

# City of Sebastopol

Incorporated 1902 Planning Department 7120 Bodega Avenue Sebastopol, CA 95472

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PLANNING COMMISSION REGULAR MEETING OF: January 26, 2021

# UNAPPROVED DRAFT MINUTES

PLANNING COMMISSION CITY OF SEBASTOPOL MINUTES OF January 26, 2021

### PLANNING COMMISSION:

The notice of the meeting was posted on January 21, 2021.

**1. CALL TO ORDER:** Chair Fernandez called the meeting to order at 7:00 p.m.

### 2. ROLL CALL:

Present:	Chair Fernandez, Vice Chair Fritz, and Commissioners Kelley, Lindenbusch, Douch, and Oetinger
Absent:	Commissioners Haug & Anderson (excused)
Staff:	Kari Svanstrom, Planning Director

Chair Fernandez read an opening statement.

3. APPROVAL OF MINUTES - December 08, 2020

Vice Chair Fritz made a motion to approve the minutes as submitted.

Commissioner Oetinger seconded the motion.

VOTE:

 AYES: Chair Fernandez, Vice Chair Fritz, and Commissioners Kelley, Lindenbusch, Douch, and Oetinger
NOES: None
ABSTAIN: None
ABSENT: Commissioners Haug and Anderson

# 4. COMMENTS FROM THE PUBLIC ON ITEMS NOT ON AGENDA: None.

# **5. STATEMENTS OF CONFLICTS OF INTEREST:**

### 6. REGULAR AGENDA ITEMS:

**A. DEVELOPMENT IMPACT FEE STUDY** – This item is to review the draft Development Impact Fees for the update that is underway, discuss and provide any direction to staff and the consultant, and adopt a Resolution recommending the draft fees to City Council. This item was first discussed by the Planning Commission on August 25, 2020.

Director Svanstrom provided a brief introduction and introduced consultant, Nick Kral of Harris & Associates who then presented.

The Commission asked questions of Director Svanstrom and Mr. Kral.

### Kathy Oetinger, Commissioner

I am looking at Healdsburg, and they are probably lower than average, and I am wondering when the last time they updated their fees was? Are we average because we are just updating our fees now, or because other people have not?

### Nick Kral, Harris & Associates

Both. I believe Healdsburg's study was 10 years older, or more. It is not uncommon for these studies to be over 10 years old, that is extremely common. I believe they have not updated it in a very long time. I would have to pull it again to look, I could have looked before I just did not think about it. We are going to be a little bit higher because we are a newly updated study.

### Kari Svanstrom, Planning Director

One of the other dynamics that I know, Healdsburg is different from a lot of the other cities is that they get an enormous amount of funding from TOT taxes. For instance, and this is not in their development impact fees, but their entire parks department is funded through TOT, so they do not have any general plan funding for that. I do not know how they use the TOT taxes in other areas of the budget, but I do know that they are sort of an outlier in that regard, they have a lot of TOT taxes to support a lot of the things the city does.

### Nick Kral, Harris & Associates

If you look at our park fees as a comparison, our park fee is \$10,000 higher than theirs is so if they're using their TOT to fund parks, that will explain that massive gap and why the park funding is so different. It is not like the land cost is cheaper in Healdsburg, they find other funding sources.

### Luke Lindenbusch, Commissioner

Is there a reason why the water fee is relatively high in comparison?

### Nick Kral, Harris & Associates

I can actually show you a full list of all the facilities planned if you guys are interested in those? We went through it with Public Works. You can see with the project costs that there are a lot of expensive projects coming up, \$12.5 million in projects for a city the size of Sebastopol is quite a bit. The largest projects are a well improvement and a water main loop. Upon discussion with Public Works, all the water comes in at one point in the city and there is not a loop for pressure. The way it was described to me, and I am not an engineer, is if the wrong fire hydrant gets hit, nobody will have water. \$3.5 million of the

\$12.5 million dollars in projects total will help everybody have more consistent water pressure, will be better overall better for the city, more reliable, and all those things that everybody expects out of their water system.

