

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
ARROYO GRANDE AMENDING SECTION 3.36.030 OF THE
ARROYO GRANDE MUNICIPAL CODE REGARDING
DEVELOPMENT IMPACT FEES AND FINDING THE
ORDINANCE EXEMPT FROM THE CALIFORNIA
ENVIRONMENTAL QUALITY ACT**

WHEREAS, the City of Arroyo Grande (the “City”) has conducted an updated nexus fee study (the “Nexus Study”) for its development impact fees (“DIF”) in connection with the approval of development projects for the purpose of defraying all or part of the costs of providing public facilities related to said development projects in compliance with the Mitigation Fee Act, commencing with California Government Code section 66000; and

WHEREAS, the City Council has adopted the Nexus Study and the 2024 DIF schedule related to the Nexus Study by resolution; and

WHEREAS, the Nexus Study has created different and/or additional categories of DIF than is currently provided for in the Arroyo Grande, California Municipal Code (“AGMC”); and

WHEREAS, on February 13, 2024, the City Council conducted noticed public hearings to receive input on the Nexus Study and the adoption of the 2024 DIF schedule and adopted a Resolution approving the 2024 DIF schedule; and

WHEREAS, without a change to the AGMC, City regulations are inconsistent with the DIF categories included in the newly adopted 2024 DIF schedule; and

WHEREAS, the City Council now desires to amend the AGMC section 3.36.030 to reflect the newly adopted 2024 DIF categories.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE DOES ORDAIN AS FOLLOWS:

SECTION 1. Incorporation. The above recitals are true and correct and are incorporated herein by this reference.

SECTION 2. Environmental. The City Council finds that this Ordinance is exempt from the California Environmental Quality Act (“CEQA”) because the Ordinance does not qualify as a “project” under CEQA and because the Ordinance will not result in a direct or reasonably foreseeable indirect physical change in the environment. (State CEQA Guidelines section 15060, subd. (c)(2), (3).) Section 15378 of the State CEQA Guidelines defines a project as the whole of an action, which could potentially result in either a direct physical change, or reasonably foreseeable indirect physical change, in the environment. Here, the Ordinance will not result in any construction or development, and it will not have any other effect that would physically change the environment. The Ordinance therefore

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does not qualify as a project subject to CEQA.

SECTION 3. Code Amendment. Section 3.36.030 of the AGMC is hereby amended to read as follows (additions shown in underline and deletions shown in ~~strikethrough~~), all other provisions of Chapter 3.36 of the AGMC remain in effect:

“This chapter establishes development impact fees which are imposed as a condition of approval upon all development projects for which a building permit is issued on or after the effective date of the ordinance codified in this chapter. Those impact fees are established for the following public facilities:

- A. ~~Fire Protection fees~~Facilities;
- B. ~~Police Facilities fees~~;
- C. ~~Community center fees~~Park Facilities;
- D. ~~Park improvement fees~~Recreation Facilities;
- E. ~~Water Facilities fees~~;
- F. ~~Traffic signalization fees~~Transportation Facilities;
- G. ~~Transportation~~Storm Drain Facilities fees;
- H. Wastewater Facilities.

These impact fees are established in order to pay for the capital costs of public facilities reasonably related to the needs of new development in the city. At least once every five years, the council shall review the basis for the impact fees to determine whether the fees are still reasonably related to the needs of new development. In establishing these fees, the council has considered the effect of the fees with respect to the city's housing needs as established in the housing element of the general plan.”

SECTION 4. Publication. A summary of this Ordinance shall be published in a newspaper published and circulated in the City of Arroyo Grande at least ten days prior to the City Council meeting at which the proposed ordinance is to be adopted. A certified copy of the full text of the proposed ordinance shall be posted in the office of the City Clerk. Within 15 days after adoption of the Ordinance, the summary with the names of those City Council members voting for and against the Ordinance shall be published again, and the City Clerk shall post a certified copy of the full text of such adopted Ordinance.

SECTION 5. Effective Date. This Ordinance shall become effective 30 days after adoption.

SECTION 6. Severability. Should any provision of this Ordinance, or its application to any person or circumstance, be determined by a court of competent jurisdiction to be unlawful, unenforceable or otherwise void, that determination shall have no effect on any other provision of this Ordinance or the application of this Ordinance to any other person or circumstance, and, to that end, the provisions hereof are severable. The City Council declares that it would have adopted all the provisions of this Ordinance that remain valid if any provisions of this Ordinance are declared invalid.

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SECTION 7. Records. The documents and materials associated with this Ordinance that constitute the record of proceedings on which the City Council's findings and determinations are based are located at 300 E. Branch Street, Arroyo Grande, CA 93420. The City Clerk is the custodian of the record of proceedings.

On motion by Council Member _____, seconded by Council Member _____, and by the following roll call vote to wit:

AYES:

NOES:

ABSENT:

This Ordinance was adopted at its second reading on the ____ day of _____, 2024.

CAREN RAY RUSSOM, MAYOR

ATTEST:

JESSICA MATSON, CITY CLERK

APPROVED AS TO CONTENT:

MATTHEW DOWNING, CITY MANAGER

APPROVED AS TO FORM:

ISAAC ROSEN, CITY ATTORNEY