



American Planning Association  
**California Chapter**

*Making Great Communities Happen*

March 26, 2018

Assembly Member Anna Caballero  
Room 5158 - State Capitol  
Sacramento, California 95814

SUBJECT: **AB 3147 (CABALLERO) – NOTICE OF OPPOSITION**  
FREEZING TIMING OF LOCAL FEES AND EXACTIONS -  
IN ASSEMBLY HOUSING & COMMUNITY DEVELOPMENT  
COMMITTEE 4/11 & LOCAL GOVERNMENT COMMITTEE

Dear Assembly Member Caballero:

The American Planning Association, California Chapter (APA California) must respectfully oppose your measure, AB 3147. AB 3147 would freeze all fees, exactions and other charges on the date that an application for a housing project is determined to be complete. APA has major concerns with this proposal:

- There are important reasons, outlined below, that fees are assessed at the building permit stage when the project is final, approved and ready to be built.
- HCD is currently conducting a study on fees and charges that impact housing which will be completed next summer. APA believes that waiting until the study is released and reviewing HCD's recommendations should occur before legislation that would change the nature and timing of fees is considered.
- The concept of freezing fees and other charges at the time a housing project application is determined to be complete would be impossible to track and appears to encourage developers to delay building the housing that we are all trying to accelerate.
- Additionally, a developer can achieve certainty related to fees now using existing options such as development agreements and vesting maps.

The main provision of the bill states that a housing development project shall not be subject to a fee, charge, including a fee or charge, dedication, reservation, or other exaction that is more than the fee, charge, dedication, reservation, or other exaction in effect at the time that the application for the

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housing development project is determined to be complete.

NOT ALL FEES AND CHARGES CAN BE DETERMINED AT THE APPLICATION STAGE: Preventing fees from being imposed if they were “not in effect” at the time an application is complete is an odd deadline. Many fees or exactions cannot be determined at the application stage as they depend on the scope of the project at the time the project is final and approved.

TRACKING FEES AND MAPS FOR PROJECTS BUILT YEARS LATER WOULD BE AN ADMINISTRATIVE NIGHTMARE: The consequences of freezing fees and charges at completeness go way beyond providing certainty to the developer. What if the developer doesn’t build for many years? What if it is part of a subdivision map? How are cities and counties going to be able to track what fees were in place at the time the project is deemed complete when it may take the developer 7 years or more to build after that completeness determination? With so many maps and with the different time extensions for maps, it would be an administrative nightmare to track.

THE DEVELOPER HAS EXISTING OPTIONS TO FREEZE FEES USING DEVELOPMENT AGREEMENTS AND VESTING MAPS: This concept makes even less sense given that the developer already has the option to enter into a development agreement or to request a vesting map to accomplish the goal of certainty. Development agreements for instance freeze fees for a limited time to encourage units to be built sooner rather than later.

THE BILL APPEARS TO ENCOURAGE DEVELOPERS TO DELAY BUILDING HOUSING BUT CONSEQUENCES OF THAT DELAY WILL IMPACT CITIES AND COUNTIES: With the recent housing package imposing consequences on a local agency based on when projects get built as opposed to when they are entitled by the local agency, this bill would actually work at cross purposes to the goal of building projects as quickly as possible to make that housing available.

APA IS WILLING TO WORK ON A FEE BILL AFTER THE HCD FEE STUDY IS RELEASED NEXT SUMMER: APA is willing to work with you on a bill related to fees following the release of HCD’s fee study in June 2019. But, for these reasons outlined above, APA regretfully cannot support the bill as written.

If you have any questions, please contact our lobbyist, Sande George, with Stefan/George Associates, [sgeorge@stefangeorge.com](mailto:sgeorge@stefangeorge.com), 916-443-5301.

Sincerely,

*John C. Terell*

John C. Terell, AICP  
Vice President, Policy and Legislation - APA California

cc: Governor’s Office and OPR  
Assembly Housing Committee and Assembly Local Government Committee  
Republican Caucus

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