



**City of San Bruno
Annual Report on Impact Fees and Capacity Charges
Fiscal Year Ended June 30, 2024**

Posted for Public Review: December 13, 2023
www.sanbruno.ca.gov

Submitted to City Council for Acceptance: January 28, 2025

Prepared by: John Mercado, Accountant

Approved by: Nick Pegueros, Chief Financial Officer

RESOLUTION NO. 2025-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN BRUNO ACCEPTING THE ANNUAL REPORT ON DEVELOPMENT IMPACT FEES AND CAPACITY CHARGES FOR FISCAL YEAR ENDED JUNE 30, 2024

WHEREAS, pursuant to Section 66000 et seq. of the Government Code, the City is required to prepare and present an annual development impact fees report for all impact fees and charges as defined by the Government Code; and

WHEREAS, the City collects water and wastewater/sewer capacity charges to pay for facilities in existence at the time the charge is imposed or charges for new facilities to be acquired or constructed in the future that are of proportional benefit to the person or property being charged; and

WHEREAS, the City collects seven (7) development impact fees to fund: community facilities, public safety facilities, general government facilities, transportation facilities, utility facilities, affordable housing, and Bayhill Specific Plan Area to fully or partially offset the costs of public facilities that are needed to serve demand created new development; and

WHEREAS, the City collects capacity charges for its water and wastewater facilities; and

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of San Bruno:

- Receives and accepts the Annual Report on Development Impact Fees and Capacity Charges for the Year Ended June 30, 2024, attached as Exhibit A; and
- Finds that the impact fees are collected to mitigate impacts from development; and
- Finds that impact fees are expended in a timely manner to fund continued improvements related to the increased demand on public facilities resulting from development; and
- Finds that the City's impact fees and charges continue to be required to fund applicable improvements, and as such, these fees will continue to be collected and deposited into the appropriate funds for utilization solely for their intended purpose.

EXHIBIT A: Annual Report on Development Impact Fees and capacity charges for the Year Ended June 30, 2024

—oOo—

I hereby certify that foregoing Resolution No. 2025-_____ was introduced and adopted by the San Bruno City Council at a regular meeting on January 28, 2025, by the following vote:

AYES:

NOES:

ABSENT:

Lupita Huerta, City Clerk

**City of San Bruno
Development Impact Fee Report (AB1600)
For the Fiscal Year Ended June 30, 2024**

This report contains information on the City of San Bruno's development impact fees for Fiscal Year 2023-24 (FY24.) This information is presented to comply with the annual reporting requirements contained in Government Code section 66000 *et seq.*, also known as AB 1600. Please note that this annual report is not a budget document; rather, it is compiled to meet reporting requirements. It reports revenues and expenditures for Fiscal Year 2023-24, and planned projects included in the 2024-29 Capital Improvement Program. The report summarizes revenue and expenditure activity and fund balance since FY 2019-20 and provides a 5-year revenue test using the oldest revenues first to fund expenditures.

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.

More detailed information on certain elements of the various development impact fee programs is available through other documents such as the Nexus Studies and the Capital Improvement Programs and Budgets. The City does not earmark development impact fees for any specific project as the fees are collected; rather, the fees are applied toward a series of capital improvement projects, such as capital facilities. No refunds were made during the fiscal year according to Government Code Section 66001(e) and any allocation under Government Code Section 66001(f).

Presentation of Information by Fund

This report presents information by Fund starting with a summary overview of FY 2023- 24 Revenues and Expenses, FY 2023-24 Project disbursements, and planned Projects for FY 2023-24. Following this overview is a more detailed 5-year review of revenues and expenses and fund balance to demonstrate both the collection and use of the fees over time.

The report presents the total FY 2023-24 Project Amounts funded from impact fees and the percent funded from non-fee sources. The revenue table identifies the age of the total revenue available or available fund balance by demonstrating which fiscal year received the revenue. The 5-year Expenditure table presents the use of revenue collected in the year that funded the project. This demonstrates that the oldest revenue is spent before new funds, also known as the First-in, First-out basis. A common line item for each City-administered fund is the Interest Earned/Market Gain/Loss. In this particular year, the City did record unrealized losses but since the City generally holds its investments to maturity, the City does not expect to realize any of those losses.

