

Community Impact Report Proposal Introduced to the Petaluma City Council by the Petaluma Community Coalition: January 28, 2008

Preface: Proposed Fiscal and Community Impact Report Ordinance for the City of Petaluma

This ordinance enacts a Fiscal and Community Report (FCIR) to supplement existing municipal project application review criteria with a comprehensive impact study specifically related to the impact of large-scale residential and retail development.

The ordinance requires an applicant seeking a permit to build a large-scale retail development that is larger than 25,000 square feet to pay for a comprehensive impact study, a public hearing and related municipal staff support in order to estimate the positive and negative fiscal, economic, and environmental effects of the project on the local area prior to permit approval.

The study must be presented at a public hearing before the Planning Commission. In addition the study must be presented at a public hearing of the Site Plan and Architectural Review Committee (SPARC) held simultaneously with its review of the permit application. In order for the Planning Commission to recommend approval for the application, the Planning Commission must consider, based on the comprehensive impact study, other materials and a public hearing, that the project will have a net positive impact on Petaluma's economy, existing businesses, local work force, and city finances.

In addition, in order for the Site Plan and Architectural Review Committee to approve a large-scale retail or residential project, the Site Plan and Architectural Review Committee must consider, based on the comprehensive impact study, other materials and a public hearing, that the project will have a net positive impact on Petaluma's economy, existing businesses, local work force, and city finances.

Fiscal and Community Impact Report (FCIR)

At a minimum, a Fiscal and Community Input Report is:

- 1) A fiscal assessment, which analyzes the costs and benefits to the public agencies responsible for the project and will answer, questions such as:
 - To what extent does a project contribute to the local tax base?
 - Does the project add to the tax base or move parts of the tax base from one site to another?
 - What are the public costs of subsidies or infrastructure required for completion of the project?
 - What are the initial and ongoing public costs for police, fire, emergency services, roads, parks, environmental mitigations and other city services for the project?

2) An employment or job quality assessment that evaluates the number of jobs, types of jobs and will answer such questions as:

- What are the wages and benefits of new jobs created at a project?
- Are these jobs part-time or full-time?
- Permanent or contingent jobs?

3) An affordable housing assessment, which will examine the affordability of housing, created or lost due to a project and the demand for new housing generated by the creation of new jobs, which will answer questions such as:

- Does the project increase the need for additional housing in the region?
- Is the need for market rate or affordable housing?
- If affordable housing, how much at each level of affordability?

4) A neighborhood needs assessment that will determine the type of retail needs in a given community and the types of human services a community requires if new employment is created such as child care, parks, or libraries.

5) A Smart Growth and livability assessment, which will examine how a project impacts the character of growth and answers questions such as:

- How does the project impact density and infill development?
- Accessibility to mass transit and the proximity to workforce and affordable housing?
- Maintenance of urban growth boundaries and or city-centered development?

Model Form for FCIR

1. Goals of the Fiscal and Community Impacts Report (FCIR)

- 1.1 Access to information: Provide access to information about the project in a single document. It should be in a format that is easily understandable.
- 1.2 Co-operative dialogue and civic engagement: Create an opportunity for the community to review and comment on the impacts in a non-litigious forum
- 1.3 Objective decision-making: Provide the staff and public agency officials with a systematic report that helps them in making decisions to promote the objectives of the Petaluma General Plan. Contextual information about the baseline conditions in the community tests the seriousness or frivolousness of a cited problem.
- 1.4 Risk-mitigation: Provide information on potentially controversial projects much ahead in the process to promote certainty against last-minute ill-informed opposition. This will help both applicants/developers and the City by anticipating potential pitfalls before substantial investment is made into the project.

2. Proposed Projects that will require a FCIR

- 2.1 All discretionary commercial or industrial development that will include 25,000 square foot of total floor area or more.
- 2.2 All Disposition and Development Agreements, Owner Participation Agreements and similar agreements with the City of Petaluma or Redevelopment Agency of the City of Petaluma.
- 2.2.1 All projects that require a General Plan Amendment or Rezoning to eliminate housing.
- 2.3 All discretionary residential development projects that include more than 100 units.

