



STAFF REPORT

CITY OF YORBA LINDA

Parks and Recreation Department

DATE: DECEMBER 17, 2019

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: MIKE KUDRON, PARKS AND RECREATION DIRECTOR

SUBJECT: LOCAL PARK DEVELOPMENT IMPACT FEES ANNUAL REPORT FOR FISCAL YEAR 2018/19 AND FIVE-YEAR REPORT

RECOMMENDATIONS

It is recommended that the City Council receive and file the annual report on Local Park Development Impact Fees for the fiscal year ended June 30, 2019, as well as the five-year report, both 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 27, 2019, in compliance with the Act.

The Act also requires that in the fifth fiscal year following the first receipt of a development impact fee and at least every five years thereafter the local agency must make certain findings with respect to any portion of the fee remaining unexpended, whether committed or uncommitted. These findings must 1) identify the purpose to which the fee is to be put, 2) demonstrate a reasonable relationship between the fee and the purpose for which it is charged, 3) identify all sources and amounts of funding anticipated to be utilized to complete incomplete improvements, and 4) provide the approximate dates on which the anticipated funding is expected to be received.

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DISCUSSION / ANALYSIS

City Resolution No. 2014-5264, adopted by the City Council on August 5, 2014, established a fee schedule of development impact fees (under the Mitigation Fee Act) for local parks, as authorized by Section 15.56 of the Yorba Linda Municipal Code.

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 Local Park Impact Fee is to ensure that new development is paying its portion of the Parks and Recreation infrastructure costs associated with the new development growth proposed.

B) The amount of the fee – The current fee is charged based on the type of residential development project and number of dwelling units as follows:

- Single Family Dwelling Unit \$16,716 per lot
- Multiple Family Dwelling Unit \$10,718 per lot

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	\$ 0
Fees Received	\$164,604.00
Interest Revenue	\$8,883.28
Total Available Resources	\$173,487.28
Expenditures	159,945.58
Balance as of June 30, 2019	\$ 13,541.70

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:

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	Improvement Expenditure	Percentage Funded ¹
Adventure Playground Master Plan	\$34,091.16	48%
Paxton Equestrian Center Plans	\$67,895.00	100%
Yorba Linda Middle School Field Conversion Project	\$30,190.00	100%
Fairmont Knolls Park Restroom Project	\$27,769.42	20%
	\$159,945.58	

¹ This is the amount of the project funded with impact fee revenue.

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 – A transfer of \$159,945.58 was made from the Local Park Impact Fee Fund to the Capital Improvement Project Fund to fund the project costs listed in table E above.

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

State law requires that at least every five years certain findings be made with respect to each impact fee being assessed. The following information is provided to satisfy this requirement:

(1) Identify the purpose to which the fee is to be put – The purpose of the Local Park Impact Fee is to ensure that new development is paying its portion of the Parks and Recreation infrastructure costs associated with the new development growth proposed.

(2) Demonstrate a reasonable relationship between the fee and the purpose for which it is charged – The fee is based on the relationship between the cost to construct and/or need to expand off-site Parks and Recreation facilities due to the population growth impacts caused by the new development.

(3) Identify all sources and amounts of funding anticipated for incomplete improvements – Parks and Recreation improvements to be funded from Local Park Impact Fees can be funded by other sources such as the General Fund, and Park In-

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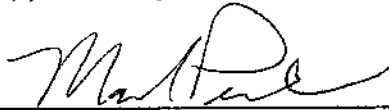
lieu Fees (as allowed by the Quimby Fee Act). The specific funding sources utilized for each project depend on funds available at the time a project is moved forward.

(4) Designate the approximate dates on which the funding is expected to be deposited into the appropriate account or fund – The receipt of funding and the construction or improvements are dependent as to when undeveloped land remaining in the City is developed. Park improvements occur utilizing the Local Park Impact Fee funds when all required funding is available, and the Parks and Recreation Director has determined that it is appropriate for the project to move forward.

FISCAL IMPACT

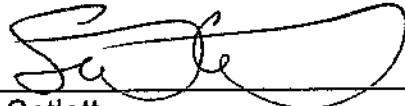
The balance of \$13,541.70 for Local Park Impact Fees collected in the response to the Mitigation Fee Act are accounted for and available for future park improvement projects as determined.

Approved By:



Mark A. Pulone
City Manager

Certified as to Fiscal Impacts:



Scott Catlett
Finance Director