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, 2024, 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, July 1, 2024

Community Facilities Development Impact Fee	
Land Use	
Residential	
Single Family (per unit)	\$20,487.78
Multi Family (per unit)	\$19,233.38
Non-Residential	
Office (per sq. ft.)	\$11.47
Industrial (per sq.ft.)	\$4.56
Retail (per sq. ft)	\$7.39
Hotel (per room)	\$1,877.22

(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
	2019-20	2020-21	2021-22	2022-23	2023-24			
Beginning Available Balance, July 1st	\$ 21,893	\$ 73,728	\$ 78,508	\$ 102,416	\$ 6,873,597			
Revenues								
Development Impact Fee	50,673	4,301	23,307	8,820,830	274,147			
Interest Allocation	1,162	479	601	70,667	159,098			
Total revenues	51,835	4,780	23,908	8,891,497	433,245			
Expenditures								
Florida Park	-	-	-	2,000,000	-	2,995,422	66.77%	2026
Centennial Plaza	-	-	-	42,765	891,259	1,092,765	85.47%	2024
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
Total Expenditures	-	-	-	2,120,316	2,828,708	78,658,187	6.29%	
Increase/ (Decrease) Available Funds	51,835	4,780	23,908	6,771,182	(2,395,463)			
Ending Available Balance, June 30th	\$ 73,728	\$ 78,508	\$ 102,416	\$ 6,873,597	\$ 4,478,135			

(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 and 2023-24 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

5-year Available Funds					
	2019-20	2020-21	2021-22	2022-23	2023-24
Current year funds	-	-	-	-	433,245
2-year old funds	-	-	-	6,873,597	4,044,889
3-year old funds	-	-	23,908	-	-
4-year old funds	-	4,780	4,780	-	-
5-year old funds	73,728	73,728	73,728	-	-
Available balance	\$ 73,728	\$ 78,508	\$102,416	\$ 6,873,597	\$ 4,478,135
<i>Beginning balance + Revenue - Expenditure (first-in, first-out)</i>					

2. Public Safety DIF (Fund 161)

The Ending Balance for June 30, 2024, 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. These include:

(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, July 1, 2024

Public Safety Facilities Development Impact Fee	
Land Use	
Residential	
Single Family (per unit)	\$ 1,521.33
Multi Family (per unit)	\$ 1,520.07
Non-Residential	
Office (per sq. ft.)	\$ 0.76
Industrial (per sq.ft.)	\$ 0.30
Retail (per sq. ft)	\$ 0.81
Hotel (per room)	\$ 126.57

(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
	2019-20	2020-21	2021-22	2022-23	2023-24			
Beginning Available Balance, July 1st	\$ 1,729	\$ 5,825	\$ 6,180	\$ 7,955	\$ 633,528			
Revenues								
Development Impact Fee	4,004	319	1,731	618,584	20,525			
Transfer In	-	-	-	-	125,000			
Interest Allocation	92	36	45	6,989	10,513			
Total revenues	4,096	355	1,775	625,573	156,038			
Expenditures								
Fire Station 51 Renovation	-	-	-	-	116,247	22,300,000	1.77%	2030
Fire Station 52 Replacement	-	-	-	-	395,664	67,340,000	0.38%	2030
Police Plaza Replacement	-	-	-	-	255,000	54,920,000	1.40%	TBD
Total Expenditures	-	-	-	-	766,911	144,560,000	0.00%	
Increase/ (Decrease) Available Funds	4,096	355	1,775	625,573	(610,873)			
Ending Available Balance, June 30th	\$ 5,825	\$ 6,180	\$ 7,955	\$ 633,528	\$ 22,655			

(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

5-year Available Funds						
	2019-20	2020-21	2021-22	2022-23	2023-24	
Current year funds	-	-	-	-	22,655	
2-year old funds	-	-	-	625,573	-	
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	5,825	-	
Available balance	\$ 5,825	\$ 6,180	\$ 7,955	\$ 633,528	\$ 22,655	
<i>Beginning balance + Revenue - Expenditure (first-in, first-out)</i>						

3. General Government DIF (Fund 162)

The Ending Balance for June 30, 2024, 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, July 1, 2024

