

**ORDINANCE 618**

**AN ORDINANCE OF THE TOWN OF LOS ALTOS HILLS AMENDING ARTICLE 6 OF CHAPTER 2, TITLE 10 (ZONING AND SITE DEVELOPMENT) OF THE LOS ALTOS HILLS MUNICIPAL CODE TO AMEND REGULATIONS RELATED TO THE FY26 PATHWAY IMPACT FEE UPDATE**

**WHEREAS**, the Town of Los Altos Hills established a pathway fee in 1996 and created a Pathway Fund for collected fees; and

**WHEREAS**, on October 17, 2019, the Town adopted Ordinance 584 amending Section 3-3.303, Section 9-1.1112, and Article 6 of Chapter 2, Title 10 of the Municipal Code concerning the pathway fee and pathway fund; and

**WHEREAS**, Article 6 “Pathway Dedication, Maintenance and Improvement” of Chapter 2 “Site Development,” Title 10 “Zoning and Site Development” of the Los Altos Hills Municipal Code implements the Master Pathway Plan of General Plan of the Town; and

**WHEREAS**, on May 17, 2023, Council directed staff to initiate a Pathway Impact Fee Study as recommended by the Pathways Committee, with the understanding that pathway construction costs have significantly increased, and the current pathway fee structure is not sufficient to sustain pathway construction needs for the Town; and

**WHEREAS**, Matrix Consulting Group was hired by the Town to prepare the 2024 Pathway Fee Nexus Study, which recommended updates to the pathway development impact fee based on development square footage of habitable floor area; and

**WHEREAS**, staff has presented the 2024 Pathway Fee Nexus Study and the pathway impact fee update at the following duly noticed public meetings on June 3, 2024 to the Finance and Investment Committee, on June 24, 2024 to the Pathways Committee, and on October 7, 2024 to the Finance and Investment Committee again, during when both committee recommended the nexus study and the pathway impact fee update for approval by Council; and

**WHEREAS**, on March 12, 2025, the Planning Commission held a duly noticed public hearing at which time all interested parties were provided an opportunity to give input and participate in the public process to consider the proposed the General Plan Pathway Element and Zoning and Site Development Ordinance amendments related to the 2025 pathway development impact fee update, wherein the Planning Commission recommended that the City Council make no amendments to the General Plan and Town Ordinance for the pathway fee update and recommended that the City Council consider a pathway in-lieu fee option for property owners; and

**WHEREAS**, on April 17, 2025, the City Council held a duly noticed public hearing at which time all interested parties were provided an opportunity to give input and participate in the public process to consider the 2025 pathway in-lieu fee as suggested by the Planning Commission and the proposed Zoning and Site Development Ordinance amendments, wherein City Council directed staff to present the proposed pathway fee update and ordinance amendments to the Finance and Investment Committee, the Pathway Committee, and the Planning Commission for additional review and input; and

**WHEREAS**, after further evaluation of the pathway impact fee, staff presented the 2024 Pathway Nexus Study, the FY26 Pathway Impact Fee u2025,e, and related Zoning Text Amendments to the Finance and Investment Committee on July 22, 2025 and to the Pathways Committee on July 28,

2025, wherein both committees provided few comments but recommended the proposed Zoning Text Amendments to Council for approval; and

**WHEREAS**, on September 4, 2025, the Planning Commission held a duly noticed public hearing at which time all interested parties were provided an opportunity to give input and participate in the public process to consider the proposed Zoning Text Amendments for the FY26 Pathway Impact Fee update based on the 2024 Pathway Nexus Study, wherein the Planning Commission approved a resolution recommending that the City Council approve amendments to Article 6 of Chapter 2, Title 10 (Zoning And Site Development) of the Municipal Code to amend regulations related to the FY26 Pathway Impact Fee update; and

**WHEREAS**, the Town desires to amend Section 10-2.606 “Payment of pathway fees and/or dedication of pathway easement” and Section 10-2.608 “Pathway Fee” to remove the reference to accessory dwelling units (ADU’s) for pathway fee and requirements, update the definition of “habitable” floor area, and to align the Town policies and regulations with the most recent FY2025/26 Pathway Impact Fee Update based on the 2024 Pathway Fee Nexus Study with the understanding that pathway construction costs have significantly increased, and current pathway fee structure is not sufficient to sustain pathway construction needs for the Town; and