### Kari Svanstrom, Planning Director

As we learned in August, the development impact fees cannot be used for maintaining or replacing with existing, they can only be for increasing capacity. Particularly in this list, you see a lot of replacing a small pipe with larger pipe that is needed, increasing the main sizes, those types of things, the water main loop is part of supporting additional development, but it is only allocated at 50% to new development because the other portion of it is to support the improved conditions for the existing development in town. Mr. Kral has gone through with each of the relevant department heads to look at what things are for new development versus maintenance, to understand appropriate allocations.

## Nick Kral, Harris & Associates

The Well #4 upgrade, where it says replacing well for additional capacity, that item would probably need to be serviced and maintained anyway, while we are in there upgrading it, we can upgrade it and get more water out of the same well, which is why 50% of the cost can be allocated to new development, and 50% to the existing city.

## Paul Fritz, Vice Chair

I have a question related to that. The reference to Pleasant Hill condos sounds like a very specific project for a very specific development. How does new development that has nothing to do with the Pleasant Hill condos end up paying for an improvement at the Pleasant Hill condos?

# Nick Kral, Harris & Associates

That is just what the naming convention of the project is. The main point of this is to dial back. When Public Works looks at this in 3 years and let us say no one in the Public Works Department is still there, they can look up Pleasant Hill condos and understand where the exact water main is, along with the technical details that go along with it. While the CIP shows exact details, this is more to make it easier for us to understand. I do not have all the specific engineering schematics, but I believe that that would be improving the water main that runs along the Pleasant Hill condos water line.

### Kari Svanstrom, Planning Director

Vice Chair Fritz, I take that comment as really good input that we may want to modify the names of some of these, so it does not sound like it is just for one project. Staff has shorthand for the water mains that go through certain areas.

### Paul Fritz, Vice Chair

That jumped out to me as a question of why we would be fixing their water main issues?

# Nick Kral, Harris & Associates

We will change the name to the name of the actual street.

### Linda Kelley, Planning Commissioner

In the graphs, the sewers broke out separately under dwelling units, but not for commercial, office, or hotel. Why is that?

#### Nick Kral, Harris & Associates

With nonresidential development, it is based on the water meter in size. Because residential development pretty much all uses the same water meter, we can make the estimate of what the average water meter going in and the average sewer line going out, it is going to look like for residential development. For stuff that is larger, for instance, if you are putting in a brewery that is running an 8" water line in, they are going to dump a lot of water in the sewer system. Because of this, the sewer charges are run proportionately to the water meter size, which can vary based on what you plan on putting in. While a small retail shop might have a standard water line running into it, that is a  $\frac{34}{4}$ " or maybe even a 1", something that is a large restaurant might have a 1  $\frac{1}{2}$ " or a 2" water line, depending on the size, it would have a completely different water demand.

#### Linda Kelley, Planning Commissioner

I do not understand. If it is a fee for proposed construction, why isn't it broke out as well for the commercial, office, or hotel? It must be accounted for someplace, I would imagine, because everyone pays their fair share for sewer.

#### Nick Kral, Harris & Associates

Displayed the water comparison charts side by side. Those were broken out because they are a specific item. It can be confusing.

#### Kari Svanstrom, Planning Director

What we may want to do in the charts, for say commercial and office, is put in the line for sewer and water and instead of putting in a number, putting based on meter size, so if someone is looking at doing a retail store and they look at this chart, they know that there is a fee, they have to reference the other table, otherwise they might think there is no water or sewer fee for commercial.

#### Nick Kral, Harris & Associates

No, it is spelled out differently in the nexus study. These comparison charts are mostly just for our purposes here today. The nexus study will not have these comparison charts in there because that is not a standard item that is offered. The actual published document will not have these exact tables in there. It looks slightly different in the way that the total fee summary is done.

### **Evert Fernandez, Chair**

I have a question on the city comparison chart. In doing the different comparisons, I noticed that some of the cities say for traffic storm drains, etc. is included in the admin cost.

#### **Evert Fernandez, Chair**

That throws things a little askew as far as really comparing admin costs because what that includes varies. Looking at those numbers in comparison may not be an accurate representation.

