

Development Advisory Committee Agenda

Wednesday, May 9, 2012
Meeting Time 5:30 p.m. – 7:30 p.m.
Martha Riley Library – Meeting Room #1
1501 Pleasant Grove Blvd.

Committee Members City Staff

Scott Barber Jack Paddon
Brett Baumgarten Steve Pease
Steve Hicks Betty Sanchez
Rick Jordan Mark Sauer
Marcus Lo Duca Steve Schnable
Krista Looza John Tallman

Chris Robles, Community Development Manager Rob Jensen, Assistant City Manager Bob Schmitt, Assistant City Attorney Lonnye Heple, Administrative Aide/DAC Secretary

- 1. Roll Call
- 2. Approval of Minutes of April 11, 2012 Meeting
- 3. Public Comment
- 4. Parks Review Policy and Standards Topic Considerations Recommendation and Action Dominick Casey, (10 minute presentation, 20 minute discussion)
- 5. Annual CCI Adjustment Recommendation and Action Chris Robles (10 minute presentation, 10 minute discussion)
- 6. Regional Development Exaction Study Receive for Review the 2012 Exaction Study Prepared by Willdan– Chris Robles

(10 minute presentation, 10 minute discussion)

- 7. Update from the City Manager's Office Chris Robles (10 minutes)
 - a. Weekly Permit Report
 - b. Business Activity Report
 - c. June Meeting report from Environmental Utilities on impact fee makeup
 - d. June Meeting report from Environmental Utilities on standards
 - e. Development cost discussion
- 8. Comments from Committee Members
- 9. Adjournment



Development Advisory Committee Meeting

311 Vernon Street, Roseville, CA 95678 (916) 774-5334

April 11, 2012 Draft Minutes

1. Roll Call

Committee Members Present: Rick Jordan, Marcus LoDuca, Krista Looza, Jack

Paddon, Steve Pease, Betty Sanchez, Mark Sauer,

Steve Schnable

Committee Members Absent: Scott Barber, Brett Baumgarten, Steve Hicks, John

Tallman

Staff Present: Chris Robles, Bob Schmitt, Lonnye Heple

2. Approval of Minutes of March 14, 2012 Meeting

A motion was made by Steve Pease and seconded by Jack Paddon to approve the minutes of the March 14, 2012 meeting with the spelling correction to Rick Jordan's last name on Item 2.

Motion Passed with 7 ayes and 1 abstention (Abstention: Krista Looza)

3. Public Comment

Chairman LoDuca opened the floor for public comments. No comments.

4. Parks Review – Policy and Standards Topic Considerations – Report out on Parks Subcommittee Meeting

The committee requested recommendations be presented at the May 9, 2012 meeting

No Action Required

5. Workshop Discussion – Development Advisory Committee Goal Setting and Review of Committee Purpose

Comments/Suggestions

- Think Roseville First
- Top Five Incentives
- Progress reports on improvements
- Tangible results
- Balance on non-residential development and other development
- Partnerships
- Fee Holiday
- \$5,000 per unit savings
- Plastic pipes
- Water
- Sewer

Future Topics

- Planning Department
 - o Entitlements

o Paseo Standards

No Action Required

- **Update from the City Manager's Office** 6.
 - a. Weekly Permit Report No Action Required
 b. Next Meeting No Action Required
- 7. **Comments from Committee Members** None
- Adjournment 7:35 p.m. 8.



Contact: Tara Gee tgee@roseville.ca.us

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Agenda Item - # 4 Parks Review - Policy and Standards

Recommendation

Staff recommends the Development Advisory Committee (DAC) take the following actions:

- 1) Recommend to City Council that Open Space credits be applied at a 1:1 ratio for open space lands.
- 2) Recommend to the City Council that Paseos receive open space credit at a 1:1 ratio.

Alternative Recommendation

Staff recognizes that recommendation 2 noted above does not reflect the Committee's discussions at the meeting of April 9th; therefore staff has provided an alternative recommendation based on the Committee member comments.

