



# STAFF REPORT

## CITY OF YORBA LINDA

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Finance Department

**DATE: DECEMBER 17, 2019**

**TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL**

**FROM: SCOTT CATLETT, FINANCE DIRECTOR / CITY TREASURER**

**SUBJECT: TRAFFIC DEVELOPMENT IMPACT FEES ANNUAL REPORT FOR FISCAL YEAR 2018/19**

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### **RECOMMENDATION**

It is recommended that the City Council receive and file the annual report of traffic development impact fees for the fiscal year ended June 30, 2019, as required by the Mitigation Fee Act.

### **BACKGROUND**

State law (Government Code Section 66006) requires each local agency that imposes development impact fees to follow certain accounting procedures for tracking fee revenue received and to prepare an annual report providing specific information about those fees. These requirements are part of the law commonly referred to as AB 1600 or the Mitigation Fee Act ("The Act"). The annual report must be reviewed by the City Council at a regularly scheduled public meeting not less than 15 days after the information is made available to the public. In addition, notice of the time and place of the meeting must be mailed at least 15 days prior to the meeting to any interested party who files a written request with the City for such a mailed notice. A copy of this staff report was made available at the City Clerk's office and on the City website on November 29, 2018, in compliance with the Act. Although the traffic development impact fee is potentially not subject to the requirements of the Act, the City is following these requirements out of an abundance of caution.

**DISCUSSION / ANALYSIS**

City Council Resolution No. 93-2830, adopted by the City Council on June 15, 1993, established the City's traffic development impact fee, which is assessed on new development to fund construction of roadway facilities necessitated by new development.

State law requires that certain content be included in the annual report, which is provided below:

**A) A Brief description of the type of fee** – The purpose of the fee is to ensure that new development is paying its share of the transportation infrastructure costs associated with the growth proposed.

**B) The Amount of the fee** – The current fee is charged based on the land use and zoning of the development project as follows:

- Residential                 \$600 per unit
- Industrial                 \$0.15 per square foot
- Office                       \$0.48 per square foot
- Commercial               \$1.98 per square foot

**C) The beginning and ending balance of the funds** – See D below.

**D) The amount of the fees collected and the interest earned** – The table below summarizes the activity for the fiscal year ended June 30, 2019.

Item	Amount
Balance as of July 1, 2018	\$1,186,547.73
Fees Received	116,022.96
Interest Revenue	45,943.44
<b>Total Available Resources</b>	<b>\$1,348,514.13</b>
Expenditures (Reimbursements)	(139,516.36)
<b>Balance as of June 30, 2019</b>	<b>\$ 1,488,030.49</b>

**E) An identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with the fees** - Funds were expended during fiscal year 2018/19 for the following projects:

Project	Total Project Cost	Percentage Funded <sup>1</sup>
Traffic Signal Modification	\$85,236.40	100%
Savi Ranch Pkwy. / Yorba Linda Blvd.	1,779.69	100%
Fairmont Blvd. at Mustang Fields	1,799.55	50%
Reimb. from Signal Improvement Fund <sup>2</sup>	(228,332.00)	N/A
	<b>(\$139,516.36)</b>	

<sup>1</sup> This is the amount of the project funded with impact fee revenue.

<sup>2</sup> Certain previously constructed traffic signals were partially funded from project-specific payments from developers that were not initially credited to the project budgets.

**F) An identification of an approximate date by which the construction of the public improvement will commence if determined that sufficient funds have been collected to complete financing on an incomplete public improvement, and the public improvement remains incomplete** – The City has not determined that sufficient funds have been collected to complete financing of incomplete public improvements other than any improvements that were completed during the current fiscal year.

**G) A description of each interfund transfer or loan made from the funds** – None.

**H) The amount of refunds made pursuant to Section 66001(e)** – None.

**FISCAL IMPACT**

There is no direct fiscal impact associated with this report.

Approved By:



Mark A. Pulone  
City Manager