#### Nick Kral, Harris & Associates

Yes, the way Rohnert Park does their fees especially, they just make a single fee, if you are doing a single family it is a set amount. There is a plan area fee based on the specific area of town you build in. They tried to make it as easy as possible for a developer coming in by creating a single-family impact fee, which makes it easy to read, but also difficult to read for the specific circumstances that we are in today. If you just go off the total at the end, it does make a little more sense, but the fact that their general government fee comes to \$28,000 makes ours look really, really cheap, when in reality, at the end of the

day, we are all charging \$40-\$45,000 dollars. It is a little misleading though, you are right Chair Fernandez.

### Paul Fritz, Vice Chair

Do you have the proposed traffic impact projects, I would be curious to see what those are?

### Nick Kral, Harris & Associates

Quite a bit of it is for intersection improvements along 116, which could be signals or round-abouts, and then there are some other pedestrian improvements. We put in a couple of placeholders because we do know down the road that we are going to need them. We just do not know the timing on these General Plan projects for Willow and Abbott. Because we do not have a specific timeline on them, they did not get included as costs. If we do an update in a couple years, because nobody knows what the future is going to look like with development right now, if there is more development than we think and we find there is a need, we can do an update to these and include these costs into this if that becomes something that is necessary in the near future.

## Kari Svanstrom, Planning Director

What we got from the Commission at the last meeting was we are probably not going to get to the infrastructure of any annexation outside of town. We know the South Gravenstein Highway area really needs to have an infrastructure study done. The sewer is the big challenge, it is downhill from the one pipe we have going under the Highway 12 bridge. The infrastructure to get it up there is a pretty big lift, literally, against gravity, including a lift station. We do not know what exactly that would look like, we have not done the planning for that. With the development scenario that we talked about in August, that is not likely to happen in the next 5 years before we update this study, so we simply left all of the sphere of influence development out of this study, therefore we also left those projects out of this study. Willow Street is an extension from Main Street to Petaluma Avenue that would go through parking lots in that area and would potentially require right-away acquisition, but with the amount of commercial and office development assumptions that were reduced in August, and because of the economic outlook, unless there is significant downtown development to support that type of a project or the need for that type of a project, we keep it as a placeholder so we know in our mind that that is a project for when development intensifies on the commercial front.

### Paul Fritz, Vice Chair

The Abbott Avenue extension makes me wonder if that should be looked at again because my recollection of that extension was that it would have gone through what is now the Davis Townhomes project. I think it was supposed to connect over to the intersection of Murphy, which seems less likely that these townhomes are under construction.

### Kari Svanstrom, Planning Director

I can address that because I have had several conversations recently and you are correct, staff's assumption is that that might be a dead project. However, and I will report on the Benedetti car wash later, but one of the things that came up in Council during that hearing was the desire to have at least a portion of Abbott Avenue extended to support potential redevelopment in the area. The Benedetti site is happening, there is a vacant manufacturing lot south of there, and then just east of Benedetti is the Ford building. I see that the owner of the Ford Building, Huck, is on this call so he might have some input. To be able to access that, and then of course the Sebastopol Inn adjoining that is now going to be residential. The road may not go all the way through but would likely go through to somewhere in the Ford property. Whether it would go through to Sebastopol

Avenue or have some sort of turnaround is not known. I wanted to make sure we get this cost into the study because it could actually happen sooner rather than later, given the development. Especially the connection up to the trail in that area, bicycle, and pedestrian, even if it's not the full roadway portion of it. \$153,000 is allocated to that. We do have a portion allocated to the development impact fee study to support that project.

## Nick Kral, Harris & Associates

I believe that is correct, I think that was a typo on my part.

### Paul Fritz, Vice Chair

I know we talked a little bit about this last time, the idea of the vehicle miles traveled, and I know that the County is doing a study, and I cannot remember, is there an update on the vehicle miles traveled analysis?