1) Recommend to the City Council that Paseos receive City Wide park credit at a 1:5 ratio.

Should the DAC find that neither recommendation provided meets the Committee's intent, a modified action can be developed by the Committee.

The final action by the DAC will be forwarded to the Parks & Recreation Commission (PRC) for their review and recommendation. The recommendations of both the DAC and the PRC will be forwarded to the City Council with any changes in policy being formalized by City Council approval of a general plan update.

Background

As follow up to the direction from the DAC over the last few months, and reviewing the Paseo credits with a Subcommittee and city staff in other departments, staff has formalized the committee direction and recommendations.

DAC & Staff Recommendation

Assign 1:1 credits to both encumbered and unencumbered open space parklands.

Evaluation

Staff has evaluated applying 1:1 open space credits for encumbered and unencumbered land for the purposes of meeting the 3 acres of open space standard dedication requirement and believe that this change in General Plan policy can be supported.

In evaluating this recommendation, staff recognized that state and federal agencies oversee and regulate the natural systems within open space. Reducing the 1:5 or 1:10 credit ratio to a 1:1 would not affect the codes and regulations applied by those agencies.

The recommendation includes the following definition for open space and distinguishes the difference between open space and developable parkland for active recreation.

<u>Open space</u>: an interconnected system of undevelopable lands that provide a network of open space, habitat; preserves; natural resources such as Oak woodlands, riparian and grasslands; floodways; and/or parcels regulated by the state or federal government which limits or prevents normal development and public access. Open space lands could have the potential for passive recreation such as pathways, trails, and outdoor education.

The final approval of this concept would require review by the Parks & Recreation Commission and the approval of the City Council via a general plan update.

DAC Recommendation

Assign 1:1 active parkland credits for Paseos.

Staff Recommendation

Assign 1:1 open space credit for Paseos.

Evaluation

Paseos as designed in the West Plan, Sierra Vista and pending specific plans are enhanced landscaped areas located along major arterials and collector streets. These were included by the Developers and are consistent with the blueprint strategies adopted by the City Council in 2005. The inclusion of Paseos is not a General Plan requirement and is not a requirement of Parks & Recreation.

Given the recreation demands of our residents, and based on the State and National Standards defined below, Staff does not support the application of active park credits for Paseos. Staff evaluated the concept of applying active parkland credits for Paseos and found that

- a) it does not address the community demand for active park facilities; and
- b) it would create an imbalance of Paseos versus usable parkland.

Staff, however, is supportive of applying open space credits towards Paseos.

The Parks & Recreation industry distinctly defines the differences between active and passive recreation. These definitions are used throughout the nation and state. In California, the State Resources/Parks & Recreation Department uses the following definitions when considering grant awards and allocations of public funds.

<u>Active recreation</u> is defined as a playground, ball fields, indoor pool/recreation facility, any recreational area that includes significant infrastructure for the purposes of active sports or programmed and organized events like soccer, football, baseball, volleyball, swim meets etc.

<u>Passive recreation</u> is defined as a place that offers restorative, and pleasurable human benefits and fosters appreciation and understanding of open space and its purpose. Spaces that provide passive recreation focus on non-consumption of natural resources. Passive activities include general interpretative trail or nature walks, bicycling, wildlife viewing, picnicking, horseback riding, etc.

A DAC Subcommittee met to further discuss the application of active parkland credit toward Paseos. Additionally, an internal staff meeting was held with Planning, Public Works and Parks &

Recreation. Those involved in either the Subcommittee meeting or internal staff meeting, acknowledged that Paseos have a community value. Given the overall community value, it was also agreed that this is not specifically a parks & recreation benefit.



