

Development Impact Fees

are fees charged to new development projects that help bear the costs of those public services and facilities directly associated with the new development. Agencies that currently charge Development Impact Fees include schools, parks and municipalities. Examples of town services and facilities funded by Development Impact Fees are:

- Streets and thoroughfares
- Traffic Control Facilities
- Law enforcement facilities
- Fire facilities
- Storm drainage facilities

Mitigation Program

A portion of the Development Impact Fees may be offset based on the category of development and additional sales or property tax generated by the development. For example, new industrial or light manufacturing businesses may qualify to defer and offset up to 50% of their Development Impact Fees based on increased sales tax or property taxes generated by the new business. Business expansions and new non-competing retail/service businesses may qualify to reduce their impact fees by up to 35%. Similarly, competing retail or service businesses may qualify to reduce their fees by up to 25%.

To find out if your business qualifies, contact Development Services at 530-872-6990.

Mitigating Development Impact Fees (DIF)

In response to a sluggish economy and slow construction activity in both the commercial and industrial sectors, the Town of Paradise is exercising its authority under the Municipal Code to offset Development Impact Fees for qualifying new or expanded business enterprises. The goal of the mitigation program is to provide incentives that support business expansion and location in Paradise, spur job creation, and foster an economically sustainable community.

Developers may apply for the Development Impact Fee Mitigation Program in conjunction with a Building Permit by completing the enclosed application. Applications will be approved based on compliance with current policies and economic development objectives under this program. If approved, and the allowed mitigated amount is more than the total tax offset (sales and property taxes combined), other elements may factor in, such as employment credit.

Development Impact Fees collected on behalf of other agencies (school fees and park fees) are not eligible for consideration under this program.

Permits

Building permits will not be issued until all fees are paid or a Development Impact Fee Mitigation agreement or fee deferral agreement has been executed.

Town of Paradise
5555 Skyway
Paradise, California

Development Services
530-872-6990
www.townofparadise.com

Town of *Paradise*

Development Impact Fee Mitigation Program Information and Application



Development Services
Tel: 530-872-6990





Application Town of Paradise Development Impact Fee (DIF) Mitigation

5555 Skyway
Paradise, CA 95969
Tel: 530-872-6990
Fax: 530-877-5059

Project Information:

Project Applicant/Developer:	Project/Business Name:	Project Address:
Applicant's Contact Number:	Building Permit Number:	Property Owner:
Applicant's Address:	Assessor's Parcel (AP) Number :	Applicant's email Address:

Determine percentage of Development Impact Fees to be offset:

(Fees may be deferred for up to three years and offset by an increase in either sales or property taxes generated by the business.)

Type of Business: <input type="checkbox"/> New Industrial/Light Manufacturing (up to 50% of fees may be offset) <input type="checkbox"/> Expansion of Existing Business or New Non-Competing Retail/Service Business (up to 35% of fees may be offset) <input type="checkbox"/> Competing Retail or Service Business (up to 25% of fees may be offset)	Total project DIFs:	\$	
	Total fees to offset (DIFs x ___%):	\$	
	Job creation offset	\$	
Is this a new business?	How many new jobs will be created by this project?	Total DIFs to be paid by Applicant:	\$

Sales Tax Offset:			Property Tax Offset:			DIFs to be Offset:	
Estimated Sales Tax: Year 1 Year 2 Year 3			Property Tax info from Butte County Assessor: Year 1 Year 2 Year 3			Total DIFs allowed for Offset:	
\$	\$	\$	\$	\$	\$	\$ (from above)	
						Total tax (sales plus property):	
						\$	

Sales Tax Documentation: <i>(Applicant: attach all of these to application)</i> <input type="checkbox"/> Written estimate of sales tax revenue from business plan. <input type="checkbox"/> Average sales tax revenue from business with similar SIC codes <input type="checkbox"/> Other _____	Property Tax Documentation: <i>(Town of Paradise will collect Property Tax information)</i> <input type="checkbox"/> Written statement from the Butte County Assessor of the estimated property taxes paid to Town of Paradise for prior three years.	Difference (if any): \$ Job Creation Credits: \$ Balance: \$
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Actual Sales Tax: Year 1 Year 2 Year 3 	The "Total Development Impact Fees to be offset" should be less than or equal to the "Total tax" in order to offset the percentage allowed. If the allowed, mitigated amount is more, other elements may factor in to ensure the maximum reduction of fees for the developer, such as employment credit. The Town of Paradise may request further documentation to reduce the developer's DIFs as much as the type of business allows.
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Security Documentation Required from applicant (applicant must submit one of these):

<input type="checkbox"/> Letter of Credit from a financial institution for the amount of fees deferred made payable to the Town of Paradise	<input type="checkbox"/> Certificate of Deposit made payable to and held by the Town of Paradise.
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Applicant Verification:

I, the undersigned, have read and understand the Development Impact Fee Deferral program as outlined in the brochure and can attest that all information provided is true and accurate.

Applicant's Signature:	Date:
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Complete this application and return it, with all requested documentation, for review. If approved, an agreement will be entered between the Town of Paradise and the developer.