3. Procedures for the FCIR

- 3.1 *Initial determination* – If the development application requires a FCIR under Section 2, then the application instructions, pre-application meetings and other information meetings shall make it clear to the applicant/developer that a FCIR is required.
- 3.2 *Preparation of the FCIR* – The City staff is responsible for accepting, reviewing and distributing the FCIR. A consultant selected by City staff, and paid for by the project proponent shall prepare the FCIR. The staff has the discretion to correct any inaccuracies in the FCIR, based on reasonable evidence in the public record. Upon a determination by the City that an application is complete, the City will prepare a scope of work for preparation of the FCIR, and either prepare the FCIR or contract for such services. The FCIR should be prepared concurrent with any Project CEQA documentation. The FCIR should be released for public review concurrent with the release and public notice for the associated CEQA documentation, and at least 30 days prior to any approval on the project.
- 3.3 *Publication and availability*: The FCIR shall be made available upon public request along with other public documents related to the project and shall be accessible to the public. The staff shall make a best faith effort to notice the availability of the FCIR in public notices under current processes, for the project.
- 3.4 *Subsequent Determination and Update of FCIR* – If there are minor changes in information about the project impacts, the City staff shall make a good faith effort to update the FCIR before any project approval. However, if the staff determines major changes in the project proposal including substantial changes in the land-use and scale of the project, then the FCIR will need to be updated.

4. Content of the FCIR

The FCIR shall consist of seven sections outlined in the attached FCIR questionnaire.

The seven sections are:

- (1) Project and Community Overview;
- (2) Economic Benefits;
- (3) Fiscal Benefits;
- (4) Employment Benefits;
- (5) Housing Benefits;

- (6) Community Services Benefits;
- (7) Smart Growth and Environmental Health Benefits.

In addition, there are three attachments:

Attachment 1. Community Overview

Attachment 2. Questionnaire for Applicants/Developers, Prospective Tenants, and Service Contractors

Attachment 3. Smart growth questionnaire

4.1 PROJECT AND COMMUNITY OVERVIEW

4.1.1. *Description of the project.* The description shall include the following information:

- (a) Current uses and land-ownership
- (b) Proposed uses and land-ownership
- (c) Details of proposed uses by size (square foot) tenancy, lease or sub-lease
- (d) Details of users, operators and tenants (if known)
- (e) Process for approval and permits needed
- (f) Size of the project, including number of residential units
- (g) Project Contacts (including project manager)
- (h) Details on the following:
 - General or Community Plan Area
 - Current Zoning Designation
 - Redevelopment Plan Area
 - Any Special District or Overlay Zone
 - Any Special Policies or other requirements

4.1.2. *Community Overview:* Attach relevant baseline data.

4.2 ECONOMIC BENEFITS

If the applicant/developer has done a market study, please attach it.

4.2.1 For Projects that Contain a Retail Component.

If the type of retail store has been identified (i.e. supermarket, department store, drug store), the FCIR shall include a list of names and addresses of stores of that type that are located within the greater of the following: 1) a two-mile of the Proposed Project, or b) within the Market Area established by any Market Analysis submitted by the applicant. For region-serving retailers, the FCIR shall include a list of retailers of that type that are located within a fifteen- mile radius of the project. This study shall include these stores in the analysis of all impacts. For Projects involving either a General Plan Amendment or Rezone, the study shall also identify any existing vacant buildings and any vacant land within the specified market area that could serve a comparable use to that proposed.

4.3 FISCAL BENEFITS

4.3.1. Has the project proposed or is it otherwise reliant upon public financing assistance from the City?

If so, provide the terms of any public grants and loans the applicant/developer has applied for or any public financing that has been approved, including the projected interest rate, the term of the loan, the method of repayment, the method of guaranteeing the loan, and the timetable for remaining approvals needed.

