

**City of San Bruno  
Development Impact Fee Report (AB1600)  
For the Fiscal Year Ended June 30, 2025**

This report details San Bruno's development impact fees (DIF) for Fiscal Year 2024-25 (FY25) as required by Government Code section 66000 et seq. (AB 1600). Note, this is not a budget document but aims to meet reporting requirements. It includes FY25 revenues and expenditures, and planned projects from the 2025-30 Capital Improvement Program. The report also summarizes revenue, expenditure activity, and fund balances since FY 2020-21 and provides a 5-year revenue test using the oldest funds first.

Government Code Section 66006 requires local agencies to submit annual and five-year reports detailing the status of development impact fees. The annual report must be made available to the public within 180 days after the last day of the fiscal year and must be presented to the public agency (City Council) at least 15 days after it is made available to the public.

This report summarizes the following information for each of the development fee programs:

1. A brief description of the fee program.
2. Beginning and ending balances of the fee program.
3. Amount of fees collected, interest earned, and transfers/loans.
4. Disbursement information (including interfund transfers/loans) and percentage of the project funded by fees.
5. A description of each interfund loan along with the date the loan will be repaid and the rate of interest.
6. The estimated date when projects will begin if sufficient revenues are available to construct the project.
7. Findings for each fee program.
8. Schedule of Fees.

Detailed information on development impact fee programs can be found in documents like the Nexus Studies and Capital Improvement Programs. The City does not allocate these fees to specific projects as they are collected; instead, they fund various capital improvement projects. No refunds were issued during the fiscal year as per Government Code Section 66001(e), nor any allocations under Section 66001(f).

## Presentation of Information by Fund

This report provides a comprehensive overview of fiscal year 2025 (FY25) financial activities by Fund. It begins with a summary of FY25 revenues and expenses, project disbursements, and planned projects for FY25, the subject of this report. Additionally, the report provides history for an additional four years' revenues, expenses, and fund balance to illustrate the collection and utilization of fees over time.

The report details the total FY25 project amounts funded from impact fees and the percentage financed through Development Impact Fee (DIF) sources. Additionally, the revenue table specifies the age of the total available revenue or fund balance by indicating the fiscal year in which the revenue was received. The five-year expenditure table outlines the allocation of collected revenue to various projects, demonstrating that older revenue is utilized before new funds on a First-in, First-out (FIFO) basis.

A standard line item for each City-administered fund is the Interest Earned/Market Gain/Loss. Although the City recorded unrealized gains/losses as part of the GASB31 requirement, the adjustment is not reflected in this report since the City typically holds its investments until maturity and does not anticipate realizing any of these gains/losses resulting from market fluctuations.

## **San Bruno Development Impact Fee Program Overview (five fee components)**

The San Bruno Development Impact Fee (DIF) Program was first adopted by the City Council in 2019 when the fee program nexus study was updated by the City's contracted consultant, Economic & Planning Systems, Inc with support from West Yost Associates and TKJM Transportation. The DIF Program Nexus Study includes the following components: community facilities, public safety facilities, general government, utilities, and transportation improvement for a total of five components to the DIF program. All revenue previously collected under the consolidated fee programs was transferred along with the obligation to provide facilities.

**1. Community Facilities DIF (Fund 160)**

The Ending Balance for June 30, 2025, reflects the balance on the City's records, and may include several different asset and liability accounts not depicted below, but which still affect the ending balance.

**GC section 66006(b)(1) requires the following annual findings:**

*(A) A brief description of the type of fee in the account or fund.*

The 2019 Nexus Study identified the need for new community facilities to serve future development in the City including a new recreation center, parks corporation yard, and library with an estimated cost of these new facilities totaling \$76.8 million in 2019 dollars. The Nexus Study also calculated future needs using the existing level of service, and allocated 18.6% of future facilities costs, or approximately \$14.3 million in 2019 dollars, to new development, assuming the same level is maintained.

*(B) The amount of the fee.*

Chapter 12.260 to Title 12 (Zoning) of the San Bruno Municipal Code established the community facilities development impact fee effective May 1, 2019. Each July 1 each rate is automatically adjusted to reflect the change in the California Construction Cost Index for San Francisco, California published by the Engineer News Record (or any successor to such index) during the twelve months prior to the February proceeding that July 1. However, the City Council may, by resolution, prevent any such adjustment from taking effect. Effective July 1, 2024 the fees are:

Table 1. Community Facilities DIF

<b>Community Facilities Development Impact Fee</b>	
<b>Land Use</b>	
<b>Residential</b>	
Single Family (per unit)	\$20,630.79
Multi Family (per unit)	\$19,233.38
<b>Non-Residential</b>	
Office (per sq. ft.)	\$11.55
Industrial (per sq.ft.)	\$4.59
Retail (per sq. ft)	\$7.45
Hotel (per room)	\$1,890.32

*(C) The beginning and ending balance of the account or fund. (D) The amount of the fees collected and the interest earned. (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 fees. (F) (i) An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement, as identified in paragraph (2) of subdivision (a) of Section 66001, and the public improvement remains incomplete. (ii) An identification of each*

public improvement identified in a previous report pursuant to clause (i) and whether construction began on the approximate date noted in the previous report.

Table 2. – Community Facilities DIF Financial Report

5-year Revenues & Expenditures	Fiscal Year					Total Estimated Cost	DIF as % of Total Est. Cost	Approximate Year of Completion
	2020-21	2021-22	2022-23	2023-24	2024-25			
Beginning Available Balance, July 1st	\$ 73,728	\$ 78,508	\$ 102,416	\$6,873,597	\$4,478,135			
<b>Revenues</b>								
Development Impact Fee	4,301	23,307	8,820,830	274,147				
Transfer In					135,901			
Interest Allocation	479	601	70,667	159,098	120,957			
Total revenues	4,780	23,908	8,891,497	433,245	256,858			
<b>Expenditures</b>								
Florida Park	-	-	2,000,000	-	400,000	2,995,422	80.12%	2025
Centennial Plaza	-	-	42,765	891,259	85,000	1,669,024	61.06%	2025
Crestmoor Multi-Use Fields Facility Project	-	-	77,551	22,449	-	12,000,000	0.83%	2030
Recreation and Aquatic Center	-	-	-	1,830,000	-	62,420,000	2.93%	2024
Park Assessment Consultant	-	-	-	85,000	-	150,000	56.67%	2025
Posy Park Improvements	-	-	-	-	135,000	835,000	16.17%	2026
Civic Center Landscape Improvements	-	-	-	-	50,000	50,000	100.00%	2028
Total Expenditures	-	-	2,120,316	2,828,708	670,000	79,234,446	6.25%	
Increase/ (Decrease) Available Funds	4,780	23,908	6,771,182	(2,395,463)	(413,142)			
Ending Available Balance, June 30th	\$ 78,508	\$ 102,416	\$6,873,597	\$4,478,135	\$4,064,992			

(G) A description of each interfund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and, in the case of an interfund loan, the date on which the loan will be repaid, and the rate of interest that the account or fund will receive on the loan.

All funds expended in 2022-23, 2023-24, and 2024-25 above were transferred from the Community Facilities DIF Fund to the Parks & Facilities Capital Improvement Fund.