Contact: Chris Robles crobles@roseville.ca.us (916) 774-5421

Agenda Item - #5: Construction Cost Index (CCI) Annual Adjustment

Recommendation

Recommend to the City Council to suspend the 2012, CCI inflationary adjustment on six City controlled development impact fees as follows:

- 1. Pleasant Grove/Curry Creek Watershed Drainage Mitigation Fee
- 2. Public Facilities Fee
- 3. Animal Control Facility Fee
- 4. Special Area Water Connection Fee
- 5. Local Sewer Connection Fee
- 6. Electric Backbone Fee

Background

The City has been sensitive to any upward fee adjustments given the economic conditions that have been in place from 2008 to present. In response to the economic climate the Council has approved suspensions or repealed the Construction Cost Index Inflationary adjustment from 2009 through 2011, on city controlled development impact fees. The City development impact fees have been held at their 2008 levels to maintain Roseville's competitiveness in attracting new investment and development.

The annual CCI inflationary adjustment is scheduled to resume July 1, 2012. This year's annual CCI inflationary adjustment has been estimated at 2.3 % increase. Staff has found that the same economic conditions exist today that warranted the prior suspensions of fee adjustments.

Suspension of Inflationary Adjustment

Fourteen (14) of the development impact fees, collected by the City, provide by ordinance an automatic annual inflationary adjustment. Of the Fourteen impact fees adjusted annually eleven (11) are solely controlled by the City. Three of the development impact fees adjusted annually are regional fees that cannot be suspended by the City and require action by the regional partners to implement such a change. The Regional Development Impact fees that cannot be suspended are listed below:

- 1. City/County Traffic Mitigation Fee
- 2. Dry Creek Watershed Drainage Mitigation Fee
- 3. Regional Sewer Connection Fee

Included within the City controlled fees is the Water Connection Fee, unique to this fee is an inflationary adjustment linked to repayment of bond debt. Adjustment of the Water Connection Fee inflationary language could negatively affect the City's bond rating. Given the bond obligations a suspension of the Water Connection Fee is not proposed and the annual adjustment will remain as

codified. Special Area Sewer Connection Fees 3 & 4, are similar to the Water Connection Fee as the fees are used to repay debt that has already been incurred. The Special Area Sewer Connection Fees are used to repay developers for sewer infrastructure previously installed that benefits others. Given that this debt has been incurred and utilized to repay a third party these fees are not proposed for suspension. The Water Connection Fee and Special Area Sewer Fee adjustments have not been suspended.

Past inflationary adjustments have suspended Neighborhood and City-Wide Park Fees. This year staff cannot support a suspension of the park fees as park development has consistently experienced shortfalls in park construction budgets. Although new home development has slowed Roseville's neighborhoods continue to grow and residents expect that the parks will be built within their neighborhoods in a timely fashion. Considering the park construction funding shortfalls and high demand for parks by residents, staff does not support a suspension of the inflationary adjustment for park impact fees.

Past inflationary suspension's also included the City's Traffic Mitigation Fee. This year Council previously adopted an update of the Traffic Mitigation Fee that is to become effective July 1, 2012. With the update of the Traffic Mitigation Fee an inflationary adjustment is not applicable and no further action is needed on the Traffic Mitigation Fee.

The six (6) remaining City controlled development impact fees recommended for suspension are as follows:

- 1. Pleasant Grove/Curry Creek Watershed Drainage Mitigation Fee
- 2. Public Facilities Fee
- 3. Animal Control Facility Fee
- 4. Special Area Water Connection Fee
- 5. Local Sewer Connection Fee
- 6. Electric Backbone Fee

The suspension of the nine fees listed above will hold these impact fees at their current levels. The implementation of the inflationary adjustment on parks fees will result in a modest increase in the permit cost for a single family home. For example a 2,200 square foot home will have an increase in park fees of approximately \$120.00. It should also be recognized that the update of the Traffic Mitigation Fee on average resulted in a \$1,300.00 per unit fee reduction.

Development Activity

Development activity within the City remains slow from a historical perspective; however, the City's home builders continue to produce the largest share of new home product in the region. While home building activity is off from a historical perspective the home building activity has been relatively stable with 667 home permits issued in 2008, 610 issued in 2009, 641 issued in 2010 and 400 issued in 2011. While the number of permits issued in 2011 dropped we have experienced a 58% increase in home permits this year when compared to the same period last year.

