



City Council Agenda Item Staff Report

CITY OF SAN BRUNO

DATE: December 10, 2019

TO: Honorable Mayor and Members of the City Council

FROM: Jovan D. Grogan, City Manager

PREPARED BY: Keith DeMartini, Finance Director

SUBJECT: Receive Report and Adopt Resolution Accepting the Annual Report on Receipt and Use of Development Impact Fees for the Year Ending June 30, 2019

BACKGROUND:

The legal requirements for enacting development impact fees are set forth in Government Code §§ 66000-66025 (Mitigation Fee Act) and are commonly referred to as AB 1600 requirements. These fees are generally intended to mitigate cost impacts that development projects have on existing City facilities and infrastructure.

The Annual Report must be reviewed by the City Council at a regularly scheduled public meeting. Notice of the time and place of the meeting shall be mailed at least 15 days prior to the meeting to any interested party who files a written request with the local agency. No such requests were made at the time of this report. As of the date this report was finalized, City staff did not receive any such request.

The Annual Report attached to the City Council resolution (Attachment 1) presents the revenues, expenditures, and fund balances for the impact fees. Three of these are subject to AB 1600 requirements: Water Capacity charges, Sewer Capacity charges and Development Impact Fees. Park In-Lieu fees and Below Market Rate Housing In-Lieu fees are developer fees collected by the City but are exempt from AB 1600 requirements. These fees are included in this report for informational purposes. This Annual Report includes revenues collected and project costs incurred from July 1, 2018 to June 30, 2019.

Developer fees are segregated from the General Fund and from other funds or accounts containing fees collected for other purposes in accordance with accounting standards. Interest earned on each fee is deposited into the fund or account and used only for the purposes for which the fees were collected.

AB 1600 requires that local agencies provide an accounting of impact fees imposed on development projects. Each local agency is required, within 180 days after the last day

of each fiscal year, to make available to the public the following information regarding each fund or account (Government Code §§ 66006):

1. Description of the type of fee in the fund;
2. Amount of the fee;
3. Beginning and ending balance for the fiscal year;
4. Amount of fees collected, and interest earned;
5. Identification of each public improvement on which fees were expended and the amount of the expenditure on each improvement;
6. Identification of an approximate date by which the construction of a public improvement will commence, if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement;
7. Description of each interfund transfer or loan made from the account or fund, including the public improvement on which the loaned funds 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; and
8. Amount of any refunds made due to inability to expend fees within the required time frame.

DISCUSSION:

The development impact fees covered by the AB 1600 requirements and documented in Attachment 1 to the resolution include the following:

The City levies **Water Capacity** charges on new or expanded connections to the water system. 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. Approximately \$804,000 of water capacity fees were collected in FY2018-19 primarily from large development projects located at 1100 Grundy Lane and 3300 College Drive. The City levies **Sewer Capacity** charges on new or expanded connections to the sewer systems. Approximately \$19,000 of sewer capacity fees were collected in FY2018-19. 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 FY2019-20 adopted capital in process (CIP) budget includes water and sewer capital projects that will use water and sewer capacity fees collected as a critical funding source to complete the projects.

Both capacity charges are outlined in the City's master fee schedule updated annually during the budget process. A supplementary Five-Year Project Cost and Funding Summary for all impact fees is included as Attachment B to provide further information on each fee.

On May 1, 2019, the City's new **Development Impact Fee Program** took effect (Municipal Code Ch. 12.260). The program was established to assess impact fees on future development that will be used to fund community facility, public safety, general government, transportation and utility projects in the future to serve demand created by

that development. Approximately \$33,000 of development impact fees were collected in FY2018-19, which represents only 2 months of activity since the fees were established late in FY2018-19. Additional fees are expected to be collected in FY2019-20. During the upcoming FY2020-21 budget process, staff will develop a projection for additional development impact fee revenue as well as recommending capital projects that can use development impact fees as a funding source.