(H) The amount of refunds made pursuant to subdivision (e) of Section 66001, the number of persons or entities identified to receive those refunds, and any allocations pursuant to subdivision (f) of Section 66001.

There were no refunds made pursuant to subdivision (e) of Section 66001.

**Government Code Section 60001(d) requires the following findings every five (5) years:**

(A) Identify the purpose to which the fee is to be put.

The purpose of the Community Facilities component of the DIF program is to fund the community facilities improvements necessary to serve new residential and nonresidential development in the City. New development in the City will increase the service population and, therefore, the need for new City facilities.

(B) Demonstrate a reasonable relationship between the fee and the purpose for which it is charged.

The reasonable relationship between the Community Facilities component of the DIF program and the purpose for which it is charged is demonstrated in the *San Bruno Development Impact Fee Nexus Study - 2019*.

(C) *Identify all sources and amounts of funding anticipated to complete financing in incomplete improvements identified in paragraph (2) of subdivision (a).*

The sources and amounts of funding anticipated to complete the future community facilities are in the *San Bruno Development Impact Fee Nexus Study - 2019*. (shown in 2019 dollars).

(D) *Designate the approximate dates on which the funding referred to in subparagraph is expected to be deposited into the appropriate account or fund.*

Table 3 summarizes the age of funds deposited to the Community Facilities DIF Fund and their drawdown using the first-in, first-out method. The purpose of this chart is to demonstrate that funds collected are spent or committed to an eligible project within 5-years of collection.

Table 3. – Community Facilities DIF 5-year Use of Funds

<b>5-year Available Funds</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>
Current year funds	-	-	-	433,245	256,858
2-year old funds	-	-	6,873,597	4,044,889	433,245
3-year old funds	-	23,908	-	-	3,374,889
4-year old funds	4,780	4,780	-	-	-
5-year old funds	73,728	73,728	-	-	-
Available balance	<b>\$ 78,508</b>	<b>\$ 102,416</b>	<b>\$6,873,597</b>	<b>\$4,478,135</b>	<b>\$4,064,992</b>
<i>Beginning balance + Revenue - Expenditure (first-in, first-out)</i>					

**2. Public Safety DIF (Fund 161)**

The Ending Balance for June 30, 2025, reflects the balance on the City's records, and may include several different asset and liability accounts not depicted below, but which still affect the ending balance.

**GC section 66006(b)(1) requires the following annual findings:**

*(A) A brief description of the type of fee in the account or fund.*

The 2019 Nexus Study identified the need for new public safety facilities and equipment to serve future development in the City including: upgrades and additions to police and fire facilities, facilities for the emergency response planning and exercise department, technology upgrades, and vehicle costs totaling an estimated \$31.8 million in 2019 dollars, 18.6% or \$5.9 million of which is attributed to future growth.

*(B) The amount of the fee.*

Chapter 12.260 to Title 12 (Zoning) of the San Bruno Municipal Code established the public safety development impact fee effective May 1, 2019. Each July 1 each rate is automatically adjusted to reflect the change in the California Construction Cost Index for San Francisco, California published by the Engineer News Record (or any successor to such index) during the twelve months prior to the February proceeding that July 1. However, the City Council may, by resolution, prevent any such adjustment from taking effect. Effective July 1, 2024 the fees are:

Table 4. – Community Facilities DIF

<b>Public Safety Facilities Development Impact Fee</b>	
<b>Land Use</b>	
<b>Residential</b>	
Single Family (per unit)	\$ 1,531.95
Multi Family (per unit)	\$ 1,530.68
<b>Non-Residential</b>	
Office (per sq. ft.)	\$ 0.77
Industrial (per sq.ft.)	\$ 0.30
Retail (per sq. ft)	\$ 0.82
Hotel (per room)	\$ 127.45

*(C) The beginning and ending balance of the account or fund. (D) The amount of the fees collected and the interest earned. (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 fees. (F) (i) An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement, as identified in paragraph (2) of subdivision (a) of Section 66001, and the public improvement remains incomplete. (ii) An identification of each public improvement identified in a previous report pursuant to clause (i) and whether construction began on the approximate date noted in the previous report.*

Table 5. – Public Safety DIF Financial Report

5-year Revenues & Expenditures	Fiscal Year					Total Estimated Cost	DIF as % of Total Est. Cost	Approximate Year of Completion
	2020-21	2021-22	2022-23	2023-24	2024-25			
Beginning Available Balance, July 1st	\$ 5,825	\$ 6,180	\$ 7,955	\$ 633,528	\$ 22,655			
<b>Revenues</b>								
Development Impact Fee	319	1,731	618,584	20,525	1,532			
Transfer In	-	-	-	125,000	-			
Interest Allocation	36	45	6,989	10,513	634			
Total revenues	355	1,775	625,573	156,038	2,166			
<b>Expenditures</b>								
Fire Station 51 Renovation	-	-	-	116,247	-	22,300,000	0.52%	2030
Fire Station 52 Replacement	-	-	-	395,664	-	67,340,000	0.59%	2030
Police Plaza Replacement	-	-	-	255,000	-	54,920,000	0.46%	TBD
Total Expenditures	-	-	-	766,911	-	144,560,000	0.00%	
Increase/ (Decrease) Available Funds	355	1,775	625,573	(610,873)	2,166			
Ending Available Balance, June 30th	\$ 6,180	\$ 7,955	\$ 633,528	\$ 22,655	\$ 24,821			

(G) A description of each interfund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and, in the case of an interfund loan, the date on which the loan will be repaid, and the rate of interest that the account or fund will receive on the loan.

All funds expended in 2023-24 above were transferred from the Public Safety DIF Fund to the Parks & Facilities Capital Improvement Fund.

(H) The amount of refunds made pursuant to subdivision (e) of Section 66001, the number of persons or entities identified to receive those refunds, and any allocations pursuant to subdivision (f) of Section 66001.

There were no refunds made pursuant to subdivision (e) of Section 66001.

**Government Code Section 60001(d) requires the following findings every five (5) years:**

(A) Identify the purpose to which the fee is to be put.

The purpose of the Public Safety component of the DIF program is to fund the public safety improvements necessary to serve new residential and nonresidential development in the City. New development in the City will increase the service population and, therefore, the need for new City facilities.

(B) Demonstrate a reasonable relationship between the fee and the purpose for which it is charged.

The reasonable relationship between the Public Safety component of the DIF program and the purpose for which it is charged is demonstrated in the *San Bruno Development Impact Fee Nexus Study - 2019*.

(C) Identify all sources and amounts of funding anticipated to complete financing in incomplete improvements identified in paragraph (2) of subdivision (a).

The sources and amounts of funding anticipated to complete the future public safety expenditures are in the *San Bruno Development Impact Fee Nexus Study - 2019*. (shown in 2019 dollars).

(D) Designate the approximate dates on which the funding referred to in subparagraph is expected to be deposited into the appropriate account or fund.

Table 6 summarizes the age of funds deposited to the Public Safety DIF Fund and their drawdown using the first-in, first-out method. The purpose of this chart is to demonstrate that funds collected are spent or committed to an eligible project within 5-years of collection.