Each of the development impact fees collected goes to the construction of public improvements. That support development. Staff believes that the City can absorb a suspension of the CCI for the six fees identified. The reduced revenues for these fees will rely more heavily on value engineering projects and augmenting project funding with State grants, Federal grants and other sources. As the economy improves value engineering and leveraging of dollars will become even more important as the City project costs will correspondingly increase.

Council Action

Consideration of the CCI suspension is scheduled for Council action on May 16, 2012. Given the timing of the Committee meeting it will not be possible to include the Committee's recommendation in the Council report; however, staff will be available at the Council meeting to provide a verbal update of the Committees actions at the City Council meeting.

Suspension of CCI

Each of the development impact fees collected goes to the construction of public improvements that support development. While Capitol Improvement Project (CIP) construction costs are coming in as much as 30% less then the engineers estimates projects are just meeting their planned and collected revenue budgets. The City can absorb a repeal of the CCI and reduction of development revenue by relying more heavily on value engineering projects and augmenting project funding with State grants, Federal grants and other sources. As the economy improves value engineering and leveraging of dollars will become even more important as the City project costs will correspondingly increase.

Fiscal Impact

The repeal and suspension of the development impact fee inflationary adjustments comes with a cost to the City. This loss of development impact fee revenues will be more than a one-time loss of revenue as it will impact the base fees in which future inflationary adjustments are calculated. The City assumes responsibility to secure replacement funding through grants and other sources, value engineering or elimination of projects. It is expected that the City obligation for alternative sources of funding will increase as project costs increase with inflation. Staff believes that the loss of revenue is balanced by the effort to attract new investment and jobs to Roseville.



Contact: Chris Robles <u>crobles@roseville.ca.us</u> (916) 774-5421

Agenda Item - #6: Regional Development Exaction Study

Recommendation

Receive for review the 2012 Exaction Study prepared by Willdan Financial Services. City staff is still awaiting the submittal of the final exaction study; however, staff has been assured by Willdan Financial that the document will be received by the City for a distribution to Committee members on May 7, 2012.

Background

On January 16, 2012 the City contracted with Willdan Financial to update a development exaction study that was prepared in 2008. The Study was not only intended to provide an update of current development costs but to provide an analysis of the cost changes that have occurred since the original study was completed.

The study will provide a comparative analysis that provides a snapshot in time of the permitting costs, processing fees, impact fees, mitigation costs and financing costs for development of six (6) development types within twelve (12) different jurisdictions in the region. The purpose of compiling these costs is to provide a technical basis for understanding the costs of development within the City of Roseville when compared to exactions for services and capital funding on new development in other jurisdictions in the region.

The study is structured to provide a comprehensive accounting of development costs. Specifically what are costs associated with obtaining a permit to build. The study does not consider construction costs, land development costs or land acquisition costs. The survey includes the following types of financing requirements imposed on the developer or the eventual property owner:

- Processing fees
- Development Impact fees
- Plan area fees impact fees
- School impact fees
- Finance districts
- Developer contributions

The six different development types surveyed included the following:

- Single family detached residential
- Multi-family attached residential (apartments)
- Retail
- Office
- Industrial warehouse
- Industrial flex space

Action

Once the Committee has had the opportunity to review the study, staff requests that the Committee provide direction on interest areas identified by the study that warrant further analysis.



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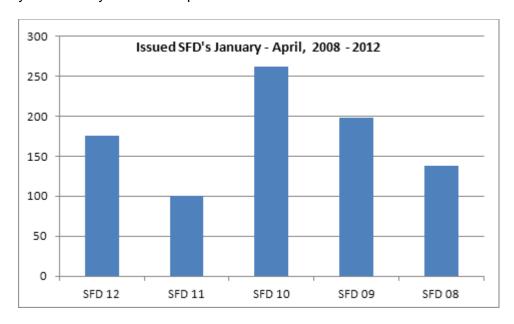
Agenda Item - # 7 Update from the City Manager's Office

Discussion

a. Weekly Building Report

Attached for the Committee information is the Weekly Building Report (Attachment 1) quantifying the permit activity for the week and year to date with a comparison for the same time last year.

