



AGENDA REPORT

Department: Finance
Prepared by: Janel Pehau, Financial Analyst
Meeting Date: Tuesday, December 6, 2022
Approved by: Brad Raulston, City Manager

SUBJECT:

Development Impact Fees Annual Report Fiscal Year 2021-22

RECOMMENDATION:

Accept and file the report.

BOARD/COMMISSION/COMMITTEE PRIOR ACTION:

Not Applicable.

EXPLANATION:

The City requires the payment of development impact fees on new development as authorized by State of California Government Code Section 66000 et seq., which is known as the Mitigation Fee Act. The Mitigation Fee Act requires that an annual report and five year reports be prepared regarding the collection and use of the DIF fees. Fees collected must be spent in a timely manner. If fees are not spent within a period of 5 years, the report must provide an expenditure plan that justifies keeping the revenues for a longer period. The attached report provides revenue and expenditure information since the inception of the DIFs, fulfills the annual reporting requirements, and addresses future spending plans for the unspent balances.

The development impact fees for Parks and Recreation, Police, Fire, and Library were established in 2005 and have not been updated since that time. The transportation fees were established in 2008 based on a fee study conducted by the San Diego Association of Governments (SANDAG) and have been adjusted annually for inflation based on direction from SANDAG. These impact fees need to be reexamined to ensure that they continue to reflect the capital facilities impacts of new development as the general plan evolves and the development of the City progresses. Staff will return to the City Council with a proposal for engaging a consultant to assist the City with a fee study after adoption of the focused general plan update.

FINANCIAL STATEMENT:

Not applicable

RELATED CITY COUNCIL 2020-2025 STRATEGIC PLAN GOAL:

Not Applicable

ENVIRONMENTAL REVIEW:

This is not a project under CEQA and is therefore not subject to environmental review.CCR15378;
PRC 21065.

PUBLIC NOTIFICATION:

The Development Impact Fees Report was posted on the City's website on or before November 21, 2022, meeting the Government Code Section 66006(b)(2) requirement that it be available to the public at least 15 days ahead of the December 6, 2022, City Council meeting at which it will be considered. The Agenda Report was posted not less than 72 hours before the meeting date and time in accordance with Brown Act.

ORDINANCE:

Not Applicable

EXHIBIT:

Exhibit A - Development Impact Fees Annual Report for Fiscal Year 2021-22