Table 6. – Public Safety DIF Available Funds

<b>5-year Available Funds</b>					
	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>
Current year funds	-	-	-	22,655	2,166
2-year old funds	-	-	625,573	-	22,655
3-year old funds	-	1,775	1,775	-	-
4-year old funds	355	355	355	-	-
5-year old funds	5,825	5,825	5,825	-	-
Available balance	<b>\$ 6,180</b>	<b>\$ 7,955</b>	<b>\$ 633,528</b>	<b>\$ 22,655</b>	<b>\$ 24,821</b>
<i>Beginning balance + Revenue - Expenditure (first-in, first-out)</i>					

### 3. General Government DIF (Fund 162)

The Ending Balance for June 30, 2025, reflects the balance on the City's records, and may include several different asset and liability accounts not depicted below, but which still affect the ending balance.

**GC section 66006(b)(1) requires the following annual findings:**

*(A) A brief description of the type of fee in the account or fund.*

The 2019 Nexus Study identified the need for new General Government facilities and equipment to serve future development in the City. In particular, cost estimates were developed for improvements to the City's Corporation Yard, a new City Hall building, technology upgrades, and city vehicle costs totaling \$42.4 million in 2019 dollars, of which 18.6% or \$7.9 million is attributed to future demands on public services due to growth.

*(B) The amount of the fee.*

Chapter 12.260 to Title 12 (Zoning) of the San Bruno Municipal Code established the general government development impact fee effective May 1, 2019. Each July 1 each rate is automatically adjusted to reflect the change in the California Construction Cost Index for San Francisco, California published by the Engineer News Record (or any successor to such index) during the twelve months prior to the February proceeding that July 1. However, the City Council may, by resolution, prevent any such adjustment from taking effect. Effective July 1, 2024 the fees are:

Table 7. – General Government DIF

<b>General Government Facilities Development Impact Fee</b>	
<b>Land Use</b>	
<b>Residential</b>	
Single Family (per unit)	\$ 2,167.94
Multi Family (per unit)	\$ 2,034.18
<b>Non-Residential</b>	
Office (per sq. ft.)	\$ 1.25
Industrial (per sq.ft.)	\$ 0.49
Retail (per sq. ft)	\$ 0.81
Hotel (per room)	\$ 203.17

*(C) The beginning and ending balance of the account or fund. (D) The amount of the fees collected and the interest earned. (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 fees. (F) (i) An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement, as identified in paragraph (2) of subdivision (a) of Section 66001, and the public improvement remains incomplete. (ii) An identification of each public improvement identified in a previous report pursuant to clause (i) and whether construction began on the approximate date noted in the previous report.*

Table 8. – General Government DIF Financial Report

5-year Revenues & Expenditures	Fiscal Year					Total Estimated Cost	DIF as % of Total Est. Cost	Approximate Year of Completion
	2020-21	2021-22	2022-23	2023-24	2024-25			
Beginning Available Balance, July 1st	\$ 7,750	\$ 8,252	\$ 10,764	\$ 967,631	\$ 376,688			
<b>Revenues</b>								
Development Impact Fee	452	2,449	946,310	29,810	14,373			
Transfer In	-	-	-	-	22,808			
Interest Allocation	50	63	10,557	19,247	10,471			
Total revenues	502	2,512	956,867	49,057	47,652			
<b>Expenditures</b>								
Technology upgrades	-	-	-	190,000	-	6,800,227	2.79%	2030
City Hall replacement	-	-	-	450,000	-	91,000,000	0.49%	TBD
City Fleet EV Infrastructure Development and Implementation Project	-	-	-	-	190,000	1,026,708	18.51%	TBD
Total Expenditures	-	-	-	640,000	190,000	98,826,935	0.84%	
Increase/ (Decrease) Available Funds	502	2,512	956,867	(590,943)	(142,348)			
Ending Available Balance, June 30th	\$ 8,252	\$ 10,764	\$ 967,631	\$ 376,688	\$ 234,341			

(G) A description of each interfund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and, in the case of an interfund loan, the date on which the loan will be repaid, and the rate of interest that the account or fund will receive on the loan.

All funds expended in 2023-24 and 2024-25 above were transferred from the General Government DIF Fund to the Parks & Facilities Capital Improvement Fund.

(H) The amount of refunds made pursuant to subdivision (e) of Section 66001, the number of persons or entities identified to receive those refunds, and any allocations pursuant to subdivision (f) of Section 66001.

There were no refunds made pursuant to subdivision (e) of Section 66001.

**Government Code Section 60001(d) requires the following findings every five (5) years:**

(A) Identify the purpose to which the fee is to be put.

The purpose of the General Government component of the DIF program is to fund the improvements necessary to serve new residential and nonresidential development in the City. New development in the City will increase the service population and, therefore, the need for new City facilities.

(B) Demonstrate a reasonable relationship between the fee and the purpose for which it is charged.

The reasonable relationship between the General Government component of the DIF program and the purpose for which it is charged is demonstrated in the *San Bruno Development Impact Fee Nexus Study - 2019*.

(C) Identify all sources and amounts of funding anticipated to complete financing in incomplete improvements identified in paragraph (2) of subdivision (a).

The sources and amounts of funding anticipated to complete the future general government expenditures are in the *San Bruno Development Impact Fee Nexus Study - 2019*. (shown in 2019 dollars).

(D) Designate the approximate dates on which the funding referred to in subparagraph is expected to be deposited into the appropriate account or fund.

Table 9 summarizes the age of funds deposited to the General Government DIF Fund and their drawdown using the first-in, first-out method. The purpose of this chart is to demonstrate that funds collected are spent or committed to an eligible project within 5-years of collection.

Table 9. – General Government DIF Available Funds

<b>5-year Available Funds</b>					
	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>
Current year funds	-	-	-	376,688	47,652
2-year old funds	-	-	-	-	186,688
3-year old funds	-	-	-	-	-
4-year old funds	-	-	-	-	-
5-year old funds	-	-	-	-	-
<b>Available balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 376,688</b>	<b>\$ 234,341</b>
<i>Beginning balance + Revenue - Expenditure (first-in, first-out)</i>					

**4. Utility Facilities DIF (Fund 164)**

The Ending Balance for June 30, 2025, reflects the balance on the City's records, and may include several different asset and liability accounts not depicted below, but which still affect the ending balance.

**GC section 66006(b)(1) requires the following annual findings:**

*(A) A brief description of the type of fee in the account or fund.*

The 2019 Nexus Study identified the need for new utility facilities to serve future development in the City. In particular, cost estimates were developed for improvements to the City's water and storm drain systems totaling \$41.1 million in 2019 dollars, of which an average of 40% or \$16.6 million is attributed to future demands on public services due to growth.