Below is a chart showing SFD issuance for the first four months of each year, over the past five years. This year we are up to 175 SFD issued to date.



b. Business Activity list

Attached for the Committee information is the Roseville Business Activity report (Attachment 2) that reports recent business activity. Notable in this issue of the report is Roseville conference center request for proposals.

c. Update on the installation of the on-line permitting system

The Committee may recall the actions to recommend that the City proceed with the installation of a new permitting software system along with the creation of a technology fee to cover the cost of a loan repayment for the purchase of the system. The Committee requested to be kept apprised of the project with periodic updates regarding the product installation and once the product is live to be updated on its performance. The first project update is provided as Attachment 3, Accela Project Dashboard. The Accela Project Dashboard tracks each of the contracted deliverables

along with their status. Initial configuration has occurred for all of the record categories which includes; Entitlements, Building Permits, Fire Permits and Improvement Plans. At this milestone the project is on time, on budget and within scope.

d. Next meeting

June topics include:

- 1. Environmental Utilities Construction Standards
- 2. Environmental Utilities presentation on impact fee makeup
- 3. Continued discussion on the Development Cost Study

Attachments:

- 1. Weekly Building Report
- 2. Roseville Business Activity
- 3. Accela Project Dashboard



The Weekly Building Report

Applied Building Permits	4/23 - 4/27	2011	2012 YTD
New Commercial	0	1	4
Hybrid Commercial	0	8	13
Multi Family	0	0	0
Tenant Improvements	6	150	152
SFD	4	0	62
WR SFD	5	2	96
Total SFD & WR SFD Applied	9	6	158
All Other Misc Permits	125	973	1459
Total Permits	140	1134	1786

Issued Building Permits	4/23 - 4/27	2011	2012 YTD
New Commercial	0	0	2
Hybrid Commercial	0	2	10
Multi Family	0	0	0
Tenant Improvements	8	121	145
SFD	0	19	69
WR SFD	1	81	89
Total SFD & WR SFD <i>Issued</i>	1	100	158
All Other Misc Permits	118	820	1122
Total Permits	127	1043	1437

Fee Deferral Applications	To Date
SFD Fee Deferrals <i>ISSUED</i>	203
SFD Fee Deferrals Applied but not reviewed to date (16 non-deferred)	23
SFD Fee Deferrals Approved but not Issued (17 non-deferred)	20
SFD Fee Deferrals FINALED	1459

Customers At Permit Center	4/23 - 4/27	YTD
	249	4033

Your Permit Center





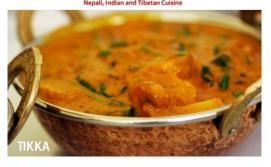


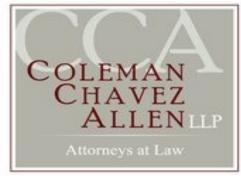






NAMASTE NEPAL RESTAURANT







Economic Development Department contact: Karen Garner (916) 774-5473 kgarner@roseville.ca.us

Roseville Business Activity

May 1, 2012

Retail and Service Businesses:

- A new tap room will be coming to Roseville! <u>Final Gravity</u> will be locating at 9205 Sierra College Blvd. in the 1,835 square foot suite where Corrina's Dessert Café once resided. They will be offering the finest ales from local breweries and beyond. Specializing in West Coast, Northwest and Belgian beers.
- Do you like Authentic Nepalese as well as Indian food? If you do, then you've found the right place! <u>Namaste Nepal Restaurant</u> located at 380 Roseville Square, between Any Mountain and Trader Joes, will be offering an extensive menu as well as catering services to suit your specific tastes. They provide an intimate setting for a sensational dining experience, and their experienced staff and chef boast the best in authentic flavor

New Office Tenants:

• Coleman, Chavez & Allen, LLP is a law firm focused primarily on the defense of workers compensation claims and related litigation. Chad Coleman, Richard Chavez and Christine Allen are proud to have established the firm on February 11, 2008. They bring 25 years of litigation experience to the firm. Coleman, Chavez & Allen represents a variety of clients including employers, insurance carriers and third party administrators. The law firm will be located at 3200 Douglas Blvd S-110, occupying approximately 4,000 square feet of office space.

