



CITY COUNCIL AGENDA STATEMENT



July 23, 2019

File ID: 19-0341

TITLE

ORDINANCE OF THE CITY OF CHULA VISTA REPEALING ORDINANCE NO. 2384, RELATING TO THE ESTABLISHMENT OF THE TELEGRAPH CANYON DRAINAGE DEVELOPMENT IMPACT FEE (FIRST READING)

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA AMENDING CHAPTER 16 (DEVELOPMENT & IN-LIEU FEES) OF THE MASTER FEE SCHEDULE TO REMOVE THE TELEGRAPH CANYON DRAINAGE BASIN DEVELOPMENT IMPACT FEE

RECOMMENDED ACTION

Council adopt the resolution and place the ordinance on first reading.

SUMMARY

On August 7, 1990, the City Council adopted Ordinance No. 2384 (Attachment 1) approving the Telegraph Canyon Drainage Plan (the "Drainage Plan" or "Plan") and establishing the Telegraph Canyon Drainage Basin Development Impact Fee (the "Telegraph Canyon Drainage Basin DIF") to fund planned drainage facilities described in the Plan. A subsequent Nexus Study was adopted on January 26, 2016, by Ordinance No. 3361 (Attachment 2), approving the Telegraph Canyon Drainage Channel Nexus Study DR203, and amending Ordinance No. 2384 accordingly.

At this time, there are no remaining properties to be developed within the boundaries established by the Drainage Plan that would be subject to the Telegraph Canyon Drainage Basin DIF. Therefore, staff is recommending the repeal of Ordinance No. 2384, relating to the establishment of the Telegraph Canyon Drainage Development Impact Fee.

ENVIRONMENTAL REVIEW

The activity is not a "Project" as defined under Section 15378 of the California Environmental Quality Act State Guidelines; therefore, pursuant to State Guidelines Section 15060(c)(3) no environmental review is required. In addition, notwithstanding the foregoing, the "Project" also qualifies for an Exemption pursuant to Section 15061(b)(3) of the California Environmental Quality Act State Guidelines.

BOARD/COMMISSION/COMMITTEE RECOMMENDATION

Not applicable.

DISCUSSION

Background

Chula Vista's *General Plan* and "Growth Management" ordinance require that adequate public facilities be available to accommodate new development. In the early 1990's, development of properties was proposed within the boundaries served by the Telegraph Canyon Drainage Basin (the "Drainage Basin") (see Attachment 3), which handled a limited amount of surface and storm water runoff.

Recognizing that additional drainage facilities would be needed to accommodate the surface and storm water runoff resulting from development of property within the boundaries of the Drainage Plan, the City Council held a public hearing on August 7, 1990 and adopted Ordinance No. 2384, which established the Telegraph Canyon Drainage Basin DIF to fund planned drainage facilities described in the Drainage Plan. The Drainage Plan established the following: 1) the boundaries of the Telegraph Canyon Drainage Basin, the Telegraph Canyon Drainage Improvement District and the area of benefit of the Telegraph Canyon Drainage Improvements; 2) the extent of the additional drainage facilities needed to accommodate new development in the Drainage District; and 3) a proposed allocation of fees to pay for the drainage facilities. A subsequent Nexus Study was prepared to reanalyze and reevaluate the adequacy of the existing Telegraph Canyon Channel facilities to accommodate the surface and storm water runoff resulting from development of properties within the Drainage Basin and to identify remaining facilities to be built to serve the same purpose, and benefit the same land, for which the Telegraph Canyon Drainage DIF was established (the "2016 Nexus Study"). In January 2016, Council adopted Ordinance No. 3361 amending Ordinance No. 2384 in accordance with the 2016 Nexus Study.

Ordinance No. 2384 originally established the Telegraph Canyon Drainage Basin DIF in the amount of \$3,922 per gross benefit acre of undeveloped land for each development project within the Telegraph Canyon Drainage Benefit area, including tentative maps, tentative parcel maps, or building permits, to be paid before the approval of the project by the City. The Telegraph Canyon Drainage Basin DIF was subsequently increased to \$4,579 per acre by Resolution 18965 on April 21, 1998. The 1998 update implemented inflationary adjustments contemplated in the original ordinance, and the fee has remained unchanged at \$4,579 since the 1998 action.

Telegraph Canyon Drainage Basin Improvements & DIF

The planned improvements, as identified by the Drainage Plan and 2016 Nexus Study, mitigate the impacts resulting from the development of properties within the Drainage Basin. At this time, all necessary improvements identified by the Drainage Plan and 2016 Nexus Study have not yet been completed. However, all of the properties within the Drainage Basin have been developed, with the exception of one 2.45-acre parcel.

The remaining undeveloped parcel has a General Plan designation of OS (Open Space) and is zoned PC (Planned Community) in Rancho del Rey, where it is designated OS-1. Permitted uses in that zone include parks, recreational facilities and utilities. Conditional uses permitted in the OS-1 zone are limited to fruit and vegetable stands and public and quasi-public uses. All uses that would be allowed on this parcel are

exempt from development impact fees and therefore, subsequent permitted development of the parcel would result in the collection of no Telegraph Canyon Drainage Basin DIF.

As of the end of fiscal year 2018-19, the Telegraph Canyon Drainage Basin DIF fund balance totals approximately \$3.9 million. To complete all of the improvements identified in the Drainage Plan and 2016 Nexus Study, staff estimates more than \$12 million dollars will be required. Staff is working with a consultant to obtain grant funding to augment the current balance in the Telegraph Canyon Drainage Basin DIF in order to complete the improvements.

With no other apparent properties left subject to the Telegraph Canyon Drainage Basin DIF, staff recommends that it be repealed and that Chapter 16 (Development and In-Lieu Fees) of the City's Master Fee Schedule be amended to reflect this change. If approved, the resolution would be effective upon the second reading of the ordinance. Following expenditure of all DIF monies, the fund will be closed.

DECISION-MAKER CONFLICT

Staff has reviewed the property holdings of the City Council members and has found that Mayor Casillas Salas and Councilmember McCann have property holdings within 500 feet of the boundaries of the property that is the subject of this action. However, to the extent that any decision would have a reasonably foreseeable financial effect on the member's real property, the effect would be nominal, inconsequential, or insignificant. Consequently, pursuant to California Code of Regulations Title 2, sections 18700 and 18702(b), this item does not present a real property-related conflict of interest under the Political Reform Act (Cal. Gov't Code § 87100, *et seq.*).

Staff is not independently aware, and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision-maker conflict of interest in this matter.

CURRENT-YEAR FISCAL IMPACT

All staff costs associated with the preparation of this report are included in the adopted budget. Approval of the repeal Ordinance will stop all future collection of the Telegraph Canyon Drainage Basin DIF. The Telegraph Canyon Drainage Basin DIF fund will be closed following the expenditure of the fund balance on a future capital improvement project.

ONGOING FISCAL IMPACT

There is no ongoing fiscal impact as a result of this action.

ATTACHMENTS

Attachment 1 – Ordinance No. 2384

Attachment 2 – Ordinance No. 3361

Attachment 3 – Map of Telegraph Canyon Drainage Basin

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