*(B) The amount of the fee.*

Chapter 12.260 to Title 12 (Zoning) of the San Bruno Municipal Code established the utility facilities development impact fee effective May 1, 2019. Each July 1 each rate is automatically adjusted to reflect the change in the California Construction Cost Index for San Francisco, California published by the Engineer News Record (or any successor to such index) during the twelve months prior to the February proceeding that July 1. However, the City Council may, by resolution, prevent any such adjustment from taking effect. Effective July 1, 2024 the fees are:

Table 10. – Utility Facilities DIF

<b>Utility Facilities Development Impact Fee</b>	
<b>Land Use</b>	
<b>Residential</b>	
Single Family (per unit)	\$ 2,967.99
Multi Family (per unit)	\$ 2,786.27
<b>Non-Residential</b>	
Office (per sq. ft.)	\$ 2.30
Industrial (per sq.ft.)	\$ 1.44
Retail (per sq. ft)	\$ 14.30
Hotel (per room)	\$ 1,635.42

*(C) The beginning and ending balance of the account or fund. (D) The amount of the fees collected and the interest earned. (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 fees. (F) (i) An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement, as identified in paragraph (2) of subdivision (a) of Section 66001, and the public improvement remains incomplete. (ii) An identification of each public improvement identified in a previous report pursuant to clause (i) and whether construction began on the approximate date noted in the previous report.*

Table 11. – Utility Facilities DIF Financial Report

5-year Revenues & Expenditures	Fiscal Year					Total Estimated Cost	DIF as % of Total Est. Cost	Approximate Year of Completion
	2020-21	2021-22	2022-23	2023-24	2024-25			
Beginning Available Balance, July 1st	\$ 10,612	\$ 11,300	\$ 14,739	\$ 1,676,977	\$ 331,358			
<b>Revenues</b>								
Development Impact Fee	619	3,353	1,644,156	162,793	19,686			
Interest Allocation	69	86	18,082	30,356	9,260			
Total revenues	688	3,439	1,662,238	193,149	28,946			
<b>Expenditures</b>								
Storm Drain System Improvements	-	-	-	1,538,768	-	16,740,000	9.19%	2030
Total Expenditures	-	-	-	1,538,768	-			
Increase/ (Decrease) Available Funds	688	3,439	1,662,238	(1,345,619)	28,946			
Ending Available Balance, June 30th	\$ 11,300	\$ 14,739	\$ 1,676,977	\$ 331,358	\$ 360,304			

(G) A description of each interfund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and, in the case of an interfund loan, the date on which the loan will be repaid, and the rate of interest that the account or fund will receive on the loan.

All funds expended in 2023-24 above were transferred from the Utility Facilities DIF Fund to the Stormwater Capital Improvement Fund.

(H) The amount of refunds made pursuant to subdivision (e) of Section 66001, the number of persons or entities identified to receive those refunds, and any allocations pursuant to subdivision (f) of Section 66001.

There were no refunds made pursuant to subdivision (e) of Section 66001.

**Government Code Section 60001(d) requires the following findings every five (5) years:**

(A) Identify the purpose to which the fee is to be put.

The purpose of the Utility Facilities component of the DIF program is to fund the improvements necessary to serve new residential and nonresidential development in the City. New development in the City will increase the service population and, therefore, the need for new City administration facilities.

(B) Demonstrate a reasonable relationship between the fee and the purpose for which it is charged.

The reasonable relationship between the Utility Facilities component of the DIF program and the purpose for which it is charged is demonstrated in the *San Bruno Development Impact Fee Nexus Study - 2019*.

(C) Identify all sources and amounts of funding anticipated to complete financing in incomplete improvements identified in paragraph (2) of subdivision (a).

The sources and amounts of funding anticipated to complete the future utility facilities expenditures are in the *San Bruno Development Impact Fee Nexus Study - 2019*. (shown in 2019 dollars).

(D) Designate the approximate dates on which the funding referred to in subparagraph is expected to be deposited into the appropriate account or fund.

Table 12 summarizes the age of funds deposited to the Utility Facilities DIF Fund and their drawdown using the first-in, first-out method. The purpose of this chart is to demonstrate that funds collected are spent or committed to an eligible project within 5-years of collection.

Table 12. – Utility Facilities DIF Available Funds

<b>5-year Available Funds</b>					
	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>
Current year funds	-	-	-	193,149	28,946
2-year old funds	-	-	1,662,238	138,209	193,149
3-year old funds	-	3,439	3,439	-	138,209
4-year old funds	688	688	688	-	-
5-year old funds	10,612	10,612	10,612	-	-
<b>Available balance</b>	<b>\$ 11,300</b>	<b>\$ 14,739</b>	<b>\$ 1,676,977</b>	<b>\$ 331,358</b>	<b>\$ 360,304</b>
<i>Beginning balance + Revenue - Expenditure (first-in, first-out)</i>					

**5. Transportation DIF (Fund 163)**

The Ending Balance for June 30, 2025, reflects the balance on the City's records, and may include several different asset and liability accounts not depicted below, but which still affect the ending balance.

**GC section 66006(b)(1) requires the following annual findings:**

*(A) A brief description of the type of fee in the account or fund.*

The 2019 Nexus Study identified the need for new transportation facilities to serve future development in the City including. In particular, cost estimates were developed for improvements to the City's overcrossings, intersections, freeway on-ramps, and grade separation totaling \$190.9 million in 2019 dollars, of which an average of 20.3% or \$38.7 million is attributed to future demands on public services due to growth.

*(B) The amount of the fee.*

Chapter 12.260 to Title 12 (Zoning) of the San Bruno Municipal Code established the transportation development impact fee effective May 1, 2019. Each July 1 each rate is automatically adjusted to reflect the change in the California Construction Cost Index for San Francisco, California published by the Engineer News Record (or any successor to such index) during the twelve months prior to the February proceeding that July 1. However, the City Council may, by resolution, prevent any such adjustment from taking effect. Effective July 1, 2024 the fees are:

Table 13. – Utility Facilities DIF

<b>Transportation Facilities Development Impact Fee</b>	
<b>Land Use</b>	
<b>Residential</b>	
Single Family (per unit)	\$ 4,512.55
Multi Family (per unit)	\$ 3,491.67
<b>Non-Residential</b>	
Office (per sq. ft.)	\$ 9.30
Industrial (per sq.ft.)	\$ 3.72
Retail (per sq. ft)	\$ 11.98
Hotel (per room)	\$ 2,043.01

*(C) The beginning and ending balance of the account or fund. (D) The amount of the fees collected and the interest earned. (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 fees. (F) (i) An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement, as identified in paragraph (2) of subdivision (a) of Section 66001, and the public improvement remains incomplete. (ii) An identification of each public improvement identified in a previous report pursuant to clause (i) and whether construction began on the approximate date noted in the previous report.*

Table 14. – Transportation DIF Financial Report

5-year Revenues & Expenditures	Fiscal Year					Total Estimated Cost	DIF as % of Total Est. Cost	Approximate Year of Completion
	2020-21	2021-22	2022-23	2023-24	2024-25			
Beginning Available Balance, July 1st	\$ 13,291	\$ 14,337	\$ 19,566	\$ 5,684,491	\$ 6,050,849			
<b>Revenues</b>								
Development Impact Fee	941	5,098	5,606,081	254,954	25,926			
Interest Allocation	105	132	58,844	148,904	166,783			
Total revenues	1,046	5,229	5,664,924	403,858	192,709			
<b>Expenditures</b>								
San Mateo Ave Streetscape Projects	-	-	-	37,500	-	10,066,793	0.37%	2026
Total Expenditures	-	-	-	37,500	-			
Increase/ (Decrease) Available Funds	1,046	5,229	5,664,924	366,358	192,709			
Ending Available Balance, June 30th	\$ 14,337	\$ 19,566	\$ 5,684,491	\$ 6,050,849	\$ 6,243,558			

(G) A description of each interfund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and, in the case of an interfund loan, the date on which the loan will be repaid, and the rate of interest that the account or fund will receive on the loan.