### Kari Svanstrom, Planning Director

That is something that is still pending. We, like most other smaller communities, and there's still only a handful that have adopted actual VMTs. What Sonoma County has done, and I believe it is completed, is a travel model that looked at and got us to what are the vehicle mile averages throughout. We do have that metric and we will be using that as we evaluate projects. The vehicle mile travel regulations require you to analyze a project in comparison and be better than the average for your town. We know what those numbers are now because of the SCTA cover model that was done so we have that for evaluating in the interim.

## Paul Fritz, Vice Chair

Since we had this presentation in August, and the subsequent presentation on the RHNA numbers, we talked about development and the likelihood of development and I am wondering, do the RHNA allocations have to impact us in any way, or is that a separate issue?

### Kari Svanstrom, Planning Director

You are right in that we do want to make sure that what we are assuming for development versus what the real number is are in the same ballpark. I think we are there now. I think we might have adjusted one of the numbers upwards by about 25 units, or so. If Mr. Kral has that information available, he can pull up the assumptions. It is fairly similar to what we were looking at before. I just calculated the fees a month ago for an ADU that was larger than 750 square feet and it basically ends up being similar to a small housing unit. Just to note, we consider single-family attached, like the Davis Townhomes project, which is now known as Barlow Crossing Townhomes, those are considered in the single-family category, not multifamily. That number does not just represent detached single-family homes.

### **Evert Fernandez, Chair**

On page 2, you refer to the different fees, general government, fire facilities, stormwater, and administration costs. I did not see anything for the administration cost on there which says it is for staff and consultant costs. Is that part of general government, or am I missing that?

### Kari Svanstrom, Planning Director

There are actually a couple of additional fees that we could have charged. One was a library impact fee, the other is the ability to charge for the cost of the study, and for staff's costs for administering it. I believe it is up to 5%. There were two things when we looked at that. One, the library was a very, very small amount compared to what it would

take to do a new library. Libraries generally get done on a much larger general obligation bond scale. When going over the fees we were wanting to be in the neighborhood of our neighbors so higher fees do not send developers away from wanting to build here. There is a balancing act for that. Then, for the administrative costs, we felt that would push it up. If we get the full 5%, we could always do 1 or 2%. We did want to include it in the study. This is a significant step for single-family and commercial development. We did not want to increase it anymore at this step. As we update any resolutions and ordinances, we want to make sure that there is the potential to do in the future should the City want to.

# Evert Fernandez, Chair

What about general government? Are their projects that are in mind, or is that for maintenance? What is the idea behind that?

# Nick Kral, Harris & Associates

It cannot be used for any maintenance, or any existing deficiencies like that. If you currently need new Public Works trucks, for example, it cannot be used for that current need, it is to be used for future needs only. Right now, it is being done on what is called a level of service standard. We took the existing value, this will all be in the actual nexus study as well so there is nothing secrete here, of course. We took the current value of City Hall, the Corporation Yard, Senior Center, Police Station, and other City facilities, and vehicles we took that and divided it by the current number of people being served, not just residents, but employees as well to come to a cost per person. That money doesn't have a specific spending plan right now, but it is going to be used for things that become identified projects as part of the funding.

## Kari Svanstrom, Planning Director

Even though we do not have specific solutions yet, we do not have a facilities master plan, I think there is a recognized need as the community grows. If staff grows, community interest increases, etc. those are the types of things in the long term that lead you to look at facility expansions and relocations.

Hearing nothing further, Chair Fernandez opened public comment.

### **PUBLIC COMMENT**

### Kari Svanstrom, Planning Director

We received a question from Piazza Hospitality about whether this would impact the fees for their Hotel Sebastopol project. The developer has a fee agreement with the City, the City has locked in their fees, so they would not be impacted by this.

### A member of the public

The definition has single-family and multifamily. Multifamily has condos and apartments, and single-family has attached and detached. Where would townhomes fall in that definition?

### Kari Svanstrom, Planning Director

A townhome, where they have their own water/sewer connections would be considered single family as they do not usually have a shared sewer or water, they all have separate meters and things like that. For condos, the building often has one water meter. We consider townhomes to be single-family attached. A condo would be considered multifamily. That is really related to the size of the units, and also how the utilities end up getting structured for those.

