

## Santa Cruz City Council weighs traffic fee revision, more desal spending

By J.M. Brown Santa Cruz Sentinel Santa Cruz Sentinel

Posted:

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SANTA CRUZ -- In an effort to boost the city's attractiveness among small business owners, the City Council on Tuesday will consider revising a traffic fee to lessen the financial burden.

The council's Competitive Task Force has recommended a number of changes to the traffic impact fee that developers of residential and commercial projects pay one time as a way to offset increased vehicle trips created by their plans. The fee can range from \$64,200 for a restaurant of 1,500 gross square feet to \$203,300 for a hotel with 50 rooms, according to a city report.

The proposed changes include exempting future nonresidential projects smaller than 1,000 gross square feet, establishing a five-year payment plan and eliminating a requirement to increase the fee annually. The fee also would be calculated based on trips during peak evening hours rather than daily trips, and a portion of the fee set aside for alternative transportation would be increased to fund neighborhood improvements near development sites.

Councilman David Terrazas, a member of the task force, said the changes would lead to an average 20 percent to 30 percent reduction in the fee. While revenue from the fee may decrease in coming years, Terrazas said he believes the move will pay off for the city through an increase in commerce.

"We are really trying to provide incentives by looking at fee structures to encourage new businesses in town," he said.

Also Tuesday, the council will consider extending the contract for desalination consultant Kennedy/Jenks for up to \$390,000. The city has already spent \$1.4 million for the firm's technical input on the project since 2008, according to city records.

In a report prepared for the council, Water Department Director Bill Kocher said the company has worked on a pilot desal plant and the preliminary design for the proposed full-scale facility. Kennedy/Jenks also played a role in developing an environmental analysis due this spring and helped to create public outreach materials.

Next year, Kocher said the company would work on ensuring the city's plans for disposing of the highly concentrated brine created when salt is removed from seawater match potential changes in state regulations. Kennedy/Jenks also will work on a plan to offset greenhouse gases created by the plant.

The Kennedy/Jenks contract was placed on the council's consent agenda of items expected not to be controversial, but desalination opponents quickly weighed in, urging the city to stop spending significant amounts on the project. The opponents note that 72 percent of voters approved a Nov. 6 ballot measure saying they wanted a future vote on the plant.

"That should indicate that the prospect for winning voter approval of desalination is far from a slam dunk," Santa Cruz Desal Alternatives wrote in an email sent to supporters Thursday. "Given that desal may never be approved, it seems prudent that the Santa Cruz City Council would make it a top priority to develop a Plan B for drought security."

If extension of the Kennedy/Jenks contract is approved, the city's desalination partner, Soquel Creek Water District, will share the cost. The two agencies have proposed building the plant as a way to guard against drought and reduce the use of freshwater sources to improve fish habitat and restore overdrafted aquifers.

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#### IF YOU GO

**SANTA CRUZ CITY COUNCIL**

**WHEN:** 3 p.m. Tuesday

**WHERE:** Council Chamber, 809 Center St.