4.3.2. What is the net fiscal return of the project at the end of twenty years? (Itemize those items that benefits or cost the City. Those items that do not impact the city should be kept blank).

BENEFITS TO CITY	\$	COSTS TO CITY	\$
Sales Tax		Sales tax rebate/refund	
Use Tax		Use tax rebate/refund	
Base Property Tax		Land-write-down	
Tax Increment (for redevelopment)		Public Safety (Police and Fire)	
Developer Proceeds		Support Services (incl. staffing, legislative services)	
Development Impact Fees/Facilities		Other Public Services (incl. traffic & libraries)	
Benefits Assessments		Public Improvements specifically for project (paid by the City), including roads, parks & environmental mitigations	
Public improvements on public property (paid by developer)		Costs of health care and all manner of health care related services and facilities	
		New infrastructure not fully paid for by the project applicant.	
		Based on the list are competing businesses generating new sales tax or how much of sales shift is derived from cannibalizing existing businesses within the City/within the region? Related to this, what are the direct and indirect losses of business tax, sales tax, property tax and loss of employment? “Direct” means directly related to an impacted business, and “indirect” means the collateral loss of support businesses and services.	

Other development fees (incl Park fees)	What is the change in reinvestment of wealth locally? (e.g. national and regional chains owned by out of town corporation's siphon locally gained revenues to out of town headquarter banks and investments houses). Water-sewer fee reductions
Transient Occupancy Tax (TOT)	Interest on loans (to developer etc)
User fees	Below market leases
Owner participation revenues	Park 'n Ride lease Owner participation payments
Other revenues (Please specify)	Site preparation, remediation and cleanup costs Other City assistance (Please specify)
TOTAL BENEFITS	TOTAL COSTS

- 4.3.3. Has the project proposed or is it otherwise reliant upon additional public assistance from other local jurisdictions, state or federal government directly or indirectly through infrastructure funding?
Quantify the value to the developer of the government assistance to the project.

4.4 EMPLOYMENT BENEFITS

4.4.1. *Construction Jobs*

- a. Number of Jobs- Estimate of the total number of construction man-hours expected at the proposed project.
- b. Prevailing Wages- Indicate whether federal, state, or local law or policy will require payment of prevailing wages for construction employment at the proposed project. If prevailing wages will not be required, estimate the projected wages and benefits for the construction jobs at the proposed project.

4.4.2. *Permanent Jobs*

- a. Specify the number of workers who will be employed in proposed project by occupation for each tenant and/or anticipated use.
Applicant/Developer should fill out the employment questionnaire in attachment 2, describing employee compensation and benefit information for the whole project.

- b. All permanent employers and prospective tenants, if known, should also fill out the questionnaire for employment in their respective establishments.

4.5 HOUSING BENEFITS

Housing Creation and Rehabilitation

4.5.1. What are the characteristics of the housing units being created?

- a. The number of units to be created, the size of the units in number of bedrooms and square foot area, and the affordability levels of those units by size;

# of detached single-family units	# of apartments	# of condos	# of attached homes	Rent/Price Distribution	Affordability level (income range)	Affordability Restriction (if any)
0 BR						
1 BR						
2 BR						
3 BR						
3 BR+						

- b. The terms of any affordability restrictions; payment of in lieu fees (inclusionary housing).
- c. The relationship to the units being proposed and the current ABAG assignment of regional housing needs for the City.

Housing Displaced

(Fill this section only if there are housing units that will be demolished.)

4.5.2. What is the profile of housing being demolished?

- a. Fill out the following table that gives the distribution of the units.

# of detached single-family units	# of apartments	# of condos	# of attached homes	Rent/Price Distribution	Affordability level (income range)	Affordability Restriction (if any)
0 BR						
1 BR						
2 BR						
3 BR						
3 BR+						

- b. Specify the nature of the affordability restrictions. Also, mention whether the owner accepts Section 8 subsidies, or if the project has publicly subsidized housing.