#### **Evert Fernandez, Chair**

Hearing nothing further, Chair Fernandez closed public comment, and asked what the Council's process for this would be.

#### Kari Svanstrom, Planning Director

Once the Planning Commission has reviewed this, if you sign off on this tonight by adopting the resolution, we will go ahead and get it scheduled for Council. The Council agendas are in a bit of flux right now because we are trying to balance a lot of different things. It would likely be a March meeting. We will either do it as a study session at a hearing, but it may be that we just do it all in one and have the public hearing after the study session. I know Harrison & Associates usually does that in two meetings.

#### Nick Kral, Harris & Associates

We can typically do it in one meeting, as far opening public comment and allowing City Council comment. By that point, the actual study is completed, and they are going to be viewing the final document. Then, if everything goes as planned, you will have a second meeting for adoption because the fees take two readings to get through. The fees go into effect 60 days after the second City Council meeting.

### Kari Svanstrom, Planning Director

The first reading is usually where all the public comment come in. Usually, second readings are on consent because they have incorporated all the changes that Council wants at that point.

#### **Evert Fernandez, Chair**

Are there further questions from the Commission? If not, I will entertain a motion for approval, and we can still have discussion after that.

### Paul Fritz, Vice Chair

I appreciate the inclusion of discounts for smaller units. I think that is a good thing and I hope that will encourage people to build more efficient, smaller units. I think that is a good thing to include. I do have some concerns about us being one of the highest total fees in the county, but given your explanation, I see why that is, because we are just adopting, we are going to be towards the high end. I do not have any other concerns.

#### Nick Kral, Harris & Associates

If we took out the City of Healdsburg from that comparison, realistically we would probably be right about market. They are below market, which because the whole thing is looking at five or six cities, having one that is half of everybody else's fee makes everybody else look expensive.

### Kari Svanstrom, Planning Director

That comparison chart, Vice Chair Fritz, is why we decided to not incur the administrative costs at this point, it is already going to be a jump. It is always nice to phase fees in if you can in that way, and since this is sort of a big, needed, but a significant course correction, we didn't want to make it too onerous.

#### Paul Fritz, Vice Chair

Yes, it is a big increase all at once.

#### Kari Svanstrom, Planning Director

I want to note a couple of points to reiterate on the fees for the smaller homes. If someone comes in to do a 1,000 sq. ft. home, we are looking at getting online permitting, we would be able to track if that person has gotten a discount. What Mr. Kral kept reminding me, which I was not thinking previously was, the discount when you are doing a project needs to be made up from somewhere else. It ends up being made up from the General Fund. There is definitely a sense that both Council and the Commission want to support the smaller, more affordable by design homes, not big mansions. Less than 1,750 sq. ft. gets a discount which really supports that. We would be tracking units that get discounts, so if that property later does an addition, they will have to make up the impact fee for the expansion of that home to be the full impact fee at the time for the per sq. ft. discount. I think that is fair, and helpful if you think about, if someone comes in and builds a smaller home, but then they want to expand for their family, it helps them grow their home over time. That would impact an existing home in the future. Right now, none of our development impact fees impact existing homes of any sort, or commercial development unless they are doing a change of use from one category to another. The other fee that would impact existing development is the stormwater facility fee. Because that is being charged on new sq. ft. of impervious surface. I want to be clear; we are not going to go around and be driveway police, or if someone puts a new walkway in, that is not how we would manage this. We would administer this based on if someone came in for something that required a building permit, say a swimming pool, which is a significant impervious surface, or a large addition, or addition. The one thing I was curious to hear from this Commission on is whether there is a threshold below which it would not make sense to you. Such as a 100 sq. ft. addition to bump out their utility room, create an atrium, or any number of things. Is there a certain square footage below which you think the City should not bother?

### Paul Fritz, Vice Chair

That seems like that does make some sense. I do not know exactly what it should be. A percentage could work. If you are currently covering 25% of your lot, and you are going to end up covering 27% of your lot in the end, that is probably fine. But if you are going from 25% to 40% lot coverage, that is a significant change. I do not know what exactly the right number is, but it seems like there should be something.

