



**STAFF REPORT
HOLLISTER CITY COUNCIL
MEETING DATE: September 2, 2025
REPORT # Public Works-2025-48**

AGENDA ITEM: CONSIDER A REQUEST FROM THE COUNTY OF SAN BENITO TO WAIVE OR REDUCE WATER AND SEWER IMPACT FEES FOR THE TRANSITIONAL HOUSING PROJECT LOCATED AT 3235 SOUTHSIDE ROAD

DEPARTMENT: Public Works

DEPARTMENT HEAD: William Via, Public Works Director

STAFF CONTACT: Cristian Builes

RECOMMENDED ACTION: Consider approving a resolution granting a request from the County of San Benito regarding a waiver or reduction of impact fees for the Transitional Housing Project located at 3235 Southside Road, consisting of 16 tiny homes. The Council may: Approve a full waiver of impact fees (\$169,019); Approve a reduction of impact fees by 50% (\$84,510); Deny the request and require full payment of fees; or another option at the discretion of the Council.

DISCUSSION: The County of San Benito is developing a Transitional Housing Project located at 3235 Southside Road that will provide 16 tiny homes to serve vulnerable and at-risk populations within the community. The County has submitted a request to the City of Hollister to waive or reduce City water and sewer impact fees associated with the project.

The City's adopted fee schedule provides for the collection of impact fees for all new connections. For this project, the assessed fees are:

- **Water Impact Fees** (16 units, excluding meter costs): \$40,144
- **Sewer Impact Fees** (16 units): \$128,875
- **Total Impact Fees:** \$169,019

The City Council has discretion to approve or deny the waiver or reduction of impact fees on a case-by-case basis. Approval of the waiver or reduction would reduce revenues otherwise allocated to support water and wastewater system improvements. However, granting relief could support the County's housing initiative and further collaborative efforts with the City.

FISCAL IMPACT:

- **Full Waiver:** Loss of \$169,019 in impact fee revenue.
- **50% Reduction:** Loss of \$84,509 in impact fee revenue.
- **No Waiver:** No fiscal impact on City revenues.

PREVIOUS COUNCIL OR COMMISSION ACTION: None.

CEQA: Approval of this resolution does not constitute a project under CEQA guidelines.

ATTACHMENTS:

1. Draft Resolution