

## City of Berkeley Residential Project Development Fees - June 13, 2017

The following table outlines a comprehensive list of residential development fees as they apply to projects in the City of Berkeley. This list intends to be comprehensive in nature and includes the full fee load for the design, permitting, and construction/operation of an apartment project in Berkeley. The list also includes new fees contemplated by the City of Berkeley as of June 13, 2017. Each fee includes a description, fee amount breakdown, and a calculation example for a sample project in Downtown Berkeley, which is a 5-story mixed-use project with 82 residential units, 2,000 sf of ground-floor retail, 68 vehicle parking spaces, and a gross square footage of 100,000 square feet.

Development Fees		
Fee Description	Application of Fees to Sample Project in DT Berkeley	Fees
<b>Affordable Housing Mitigation Fee Residential:</b> 20% of market rate units @VLI or LI OR in-lieu fee of \$34,000 per total project units	In lieu 14 BMR units. 68 Market Rate Units x \$34,000= \$2,312,000	\$ 2,312,000
<b>Affordable Housing Mitigation Fee Commercial:</b> \$2.25-\$4.50/gsf commercial or 1 unit on site or elsewhere in Berkeley at 30% AMI (1 unit per certain sf depending on use)	2,000 Sf of retail/restaurant space x \$4.50 = \$9,000	\$ 9,000
<b>Affordable Childcare Mitigation Fee:</b> \$0.62-\$1.50/gsf for commercial projects	2,000 SF of retail/restaurant space x \$1.25 = \$2,500	\$ 2,500
<b>Parking Fees:</b> \$15,000/space for spaces 1-5 waived or reduced, \$20,000/space for spaces 6-15 waived or reduced, \$25,000/space for spaces 16-25 waived or reduced, and \$30,000/space for spaces 26 and greater waived or reduced.	N/A providing all required parking	
<b>10% Electric Vehicle Charging - Prewiring:</b> 10% Residential Parking and 3% of non-residential parking	10% of 68 auto spaces = 6.8 (7) EV ready spaces. \$30,000/space	\$ 210,000
<b>SOSIPs:</b> \$2.23/gsf Residential; \$1.68/gsf Commercial	98,000 gsf residential x \$2.23=\$218,540; 2,000 gsf commercial x \$1.68=\$3,360	\$ 221,360
<b>Berkeley Unified School District Fee:</b> \$3.48/gsf Residential; \$0.56/gsf Commercial	98,000 gsf residential x \$3.48=\$341,040; 2,000 gsf commercial x \$0.56=\$1,120	\$ 342,160
<b>Business License Fee:</b> 2.88% of gross receipts for owners of 5 or more residential rental units	\$472,000 annual gross receipts x 2.88% = \$13,590. (This fee assumes residential rent at \$4.75/sf and commercial at \$3.00/sf)	\$ 13,590
<b>1% for Art:</b> 1% of hard costs and cost of art consultant for on-site art OR pay .8% of hard costs in-lieu fee to public arts fund	1.2% of \$27.5M of hard costs=\$330,000, OR in-lieu fee of 0.8%=\$220,000	\$ 330,000
<b>AC Transit Pass:</b> \$120/year per unit	82 units x \$120 = \$9,840/year	\$ 9,840
	<b>Sample Project: Development Fees Subtotal</b>	<b>\$ 3,450,450</b>
	<b>Sample Project: Development Fees Subtotal - Per Unit</b>	<b>\$ 42,078.66</b>
	<b>Continuing Annual Fees</b>	<b>\$ 23,430</b>
	<b>Other Costs: All open space on site and All parking on site</b>	

Building and Permitting Fees for Sample Project		
Description	Applied to Sample Project in DT Berkeley	
Use Permit and CEQA Fees (No EIR)		\$80,000
CoB Building Permit and Plan Check Permit Fees/MEP Fees		\$2,333,924
City of Berkeley Sewer Connection Fee: \$160.73/drainage fixture unit	Residential 902, Commercial 47, Amenity Space 25. (974 Total)	\$156,551
	<b>Sample Project: Building and Permitting Fees Subtotal</b>	<b>\$2,570,475</b>
	<b>Sample Project: Building and Permitting Fees Subtotal - Per Unit</b>	<b>\$31,347</b>
	<b>Continuing Annual Fees</b>	N/A

Other Development Costs		
Description		
Construction Costs	Estimated at \$316/sf	\$27,500,000
Construction Insurance		\$200,000
Construction Insurance Loan Interest		\$13,000
Architecture/Engineering/Legal		\$1,100,000
EBMUD Fees		\$1,149,690
Property Taxes (annually after occupancy)		\$495,000
Land Cost		\$3,465,000
	<b>Sample Project: Other Development Costs Subtotal</b>	<b>\$33,922,690</b>
	<b>Sample Project: Other Development Costs Subtotal - Per Unit</b>	<b>\$413,691.34</b>
	<b>Sample Project Other Development Costs: Continuing Annual Fees</b>	<b>\$495,000</b>
	<b>Sample Project Other Development Costs: Continuing Annual Fees - Per Unit</b>	<b>\$6,037</b>
	<b>First Year Total</b>	<b>\$ 39,943,615</b>
	<b>First Year Total Per Unit</b>	<b>\$ 487,117</b>

Additional New Fees Proposed By City Council - June 13, 2017		
Description	Applied to Sample Project in DT Berkeley	Fee Increase
<b>Annual monitoring fees for multi-family developments providing BMR units:</b> \$10,000 one-time fee and \$450/BMR Unit	No BMR Units, The example project is paying in-lieu fee. If included fee would be \$10,000+ (\$450x 14 BMR units)	\$ 16,300
<b>Changes in Affordable Housing Mitigation Fee:</b> Eliminate discount in AHMF when paid at issuance of building permit; the 20% affordable requirement be applied to total project units rather than market rate units, when applicant is placing the units in the project rather than paying the fee; AHMF required to be paid for projects with 10 or fewer market rate units (including density bonus market rate units) rather than placing the affordable units on site.	No BMR Units, the example project is paying in-lieu fee. If project paid in-lieu fee on new AHMF calculations, the total AHMF would be 82 units x \$34,000 for a total of \$2,788,000.	\$ 544,000
<b>Transportation Services Fee</b>	TBD	
<b>Open Space In-Lieu Fee for fowntown mixed-use projects:</b> \$196/sf	Example project includes on-site open space. If project paid in-lieu fee, estimated fee would be 6,560sf (required at 80sf/du) x \$196/sf = \$1,285,760	n/a
<b>Revision to 1% for Art Ordinance:</b> Revise BMC 23C.23.050 to require 1.75% of hard costs for art piece, plus art consultant fee, or pay 0.8% in-lieu fee to the public arts fund	1% of \$27.5M of hard costs=\$481,250, OR in-lieu fee of 0.8%=\$220,000	\$ 481,250
<b>Anti-Displacement Advocate Position:</b> unknown if there will be an impact fee to fund this position		
	<b>Sample Project: New Fee Delta Subtotal</b>	<b>\$ 1,041,550</b>
	<b>Sample Project: New Fee Delta Subtotal - Per Unit</b>	<b>\$ 12,702</b>
	<b>Sample Project Total With Proposed Changes</b>	<b>\$ 40,985,165</b>
	<b>First Year Total Per Unit</b>	<b>\$ 499,819</b>