,752	1,428.00	262,752	
Water Distribution	est	142.00	26,128	142.00	26,128	
Parkland Acquisition (Park/Rec)	est	1,024.00	188,416	1,024.00	188,416	
Park Improvement	est	1,645.00	302,680	1,645.00	302,680	
Community/Rec Facilities	est	675.00	124,200	-0-	-	*
Refuse Vehicles & Containers	est	26.52	4,880	0.01	2	
Building Permits	est	574.90	105,782	574.90	105,782	
School Fees	est	3,588.54	660,291	3,588.54	660,291	
County PFF Fee	est	30.59	5,629	30.59	5,629	
County Library Fee	est	255.68	47,045	255.68	47,045	
County Wide Criminal Justice	est	953.88	175,514	953.88	175,514	
Strong Motion R	est	6.82	1,255	6.82	1,255	
Bldg. Std Admin Spc Rev Fund	est	2.73	502	2.73	502	
		\$ 2,776,130		\$ 2,330,388		\$ 445,742

* Shown as reduced per the attached letter