### Kari Svanstrom, Planning Director

It will be far easier to do this on a threshold square footage. For instance, they do not charge the school fee unless it hits 250 or 500 sq. ft., something like that. I do not think it should be 500 sq. ft. because that is a significant amount of impervious surface. You know, that is the whole swimming pool basically. Staff will probably have to calculate that because the average homeowner will need help to calculate what their existing impervious surface is. For administration purposes, if we could go with square feet, below which we are not going to worry about it, that would be fine.

### Paul Fritz, Vice Chair

What do other cities typically do for something like this, is there a standard approach to that?

### Nick Kral, Harris & Associates

Most cities do not do it on a per square foot basis as a general whole. What I would personally suggest, just off of having done construction in the past, I think the cutoff for a shed is if it under 120 sq. ft. a building permit is not needed. You can be in that 120-150 sq. ft. range before it raises a flag and costs \$1.50 per sq. ft. You are going to get \$180 for storm drainage fees for a shed of 120 sq. ft. You are not going to necessarily raise any

massive headaches with that, but there may be a couple of complaints at the counter. If you make it 200 sq. ft. you would be exempting most things. It is mostly for home additions because nobody is going to do an addition for 100 sq. ft. for the most part, they might be closing a breezeway if their garage does not connect, but it is probably not that big a difference. Anywhere in that sub-200, maybe 250, if you really want to make it not onerous on staff, you are probably honestly not talking about a massive amount of money at the end of the day. It is more about doing it to try and encourage people not to cover their lot in concrete. That is what you are really trying to avoid. It is not so much about trying to collect every dime you can.

### Kari Svanstrom, Planning Director

A shed does not require a building permit if it is less than 120 sq. ft. so we are not going to see those anyway unless they are adding electrical. If you have a light in your shed, or not, it is a pretty minimal impact. If I were to pick a number, I think somewhere around 150 sq. ft., but am interested in what the Commission thinks. I would like to get something in there so if somebody comes in for a really minor addition or something that requires a permit, that it is an easy process for them and the Building Department to say that an application is fine, that they do not have to worry about that, or yes, we need to collect this because it is over a certain sq. ft.

### Evert Fernandez, Chair

What can somebody build with 150 sq. ft.?

#### Paul Fritz, Vice Chair

150 sq. ft. could be one bedroom.

#### Kari Svanstrom, Planning Director

It would be about a  $10 \times 13$  space plus exterior walls. You could probably do an inground hot tub, but not a swimming pool, they are usually going to be larger than that.

#### Paul Fritz, Vice Chair

What was the decision calculus for having a cutoff of 1,750 or 1,500 SF? Was there any discussion on doing a cost per square feet basis?

#### Nick Kral, Harris & Associates

The reasoning with not just making it a pure square footage basis is that you need to have some kind of denominator to make the division work. You have to have a meeting to start with anyway. The other one is, the rational nexus is one of the things defined by AB1600, you have to be able to tie the impact of a facility or the impact of new development to a facility cost. If someone puts on a new living room on the front of their house that has no bedrooms, no bathrooms, you can say yes, that 100% changes are storm drainage, you can make that rational nexus connection. If they are addition is literally without bedrooms or bathrooms, they are probably not going to use any more sewer, or any more water, or cause any more traffic. You cannot really tie it directly to just the size of the house. Some cities like in Vacaville, charge water fees based on the number of faucets you have in your house. It is common down in Monterey county too. You can make that connection. You cannot just say that making a bigger bedroom or bigger living room increases park fees. Parks fees are generated based on the number of people because the City has a number of park acres per 1,000 populations.

### Paul Fritz, Vice Chair

I understand the basis for coming to the average per square foot. And if the median house size is 1,750, that makes sense. I am just asking if it would be the same impact fee if a new home construction were 1,800 square feet versus 3,800 square feet.

### Nick Kral, Harris & Associates

Yes, except for the drainage fee, it would be the same, unless they had a larger water meter, there would be an additional charge if they upsized their water meter. It would be charged on the actual impacts.