General Government Facilities Development Impact Fee	
Land Use	
Residential	
Single Family (per unit)	\$ 2,152.91
Multi Family (per unit)	\$ 2,020.08
Non-Residential	
Office (per sq. ft.)	\$ 1.24
Industrial (per sq.ft.)	\$ 0.49
Retail (per sq. ft)	\$ 0.80
Hotel (per room)	\$ 201.76

(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
	2019-20	2020-21	2021-22	2022-23	2023-24			
Beginning Available Balance, July 1st	\$ 2,301	\$ 7,750	\$ 8,252	\$ 10,764	\$ 967,631			
Revenues								
Development Impact Fee	5,327	452	2,449	946,310	29,810			
Interest Allocation	122	50	63	10,557	19,247			
Total revenues	5,449	502	2,512	956,867	49,057			
Expenditures								
Technology upgrades	-	-	-	-	190,000	6,800,227	2.79%	2030
City Hall replacement	-	-	-	-	450,000	91,000,000	0.49%	TBD
Total Expenditures	-	-	-	-	640,000	97,800,227	0.65%	
Increase/ (Decrease) Available Funds	5,449	502	2,512	956,867	(590,943)			
Ending Available Balance, June 30th	\$ 7,750	\$ 8,252	\$ 10,764	\$ 967,631	\$ 376,688			

(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 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

5-year Available Funds					
	2019-20	2020-21	2021-22	2022-23	2023-24
Current year funds	-	-	-	-	376,688
2-year old funds	-	-	-	-	-
3-year old funds	-	-	-	-	-
4-year old funds	-	-	-	-	-
5-year old funds	-	-	-	-	-
Available balance	\$ -	\$ -	\$ -	\$ -	\$ 376,688
<i>Beginning balance + Revenue - Expenditure (first-in, first-out)</i>					

4. Utility Facilities DIF (Fund 164)

The Ending Balance for June 30, 2024, 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 including. 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, July 1, 2024

Utility Facilities Development Impact Fee	
Land Use	
Residential	
Single Family (per unit)	\$ 2,947.41
Multi Family (per unit)	\$ 2,766.96
Non-Residential	
Office (per sq. ft.)	\$ 2.28
Industrial (per sq.ft.)	\$ 1.43
Retail (per sq. ft)	\$ 14.20
Hotel (per room)	\$ 1,624.08

(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
	2019-20	2020-21	2021-22	2022-23	2023-24			
Beginning Available Balance, July 1st	\$ 3,151	\$ 10,612	\$ 11,300	\$ 14,739	\$ 1,676,977			
Revenues								
Development Impact Fee	7,294	619	3,353	1,644,156	162,793			
Interest Allocation	167	69	86	18,082	30,356			
Total revenues	7,461	688	3,439	1,662,238	193,149			
Expenditures								
Storm Drain System Improvements	-	-	-	-	1,538,768	16,740,000	9.19%	2030
Total Expenditures	-	-	-	-	1,538,768			
Increase/ (Decrease) Available Funds	7,461	688	3,439	1,662,238	(1,345,619)			
Ending Available Balance, June 30th	\$ 10,612	\$ 11,300	\$ 14,739	\$ 1,676,977	\$ 331,358			

(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

5-year Available Funds					
	2019-20	2020-21	2021-22	2022-23	2023-24
Current year funds	-	-	-	-	193,149
2-year old funds	-	-	-	1,662,238	138,209
3-year old funds	-	-	3,439	3,439	-
4-year old funds	-	688	688	688	-
5-year old funds	10,612	10,612	10,612	10,612	-
Available balance	\$ 10,612	\$ 11,300	\$ 14,739	\$ 1,676,977	\$ 331,358
<i>Beginning balance + Revenue - Expenditure (first-in, first-out)</i>					

5. Transportation DIF (Fund 163)

The Ending Balance for June 30, 2024, 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, July 1, 2024

Transportation Facilities Development Impact Fee	
Land Use	
Residential	
Single Family (per unit)	\$ 4,481.27
Multi Family (per unit)	\$ 3,467.47
Non-Residential	
Office (per sq. ft.)	\$ 9.24
Industrial (per sq.ft.)	\$ 3.70
Retail (per sq. ft)	\$ 11.89
Hotel (per room)	\$ 2,028.85