All funds expended in 2023-24 above were transferred from the Transportation DIF Fund to the Streets Capital Improvement Fund.

(H) The amount of refunds made pursuant to subdivision (e) of Section 66001, the number of persons or entities identified to receive those refunds, and any allocations pursuant to subdivision (f) of Section 66001.

There were no refunds made pursuant to subdivision (e) of Section 66001.

**Government Code Section 60001(d) requires the following findings every five (5) years:**

(A) Identify the purpose to which the fee is to be put.

The purpose of the Transportation component of the DIF program is to fund the improvements necessary to serve new residential and nonresidential development in the City. New development in the City will increase the service population and, therefore, the need for new City administration facilities.

(B) Demonstrate a reasonable relationship between the fee and the purpose for which it is charged.

The reasonable relationship between the Transportation component of the DIF program and the purpose for which it is charged is demonstrated in the *San Bruno Development Impact Fee Nexus Study - 2019*.

(C) Identify all sources and amounts of funding anticipated to complete financing in incomplete improvements identified in paragraph (2) of subdivision (a).

The sources and amounts of funding anticipated to complete the future transportation expenditures are in the *San Bruno Development Impact Fee Nexus Study - 2019*. (shown in 2019 dollars).

(D) Designate the approximate dates on which the funding referred to in subparagraph is expected to be deposited into the appropriate account or fund.

Table 15 summarizes the age of funds deposited to the Transportation DIF Fund and their drawdown using the first-in, first-out method. The purpose of this chart is to demonstrate that funds collected are spent or committed to an eligible project within 5-years of collection.

Table 15. – Transportation DIF Available Fund

<b>5-year Available Funds</b>					
	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>
Current year funds	-	-	-	403,858	192,709
2-year old funds	-	-	5,664,924	5,646,991	403,858
3-year old funds	-	5,229	5,229	-	5,646,991
4-year old funds	1,046	1,046	1,046	-	-
5-year old funds	13,291	13,291	13,291	-	-
Available balance	<b>\$ 14,337</b>	<b>\$ 19,566</b>	<b>\$ 5,684,491</b>	<b>\$ 6,050,849</b>	<b>\$ 6,243,558</b>
<i>Beginning balance + Revenue - Expenditure (first-in, first-out)</i>					

**Bayhill Specific Plan Area Development Impact Fee Program Overview (Fund 165)**

The Bayhill Specific Plan Area Development Impact Fee (Bayhill Area DIF) Program was first adopted by the City Council in 2022 when the fee program nexus study was prepared by the City’s contracted consultants, Economic & Planning Systems, Inc and Fehr & Peers. Adopted by the San Bruno City Council in 2021, the Bayhill Specific Plan provides a land use and regulatory framework for redevelopment of Bayhill Office Center and adjacent Bayhill Shopping Center for higher-intensity development. The Bayhill Area DIF Nexus Study is based on the land use program and level of service standards and requirements described in the Bayhill Specific Plan (and supporting environmental documents) as well as current estimates of the infrastructure and improvement costs needed to accommodate these land uses and standards.

The Ending Balance for June 30, 2025, reflects the balance on the City's records, and may include several different asset and liability accounts not depicted below, but which still affect the ending balance.

**GC section 66006(b)(1) requires the following annual findings:**

*(A) A brief description of the type of fee in the account or fund.*

The 2022 Nexus Study identified the need for new infrastructure in the Bayhill Area to serve build-out of the Bayhill Specific Plan Area, consistent with the Bayhill Area DIF CIP. In particular, the Bayhill Area DIF covers the following infrastructure items: on-site and off-site roadway facilities (i.e., traffic signals, traffic safety devices, street improvements, etc.); on-site and off-site bicycle, pedestrian, and other active transportation facilities; potable water facilities; water facilities to serve future development in the City including.

In particular, cost estimates were developed for improvements in the Bayhill Area totaling \$45.6 million in 2022 dollars, of which an average of 29% or \$13.0 million is attributed to future demands on public services due to growth.

*(B) The amount of the fee.*

Chapter 12.265 to Title 12 (Zoning) of the San Bruno Municipal Code established the Bayhill Specific Plan Area Development Impact Fee. Each July 1 each rate is automatically adjusted to reflect the change in the California Construction Cost Index for San Francisco, California published by the Engineer News Record (or any successor to such index) during the twelve months prior to the February proceeding that July 1. However, the City Council may, by resolution, prevent any such adjustment from taking effect. Effective July 1, 2024 the fees are:

Table 16. – Bayhill Area DIF

<b>XII. Bayhill Specific Plan Area Development Impact Fee Rates</b>	
Subject to increase each July 1st based on CCI for San Francisco, as Published by ENR	
<b>Land Use</b>	<b>Fee Amount/Unit</b>
<b>Non-Residential</b>	
Office (per sq. ft.)	\$6.66
Retail (per sq. ft.)	\$35.01
Hotel (per hotel room)	\$6,189.78
<b>Multi Family Residential</b>	
Units equal to or less than 407 sq.ft. (per unit)	\$3,800.80
Units between 407-2,034 sq.ft. (per sq. ft.)	\$9.34
Units equal to or greater than 2,034 sq.ft. (per unit)	\$19,001.82
Fee includes a 5% administrative charge to cover cost of implementing and administering the Bayhill Area DIF Program	

(C) The beginning and ending balance of the account or fund. (D) The amount of the fees collected and the interest earned. (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 fees. (F) (i) An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement, as identified in paragraph (2) of subdivision (a) of Section 66001, and the public improvement remains incomplete. (ii) An identification of each public improvement identified in a previous report pursuant to clause (i) and whether construction began on the approximate date noted in the previous report.

Table 17. – Bayhill Area DIF Financial Report

5-year Revenues & Expenditures	Fiscal Year					Total Estimated Cost	DIF as % of Total Est. Cost	Approximate Year of Completion
	2020-21	2021-22	2022-23	2023-24	2024-25			
Beginning Available Balance, July 1st	\$ -	\$ -	\$ -	\$ 4,335,605	\$ 4,190,939			
<b>Revenues</b>								
Development Impact Fee	-	-	4,278,488					
Interest Allocation	-	-	57,116	129,084	134,759			
Total revenues	-	-	4,335,605	129,084	134,759			
<b>Expenditures</b>								
Traffic Signal Installation	-	-	-	202,500	-	1,914,429	10.58%	2026
Bike & Pedestrian Improvement - Bayhill Dr & El Camino Real	-	-	-	71,250	-	1,595,357	4.47%	2026
Total Expenditures	-	-	-	273,750	-			
Increase/ (Decrease) Available Funds	-	-	4,335,605	(144,666)	134,759			
Ending Available Balance, June 30th	\$ -	\$ -	\$ 4,335,605	\$ 4,190,939	\$ 4,325,698			

*(G) A description of each interfund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and, in the case of an interfund loan, the date on which the loan will be repaid, and the rate of interest that the account or fund will receive on the loan.*

All funds expended in 2023-24 above were transferred from the Bayhill Area DIF Fund to the Streets Capital Improvement Fund.

