

City of Stockton

NON-RESIDENTIAL PUBLIC FACILITIES FEE AND MITIGATION FEE SHORT-TERM DEFERRAL PROGRAM GUIDELINES

Goals and Objectives

The purpose of the Non-residential Public Facilities Fee and Mitigation Fee Short-term Deferral Program is to serve as an additional tool in the City's economic development efforts to generate new revenue, attract new business, and create additional jobs throughout Stockton. The program provides short-term relief from upfront development costs, specifically impact fees, until construction has been completed and the building is ready to occupy.

Program Guidelines

The Non-residential Public Facilities Fee and Mitigation Fee Short-term Deferral Program will be used to attract and support new non-residential construction projects throughout the City. Rather than paying development impact fees at the time a building permit is issued, a developer with a qualified non-residential project may elect to defer payment of such fees, with the exception of Surface Water Supply Fee, SJMSCP (Habitat) Fee, Regional Transportation Impact Fee, and San Joaquin County Facilities Fees. The City of Stockton does not have the authority to defer "pass-through" impact fees, such as the County Facilities or Habitat program fees.

1. Definitions

A "new non-residential construction project" is defined as a new non-residential project on one parcel of land or a group of non-residential contiguous parcels under the same ownership.

A "qualified project" is defined as a new non-residential construction project with eligible Public Facilities and Mitigation fees exceeding \$20,000.

2. Eligible Fees

The following development fees are eligible for short-term deferral for qualified new non-residential construction projects:

Public Facilities Fees:

- City Office Space
- Delta Water Supply System
- Fire Station
- Library
- Police
- Street Improvements
- Water Utility Connection
- Wastewater Connection
- Community Recreation Center

Mitigation Fees:

- Agricultural Mitigation Fee
- Air Quality Mitigation Fee

3. Short-term Deferral of Fees

New non-residential construction projects may defer eligible fees until first certificate of occupancy, whether temporary or final, or two years from the first building permit issuance, whichever is less. The City Manager or designee shall have the authority to approve an extension of an executed agreement beyond the two-year term when requested by the developer under special circumstances. The developer shall present circumstances and an official request in writing to the City of Stockton Economic Development Department staff for review; staff will then make recommendation to the City Manager for final approval. If an extension is granted, an amendment to the existing agreement is required and City Manager or designee shall have the authority to execute amendments.

4. Application and Processing

A request for short-term deferral of eligible fees for new non-residential construction projects must be submitted in writing to the Economic Development Department for review prior to issuance of a building permit. If the project is deemed eligible, a fee deferral agreement must be executed between the applicant and City prior to the issuance of the building permit. The City Manager shall have the authority to execute such agreements on behalf of the City including where agreements exceed the dollar value of the City Manager's expenditure authority. A temporary or final certificate of occupancy will not be issued by the City until all required fees, including those that have been deferred, are paid in full.

This program will become effective immediately from the date of approval and will remain in effect through December 31, 2017, unless extended by the Stockton City Council.

Adopted by the Stockton City Council

_____ - Resolution No. _____

Revised February 7, 2023