



**CONSENT CALENDAR**

**Agenda Item # 4**

**AGENDA REPORT SUMMARY**

**Meeting Date:** January 9, 2018

**Subject:** Annual Development Impact Fees Report for Fiscal Year 2017

**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 2017 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 2017



**Subject:** Annual Development Impact Fees Report for Fiscal Year 2017

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### **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 20, 2017.

### **Background**

The attached report provides information on the amount of park in-lieu fees and traffic impact fees collected in the amount of funds expended and the interest earned on unexpended funds from July 1, 2016 through June 30, 2017. 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, 2017, 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 2017

**Advantages:** To meet the state law requirement to make this report available to public

**Disadvantages:** Will not be in compliance with state law requirements

### **Recommendation**

The staff recommends Option 1.



**City of Los Altos**

**Annual Report**  
on  
**Development Impact Fees**

for  
**Fiscal Year Ended**  
**June 30, 2017**

**City of Los Altos  
Development Impact Fee (DIF) Compliance  
For Year Ended June 30, 2017**

**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, 2017**

<b>Park-In-Lieu Fee</b>
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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	56,633		145,102	467,476	5,544,874
2017	5,544,874	-	12,414		1,152,527	899	4,403,862

**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
2017	\$ 12,414	\$ 255,133	\$ 87,128	\$ 1,281,574	\$ 2,767,614	-	\$ 4,403,862

**City of Los Altos**  
**Development Impact Fee (DIF) Compliance**  
**For Year Ended June 30, 2017**

<b>Traffic Impact Fee</b>
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Fiscal Year	Beg Bal	DIF Fees	Interest Income	Transfers In	AB1600 Expenses	Transfers Out	End Bal
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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	8,819		320,225		1,937,224
2016	1,937,224	41,531	18,924		7,014	518,398	1,472,267
2017	1,472,267	-	3,867		105,434	114,529	1,256,171

**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
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2017	\$ 3,867	\$ 60,455	\$ 258,407	\$ 700,491	\$ 232,951		\$ 1,256,171
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**City of Los Altos**  
**Development Impact Fee (DIF) Compliance**  
**Park-in-Lieu Funds Expended**  
**For Year Ended June 30, 2017**

Project		Amount of Impact Fees Expended on Project	Amount of All Funds Expended on Project	Percent Share of Impact Fees
14-02 Redwood Grove	Park-in-Lieu	\$ 899	\$ 615,148	0.15%
15-21 Grant Park Roof Replace	Park-in-Lieu	\$ 52,817	\$ 217,056	24%
CF-01008 Grant Park Comm Ctr	Park-in-Lieu	\$ 32,733	\$ 32,733	100%
CF-01009 Annual Pathway Rehab	Park-in-Lieu	\$ 13,045	\$ 13,045	100%
CF-01015 Park Hydration Station	Park-in-Lieu	\$ 29,160	\$ 29,160	100%
Purchase Lincoln Park	Park-in-Lieu	\$ 1,024,773	\$ 1,152,527	89%
	Total	<u>\$ 1,153,426</u>	<u>\$ 2,059,668</u>	56%

As June 30, 2017, there were no loans made by the Fund

For fiscal year ending June 30, 2017, there were no fee refunds issued by the Fund

Note: There are no inter-fund loans as of year-end of this fiscal year.

**City of Los Altos**  
**Development Impact Fee (DIF) Compliance**  
**Traffic Impact Fee Funds Expended**  
**For Year Ended June 30, 2017**

Project		Amount of Impact Fees Expended on Project	Amount of All Funds Expended on Project	Percent Share of Impact Fees
<b>13-20 Intersection Bicycle Loops</b>	Traffic Impact	\$ 10,639	\$ 475,758	2%
<b>15-01 Miramonte Ave Path</b>	Traffic Impact	\$ 114,529	\$ 114,529	100%
<b>15-22 Adv Traffic Mgmt Feasibility Study</b>	Traffic Impact	\$ 49,971	\$ 49,971	100%
<b>TS-01031 Illuminated Crosswalk Replace</b>	Traffic Impact	\$ 19,970	\$ 58,890	34%
<b>TS-01038 El Monte Sidewalk Gap Closure</b>	Traffic Impact	\$ 24,854	\$ 24,854	100%
	Total	<u>\$ 219,963</u>	<u>\$ 724,002</u>	30%

As June 30, 2017, there were no loans made by the Fund

For fiscal year ending June 30, 2017, there were no fee refunds issued by the Fund