*(H) The amount of refunds made pursuant to subdivision (e) of Section 66001, the number of persons or entities identified to receive those refunds, and any allocations pursuant to subdivision (f) of Section 66001.*

There were no refunds made pursuant to subdivision (e) of Section 66001.

**Government Code Section 60001(d) requires the following findings every five (5) years:**

*(A) Identify the purpose to which the fee is to be put.*

The purpose of the Bayhill Area DIF program is to fund the improvements necessary to serve new residential and nonresidential development in the Plan Area. New development in the Bayhill Specific Plan Area will increase the service population and, therefore, the need for new City facilities.

*(B) Demonstrate a reasonable relationship between the fee and the purpose for which it is charged.*

The reasonable relationship between the Bayhill Area DIF program and the purpose for which it is charged is demonstrated in the *Bayhill Specific Plan Area Development Impact Fee - 2022*.

*(C) Identify all sources and amounts of funding anticipated to complete financing in incomplete improvements identified in paragraph (2) of subdivision (a).*

The sources and amounts of funding anticipated to complete the future transportation expenditures are in the *Bayhill Specific Plan Area Development Impact Fee - 2022*. (shown in 2022 dollars).

*(D) Designate the approximate dates on which the funding referred to in subparagraph is expected to be deposited into the appropriate account or fund.*

Table 18 summarizes the age of funds deposited to the Bayhill Area DIF Fund and their drawdown using the first-in, first-out method. The purpose of this chart is to demonstrate that funds collected are spent or committed to an eligible project within 5-years of collection.

Table 18. – Bayhill Area DIF Available Fund

<b>5-year Available Funds</b>					
	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>
Current year funds	-	-	4,335,605	129,084	134,759
2-year old funds	-	-	-	4,061,855	129,084
3-year old funds	-	-	-	-	4,061,855
4-year old funds	-	-	-	-	-
5-year old funds	-	-	-	-	-
Available balance	\$ -	\$ -	\$ 4,335,605	\$ 4,190,939	\$ 4,325,698
<i>Beginning balance + Revenue - Expenditure (first-in, first-out)</i>					

**Affordable Housing Development Impact Fee Program Overview (Fund 138)**

The Affordable Housing Development Impact Fee Program was adopted by the City Council in 2015 when two fee program nexus studies prepared in coordination with the 21 Elements multi-city nexus study, a collaborative effort to mitigate the impacts of new development on the demand for affordable housing in San Mateo County. In February 2014, the local jurisdictions in San Mateo County partnered to hire Strategic Economics and Vernazza Wolfe Associates, Inc. to develop nexus studies for commercial linkage fees and residential impact fees. The preparation of these fee studies resulted in the adoption of new impact fees on residential and commercial developments in San Bruno.

The Ending Balance for June 30, 2025, reflects the balance on the City's records, and may include several different asset and liability accounts not depicted below, but which still affect the ending balance.

**GC section 66006(b)(1) requires the following annual findings:**

*(A) A brief description of the type of fee in the account or fund.*

The 2015 Nexus Studies identified the need for new housing in the City to meet its Regional Housing Needs Allocation. In particular, the nexus studies identified the need for below market rate housing as the result of market rate growth in both residential and commercial sectors. The Affordable Housing DIF provides funding for the City to produce, directly or indirectly, new below market rate housing units.

*(B) The amount of the fee.*

Chapter 12.230 to Title 12 (Zoning) of the San Bruno Municipal Code established the Affordable Housing Program.. Each July 1 each rate is automatically adjusted to reflect the change in the California Construction Cost Index for San Francisco, California published by the Engineer News Record (or any successor to such index) during the twelve months prior to the February proceeding that July 1. However, the City Council may, by resolution, prevent any such adjustment from taking effect. Effective July 1, 2024 the fees are:

Table 19. – Affordable Housing DIF

XIII. Affordable Housing Fee	
Subject to increase each July based on CCI for San Francisco, as published by ENR	
Type of Residential Unit	Fee per Square Foot of Net New Residential Floor Area
Single-Family Detached Home	\$37.85
Condominiums	\$35.05
Apartments	\$35.05
Nonresidential Use	Fee per Square Foot of Net New Non-Residential Floor Area
Hotel	\$17.52
Retail, Restaurants and Services	\$8.76
Office, Medical Office and Research and Development Uses	\$17.52

(C) The beginning and ending balance of the account or fund. (D) The amount of the fees collected and the interest earned. (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 fees. (F) (i) An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement, as identified in paragraph (2) of subdivision (a) of Section 66001, and the public improvement remains incomplete. (ii) An identification of each public improvement identified in a previous report pursuant to clause (i) and whether construction began on the approximate date noted in the previous report.

Table 20. – Affordable Housing DIF Financial Report

5-year Revenues & Expenditures	Fiscal Year					Total Estimated Cost	DIF as % of Total Est. Cost	Approximate Year of Completion
	2020-21	2021-2022	2022-23	2023-24	2024-25			
Beginning Available Balance, July 1st	\$ -	\$ -	\$ -	\$ 9,807,610	\$ 10,070,343			
<b>Revenues</b>								
Development Impact Fee	-	-	9,704,825					
Interest Allocation	-	-	102,785	262,733	287,254			
Total revenues	-	-	9,807,610	262,733	287,254			
<b>Expenditures</b>								
Impact Fee Expenditures	-	-	-	-	-			
Total Expenditures	-	-	-	-	-			
Increase/ (Decrease) Available Funds	-	-	9,807,610	262,733	287,254			
Ending Available Balance, June 30th	\$ -	\$ -	\$ 9,807,610	\$ 10,070,343	\$ 10,357,597			

(G) A description of each interfund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and, in the case of an interfund loan, the date on which the loan will be repaid, and the rate of interest that the account or fund will receive on the loan.

There were no funds expended in 2023-24.

*(H) The amount of refunds made pursuant to subdivision (e) of Section 66001, the number of persons or entities identified to receive those refunds, and any allocations pursuant to subdivision (f) of Section 66001.*

There were no refunds made pursuant to subdivision (e) of Section 66001.

**Government Code Section 60001(d) requires the following findings every five (5) years:**

*(A) Identify the purpose to which the fee is to be put.*

The purpose of the Affordable Housing DIF program is to fund below market rate housing as the result of market rate growth in both residential and commercial sectors. The Affordable Housing DIF provides funding for the City to produce, directly or indirectly, new below market rate housing units.

*(B) Demonstrate a reasonable relationship between the fee and the purpose for which it is charged.*

The reasonable relationship between the Affordable Housing DIF program and the purpose for which it is charged is demonstrated in the *Residential Impact Fee Nexus Study – 2015* and the *Commercial Linkage Fee Nexus Study – 2015*.