**WHEREAS**, the “habitable” floor area would be amended to only exclude improvements to garages and outdoor patio spaces to simplify how habitable floor areas are quantified by staff and developers through the development review process; and

**WHEREAS**, for properties that have paid into the pathways or constructed public pathways per Town Standards, the pathway impact fee would only be assessed on the net increase of habitable and barn or stable floor area; and

**WHEREAS**, pathway fee assessments would be triggered by 900 square feet of new or additions of habitable and barn or stable floor area, including cumulative additions of 900 or more square feet made over a period of ten years, or a barn or stable for equestrian use; and

**WHEREAS**, the Town may waive the pathway impact fee for properties designated on the Master Path Plan for a public path if the property owner or developer constructs a public pathway per Town standards and grants the pathway to the Town as part of the Town’s pathway system according to the guidelines contained in the Pathway Element of the General Plan; and

**WHEREAS**, on September 18, 2025, the City Council held a duly noticed public hearing to consider the most recent Pathway Impact Fee update and the proposed Zoning Text Amendments, at which time all interested parties were provided an opportunity to give input and participate in the public process; and

**WHEREAS**, there is no potential for physical effects on the environment because the proposed action involves adoption of fees and/or assessments imposed by the Town does not commit the Town to any specific project, and said fees and/or assessments to future development projects and/or activities, each of which future projects and/or activities will be fully evaluated in full compliance with the California Environmental Quality Act (“CEQA”) when sufficient physical details regarding said projects and/or activities are available to permit meaningful CEQA review per CEQA Guidelines, Section 15004(b)(1); and

**WHEREAS**, the creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environmental are not a “project” for purposes of CEQA,

pursuant to CEQA Guidelines, Section 15378(b)(4), and even if considered a “project” under CEQA, is exempt from CEQA review pursuant to CEQA Guidelines Section 15061(b)(3) because it can be seen with certainty that there is no possibility that adoption of the fees and/or assessments imposed by the Town may have a significant effect on the environment.

**NOW, THEREFORE,** the City Council of the Town of Los Altos Hills hereby ordains as follows:

**SECTION I. FINDINGS.**

Based on the entirety of the record as described above, the City Council for the Town of Los Altos Hills hereby makes the following findings:

1. All of the facts and recitals above are true, correct, incorporated herein and made a part hereof.
2. Based on the entirety of the record before it, the City Council hereby finds that this Ordinance is exempt from review under the California Environmental Quality Act (CEQA) pursuant to Section 15378(b)(4) of the CEQA Guidelines. Under CEQA Guidelines Section 15378(b)(4), the creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environmental are not a “project” for purposes of CEQA. In this case, the proposed Zoning and Site Development Ordinance Amendments are related to the Pathway In-Lieu Fee Update, which do not have a potential for creating a significant environmental effect as they do not implement any land use projects or issue any entitlements.
3. This Ordinance was prepared, introduced, and adopted in accordance with the requirements of Planning and Zoning Law (Government Code, sections 65853-65860) and meets all of the requirements thereunder.
4. This Ordinance is consistent with and supports the Los Altos Hills General Plan because implementing the FY26 Pathway Impact Fee for all property owners within the Town and providing the option for designated properties on the Master Path Plan to either build pathways pursuant to Town standards and dedicate a pathway easement for public use or pay the Pathway Impact Fee encourages construction of more pathways.

**SECTION II. AMENDMENT OF CODE.**

Article 6 of Chapter 2, Title 10, of the Los Altos Hills Municipal Code, are hereby amended to read as set forth in “Exhibit A” to this Ordinance, which is hereby incorporated as though set forth in full herein.

**SECTION III. SEVERABILITY.**

If any provision of this ordinance or the application thereof to any person or circumstance is held invalid or unconstitutional, the remainder of this ordinance, including the application of such part or provision to other persons or circumstances, shall not be affected thereby and shall continue in full force and effect. To this end, provisions of this ordinance are severable. The City Council of the Town of Los Altos Hills hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase hereof irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses, or phrases be held unconstitutional, invalid, or unenforceable.