(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						Total Estimated Cost	DIF as % of Total Est. Cost	Approximate Year of Completion
Fiscal Year								
	2018-19	2019-20	2020-21	2021-22	2022-23			
Beginning Available Balance	\$ 3,947	\$ 13,291	\$ 14,337	\$ 19,566	\$ 5,684,491			
Revenues								
Development	9,135	941	5,098	5,606,081	254,954			
Interest Allocation	209	105	132	58,844	148,904			
Total revenues	9,344	1,046	5,229	5,664,924	403,858			
Expenditures								
San Mateo Ave	-	-	-	-	37,500	10,066,793	0.37%	2024
Total Expenditures	-	-	-	-	37,500			
Increase/ (Decrease) Avail	9,344	1,046	5,229	5,664,924	366,358			
Ending Available Balance, June 30, 2024	\$ 13,291	\$ 14,337	\$ 19,566	\$ 5,684,491	\$ 6,050,849			

(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

5-year Available Funds						
	2019-20	2020-21	2021-22	2022-23	2023-24	
Current year funds	-	-	-	-	403,858	
2-year old funds	-	-	-	5,664,924	5,646,991	
3-year old funds	-	-	5,229	5,229	-	
4-year old funds	-	1,046	1,046	1,046	-	
5-year old funds	13,291	13,291	13,291	13,291	-	
Available balance	\$ 13,291	\$ 14,337	\$ 19,566	\$ 5,684,491	\$ 6,050,849	
<i>Beginning balance + Revenue - Expenditure (first-in, first-out)</i>						



6. 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, 2024, 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, July 1, 2024

Bayhill Specific Plan Area Development Impact Fee	
Land Use	
Non-Residential	
Office	\$6.61 per sq.ft.
Retail	\$34.77 per sq.ft.
Hotel	\$6,146.87 per hotel room
Multi Family Residential	
Units equal to or less than 407 sq.ft.	\$3,774.45 per unit
Units between 407-2,034 sq.ft.	\$9.28 per sq. ft.
Units equal to or greater than 2,034 sq.ft.	\$18,870.11 per unit

(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
	2019-20	2020-21	2021-22	2022-23	2023-24			
Beginning Available Balance, July 1st	\$ -	\$ -	\$ -	\$ -	\$ 4,335,605			
Revenues								
Development Impact Fee	-	-	-	4,278,488				
Interest Allocation	-	-	-	57,116	129,084			
Total revenues	-	-	-	4,335,605	129,084			
Expenditures								
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)			
Ending Available Balance, June 30th	\$ -	\$ -	\$ -	\$ 4,335,605	\$ 4,190,939			

(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

5-year Available Funds					
	2019-20	2020-21	2021-22	2022-23	2023-24
Current year funds	-	-	-	-	129,084
2-year old funds	-	-	-	4,335,605	4,061,855
3-year old funds	-	-	-	-	-
4-year old funds	-	-	-	-	-
5-year old funds	-	-	-	-	-
Available balance	\$ -	\$ -	\$ -	\$ 4,335,605	\$ 4,190,939
<i>Beginning balance + Revenue - Expenditure (first-in, first-out)</i>					

7. 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, 2024, 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, July 1, 2024

Affordable Housing Development Impact Fee	
Fees Per Square Foot of Net New Gross Floor Area	
Residential	\$/sq. ft.
Single Family Detached Units	\$35.10
Apartments and Condominiums	\$32.50
Non-Residential	\$/sq. ft.
Office, Medical Office and Research and Dev	\$16.25
Retails, Restaurants and Services	\$8.12
Hotel	\$16.25

(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				
	2019-20	2020-21	2021-2022	2022-23	2023-24
	Beginning Available Balance, July 1st	\$ -	\$ -	\$ -	\$ -
Revenues					
Development Impact Fee	-	-	-	9,704,825	
Interest Allocation	-	-	-	102,785	262,733
Total revenues	-	-	-	9,807,610	262,733
Expenditures					
Impact Fee Expenditures	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Increase/ (Decrease) Available Funds	-	-	-	9,807,610	262,733
Ending Available Balance, June 30th	\$ -	\$ -	\$ -	\$ 9,807,610	\$ 10,070,343