Roseville Conference Center

The City has released a request for proposal seeking the development of a high-quality full-service hotel with conference facilities on five acres of city-owned property located at 200 Conference Center Drive in the city of Roseville.

The City's interest in proceeding with the Project is based in part on the findings of a November 2011 market demand, financial analysis, and feasibility report commissioned by the City of Roseville that indicate potentially favorable market and financing conditions.

The City seeks development proposals that incorporate accommodations for public transportation and provide direct pedestrian and/or limited access vehicular connection to the adjacent **Westfield Galleria at Roseville Mall**. Any proposed design should incorporate linkages to existing or planned surrounding development.

Fore more information, please follow this link to the <u>request for proposals</u> at the City's website. Proposals are due by May 18th.



Accela Project Dashboard 5/3/2012

			Budget	chedule	cope	Percent Complete	Target Date Complete	Actual Date	
Deliverable	Responsible	City Lead	<u>B</u>	Ś	Ö	Complete		Complete	Comments
	T	T				1000/	0.000.00	I	T
Deliverable 1: Project Initiation and Project Management	TruePoint/City	Chris / Sally	_			100%	2/27/2012	02/16/12	January Kickoff
Deliverable 2: Accela Automation Setup – PROD and DEV	TruePoint/City	Dan	⊘	_	Ø	60%	3/16/2012		DEV completed.
Deliverable 3: Configuration Analysis Sessions	TruePoint/City	Core Team +	\bigcirc	\bigcirc	\odot	100%	4/2/2012	03/30/12	
Deliverable 4: Configuration Analysis Document(s)	TruePoint					50%	5/11/2012		
Deliverable 5: AA System Configuration – Progress Payment 1	TruePoint	Dan				75%	6/4/2012		
Deliverable 6: AA System Configuration – Progress Payment 2	TruePoint	Dan					7/16/2012		
Deliverable 7: AA System Configuration – Complete	TruePoint	Dan					9/14/2012		
Deliverable 8: AA Event Scripting - Complete	TruePoint/City						9/14/2012		
Deliverable 9: Historical Data Conversion Analysis							10/5/2012		
Deliverable 10: Historical data Conversion Development							12/10/2012		
Deliverable 11: APO Interface							6/8/2012		
Deliverable 12: Installation and Configuration of Accela GIS							7/13/2012		
Deliverable 13: Integration of 3rd Party Product – Selectron IVR							11/23/2012		Cancelled
Deliverable 14: SIRE Document Management Interface							8/3/2012		
Deliverable 15: Report Development and Assistance							11/8/2012		
Deliverable 16: Accela Citizen Access Configuration							1/18/2013		
Deliverable 17: Accela Mobile office							12/14/2012		
Deliverable 18: Core Team Intro To AA	TruePoint/City		\bigcirc	\bigcirc	\bigcirc	100%	2/27/2012	02/27/12	
Deliverable 19: Administrative Training	TruePoint/City		\bigcirc	\bigcirc	(100%	4/2/2012	04/04/12	Scheduled
Deliverable 20: Report Writer Training							8/6/2012		
Deliverable 21: Add on Product Training – AGIS, ACA, AMO							12/14/2012		
Deliverable 22: Train the Trainer and End User support Training							1/22/2013		
Deliverable 23: User Acceptance Testing							1/10/2013		
Deliverable 24: Production Support and Go Live							2/18/2013		

On time, within budget, within scope Potential issues that may need sponsor/management attention Needs Immediate Attention