## Luke Lindenbusch, Commissioner

Are there examples in other cities where they do just use a square foot basis, but still, as you mentioned, going back to that basis, drawn from the square footage size?

### Nick Kral, Harris & Associates

There are a lot of cities that really want to. We get asked that almost every single time we adopt one of these studies. Somebody will eventually probably do that. That will likely be fought tooth and nail or wind up in litigation because you just do not have that tie that anyone has been able to establish in terms of impacts. We did a lot of research on this over the last couple years because this has been such a commonly asked for thing, we actually find it is usually the inverse, the larger the home, the fewer people live in it. Most people build bigger homes when they are older, and their kids are grown, and they are moved out, and they, for some reason, move into the giant house when kids are all out of high school. My parents did it.

## Evert Fernandez, Chair

I understand why this needs to be done and I support it. My concern is all these fees, they work their way out to cost of living at some point, because all these are going to be passed on and it will just make the area more expensive which will exclude more people that cannot live in the area. But I understand why they are there and some of the needs for the community, but the unintended consequences always concern me. Little by little it will add more and more to the cost of living for everybody.

### Nick Kral, Harris & Associates

I previously did pro formas and due diligence for developers around Northern California. Normally, the way a subdivision is done is they take the end sales price of the house, subtract out the cost of getting those houses built, the cost of all the fees and entitlements, and roads and powerlines, and everything else it takes to get the development off the ground, and what is left over is what the land is worth. Essentially, by passing something like this, what you really do is not necessarily increase the cost of housing, because the cost of the houses is based on what people are willing to pay in the area, you have just lowered the cost of raw land. It is a weird way to think about it, that it is not really that you are increasing the price of the house when you are effectively over the long-term going to increase the house a little bit. Vice Chair Fritz is an architect. If the house is 1,700 sq. ft. times a construction cost of \$300 per sq. ft.

# Paul Fritz, Vice Chair

I am telling people between \$350 and \$400 per square foot right now.

### Nick Kral, Harris & Associates

If you are saying \$400/SF by a 2,000 square foot house, that is \$800,000 and we are talking about increasing fees \$15,000 on \$800,000 in construction plus land cost. At the

end of the day, we are inching close to 1 million dollars. I do not think \$15,000 is really what is going to make or break a house getting built or not.

### Kari Svanstrom, Planning Director

Mr. Kral and I have been looking at that. The park fees are going up significantly. We know we have a lot of park medians. We have the acquisition of new development of parks, like the Railroad Forest, which was recently purchased, but we have not been able to do anything with it so people can't use it. The traffic impact fee is the other one that is going up. As you probably all know from hearing about projects, traffic is probably the biggest impact that people in the community are concerned about. A lot of that has to do with the fact that a lot of our infrastructure is getting more crowded, there is a capacity issue. There is a need to improve capacity. That may not be in the form of more lanes on the road, but a controlled intersection helps to adjust the flow to get more people through town more smoothly. Those are two of the areas where fees are going up more than some of the others. The other thing that I did find, and this was sort of a natural thing that came out of the study that I was somewhat surprised at, but the multifamily development is not going up significantly.

### Kari Svanstrom, Planning Director

Asked Mr. Kral to respond to a question from the public about how the smaller unit discount would be calculated.

#### Nick Kral, Harris & Associates

On a smaller unit, something below 1,750 square feet, it would be the proportionate size of all impact fees, except for the storm drainage facilities, would be whatever percentage of 1,750 square feet you are. If you are 1,500 square feet, it would be 1,500 divided by 1,700, times whatever the impact fees are for everything but storm drainage because storm drainage is already being done on an impervious surface, it is a separate item. Everything else will be discounted based on the proportionate size of the unit versus the 1,750 sq. ft. mark.

#### Kari Svanstrom, Planning Director

For a single-family home, if you take out the storm water facility fee, it is \$39,982. You divide that by 1,750 square feet, you get \$22.85 a square foot. If you are two square feet under the 1,750, you would get a \$45 discount from that ( $$22.85 \times 2$ ). The smaller the home you build, you would get another \$22.85 credit for each square foot below 1,750 square feet you are building.