*(C) Identify all sources and amounts of funding anticipated to complete financing in incomplete improvements identified in paragraph (2) of subdivision (a).*

The sources and amounts of funding anticipated to complete the future housing expenditures are in the *Residential Impact Fee Nexus Study – 2015* and the *Commercial Linkage Fee Nexus Study – 2015* (shown in 2015 dollars).

*(D) Designate the approximate dates on which the funding referred to in subparagraph is expected to be deposited into the appropriate account or fund.*

Table 21 summarizes the age of funds deposited to the Affordable DIF Fund and their drawdown using the first-in, first-out method. The purpose of this chart is to demonstrate that funds collected are spent or committed to an eligible project within 5-years of collection.

Table 21. – Affordable Housing DIF Available Fund

<b>5-year Available Funds</b>					
	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>
Current year funds	-	-	-	262,733	287,254
2-year old funds	-	-	9,807,610	9,807,610	262,733
3-year old funds	-	-	-	-	9,807,610
4-year old funds	-	-	-	-	-
5-year old funds	-	-	-	-	-
Available balance	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,807,610</b>	<b>\$10,070,343</b>	<b>\$10,357,597</b>
<i>Beginning balance + Revenue - Expenditure (first-in, first-out)</i>					

**Water and Wastewater Capacity Fee Program Overview**

The City provides water and wastewater to over 11,000 residential, commercial, institutional, and light industrial accounts. The City levies water and sewer development impact fees on new or expanded water and sewer system connections. These charges are levied as a condition of development or change in use and are designed to recover the cost of capacity in infrastructure and assets benefitting new development. The *Water & Sewer Capacity Charge Update Study - 2017* referred to the City’s water and sewer development impact fees as “capacity charges,” in line with the terminology used in California Government Code. Capacity charges are one-time fees paid up-front as a condition of new development or expansion. Capacity charges are separate from the City’s water and wastewater service rates. New connections begin paying the City’s water and wastewater rates after paying their capacity charge and becoming ongoing customers.

The Ending Balance for June 30, 2025, reflects the balance on the City's records, and may include several different asset and liability accounts not depicted below, but which still affect the ending balance.

**GC section 66006(b)(1) requires the following annual findings:**

*(A) A brief description of the type of fee in the account or fund.*

The *Water & Sewer Capacity Charge Update Study – 2017* was conducted by Bartel Wells Associates, for charges are levied as a condition of development or change in use and are designed to recover the cost of capacity in infrastructure and assets benefitting new development.

*(B) The amount of the fee.*

Capacity charges are adopted by resolution. Each July 1 each rate is automatically adjusted to reflect the change in the California Construction Cost Index for San Francisco, California published by the Engineer News Record (or any successor to such index) during the twelve months prior to the February proceeding that July 1. However, the City Council may, by resolution, prevent any such adjustment from taking effect. Effective July 1, 2024 the fees are:

Table 22. – Water Capacity Charges

Water Capacity Charge	
<b>Residential (Capacity charge per residential dwelling unit)</b>	
Single-Family or Duplex	\$8,080
Multi-Family (3 or more dwelling units)	\$5,252
<b>Non-Residential (Capacity charge based on water meter size including irrigation meters)</b>	
3/4 Inch Meter	\$8,080
1 Inch Meter	\$13,455
1 1/2 Inch Meter	\$26,950
2 Inch Meter	\$43,113
3 Inch Meter	\$80,811
4 Inch Meter	\$134,671
6 Inch Meter	\$269,385
8 Inch Meter	\$431,010

Table 23. – Wastewater Capacity Charges

<b>Wastewater/ Sewer Capacity Charge</b>	
<b>Residential (Capacity charge per residential dwelling unit)</b>	
Single-Family or Duplex	\$7,056
Multi-Family (3 or more dwelling units)	\$5,644
<b>Non-Residential (Capacity charge based on water meter size including irrigation meters)</b>	
3/4 Inch Meter	\$7,056
1 Inch Meter	\$11,761
1 1/2 Inch Meter	\$23,523
2 Inch Meter	\$37,636
3 Inch Meter	\$70,569
4 Inch Meter	\$117,616
6 Inch Meter	\$235,230
8 Inch Meter	\$376,368

*C) The beginning and ending balance of the account or fund. (D) The amount of the fees collected and the interest earned. (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 fees. (F) (i) An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement, as identified in paragraph (2) of subdivision (a) of Section 66001, and the public improvement remains incomplete. (ii) An identification of each public improvement identified in a previous report pursuant to clause (i) and whether construction began on the approximate date noted in the previous report.*

Table 24. – Water Capacity Charges Financial Report

5-year Revenues & Expenditures	Fiscal Year				
	2020-21	2021-22	2022-23	2023-24	2024-25
<b>Beginning Available Balance, July 1st</b>	<b>\$ 379,205</b>	<b>\$ 94,331</b>	<b>\$ 68,994</b>	<b>\$ 318,079</b>	<b>\$ 207,352</b>
<b>Revenues</b>					
Water Capacity Charges	129,609	115,924	675,035	171,447	2,276,247
Interest Allocation	1,919	2,104	22,180	11,145	161,819
<b>Total Revenues</b>	<b>131,528</b>	<b>118,028</b>	<b>697,215</b>	<b>182,592</b>	<b>2,437,865</b>
<b>Expenditures</b>					
Advanced Water Meter (84132)	62,888	153	7,315	440	-
Well No. 15 Replacement (84709)	2,853	7,788	4,899	6,072	65,019
Tank No. 1 Improvement and Replacement (85100)	199	233	3,917	44,300	15,588
Sweeney Ridge Tank Replacement (11022)	15,179	16,816	3,090	2,003	27,404
Princeton Tank Replacement (11023)	-	-	54	3,889	3,497
Commodore Tank Replacement (11024)	-	-	1,508	4,158	1,470
Water Main Improvement - Ave No. 1-1 (84153)	1,375	-	-	-	-
Water Main Improvement - Ave No. 1-2 (11002)	1,563	5	-	-	-
Lake Drive Pump Station Impr (11003)	8,463	1,448	14,422	6,802	4,885
Sneath Lane Pump Station (11004)	7,254	4,930	25,521	6,407	5,016
Whitman Pump Station Generator (11012)	6,087	437	335	1,339	4,537
Princeton Pump Station (11021)	455	365	55	1,247	3,373
Arbor Court Pressure Regulator Relacemt (11005)	-	-	-	-	-
Rollingwood Pressure Regulator Rehab (11016)	124	-	-	342	151
Oakmont Pressure Regulator Rehab (11017)	1,428	47,593	466	1,683	4,234
Cunningham Pressure Regulator Replacemt (11018)	-	-	-	437	294
Glenview Pressure Regulator Replacemt (11019)	-	104	-	95	821
Water Main Improvement - San Antonio Ave (11006)	5	-	-	-	-
Corp Yard Well (17) Rehab (84707)	6,411	-	685	-	-
Lions Field Well (20) Rehabilitation (11013)	-	-	-	4,865	6,642
City Park Well (18) Rehab (11014)	-	-	11,561	-	-
Forest Lane Well Rehab (16) (11015)	25,535	-	-	1,123	11,894
S. Westside Basin Groundwater Mgmt Study (84715)	-	-	-	-	-
Ave No. 1-3 Water Main Improvement (11007)	257,109	47,593	-	-	-
Ave No. 2-1 Water Main Improvement (11008)	5,783	591	1,263	7,071	36,947
Ave No. 3-1 Water Main Improvement (11009)	4,316	5,916	363,636	167,328	-
Ave No. 3-2 Water Main Improvement (11010)	9,396	9,396	9,396	17,790	18,215
Water Quality Well System Upgrade & Sweeney Rdg Tank (11025)	-	-	9	15,948	-
Ave No. 2-3 Water Main Improvement (11026)	-	-	-	-	5,580
<b>Total Expenditures</b>	<b>416,402</b>	<b>143,365</b>	<b>448,130</b>	<b>293,319</b>	<b>215,567</b>
<b>Increase/ (Decrease) Available Funds</b>	<b>(284,874)</b>	<b>(25,337)</b>	<b>249,085</b>	<b>(110,727)</b>	<b>2,222,298</b>
<b>Ending Available Balance, June 30th</b>	<b>\$ 94,331</b>	<b>\$ 68,994</b>	<b>\$ 318,079</b>	<b>\$ 207,352</b>	<b>\$ 2,429,650</b>

