

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY COUNCIL OF
THE CITY OF MERCED, CALIFORNIA,
AMENDING SECTION 17.64.150, "REPEAL," OF
THE MERCED MUNICIPAL CODE RELATING
TO THE REGIONAL TRANSPORTATION
IMPACT FEES**

**THE CITY COUNCIL OF THE CITY OF MERCED DOES ORDAIN
AS FOLLOWS:**

WHEREAS, the City of Merced adopted the Regional Transportation Impact Fee ("RTIF") on May 2, 2005 pursuant to Ordinance No. 2194 and amended the RTIF pursuant to Ordinance No. 2310 adopted on July 7, 2008. Since August 2005, the City of Merced has collected RTIF on all new development projects (residential and commercial) in the City in order to raise additional revenues to pay for regional transportation improvements; and

WHEREAS, in August 2005, the County of Merced and Cities of Atwater, Dos Palos, Gustine, Los Banos and Merced began collecting the RTIF. In November 2014, the City of Livingston began collecting the RTIF; and

WHEREAS, in January 2012, the City of Dos Palos suspended collecting the RTIF. In January 2012, the City of Los Banos suspended the collection of the RTIF for non-residential projects and in August 2014, suspended the collection of the RTIF for all projects. Other cities, although still collecting the RTIF on selected projects, have exempted major commercial projects from paying the fee based upon a variety of stated reasons; and

WHEREAS, given the inconsistent application of the RTIF to development projects throughout the County, the City of Merced has been at a competitive disadvantage with other jurisdictions within the County; and

WHEREAS, the City of Merced has lost projects based upon the City continuing to charge the RTIF, despite the City having lowered its Public Facilities Impact Fees by more than 55 percent in 2012; and

WHEREAS, the City of Merced will begin its five-year update of the Public Facilities Impact Fee program in 2017. This process will include an analysis of the

City's development impact fees for transportation, traffic signals, police, fire, and parks and bikeways, including regional transportation projects with the City's Sphere of Influence. As part of that study, the City will make a final determination on whether the City should continue being part of the RTIF program.

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

SECTION 1. AMENDMENT TO CODE. Section 17.64.150, "Repeal," of the Merced Municipal Code is hereby amended to read as follows:

"17.64.150 Suspension of RTIF.

Notwithstanding any language in this Chapter 17.64 to the contrary, the City hereby suspends collection of the Regional Transportation Impact Fees pursuant to Chapter 17.64 for all new development projects in the City of Merced until June 20, 2018."

SECTION 2. EFFECTIVE DATE. This Ordinance shall be in full force and effect thirty (30) days after its adoption.

SECTION 3. SEVERABILITY. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance, is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance, and each section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional.

SECTION 4. PUBLICATION. The City Clerk is directed to cause a summary of this Ordinance to be published in the official newspaper at least once within fifteen (15) days after its adoption showing the vote thereon.

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The foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Merced on the ____ day of _____, 2016, and was passed and adopted at a regular meeting of said City Council held on the ____ day of _____, 2016 by the following called vote:

AYES: **Council Members:**

NOES: **Council Members:**

ABSTAIN: **Council Members:**

ABSENT: **Council Members:**

APPROVED:

Mayor

ATTEST:
STEVE CARRIGAN, CITY CLERK

BY: _____
Assistant/Deputy City Clerk

(SEAL)

APPROVED AS TO FORM:

Ken Royed 5/31/16
City Attorney **Date**