



# WINDY HILL

*property ventures*

May 24, 2021

Brian Alexander  
Senior Management Analyst  
Community Development Department  
330 W. 20th Ave.  
San Mateo, CA 94403

Dear Mr. Alexander;

RE: San Mateo Proposed Impact Fees

I am writing to you regarding the potential proposed changes to City of San Mateo Impact Fees. Your presentation on May 20 was helpful in understanding the potential changes and subsequently, what the City Council will be considering at their Study Session on June 7, 2021.

I appreciated your invitation to the meeting and the opportunity to comment on the proposed changes and ask that my comments below be forwarded to the City Council for consideration. I am also happy to meet with you and other city staff at any time to clarify any comments, answer any questions or provide further feedback.

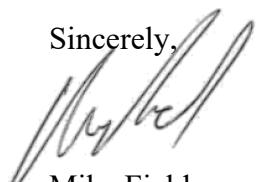
As the meeting on June 7 is preliminary in nature and to my understanding the City Council will be giving staff direction on the materials presented and potentially requesting further areas of study, I respectfully request that consideration be given to the items below. As a current and recent developer of several mixed-use projects with the downtown, these are the items that are foremost as I consider current and future development in San Mateo.

- Allow development projects that have already been submitted to the City as part of a Preliminary or Formal Planning Application to be evaluated and fees imposed under the current fee schedule applicable at the time the project was submitted (prior to adoption of any fees proposed as part this larger comprehensive effort) and regardless of when a building permit is issued for the project. While no formal decision has been made on the approval of these fees, consideration should be given that these projects were proposed in context of the structure of the current Master Fee Schedule in mind. Some of the possible fees proposed are significant multipliers of the current fees and imposing these fees on projects that were submitted prior to this information being known may be considered infeasible.

- The slides indicated that the *Regional Growth projections (ABAG 2040) were utilized to estimate the infrastructure needs to maintain the City's existing level of standard and service for its key service areas.* Based on this, it is my understanding that the maximum justifiable amounts for each fee have been presented. Without being able to review the study prepared by the city's consultant, it is difficult to understand how the maximum amounts were derived. I believe the study will be available as part of the City Council staff report made available to the public on June 3. If it is possible to review the study in advance of this date, that would be helpful, however, if it is not, I may have further questions just prior the meeting based upon review of this additional information.
- Defer the adoption of a new fee structure and amounts for Traffic Impact Fees until the General Plan analysis is complete. It is crucial to understand what policies the City ultimately ends up adopting regarding these complex issues to determine how these fees might be best structured and be most beneficial toward addressing City goals. Currently, it appears that Traffic Impact Fees are primarily used to address identified improvements that facilitate vehicular circulation, however, based on recently approved documents, like the Bicycle Master Plan, it may be appropriate for a larger share of fees to be used for pedestrian and bicycle improvements.
- Allow fee increases to be phased in, thereby allowing development to account for increased fees in a more consistent manner. A large-scale fee increase, all at once can be destabilizing and may have negative impact on the type, scale and quality of proposed development within the city.
- It is not clear if a fee increase for the Commercial Linkage Fee is proposed at this time? If it is, it is not clear why this may be needed at this time. This fee is much newer than many of the other fees being evaluated and the amount is consistent with the fee amount charged in other cities. I would ask, that a further explanation be provided outlining any increase in this fee.
- The potential impacts fees that could be adopted as applicable to multi-family development are significant:
  - A new child care fee could be imposed, where there is not one now.
  - The sewer fees could be increased by five-fold.
  - The park impact fees could double.
  - If these increases are adopted, this could result in a new fee amount per unit of approximately \$30,000 in addition to the increases proposed in all the other fee categories.

It is likely that increases in these fee categories will not encourage the development of new housing with the city, much less help to make housing more affordable. This seems to be incongruous with the city policies encouraging the development of housing, especially at time when the city has an increased obligation to meet it's Regional Housing Needs Assessment allocation.

Sincerely,



Mike Field