

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: DEBORAH LAUCHNER, CHIEF FINANCIAL OFFICER, FINANCE
DEPARTMENT
PREPARED BY: JIM AREND, FINANCIAL ANALYST, FINANCE
DEPARTMENT
SUBJECT: FISCAL YEAR 2015-16 ANNUAL REPORT ON DEVELOPMENT
FEES

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Chief Financial Officer that the Council, by resolution, adopt findings regarding the use of Southwest Area Development Impact Fees (SWADIF), Southeast Area Development Impact Fees (SEADIF), Capital Facilities Fee (CFF), Park Acquisition and Development Fees (PDF), and Public Facilities Improvement Fee – Local (PFIF-Local) consistent with State Law; and accept the City's Annual Report on Development Fees for Fiscal Year (FY) 2015-16.

EXECUTIVE SUMMARY

This item relates to several Council Goals, namely Goal 4: Maintain and Enhance our City's Cultural, Historical and Recreational Assets (facilities, programs, parks, etc.) as some of these impact/development fees are used to maintain and enhance parks and recreational facilities; and Goal 6: Commit to Making Santa Rosa a Healthy Community Where People Feel Safe to Live, Work and Play, because many of these impact/development fees are used to maintain and enhance our City's infrastructure.

BACKGROUND

The City of Santa Rosa collects fees from new development projects to help defray the costs of public facilities needed to serve new development within the City. The fees are based on the identified need for various public improvement projects. California Government Code Section 66006 (b) (1) specifies that information about these fees must be made available to the public within 180 days after the end of each fiscal year. The information is to include, among other things, the amount of the fees collected, the identification of the public improvements undertaken, the amount of fees expended, and

the remaining balance in the account. The FY 2015-16 Annual Report on Development Fees was made available on the front counter of City Hall the last week of December 2016.

Each year in January, the City's Finance Department presents the Annual Report on Development Fees, which meets the requirements of California Government Code Section 66006.

In addition to the required reporting under Code Section 66006, California Section 66001 requires local agencies to make the following findings every five years with respect to that portion of the funds remaining unexpended in the fund:

- Identification of the purpose to which the fee is to be put.
- Demonstration of a reasonable relationship between the fee and the purpose for which it is charged.
- Identification of all sources and amounts of funding anticipated to complete financing on incomplete improvements.
- The approximate dates on which the funding referred to above are expected to be deposited into the appropriate account or fund.

PRIOR CITY COUNCIL REVIEW

At the June 14, 2011 City Council meeting, Public Works Staff presented a report documenting information required by Government Code Section 66001 in support of the findings. At the meeting, Council approved Resolution No. 27906, making findings in accordance with Government Code Section 66001 and directing that going forward the Annual Report on Development Fees include the additional information necessary to make these findings on an annual basis to insure compliance with the requirements of California Government Code Section 66001.

ANALYSIS

Including necessary information and analysis regarding the projected use of the City's development impact fees in the City's Annual Report on Development Fees will assure that the required findings meet the requirements of Government Code Section 66001. It will also allow the Finance, Transportation and Public Works and Recreation and Parks Departments to combine resources, creating efficiencies for these departments and providing information regarding these development fees in one place.

The combination of the information required by California Government Code Sections 66001 and 66006 into one annual report meets the legal requirements set forth in both code sections. In order to provide consistency and clarity to the public, the information required by Code Section 66001 has been included for SEADIF, SWADIF, CFF and PDF development impact fees contained in the City's Annual Report on Development Fees. In addition, the information required by Code Section 66001 has been included for the PFIF-Local. Although the PFIF-Local has been superseded by the CFF, funds

remain in the account and it thus remains appropriate for reporting under the statute. The report also includes information on Public Facilities Improvement – State and Federal, Traffic Signal, Water and Wastewater Demand Fees, and Housing Impact Fees to show that the City has collected and spent the fees as directed. None of those are subject to the requirements of Code Section 66001.

The purpose of each of the above referenced development impact fees is described in the technical reports developed by the City that assess the need for the public infrastructure improvements and further specified in the attached Exhibit A.

FISCAL IMPACT

Approval of this resolution does not have a fiscal impact on the General Fund, Capital Facilities Fee Fund, Public Facilities Improvement Fee Fund – Local, Public Facilities Improvement Fee Fund – State and Federal, Traffic Signal Fee Fund, Park Acquisition & Development Fee Funds NW Zone 1, SW Zone 2, NE Zone 3, SE Zone 4, Southeast and Southwest Area Development Impact Fee Funds, Housing In-Lieu Fee Fund, Local Wastewater Demand Fee Fund or Water Demand Fee Funds. The details provided for the above referenced funds are for information only.

ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Resolution/Exhibit A - City of Santa Rosa FY 2015-16 Annual Report on Development Fees

CONTACT

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