



**CONSENT CALENDAR**

**Agenda Item # 5**

**AGENDA REPORT SUMMARY**

**Meeting Date:** January 10, 2017

**Subject:** Annual Development Impact Fees Report for Fiscal Year 2016

**Prepared by:** Sarina Revillar, Financial Services Manager

**Reviewed by:** Sharif Etman, Administrative Services Director

**Approved by:** Chris Jordan, City Manager

**Attachment(s):**

1. Annual Report on Development Impact Fees for Fiscal Year 2016 Pursuant to AB1600

**Initiated by:**

Staff

**Fiscal Impact:**

None

**Environmental Review:**

Not applicable

**Policy Question(s) for Council Consideration:**

- None

**Summary:**

- Accept Annual Development Impact Fees Report

**Staff Recommendation:**

Move to receive Annual Report on Development Impact Fees for Fiscal Year 2016



**Subject:** Annual Development Impact Fees Report for Fiscal Year 2016

---

### **Purpose**

State law requires the City to make this report available for public inspection at least 10 days before the City Council accepts the report and 180 days after the last day of the fiscal year. The notice on the availability of this report was posted on December 1, 2016.

### **Background**

The attached report provides information on the amount of park in-lieu fees and traffic impact fees collected and the amount of funds expended and the interest earned on unexpended funds from July 1, 2015 through June 30, 2016. If the City held developer fees for a period greater than five years, the City Council can make findings on an annual basis that uncommitted funds have a specified purpose and that there is a reasonable relationship between the fee and the purpose for which it was charged. As of June 30, 2016, there were no funds held by the City for a period greater than five years and as a result, no findings are needed for this year's report.

### **Discussion/Analysis**

The City has two developer impact fees in place, a Park In-Lieu Fee and a Traffic Impact Fee. The City's Park In-Lieu Fee requires developers to contribute land or an in-lieu fee per parcel when developing or subdividing a property. The City has identified park and recreation facility improvements in its Capital Improvement Program to be funded with these dollars.

For the traffic impact fee, the City requires developers to pay a fee when a new development generates traffic and meets other requirements described in Section 3.48.040 of the City's Municipal Code. The fees collected are to be used for transportation improvements that are identified in the City's Capital Improvement Program and/or in the Traffic Impact Fee report in effect at the time the traffic impact fee is enacted or as subsequently amended.

Section 66001 of the Government Code requires the City to review and report on the status of the fees collected annually.

### **Options**

- 1) Receive the Annual Report on Development Impact Fees for Fiscal Year 2016

**Advantages:** Meets the State law requirement to make this report available to public.

**Disadvantages:** The City will not be in compliance with State law

### **Recommendation**

The staff recommends Option 1.



# **City of Los Altos**

**Annual Report  
on  
Development Impact Fees  
for  
Fiscal Year Ended  
June 30, 2016**

**City of Los Altos  
Development Impact Fee (DIF) Compliance  
For Year Ended June 30, 2016**

**Schedule of Park-In-Lieu Fees**

Pursuant to City of Los Altos Municipal Code Chapter 13.24  
Per City Council Adopted Resolution No. 2015-06

New Single-family Residential Home	\$ 56,500 per Home
New Multiple-family Unit	\$ 35,500 per Unit

**Schedule of Traffic Impact Fees**

Pursuant to City of Los Altos Municipal Code Chapter 3.48  
Per City Council Adopted Resolution No. 2015-06

Single-family Housing	\$ 6,152 per Residential Unit
Multiple-family Housing	\$ 3,777 per Residential Unit
Senior Housing	\$ 1,584 per Residential Unit
Commercial	\$ 11,269 per One Thousand Gross Square Feet
Office	\$ 9,076 per One Thousand Gross Square Feet

