



PLANNING & ZONING

MEMORANDUM

TO: Mayor, Vice Mayor and City Council

THROUGH: Jesus Merejo, City Manager
Teresa Lamar-Sarno, Chief Assistant City Manager

FROM: Mary Savage-Dunham, Director, Planning and Zoning *MSD*

DATE: April 30, 2026

SUBJECT: Upland Habitat Mitigation Fee: Proposed Increase

The Upland Habitat Mitigation Fee is collected by the Planning and Zoning Department in accordance with Section 157.06. Native Upland Habitat Protection when a development is not able to preserve upland habitat on site, or it is not practicable given the details of the project. This "Fee in Lieu of" is deposited into the Conservation Fund. The Conservation Fund can be used for land acquisition, or, for improvements to the conservation land properties, and/or public education. At the January 2025 workshop during the Conservation Lands Program update the Council indicated support for staff's recommendations including the advancement of an agenda item to review and discuss an updated Upland Habitat Mitigation Fee.

Background

The mitigation fee amount was established by Ordinance, and then further revised by Resolution over time. The current fee is \$25,005/acre and staff would like to bring forward an agenda item and Resolution to Council to increase that fee to \$85,000/acre and require the fee be evaluated annually and adjusted if necessary. The recent history of the fee is in the table below.

Year	Fee per acre	Resolution Number
2017	\$25,005	Resolution 17-R27
2015	\$170,171*	Resolution 15-R106 * the fee was approved with a 5% annual inflation provision
2005	\$105,000	Resolution 05-R15
2003	\$17,600	Resolution 03-054
2002	\$12,500	Resolution 02-R27

Analysis and Recommendation

Since 2017 the cost of undeveloped land has increased tremendously. As part of the review of the planning department fee schedule we worked with finance to determine what a reasonable fee increase would be. To establish a reasonable cost per acre, the Finance Department analyzed recent land sales of parcels comparable to those the City would likely acquire for conservation purposes. Outliers were removed by excluding the highest and lowest comparable sales, and the remaining data was averaged, resulting in an estimated acquisition cost of \$85,000 per acre.

Next Steps

Staff would like to advance a resolution to revise the upland habitat mitigation fee to \$85,000 per acre and require the fee be evaluated annually and adjusted if necessary. Please let us know if you would like to meet for additional discussion.