Table 25. – Wastewater Capacity Charges Financial Report

5-year Revenues & Expenditures	Fiscal Year				
	2020-21	2021-22	2022-23	2023-24	2024-25
Beginning Available Balance, July 1st	\$(2,363,226)	\$(2,629,457)	\$(2,739,498)	\$(2,472,618)	\$(2,786,298)
<b>Revenues</b>					
Sewer Capacity Charges	148,730	101,231	681,602	120,059	2,299,584
Interest Allocation	1,926	1,566	20,228	7,701	143,371
<b>Total Revenue</b>	<b>150,656</b>	<b>102,797</b>	<b>701,830</b>	<b>127,760</b>	<b>2,442,955</b>
<b>Expenditures</b>					
Wastewater Main Improvement-Ave No. 1-1 (84343)	1,373	-	-	-	-
Wastewater Main Improvement-Ave No. 1-2 (31001)	1,601	-	-	-	-
Crestmoor Pump Station (31003)	163	11,529	-	-	-
Crestwood Pump Station (31004)	1	101	14,339	7,575	5,646
Lomita Pump Station (31005)	580	10,507	-	-	-
Wastewater Main Improvement-Crestwood Dr. (31006)	1	-	13,611	67,544	5,646
Water Quality Control Plant by SSF (85708)	132,574	28,915	149,064	-	-
San Antonio Ave Sewer Main Improv (31007)	18	5	-	-	-
Ave No. 1-3 Sewer Main Improv (31008)	253,390	81,108	-	-	-
Ave No. 2-1 Sewer Main Improv (31009)	12,239	69,707	5,034	16,797	237,210
Ave No. 2-2 Sewer Main Improv (31010)	11,410	5,128	4,056	15,491	-
Ave No. 2-3 Sewer Main Improv (31011)	-	-	695	32,971	23,002
Ave No. 3-1 Sewer Main Improv (31012)	3,530	5,838	245,722	270,340	-
Ave No. 3-2 Sewer Main Improv (31013)	8	-	1,098	15,429	15,864
Earl/Glenview Ave Sewer Main Improv (31015)	-	-	1,331	11,429	13,215
Shelter Creek Lane Sewer Main Improvement (31016)				3,863	20,400
<b>Total Expenditures</b>	<b>416,887</b>	<b>212,838</b>	<b>434,950</b>	<b>441,440</b>	<b>320,983</b>
Increase/ (Decrease) Available Funds	(266,231)	(110,042)	266,880	(313,680)	2,121,972
Ending Available Balance, June 30th	\$(2,629,457)	\$(2,739,498)	\$(2,472,618)	\$(2,786,298)	\$ (664,326)

(G) A description of each interfund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and, in the case of an interfund loan, the date on which the loan will be repaid, and the rate of interest that the account or fund will receive on the loan.

There were no interfund transfers or loans made from the capacity charge funds.

(H) The amount of refunds made pursuant to subdivision (e) of Section 66001, the number of persons or entities identified to receive those refunds, and any allocations pursuant to subdivision (f) of Section 66001.

There were no refunds made pursuant to subdivision (e) of Section 66001.

**Government Code Section 60001(d) requires the following findings every five (5) years:**

(A) Identify the purpose to which the fee is to be put.

The City levies water and sewer development impact fees on new or expanded water and sewer system connections. These charges are levied as a condition of development or change in use and are designed to recover the cost of capacity in infrastructure and assets benefitting new development. Ten (10) percent of all water and wastewater capital expenditures are attributed to address future capacity needs resulting from development.

(B) *Demonstrate a reasonable relationship between the fee and the purpose for which it is charged.*

The reasonable relationship between the water and wastewater capacity charges and the purpose for which it is charged is demonstrated in the *Water & Sewer Capacity Charge Update Study - 2017*.

(C) *Identify all sources and amounts of funding anticipated to complete financing in incomplete improvements identified in paragraph (2) of subdivision (a).*

The sources and amounts of funding anticipated to complete the future housing expenditures are in the *Water & Sewer Capacity Charge Update Study - 2017*. (shown in 2017 dollars).

(D) *Designate the approximate dates on which the funding referred to in subparagraph is expected to be deposited into the appropriate account or fund.*

Tables 24 and 25 demonstrates that the City's capital improvement program actively utilize funds deposited into the respective water and wastewater capacity charge accounts. Tables 26 and 27 provide the Fiscal Year 2025-26 capital improvement program further demonstrating that capacity charges are spent at a pace faster than collected.

Table 26. – Water Capital Improvement Program

<b>Future Capital Funding Requirements</b>			
<b>Project</b>	<b>2025-26 Project Budget</b>	<b>10% of Budget Provided by Capacity Charges</b>	
	-	-	
Acappella Well Project	5,712,690	571,269	
Water Mains Improvement and Replacement	(516,894)	(51,689)	
Pressure Regulator Station Improvements & Replacement	1,707,127	170,713	
Pump Stations Improvement and Replacement	9,661,957	966,196	
Water Tanks Improvement and Replacement	28,772,943	2,877,294	
Well Replacement and Rehabilitation	194,456	19,446	
Water Quality Well System Upgrades & Sweeney Ridge Tank Chlorine Generator Installation	452,452	45,245	
Water Storage Tank Refurbishment	3,600,000	360,000	
<b>Total Capital Improvement Program</b>	<b>45,984,731</b>	<b>4,598,473</b>	

Table 27. - Wastewater Capital Improvement Program

<b>Future Capital Funding Requirements</b>		
<b>Project</b>	<b>2025-26 Project Budget</b>	<b>10% of Budget Provided by Capacity Charges</b>
Wastewater Pump Stations Improvement and Replacement	7,000,091	700,009
Wastewater Mains Improvement and Replacement	13,123,158	1,312,316
Water Quality Control Plant by SSF	16,053,039	1,605,304
Sewer Master Plan	209,324	20,932
<b>Total Capital Improvement Program</b>	<b>\$36,385,612</b>	<b>\$ 3,638,561</b>