Planners Seek Law Hiking Developer Fees

Santa Monica's planning commissioners want an ordinance that would charge some of the highest fees in the region to pay for transportation-related costs.

Developers building in Santa Monica should be required to pay transportation-related fees that would be among the highest in Los Angeles County, if not the state, the Planning Commission said Wednesday.

The commission is recommending approval of an ordinance to force housing developers to pay as much as \$7,800 per room and commercial developers \$30.10 per square foot, the region's second-highest—after those of the Los Angeles International Airport neighborhoods of Venice, Marina del Rey and Playa Vista.

The fees would offset a substantial portion of the \$119 million in street improvements the city is set to make in the next 20 years, such as modifying the Fourth Street bridge, adding bike lanes across the city and expanding its real-time mobile and Web parking maps.

"The purpose is pretty simple and straight forward, to make sure development pays its fair share in mitigating new traffic in Santa Monica," said Jeffrey Tumlin of *Nelson\Nygaard* Consulting Associates. "These types of fees are common across California."

Commissioners are looking at the fees as a way to stall development, which has picked up steam in spite of the recession and drawn ire from locals tired of the resulting gridlock. They've been requested for several years now by the commission and the City Council, which is scheduled to vote on the proposed fees in April.

"This has been a long time coming. Any traffic mitigation would be good news in Santa Monica," said Ocean Park resident Mary Marlow.

The fees would be imposed under the California Mitigation Fee Act. Enacted in 1987, it allows local governments to charge fees, separate from taxes and special assessments, to defray the costs of constructing public transportation improvement projects.

Such fees are already being negotiated in Santa Monica under special agreements with developers who ask to build oversized hotels and mixed office/shopping/residential projects that don't adhere to the city's zoning and land-use rules.

If the City Council adopts a Transportation Impact Fee ordinance, the fee schedule would set the bar for the minimum amounts when negotiating fees for development agreements.

"I see this [as] changing how we look at development: as means to address our issues rather than contribute to our issues," said Commissioner Jason Parry.

The fees would also be a means to meeting Santa Monica's current trip reduction ordinance, which requires employers to produce yearly plans showing how they will lessen employee trips to and from the worksite.

Planners came up with the fee schedule after looking at those of other cities and after studying traffic forecasts and other models showing that as much as 74 percent of the cost of future transportation improvements could be "fairly" attributed to new development.

If the city wanted to make developers pay for all of the transportation improvements it has in store, the fee schedule would be more than double than what's proposed.

Transportation impact fees are already imposed in cities with similar markets, such as Irvine, Pasadena, San Luis Obispo, Santa Barbara County, West Hollywood, Palo Alto, Emeryville, Redwood City and San Francisco.

Fees in those cities range between \$1,021 and \$7,175 per housing unit and \$1.20 to \$20.28 per square foot for retail. Offices and industrial spaces draw less per square foot, anywhere from 90 cents to \$20.28 in some cities.

Santa Monica could get away with fees higher than those of other cities, because "we know this is a community that's quite comfortable putting real pressure on developers," Tumlin said.