Public Workshop
City of Solana Beach
Draft Public Recreation Impact Fee Study
January 12, 2016
Introductions

- Greg Wade, City Manager
- Bill Chopyk, Community Development Director
- Johanna Canlas, City Attorney
- Leslea Meyerhoff, City Project Manager
- Donna Snider, MBI
- Dino Serafini, MBI
- Larry Ponseggi, MBI
- Seamus Innes, Everest International Consultants
- David Cannon, Everest International Consultants
- Gabriel Buhr, California Coastal Commission
Public Workshop Purpose

- To provide overview of methodologies, assumptions and recommendations contained in Draft Fee Study

- To promote dialogue and understanding among interested parties

- To answer questions of interested parties
Public Workshop Overview

- Meeting format:
  - Scheduled from 6:00 – 8:00PM
  - Presentation (approximately 20 minutes)
  - Question & Answer session

- Sign In Sheets and Comment Cards

- Comment period has been extended from January 19 to January 22 @ 5:00pm
  - Via email, mail or hand delivered to City Hall
Public Workshop Overview

- Workshop is being live streamed online @ City website and being broadcasted on public access cable TV
- Questions from viewers at home tonight can email their questions to:
  - Bill Chopyk, AICP  
    Bchopyk@cosb.org
Fee Study: Purpose

- Seawalls often built on public land
- Solana Beach LUP requires that impacts be mitigated through the payment of two fees
  - Sand Mitigation Fee (offset value retained sand)
  - Public Recreation Fee (effects on public recreation)
Impact Fee History: 2008-2010

- City initiated work in 2008 on fee study for seawalls:
  - Sand Mitigation Fee & Public Recreation Fee
- In 2010, the City agreed to use the CCC Sand Mitigation Fee methodology
  - Contained in Solana Beach LUP Appendix A
  - Equates to approximately $25,000 per 50-foot seawall
- Draft Public Recreation Fee Study issued in April 2010; revised Draft Fee Study issued in July 2010
October 2010 Draft Public Recreation Fee Study recommended a fee of $3,011 per linear foot of seawall

- 1/3 due up front
- Remainder amortized for maximum 75-years
  - (i.e., through Year 2081)

Draft Fee Study put on hold in January 2011

- City shifted priority to LUP completion and certification

City continues to assess seawall projects:

- Sand Mitigation Fee (per LUP Appendix A methodology)
- $1,000 per LF as a deposit toward a public recreation fee until permanent fee is established
Fee Study Update Process: 2012-2016

- City completes LCP LUP process in 2012
- City submits LCP Planning Grant application in 2013
- January 2014: City awarded LCP Planning Grant of $120,000 from the California Coastal Commission
  - Purpose of Grant is to update 2010 Draft Fee Study
  - City retained original study team members from PMC (now Michael Baker International)
    - Added Everest International and Merkel & Associates
  - Fee Study Update work initiated in June 2014
  - Per the terms of the CCC LCP Planning Grant, all work must be completed by April 30, 2016
Fee Study update encompasses the following:

- Review all comments received by the City in 2010
- Incorporation of LUP policies into revised Fee Study (e.g., 20-year payment instead of 75 years)
- Inclusion of updated local bluff failure data
- Improve methodology for estimating surfers
- Population count updates reflect seasonal expansion of original data set
The following additional variables have been incorporated into updated fee calculation:

- Future sea level rise conditions
- 10-year review of average annual bluff erosion rate
- Review of CCC / NOAA Beach Valuation Study
  - Assessment for potential ecological effects
  - Administrative draft report provided from CCC on 11/12/15 and is under review
Determining Beach Value

- What is the value of the public beach?
- Four economic models considered:
  - Contingent Valuation
  - Random Utility Method
  - Benefit Transfer
  - Time and Travel Cost Method
- Key components include:
  - Average value of public beach per person x annual attendance = Annual Value of Beach
  - Plus value of the City’s Junior Lifeguard Program
  - Average Area of Beach
  - Provide an Annual Value per square foot of beach
- Annual value per square foot applied to the area affected by construction of seawall
Public beach area calculated at 15.5 acres
- Basis of analysis is 13 years of local data
- Spring and Fall beach profile transects
- Data collected as part of SANDAG Regional Shoreline Monitoring Program