**City of Los Altos**  
**Development Impact Fee (DIF) Compliance**  
**For Year Ended June 30, 2016**

<b>Park-In-Lieu Fee</b>
-------------------------

Fiscal Year	Beg Bal	DIF Fees	Interest Income	Transfers In	AB1600 Expenses	Transfers Out	End Bal
2005	\$0	\$ 30,000	\$ 670		\$ 6,500	\$ -	\$ 24,170
2006	24,170	60,000	2,757		-		86,927
2007	86,927	243,000	7,705		-		337,632
2008	337,632	867,000	23,890		211,780		1,016,742
2009	1,016,742	-	19,684		73,046		963,380
2010	963,380	468,000	7,868		154,257		1,284,991
2011	1,284,991	132,000	7,784		1,136,867		287,908
2012	287,908	756,000	6,027		100,185		949,750
2013	949,750	3,636,000.00	4,640.00				4,590,390
2014	4,590,390	1,260,000	21,574				5,871,964
2015	5,871,964	62,708	24,420			56,773	5,902,319
2016	5,902,319	198,500	54,751			617,152	5,538,418

**Aging of Funds Held**

Fiscal Year	Current Year Funds	1 Yr Old Funds	2 Yr Old Funds	3 Yr Old Funds	4 Yr Old Funds	5+ Yr Old Funds	Total Funds Held
2016	\$ 253,251	\$ 87,128	\$ 1,281,574	3,640,640	275,825		\$ 5,538,418

**City of Los Altos**  
**Development Impact Fee (DIF) Compliance**  
**For Year Ended June 30, 2016**

<b>Traffic Impact Fee</b>
---------------------------

Fiscal Year	Beg Bal	DIF Fees	Interest Income	Transfers In	AB1600 Expenses	Transfers Out	End Bal
2006	\$0	\$ 84,796	\$ 960		\$ -	\$ -	\$ 85,756
2007	85,756	-	4,467				90,223
2008	90,223	285,018	7,785				383,026
2009	383,026	24,842	8,974				416,842
2010	416,842	154,644	3,372				574,858
2011	574,858	185,795	5,935		47,793		718,795
2012	718,795	59,964	5,108		23,402		760,465
2013	760,465	651,705	1,758		18,336		1,395,592
2014	1,395,592	692,408	8,083		1,684	95,357	1,999,042
2015	1,999,042	249,589	12,390		320,225		1,940,795
2016	1,940,795	41,531	18,076		26,734	518,398	1,455,271

**Aging of Funds Held**

Fiscal Year	Current Year Funds	1 Yr Old Funds	2 Yr Old Funds	3 Yr Old Funds	4 Yr Old Funds	5 Yr Plus Old Funds	Total Funds Held
2015	\$ 59,607	\$ 261,979	\$ 700,491	\$ 433,194			\$ 1,455,271

**City of Los Altos**  
**Development Impact Fee (DIF) Compliance**  
**Park-in-Lieu Funds Expended**  
**For Year Ended June 30, 2016**

Project		Amount of Impact Fees Expended on Project	Amount of All Funds Expended on Project	Percent Share of Impact Fees
<b>14-02 Redwood Grove</b>	Park-in-Lieu	\$ 467,476	\$ 614,249	76%
<b>15-21 Grant Park Wing Roof</b>	Park-in-Lieu	\$ 149,676	\$ 149,676	100%
	Total	<u>\$ 617,152</u>	<u>\$ 763,925</u>	81%

As June 30, 2016, there we no loans made by the Fund

For fiscal year ending June 30, 2016, there were no fee refunds issued by the Fund

**City of Los Altos**  
**Development Impact Fee (DIF) Compliance**  
**Traffic Impact Fee Funds Expended**  
**For Year Ended June 30, 2016**

Project		Amount of Impact Fees Expended on Project	Amount of All Funds Expended on Project	Percent Share of Impact Fees
<b>12-19 Homestead</b>	Traffic Impact	\$ 2,782	\$ 1,519,239	0.18%
<b>13-20 Intersection Bicycle Loops</b>	Traffic Impact	\$ 287,451	\$ 452,786	63%
<b>14-23 Traffic Signal Improvements</b>	Traffic Impact	\$ 228,164	\$ 388,901	59%
<b>TS-0103016 El Monte/Springer Intersect</b>	Traffic Impact	\$ 7,014	\$ 7,014	100%
<b>TS-0103216 Speed Feedback Sign @ Fremont</b>	Traffic Impact	\$ 19,720	\$ 19,720	100%
	Total	<u>\$ 545,132</u>	<u>\$ 2,387,660</u>	23%

As June 30, 2016, there we no loans made by the Fund

For fiscal year ending June 30, 2016, there were no fee refunds issued by the Fund