Residential developers also paid the fees listed below in fulfilling City requirements. While these fees do not fit within the definition of development impact fees subject to AB 1600 reporting requirements, staff has included them in this report for informational purposes.

- **Park Dedication or In-Lieu** fees (Municipal Code Ch. 12.44.140) are imposed on new residential subdivisions of five or more lots. The subdivisions are required to either dedicate land or pay an in-lieu fee for the City to purchase or improve land for parks and recreational purposes. This fee is exempt from the AB 1600 requirement. This fee has not been collected since FY2014-15; however, the City recently collected approximately \$3.1 Million in fees in November of 2019 related to the 111 San Bruno Avenue development project.
- **Affordable Housing Fees and Commercial Linkage Fees** (Municipal Code Ch. 12.230) are collected on all residential ownership or rental developments of 5 units or more throughout the City. Additionally, an affordable housing commercial linkage fee is assessed on all non-residential development. Residential ownership units may provide below market rate units onsite, off-site, or pay a residential impact fee. This fee is exempt from the AB 1600 requirement. In FY2018-19, fees totaling \$320,000 were collected related to a multi-family residential project at Skyline.

FISCAL IMPACT:

The annual AB 1600 report is a mandated reporting requirement provided to the City Council for informational purposes only. There is no direct fiscal impact by receiving the report and adopting the resolution.

RECOMMENDATION:

Receive report and adopt resolution accepting the Annual Report on the Receipt and Use of Development Impact Fees for the Year Ended June 30, 2019.

ALTERNATIVES:

1. The Annual AB 1600 report is a mandated reporting requirement for informational purposes only. City Council could not accept the report and resolution and provide additional direction to staff.

ATTACHMENTS:

1. Development Impact Fee Revenue and Expenditure Reports
2. Resolution

DATE PREPARED:

December 2, 2019

**City of San Bruno
Development Impact Fees
Revenue and Expenditures Summary
For the period ending June 30, 2019**

Attachment 1

WATER CAPACITY FEE

Revenue	
Development Fees	\$ 804,958
Interest	38,075
Total revenue	<u>843,033</u>
Expenditure	
Pressure Regulator Station Impr & Replacement	2
Pump Station Projects	-
Water Tank Improvement Projects	-
Water Mains Improvement Projects	82
Well Improvement Projects	9,639
Total expenditure	<u>9,723</u>
Excess of revenues over expenditures	<u>833,310</u>
Fund balance, beginning	<u>94</u>
Fund balance, ending	<u><u>\$ 833,404</u></u>

SEWER CAPACITY FEE

Revenue	
Development fees	\$ 19,251
Interest	22
Total revenue	<u>19,273</u>
Expenditure	
Wastewater Pump Station Improvement Projects	-
Wastewater Main Improvement Projects	11,160
Water Quality Control Plant Improvement Projects	-
Total expenditure	<u>11,160</u>
Excess of revenues over expenditures	<u>8,113</u>
Fund balance, beginning	<u>27</u>
Fund balance, ending	<u><u>\$ 8,139</u></u>

Development Impact Fees

Revenue	
Development fees	\$ 32,757
Interest	264
Total revenue	<u>33,021</u>
Expenditure	
None	-
Total expenditure	<u>-</u>
Excess of expenditures over revenues	<u>33,021</u>
Fund balance, beginning	<u>-</u>
Fund balance, ending	<u><u>\$ 33,021</u></u>

PARK IN-LIEU FEE

Revenue	
Development fees	\$ -
Interest	167
Total revenue	<u>167</u>
Expenditure	
None	-
Total expenditure	<u>-</u>
Excess of expenditures over revenues	<u>167</u>
Fund balance, beginning	<u>9,040</u>
Fund balance, ending	<u><u>\$ 9,207</u></u>