(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

5-year Available Funds					
	2019-20	2020-21	2021-22	2022-23	2023-24
Current year funds	-	-	-	-	262,733
2-year old funds	-	-	-	9,807,610	9,807,610
3-year old funds	-	-	-	-	-
4-year old funds	-	-	-	-	-
5-year old funds	-	-	-	-	-
Available balance	\$ -	\$ -	\$ -	\$ 9,807,610	\$ 10,070,343
<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, 2024, 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, July 1, 2024

Water Capacity Charge	
Residential (Capacity charge per residential dwelling unit)	
Single-Family or Duplex	\$8,080
Multi-Family (3 or more dwelling units)	\$5,252
Non-Residential (Capacity charge based on water meter size including irrigation meters)	
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, July 1, 2024

Wastewater/ Sewer Capacity Charge	
Residential (Capacity charge per residential dwelling unit)	
Single-Family or Duplex	\$7,056
Multi-Family (3 or more dwelling units)	\$5,644
Non-Residential (Capacity charge based on water meter size including irrigation meters)	
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				
	2019-20	2020-21	2021-22	2022-23	2023-24
Beginning Available Balance, July 1st	\$ 660,612	\$ 379,205	\$ 94,331	\$ 68,994	\$ 318,079
Revenues					
Water Capacity Charges	31,999	129,609	115,924	675,035	171,447
Interest Allocation	61	1,919	2,104	22,180	11,145
Total Revenues	32,060	131,528	118,028	697,215	182,592
Expenditures					
Advanced Water Meter (84132)	-	62,866	153	7,315	440
Well No. 15 Replacement (84709)	-	2,853	7,786	4,899	6,072
Tank No. 1 Improvement and Replacement (85100)	5,814	199	233	3,917	44,300
Sweeney Ridge Tank Replacement (11022)	24,675	15,179	16,816	3,090	2,003
Princeton Tank Replacement (11023)	-	-	-	54	3,869
Commodore Tank Replacement (11024)	-	-	-	1,506	4,158
Water Main Improvement - Ave No. 1-1 (84153)	177,741	1,375	-	-	-
Water Main Improvement - Ave No. 1-2 (11002)	-	1,563	5	-	-
Lake Drive Pump Station Impr (11003)	13,487	8,463	1,448	14,422	6,802
Sneath Lane Pump Station (11004)	10,677	7,254	4,930	25,521	6,407
Whitman Pump Station Generator (11012)	2,868	6,087	437	335	1,339
Princeton Pump Station (11021)	1,583	455	365	55	1,247
Arbor Court Pressure Regulator Relacemt (11005)	-	-	-	-	-
Rollingwood Pressure Regulator Rehab (11016)	1,102	124	-	-	342
Oakmont Pressure Regulator Rehab (11017)	404	1,428	47,593	466	1,683
Cunningham Pressure Regulator Replacemt (11018)	-	-	-	-	437
Glenview Pressure Regulator Replacemt (11019)	379	-	104	-	95
Water Main Improvement - San Antonio Ave (11006)	9,013	5	-	-	-
Corp Yard Well (17) Rehab (84707)	-	6,411	-	685	-
Lions Field Well (20) Rehabilitation (11013)	11	-	-	-	4,865
City Park Well (18) Rehab (11014)	-	-	-	11,561	-
Forest Lane Well Rehab (16) (11015)	189	25,535	-	-	1,123
S. Westside Basin Groundwater Mgmt Study (84715)	-	-	-	-	-
Ave No. 1-3 Water Main Improvement (11007)	27,816	257,109	47,593	-	-
Ave No. 2-1 Water Main Improvement (11008)	7,322	5,783	591	1,263	7,071
Ave No. 3-1 Water Main Improvement (11009)	20,992	4,316	5,916	363,636	167,328
Ave No. 3-2 Water Main Improvement (11010)	9,396	9,396	9,396	9,396	17,790
Water Quality Well System Upgrade & Sweeney Rdg Tank (11011)	-	-	-	9	15,948
Total Expenditures	313,467	416,402	143,365	448,130	293,319
Increase/ (Decrease) Available Funds	(281,407)	(284,874)	(25,337)	249,085	(110,727)
Ending Available Balance, June 30th	\$ 379,205	\$ 94,331	\$ 68,994	\$ 318,079	\$ 207,352