2010 Fee Study used a one-time "snapshot" of 8.18 acres of public beach area
Development of a demand curve to determine consumer surplus

- Adult beach visit based on 1/3rd of wages
  - 100% wages used in 2010 Fee Study

- Overall recreational value is:
  - $13.42 for non-summer visits
  - $17.50 for summer visits
  - $21.15 recommended in 2010 Fee Study
    - Cost only and 100% of wages
Beach Attendance Data:

- Revised to include separate surfer and non-surfer “expansion” factors¹
- Annual surfer count was revised to 66,800
  - Up from 26,700 in the 2010 Fee Study
- Application of annual beach attendance growth factor
- Seasonal (monthly) expansion of attendance to obtain annual estimate

1. Surfer factors based on empirical data from Nelsen (Trestles Beach) and King (Ventura County)
Predicted future bluff erosion rate accounts for:

- Projected future sea level rise values from:
  - California Coastal Commission and
  - National Research Council

- Historical bluff erosion rates considered 8 empirical sources

- LUP states bluff erosion of 0.4’ / year until 2026

- Assumed increased rate of bluff erosion after 2026

- City will conduct LIDAR bluff survey - Fall 2016
  - Establish baseline for future measurements
2015 Fee Study Refinements & Changes

- The area of public beach not available for recreation assumes imminent and episodic bluff failure
  - Block failure likely to occur once bluff erosion has undercut bluff by 8.2’
  - Fee Study assumes this area would be imminently available to the public without a seawall
  - For a 50’ long wall the initial area subject to the Public Recreation Fee would be 510 square feet
    - \((8.2’ + 2’) \times 50’\)
- Separate factors for Consumer Price Index (2.08%) and discount rates (4%) were used
- A net of 2% was used in the 2010 Fee Study
Impact fees paid in 20-year increments per LUP
- 2010 Fee Study fees were to be paid for 75 years
- Solana Beach Junior Lifeguard revenues were added to annual recreational value
  - Excluded from the 2010 Fee Study
- Additional Offset Credit Analysis
  - No change in outcome
  - Offset not likely to be realized
Recommendations of the 2015 Fee Study

- Annual recreational value of the beach increased to $2.7 million in 2015 dollars
  - $2.1 million in 2010 Fee Study

- Annual recreational value is $3.99 per SF in 2015
  - $6.02 per SF in the 2010 Fee Study

- Recommended public recreation impact fee is $870 per linear foot if permitted in 2016
  - For a typical 50-foot long seawall, the fee = $43,500
  - $3,100 per linear foot recommended in the 2010 Fee Study equating to a $155,000 fee for a 50-foot long seawall

- Fee increases to $1,311 per LF if permitted in 2026

- Fees cover 20-year period and payable up front
City Use of Public Recreation Fees

- Per Solana Beach LUP Policy 4.50:
  - City Fees cannot be duplicative with any other fees
    - i.e., California State Lands Commission land lease fees
  - Public Recreation Fees must be expended for:
    - Public access & public recreation improvements as a first priority
    - Sand replenishment & retention as secondary priorities
  - Sand Mitigation Fees must be expended for:
    - Sand replenishment & retention projects as a first priority
    - Public access & public recreation improvements as secondary priorities
Summary of Milestones & Next Steps

- Sept. 23, 2014: Public workshop to initiate Fee Study update
- Nov. 18, 2015: Draft Fee Study update complete, public review and comment period initiated
- Jan. 12, 2016: Public workshop on Draft Fee Study
- Jan. 22, 2016: Comment period closes on Draft Fee Study
- Feb - April 2016: Public meetings on Fee Study; Council consider submittal of Draft Fee Study to CCC
- April 29, 2016: Fee Study and LUP Amendment submitted to CCC (per the terms of the CCC Grant, all work must be completed by 04/16)
Council approved a 60-day public review and comment period

Comment period extended through 1/22/16 @ 5:00 P.M.

Comments can be submitted in person, via email or via regular mail

Please send your comments to:
Mr. Bill Chopyk, AICP, Community Development Director
City of Solana Beach
635 South Highway 101
Solana Beach, CA, 92075

Via email to: Bchopyk@cosb.org
Public Comments & Questions