Vice Chair Fritz moved to approve the resolution recommending this for approval by the City Council.

#### Kari Svanstrom, Planning Director

Before a vote, further discussion, or a potential amended motion, is there any direction on the stormwater fee as I am sure the Council would appreciate any recommendations on that?

Commissioner Oetinger seconded the motion.

The Commission concurred on anything over 150 sq. ft. of impervious surface, less than that would be exempt.

### Kari Svanstrom, Planning Director

Vice Chair Fritz, are you okay amending your motion to reflect that?

## Paul Fritz, Vice Chair

Yes.

## Kari Svanstrom, Planning Director

Commissioner Oetinger, are you okay seconding the amended motion?

### Kathy Oetinger, Commissioner

Yes.

## Kari Svanstrom, Planning Director

We have an amended motion, which is adopting the resolution recommending the City Council adopt the impact fees, and we will add in the direction that the stormwater facilities fee not be applied to construction 150 sq. ft. or less.

The Commission voted on the amended motion as follows:

VOTE:

 AYES: Chair Fernandez, Vice Chair Fritz, and Commissioners Kelley, Lindenbusch, Douch, and Oetinger
NOES: None
ABSTAIN: None
ABSENT: Commissioners Haug and Anderson

## Kari Svanstrom, Planning Director

That motion passes unanimously. Thank you all very much. I will let you know when this does go to Council. We will want a Planning Commission liaison in attendance. I believe we have it scheduled up through March although I cannot recall who the representative is. It is on your schedule.

# 7. SUBCOMMITTEE UPDATES

**a.** Climate Action Subcommittee

### Luke Lindenbusch, Commissioner

The Climate Action Subcommittee had its first meeting, and the second meeting will be held tomorrow. The first one was pretty straightforward, just introductions and getting a sense of where everyone is at, and procedures we are going to take. Tomorrow, we are going to be diving a little bit more into formation of task groups and developing the work plan for the subcommittee. I have stepped up to be a second or co vice chair. We will be helping in the steering of that committee and also reporting back as much as possible. If anyone has any questions on that, let me know. It is a really exciting group of people and everybody is just thrilled to be getting it off the ground. I am really excited for that and for all the hard work that staff has been putting in on that.

b. Zero Waste Subcommittee – Appoint a Planning Commission Liaison

# Evert Fernandez, Chair

Provided a brief overview.

The Commission asked questions of Director Svanstrom of the structure for this subcommittee.

### Luke Lindenbusch, Commissioner

I think it might be ideal to wait until we have a fuller Commission, especially with our newest member, Commissioner Anderson, to see if he has any interest in the position. If everybody would be fine with continuance, I think that might be the best course of action. But I also want to hear from Director Svanstrom if there's an urgent need, if they're if they're meeting sometime soon as well.

#### Kari Svanstrom, Planning Director

I do not think it is urgent.

The Commission asked additional questions of Director Svanstrom and agreed to continue this item to the next regularly scheduled Planning Commission meeting which will occur on February 09, 2021.

#### Kari Svanstrom, Planning Director

I can check with City management in terms of the meeting schedule, and other general information on this subcommittee, for when the Commission discusses this item again.

# 8. PLANNING DIRECTOR'S REPORT

Director Svanstrom reported on recent City Council items:

- Benedetti car wash City Council hearing on January 5, will be returning to Council on February 16
- Sebastopol Inn/Elderberry Commons update
- CoMission resident survey report

Director Svanstrom reported on upcoming items on February 2 City Council meeting:

- Ned Kahn revised art piece
- Discussion of Planning Commission composition and potential to increase # of seats available in 95472 zip code.

Planning Commissioners asked questions and offered comments on the various items.

**8. ADJOURNMENT:** Chair Fernandez adjourned the meeting at 8:51 p.m. The next regularly scheduled Planning Commission meeting will take place on Tuesday, February 09, 2021 at 7:00 p.m.

Respectfully Submitted By:

Kari Svanstrom Planning Director