

RESOLUTION NO. 2024-XX
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ALTOS
ADOPTING A NEXUS STUDY FOR DEVELOPMENT IMPACT FEES IN
COMPLIANCE WITH ASSEMBLY BILL 602 (AB 602)

WHEREAS, on January 24, 2023, the City Council approved the City’s Sixth Cycle Housing Element; and

WHEREAS, Program 3.D of the Housing Element calls for the City of Los Altos to Evaluate and Adjust Impact Fees; and

WHEREAS, Program 3.D of the Housing Element expressly requires the modification of Development Impact Fees to be charged on a per square foot basis rather than per unit to encourage the development of higher densities and smaller, more affordable housing units; and

WHEREAS, Program 3.D of the Housing Element expressly requires the modification of Development Impact Fees to be completed no later than December 2024; and

WHEREAS, the City of Los Altos has existing Development Impact Fees; and

WHEREAS, new development projects attract new residents and employees to the City, generating an increased demand for park, transportation, public safety and general government facilities; and

WHEREAS, the City of Los Altos has determined that City parks, transportation, public safety and general government facilities are reaching capacity, and that the city requires a cost-effective and efficient way of serving future residents and employees while maintain existing levels of service; and

WHEREAS, the City of Los Altos wishes to update existing Development Impact fees, and establish new Development Impact Fees in direct relationship to associated development within the City; and

WHEREAS, Government Code Section 66016 requires the City of Los Altos adopt a Nexus Study to support modifications to existing Development Impact Fees, and the establishment of new Development Impact Fees; and

WHEREAS, consultant Matrix Consulting Group, and subconsultants DKS Associates, and Strategic Economics on behalf of the City of Los Altos have prepared the Development Impact Fee Nexus Study dated May 2024 (the “Nexus Study”); and

WHEREAS, the Nexus Study substantiates a methodology that will charge each new development project only for the costs necessary to mitigate the impacts expected to be caused by that development project; and

WHEREAS, there is a reasonable relationship between the Development Impact Fees and the development projects on which the Fees will be imposed because the Fees will only fund costs necessitated by each new development; and

WHEREAS, the Development Impact Fees will not exceed the estimated reasonable cost of providing the land and facilities for which the Fees are imposed; and

WHEREAS, the Development Impact Fees will not be levied, collected, or imposed for general revenue purposes, but are levied specifically to fund facilities of the types set forth in the Nexus Study; and

WHEREAS, the Nexus Study establishes proposed amounts and provides an evaluation of the need for new Development Impact Fees and establishes the nexus between the imposition of the new Fees and the estimated reasonable costs of providing the services for which the Fees are charged; and

WHEREAS, the Nexus Study identifies the City's existing level of parks, transportation, public safety and general government services, identifies the level of service, and includes an explanation of why the level of service is appropriate; and

WHEREAS, the Nexus Study includes information that supports the City's actions, as required by Government Code Section 66001(a); and

WHEREAS, the Nexus Study calculates the maximum justifiable Development Impact Fees that can be charged on new development, and therefore, the City Council may adopt reduced Development Impact Fees below the maximum justifiable amount identified within the Nexus Study if doing so effectuates a policy of the City; and

WHEREAS, pursuant Assembly Bill 602 (AB 602) the Nexus Study, notice of the time and place of the meeting, including general explanation of the matters to be considered and a statement that required data is available for public inspection was published in a newspaper of general circulation at least thirty (30) days prior to consideration of the adoption of the final Nexus Study at a Public Hearing of the Los Altos City Council; and

WHEREAS, the City Council held a duly noticed public hearing on May 28, 2024; and

WHEREAS, the adoption of the Nexus Study is exempt from environmental review pursuant to Section 15273 of the State Guidelines implementing the California Environmental Quality Act of 1970, as amended; and

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Los Altos does hereby ordain as follows:

SECTION 1. ADOPTION OF NEXUS STUDY. The City Council hereby approves the Nexus Study dated May 2024 for all existing and proposed Development Impact Fees, attached as Exhibit A to this Resolution. The City Council further adopts the methodology set forth in the Nexus Study for calculating and collecting the impact fees. A copy of the Nexus Study shall be on file with the City Clerk and Development Services Department and available during regular City business hours for public inspection.

SECTION 2. CONSTITUTIONALITY; AMBIGUITIES. If any section, subsection, sentence, clause, or phrase of this Resolution is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions hereof.

SECTION 3. EFFECTIVE DATE. This Resolution will become effective upon adoption.

I HEREBY CERTIFY that the foregoing is a true and correct copy of a Resolution passed and adopted by the City Council of the City of Los Altos at a meeting thereof on the 28th day of May, 2024 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Jonathan D. Weinberg, MAYOR

Attest:

Melissa Thurman, CITY CLERK