Agenda Date: 08/08/2017

Agenda Item: 7.2

Approved and Forwarded to City Council:

Bryan H. Montgomery, City Manager



## STAFF REPORT

Date:

August 8, 2017

To:

Bryan H. Montgomery, City Manager

From:

Joshua McMurray, Planning Manager

SUBJECT:

WORK SESSION - PUBLIC ART IMPACT FEE INFORMATION

## Summary

Strategic Plan Action Item 3.y. asks that the City evaluate the possibility and feasibility of implementing a public art program through imposing a development impact fee. Public Art Development Impact Fees are not uncommon throughout the Country and the fees collected through these programs are used to fund and maintain public art projects within the jurisdiction they are collected. Public Art can be another tool that helps define a community and increase the quality of life for its residents.

A Public Art Program can be satisfied in a few different ways including a project developer donating public artwork to the City, installing a public artwork on City property or the payment of in-lieu fees. Public Art programs can utilize the in-lieu fees collected to the fund the program in a variety of ways including the administration of the fee program and the design, acquisition, installation, maintenance and insurance of public artwork displayed on City property. Some programs allow for the fee to be used to fund performing arts programs and art education programs.

Typically, commercial developments are subject to a Public Art Development Impact Fee Program, while some jurisdictions also include residential projects. The Fee is typically a percentage of the overall cost of the project and projects typically have a minimum square footage base. For example, the City could establish a fee that sets the base at 50,000 square feet and requires an in-lieu fee of 1% of the total cost of the project.

In order to enact a fee program as described above, the City would first contract with a consultant experienced with AB 1600 Mitigation Fee Study's. As with any impact fee, Nexus Findings would need to be made as well with an adopted program. Staff has initially inquired about the cost to hire a consultant to conduct the AB 1600 Fee Study and Nexus Findings necessary to establish and collect the fee and that could be in the range of \$20,000.

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## **Recommendation**

Staff recommends the City Council provide direction on looking into a Public Art Impact Fee Program or waiting and bringing this item back for future discussion.