Commercial Development Fee Deferral Program

Office of Economic Development





Overview

The City of Roseville Commercial Development Fee Deferral Program (CDFDP) can defer payment of certain development fees associated with the costs of new construction. Projects must meet the program criteria in order to qualify for the deferral program. Typically, most development fees must be paid prior to obtaining a building permit. The CDFDP instead allows for certain development fees to be paid prior to the certificate of occupancy or final. No interest is charged for the deferred fees.

Applications are reviewed by the Economic Development Advisory Committee (EDAC) and, for deferral requests over \$1 million, the request will also be reviewed by the City Council.

Program Criteria

To qualify for the Commercial Development Fee Deferral Program, a business must fall into at least one of the following five categories.

- **1. Targeted area**. The proposed commercial or industrial project must be within the defined targeted area. Please refer to the accompanying maps to view the targeted areas. For questions about the targeted area, please contact the Office of Economic Development at (916) 774-5362 or check the website at www.roseville.ca.us/ed.
- **2. Retention of existing business.** Businesses currently located in Roseville that will be relocating to new facilities or expanding existing facilities in Roseville qualify for the CDFDP.
- **3. Affordable Housing**. Single-family or multi-family projects that meet affordable housing criteria and that have entered into an Affordable Housing Development Agreement with the City qualify for the CDFDP. To find out more about affordable housing criteria, please contact the Housing Division at (916) 774-5270 or visit their website at www.roseville.ca.us/housing.
- **4. Targeted economic development objectives.** The City of Roseville's Economic Development Strategy lists several types of businesses and industries that are considered highly desirable for the City.
- Clean Tech
- Education
- Health Care
- Tourism
- Regional Headquarters

- Software and Design
- High value call/data centers
- Engineering Services
- Biotech/Medical Equipment & Devices

These are businesses that are complementary to existing businesses in Roseville, and typically bring in high-quality jobs. For this qualification, EDAC and Council may also consider one or more of the following criteria;

- Average wages
- Growth potential of business, including employee growth
- Business-to-business sales potential
- Complementary affect on other Roseville businesses

Applicants should submit supporting documentation such as a business plan, financial records, industry statistics, payroll documentation and newspaper articles/press releases as appropriate.

5. Negotiated projects. These are typically large-scale projects that provide unique amenities or financial incentives to the City. Often, these projects enter into public-private partnership agreements. Examples of past projects include the Roseville Automall, Westfield Galleria at Roseville, Hewlett-Packard and NEC. These agreements require review and approval by the City Council.

Eligible Fees

The following commercial development fees are eligible for deferral.

- Fire Service Construction Tax
- Public Facilities Fee
- Local Sewer Fee
- Regional Sewer Fee
- Domestic Water Connection

- Irrigation Water Connection
- Traffic Mitigation Fee
- Citywide Park Fee*
- Neighborhood Park Fee*
- Other Park/Bike Trail/Paseo Fees*

The fees eligible for deferral are not guaranteed. The Finance Department reviews every fee deferral request to ensure that the deferral request will not have a negative impact on any development fee funds. Staff may recommend that a particular fee or fees not be deferred should it be determined that the deferral may negatively affect the City's ability to fund projects as planned. If you need assistance estimating the cost of development fees for your project, please contact the Community Development Department for a free fee estimate at (916) 774-5270.

Security

Security by the property owner is required through a Deed of Trust and Promissory Note. The Deed of Trust and Promissory note must be completed to the satisfaction of the City Attorney's office prior to deferral of the fees.

^{*}park fees are only applicable to residential projects

Process

Step	Timeframe
Application submitted to the Office of Economic Development and reviewed by staff.	3-5 working days
Request placed on next available Economic Development Advisory Committee (EDAC) agenda. EDAC meets monthly.	Up to 45 days, depending on EDAC meeting schedule.
If request approved by EDAC <u>and</u> the amount is for more than \$1 million, the request is scheduled for the next available City Council agenda.	Up to 45 days, depending on Council meeting schedule.
Staff review of Deed of Trust (DOT) and Promissory Note. Please note that the DOT and Promissory Note can be submitted to the City any time after approval. It is recommended that the applicant submit these documents at least 5-7 days prior to anticipated building permit issuance for the project to avoid any delays. The building permit will not be issued until the DOT and Promissory Note have been completed as required.	5-7 working days
Building Permit issued, less deferred fees. Construction begins.	
Payment of deferred fees prior to issuance of Certificate of Occupancy or final (for shell space only). Please contact staff 2 to 3 working days prior to anticipated date that the Certificate of Occupancy will be issued for the project. The Certificate of Occupancy (or final for shell space only) will not be issued until all deferred fees have been paid.	2-3 working days

If you have any questions about the program or would like to submit an application, please contact Karen Garner in the Office of Economic Development at (916) 774-5473 or kgarner@roseville.ca.us. An application can be obtained on the City's website at www.roseville.ca.us/ed under the "Programs & Services" menu item.

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