

21 of 31 DOCUMENTS

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Builder fee likely for Glendale

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Aug. 1--GLENDALE -- Amid concerns about a soft real estate market, the City Council on Tuesday finalized the details of a proposed fee on local development projects to finance parks and libraries.

The draft Development Impact Fee ordinance -- considered a watered-down version by at least one councilman -- could return for approval later this month.

"We got to bite the bullet," Councilman Dave Weaver said. "We already waited two years. ... We owe it to this community and to the people who live here."

An earlier ordinance proposed nearly two years ago would have raised up to \$200 million for new parks, libraries and an open space. But that was sent back to the drawing board after developers complained.

The current proposal would phase in the fee over 12 years. Residential projects already under way would pay \$2,000 per unit, with the fee steadily increasing to \$14,197 per unit by 2019.

Over the same period, commercial project fees would hit a maximum \$5.42 per square foot; office space fees would reach \$6.61 per square foot and industrial development would be \$2.70 a square foot.

Those proposed fees are less than those suggested a year ago, when new commercial buildings would have been assessed \$12.50 per square foot, office space at \$15 a square foot, and industrial buildings at \$6 per square foot. The new draft also grants exceptions for auto dealers and hotel development.

"This proposed fee schedule is really a neutered version of what it should be," Mayor Ara Najarian said. "If I were a one-man council, I would just have \$14,000 a unit."

But Councilman Bob Yousefian said it's the wrong time to hit developers amid a chilling real estate market.

"More and more developers are dropping out of building projects," he said. "Four years ago, I would've voted for this. ... My inclination is to vote no and to see what happens."

Weaver disagreed, saying Glendale will remain an attractive place for developers even with the fee.

"We're one of the cheapest cities to do business in," he said, citing the city's strong showing in a recent Kosmont-

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Rose Institute Cost of Doing Business Survey. "You want me to sit here and believe nobody wants to do business in Glendale?"

"This is a reasonable amount to pay your fair share. Slip it down three years ... and we'll never get any money."

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