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City Council changes fees for home additions again

By Malia Spencer/SENIOR STAFF WRITER

The Santa Maria City Council, which recently changed its system of fees charged to developers, further tweaked those revisions last week.

The council first updated its developer fee program, called Growth Mitigation Fees, in May with two important changes from previous years. The council opted to begin charging fees on a square-footage basis instead of a per-unit basis for new construction and to begin charging the fees for additions to existing homes.

Previously the fees, which help pay for public improvements such as streets to offset the impacts of growth, were charged only for new construction.

With no discussion and no requests for public comment Tuesday, the council further clarified how residents would be charged for adding onto their existing homes.

Instead of having city staff members determine whether a building permit application would be required to add living space to a home, which could be subjective, all additions would be charged the growth mitigation fees.

To ensure that bathroom and kitchen additions, which aren't considering added "living space," are not unduly burdened, the city is offering an exemption for the first 150 square feet added to a home, as long as more than 150 square feet is being added.

According to city staff, who analyzed previous building permits, most kitchen and bathroom additions are about 150 square feet and would therefore be exempt from fees.

With the 2007 revision of the Growth Mitigation Fee program, city staff decided to include home additions in the program as well as new construction because home renovations are increasingly contributing to the city's population growth and putting the same strain on infrastructure.

Jerry Bunin, government affairs director with the Home Builders Association of the Central Coast, said he supports the concept of charging on a per-square-foot basis and also including home additions in the program.

"When you are adding a bedroom, you are clearly impacting streets and roads," he said.

Although he added that he wasn't sure that kitchen and bathrooms should be exempt in any form since they too add capacity to a house and add to the volume of wastewater.

"Obviously, adding rooms adds residential capacity," he said. "If you add bathrooms you do it because you are adding capacity. That should not be excluded because it's having an impact on infrastructure which is what the fees are designed to address. Kitchens are a little more ambiguous."

The council voted unanimously to make the clarification and fix typographical errors in the original ordinance.

Throughout the process to update the growth mitigation fees, city staff worked with members of the development community and held public workshops.

The city began this growth-mitigation-fee program in 1993, and has updated it every two years since then. The city has collected millions of dollars in growth mitigation fees, which have paid for a number of community projects including the new library, new fire stations and equipment for the police department.

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Robin Hayhurst, executive director of the Santa Maria Valley Contractors Association, said the list of projects funded through growth mitigation fees "shows how much construction really does drive infrastructure improvements."

She added that with the slow-down of new construction, it is not surprising that the city would turn to home additions as a potential revenue stream.

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