Financial Impact on Affordable Housing Funds

- 4.5.3. What is the contribution of the project to public affordable housing funds?
 - a. Calculate the present value of the projected tax increment from the development project dedicated to affordable housing (for redevelopment projects).
 - b. Describe any contributions to affordable housing that the applicant/developer will make (such as Housing Impact Fees).
 - c. Enumerate housing-related public funds the project will be given either loaned or granted. Specify the sources, whether they are from the Low and Moderate Income Housing Fund, or any other discretionary funding source such as Housing Trust Fund, Housing Bond, and CDBG etc.

4.6 COMMUNITY SERVICES BENEFITS

- 4.6.1. Is the project providing any of these public facilities on-site?
 - a. Parks, playgrounds, open space
 - b. Schools
 - c. Child-care/day care centers
 - d. Medical clinics
 - e. Transit stops
 - f. Employment agency/job training center
 - g. Community center/youth center

- 4.6.3 Is the project located in a special Assessment District? Or a Mello Roos district?

4.7 SMART GROWTH & ENVIRONMENTAL HEALTH BENEFITS

- 4.7.1. The applicant/developer should fill out the Smart Growth questionnaire (Attachment 3).
- 4.7.2. List the permits that the project applicant/developer has applied for, or received from the Bay Area Air Quality Management District (BAAQMD).
- 4.7.3. If the project will use diesel-powered equipment or diesel vehicles, list the diesel equipment and estimate the number of diesel truck trips to and from the facility in a week.

Attachment #2: Employment Questionnaire for Applicants/Developers, Prospective Tenants, and Service Contractors

1. Name of company _____

2. At the project site, how many employees will work there?
 - a. Part-Time (0 to 35 hours per week) _____
 - b. Full-Time (more than 35 hours per week) _____

3. What type of medical insurance do you offer your employees?
_____ Individual health benefits only _____ Full family health benefits
_____ No medical benefits
_____ Other (please explain below)

4. If you provide medical benefits, which employees may receive them?
_____ All employees _____ Management
_____ Full-time _____ Employees who work over 20 hrs/week
_____ Other (please explain below)

5. What will be the cost to the employee for these health benefits?

Individual	_____	Full Family	_____
Employee contribution (monthly)			_____
Co-Payment for doctor's visit			_____
Deductible			_____

7. What retirement benefits do you provide for your employees?
401(K) Employer contribution:

6. Hourly pay for employees at the project site:
 - a. \$7.50 - \$10.24 How many employees? _____
 - b. \$10.25 - \$11.24 How many employees? _____
 - c. \$11.25 - \$12.24 How many employees? _____
 - d. \$12.25 - \$13.25 How many employees? _____
 - e. \$13.26 - \$20.00 How many employees? _____
 - f. More than \$20.00 How many employees? _____

7. Describe any employee training programs, local hiring commitments or first-source hiring agreements for construction and permanent jobs in this project.

Attachment #3 : Smart Growth Questionnaire

1. How is the project site accessible and visible to the public? Please describe.

2. Does the project site have existing transit service? Are there multi-modal transportation options (transit, automobile, bicycle, pedestrian) to access the site? Please describe.
3. Are there currently employment opportunities within 1/4 mile walking distance to the proposed project site? Please describe.
4. Are there currently commercial opportunities in close proximity to the proposed project site? Please describe.
5. Does the project site propose to clean up or reuse a Brownfield or Greyfield? Please describe.
6. Are there currently cultural and entertainment activities in close proximity to the proposed project site? Please describe.
7. Is there a school, library, park, or community center in close proximity to the proposed site? Please describe.
8. Does the proposed location have adequate utility capacity for water, sewer, streets, and electricity? Please describe.

To the extent that any the 8 items above are otherwise addressed in any associated CEQA documentation, that information source may be cited in lieu of replicating the information here.