

Public Workshop
City of Solana Beach
Draft Public Recreation Impact Fee Study

January 12, 2016



Introductions

2

- ▣ 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 Pongeggi, MBI
- ▣ Seamus Innes, Everest International Consultants
- ▣ David Cannon, Everest International Consultants
- ▣ Gabriel Buhr, California Coastal Commission



Public Workshop Purpose

3

- ❑ 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

4

- 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

5

- 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

6

- 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

7

- 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



Fee Study: History: 2010-2011

8

- 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

9

- 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: Analysis

10

- 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



Fee Study: Analysis

11

- 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

12

- 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



2015 Fee Study Refinements & Changes

13

- 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



2015 Fee Study Refinements & Changes

14

- 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



2015 Fee Study Refinements & Changes

15

- 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)



2015 Fee Study Refinements & Changes

16

- 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

17

- 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



2015 Fee Study Refinements & Changes

18

- 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

19

- 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

20

- 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

21

- 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*)



Comments on Draft Fee Study

22

- 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