**SECTION IV. EFFECTIVE DATE AND PUBLICATION.**

Pursuant to the provisions of Government Code Section 36933, a summary of this Ordinance shall be prepared by the City Attorney. At least five (5) days prior to the Council meeting at which this Ordinance is scheduled to be adopted, the City Clerk shall (1) publish the Summary, and (2) post in the City Clerk's Office a certified copy of this Ordinance. Within fifteen (15) days after the adoption of this Ordinance, the City Clerk shall (1) publish the summary, and (2) post in the City Clerk's Office a certified copy of the full text of this Ordinance along with the names of those City Council members voting for and against this Ordinance or otherwise voting. This Ordinance shall become effective thirty (30) days from and after its adoption.

INTRODUCED: SEPTEMBER 18, 2025

PASSED: OCTOBER 16, 2025


AYES: TANKHA, BHATEJA, MOK, SWAN, TYSON

NOES: NONE

ABSTAIN: NONE

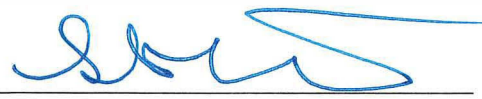
ABSENT: NONE

ATTEST:

BY:   
Kavita Tankha, Mayor

  
Arika Birdsong-Miller, City Clerk

APPROVED AS TO FORM:

  
City Attorney

## EXHIBIT A

### Revisions to Article 6, "Pathway Dedication, Maintenance and Improvement" of Chapter 2 of Title 10

Sections 10-2.606 and 10-2.608 are amended as follows, with additions in red double underline and deletions in ~~strikethrough~~. Sections, subsections, paragraphs, and texts not modified by this amendment are not included below and shall remain in full force and effect.

**Section 10-2.606** Payment of pathway fees ~~and/or dedication~~ construction of pathways easement.

Whenever a site development and/or a building permit is requested for a main residence, ~~an accessory dwelling unit~~, an addition to a structure of at least 900 square feet of "habitable" floor area (including cumulative additions of 900 or more square feet of habitable floor area made over a period of 10 year(s)), or a barn or stable for equestrian use of at least 900 square feet in floor area, on a property which is designated on the Master Path Plan for an off-road pathway or for a roadside pathway, but where all or a portion of such roadside path cannot feasibly be located within the existing public or private right-of-way, the Town Site Development Authority may require dedication of a pathway easement for public use and the payment of pathway fees pursuant to Section 10-2.608 Pathway fee. The Town may waive ~~and/or dedication of an easement for public use~~ the pathway fee with the construction of the pathway per Town Standards by the property owner or developer and by granting the required public pathway on the public right-of-way or the property as part of the Town's pathway system according to the guidelines contained in the Pathway Element of the General Plan. Pathway easements shall be required within emergency road easements. In addition, the following guidelines apply:

- (a) An easement should generally be located along the boundary of a property;
- (b) The easement shall be located so as to connect to existing or future pathway segments at the boundaries of a property; and
- (c) The easement shall not be located on terrain that cannot be safely or conveniently traversed by pedestrians or equestrians.

**Section 10-2.608** Pathway fee.

A site development and/or building permit for a lot on which no path is needed and on which is to be constructed a main residence, ~~an accessory dwelling unit~~, an addition to a structure of at least 900 square feet of "habitable" floor area (including cumulative additions of 900 or more square feet of habitable floor area made over a period of 10 years), or a barn or stable for equestrian use of at least 900 square feet in floor area shall be assessed a pathway fee, the amount of which shall be fixed by Council resolution as a development impact fee pursuant to the Mitigation Fee Act (AB 1600) ( Section 66000 et seq.). For purposes of assessing the pathway fee, "habitable" floor area does not include additions or improvements for garage and patio spaces ~~kitchen and dining rooms, entryways, foyers, hallways, stairways, or elevators~~. Pathway fees collected shall be deposited in the Town's pathway fund. ~~No fee shall be assessed~~ If the a lot has been assessed a pathway fee and has paid a fee or constructed and dedicated a pathway per Town Standards pursuant to Section 9-1.1112 of the Subdivision Ordinance, a pathway fee shall be assessed only on a net increase to the "habitable" and barn or stable floor area.