Table 25. – Wastewater Capacity Charges Financial Report

5-year Revenues & Expenditures	Fiscal Year				
	2019-20	2020-21	2021-22	2022-23	2023-24
	Beginning Available Balance, July 1st	\$ (1,553,637)	\$ (2,363,226)	\$ (2,629,457)	\$ (2,739,498)
Revenues					
Sewer Capacity Charges	53,187	148,730	101,231	681,602	120,059
Interest Allocation	160	1,926	1,566	20,228	7,701
Total Revenue	53,347	150,656	102,797	701,830	127,760
Expenditures					
Trenton Drive Wastewater Main Replacement (85704)	-	-	-	-	-
Wastewater Main Improvement-Crystal Springs Ave (84342)	-	-	-	-	-
Wastewater Main Improvement-Ave No. 1-1 (84343)	166,981	1,373	-	-	-
Wastewater Main Improvement-Ave No. 1-2 (31001)	157,595	1,601	-	-	-
Crestmoor Pump Station (31003)	149,535	163	11,529	-	-
Crestwood Pump Station (31004)	5,649	1	101	14,339	7,575
Lomita Pump Station (31005)	165,135	580	10,507	-	-
Wastewater Main Improvement-Crestwood Dr. (31006)	4,835	1	-	13,611	67,544
Sanitary Sewer Line - 1st Ave (84339)	-	-	-	-	-
Water Quality Control Plant by SSF (85708)	84,490	132,574	28,915	149,064	-
San Antonio Ave Sewer Main Improv (31007)	44,829	18	5	-	-
Ave No. 1-3 Sewer Main Improv (31008)	33,435	253,390	81,108	-	-
Ave No. 2-1 Sewer Main Improv (31009)	14,820	12,239	69,707	5,034	16,797
Ave No. 2-2 Sewer Main Improv (31010)	13,535	11,410	5,128	4,056	15,491
Ave No. 2-3 Sewer Main Improv (31011)	5	-	-	695	32,971
Ave No. 3-1 Sewer Main Improv (31012)	22,093	3,530	5,838	245,722	270,340
Ave No. 3-2 Sewer Main Improv (31013)	-	8	-	1,098	15,429
Earl/Glenview Ave Sewer Main Improv (31015)	-	-	-	1,331	11,429
Shelter Creek Lane Sewer Main Improvement (31016)	-	-	-	-	3,863
Total Expenditures	862,936	416,887	212,838	434,950	441,440
Increase/ (Decrease) Available Funds	(809,589)	(266,231)	(110,042)	266,880	(313,680)
Ending Available Balance, June 30th	\$ (2,363,226)	\$ (2,629,457)	\$ (2,739,498)	\$ (2,472,618)	\$ (2,786,298)

(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 2024-25 capital improvement program further demonstrating that capacity charges are spent at a pace faster than collected.

Table 26. – Water Capital Improvement Program

Future Capital Funding Requirements		
Project	2024-25 Project Budget	10% of Budget Provided by Capacity Charges
Advanced Water Meter	-	-
Acappella Well Project	7,487,554	748,755
Water Mains Improvement and Replacement	2,214,749	221,475
Pressure Regulator Station Improvements & Replacement	1,643,823	164,382
Pump Stations Improvement and Replacement	9,859,059	985,906
Water Tanks Improvement and Replacement	26,304,031	2,630,403
Well Replacement and Rehabilitation	417,681	41,768
Water Quality Well System Upgrades & Sweeney Ridge Tank Chlorine Generator Installation	440,430	44,043
Total Capital Improvement Program	48,367,327	4,836,733

Table 27. - Wastewater Capital Improvement Program

Future Capital Funding Requirements			
Project		2024-25 Project Budget	10% of Budget Provided by Capacity Charges
Wastewater Pump Stations Improvement and Replacement		7,195,412	719,541
Wastewater Mains Improvement and Replacement		19,557,646	1,955,765
Water Quality Control Plant by SSF		12,802,338	1,280,234
Sewer Master Plan		383,572	38,357
Total Capital Improvement Program		\$ 39,938,968	\$ 3,993,897