BELOW MARKET HOUSING IN-LIEU FEE

Revenue	
Development fees	\$ 320,000
Interest	66,990
Total revenue	<u>386,990</u>
Expenditure	
21 Elements	1,800
HIP Housing Program	30,000
Shelter Network Home Sharing Program	7,500
Total expenditure	<u>39,300</u>
Excess of revenues over expenditures	<u>347,690</u>
Fund balance, beginning	<u>3,524,442</u>
Fund balance, ending	<u><u>\$ 3,872,132</u></u>

**City of San Bruno
Five-Year Project Cost and Funding Summary
Water Capacity Charges**

Description

Charges collected on new connections or water meter size upgrades contribute to the prior investments by ratepayers in the existing facilities that provide available capacity.

Revenue and Expenditures: For Each Fiscal Year Ending June 30

Fiscal Year	Project Expenditures	Projected Increased Capacity	2014-15	2015-16	2016-17	2017-18	2018-19
Capacity Charges Received			\$7,525	\$25,593	\$99,354	\$23,543	\$804,958
Interest Allocation			61	147	106	95	38,075
Total Revenue Received			\$7,586	\$25,740	\$99,460	\$23,638	\$843,033
Project Expenditures							
Advanced Water Meter (84132)							
2015-16 Expenditures	3,693,000	306,519					
2016-17 Expenditures	3,134	313			313		
2017-18 Expenditures	86,474	8,647				0	
2018-19 Expenditures	156	16					0
Well No. 15 Replacement (84709)							
2013-14 Expenditures	177,713	14,750					
2014-15 Expenditures	274,398	22,775					
2015-16 Expenditures	35,329	2,932		2,022			
2016-17 Expenditures	8,634	863			863		
2017-18 Expenditures	55	6				0	
2018-19 Expenditures	4,093	409					409
Pump Station No. 4 College Replacement (84140)							
2013-14 Expenditures	1,629,510	135,249					
2014-15 Expenditures	1,412,158	117,209					
2015-16 Expenditures	30,845	2,560		\$1,540			
2016-17 Expenditures	67	7			7		
2017-18 Expenditures	0	-				0	
2018-19 Expenditures	0	-					0
Tank No. 1 Improvement and Replacement (85100)							
2013-14 Expenditures	100,046	8,304					
2014-15 Expenditures	32,816	2,724	\$540				
2015-16 Expenditures	85,160	7,068		2,168			
2016-17 Expenditures	3,689	369			369		
2017-18 Expenditures	19,228	1,923				0	
2018-19 Expenditures	6,837	684					0
Sweeney Ridge Tank Replacement (11022)							
2018-19 Expenditures	21,039	2,104					0
Princeton Tank Replacement (11023)							
2018-19 Expenditures	0	-					0
Water Mains Improvement and Replacement (84129)							
2013-14 Expenditures	150,312	15,031.20					
2014-15 Expenditures	448,653	44,865.30					
2015-16 Expenditures	863	86					
2016-17 Expenditures	0	-			0		
2017-18 Expenditures	0	-				0	
2018-19 Expenditures	0	-					0
Tank No.3 Glenview Replacement (84142)							
2013-14 Expenditures	136,656	11,342					
2014-15 Expenditures	2,139,772	177,601					
2015-16 Expenditures	2,809,009	233,148			55,944		
2016-17 Expenditures	53,421	5,342			5,342		

**City of San Bruno
Five-Year Project Cost and Funding Summary
Water Capacity Charges**

Description

Charges collected on new connections or water meter size upgrades contribute to the prior investments by ratepayers in the existing facilities that provide available capacity.

Revenue and Expenditures: For Each Fiscal Year Ending June 30

Fiscal Year	Project Expenditures	Projected Increased Capacity	2014-15	2015-16	2016-17	2017-18	2018-19
2017-18 Expenditures	0	-				0	
2018-19 Expenditures	0	-					0
Water Main Improvement -Jenevein Ave (84150)							
2014-15 Expenditures	30,307	2,515	2,515				
2015-16 Expenditures	83,915	6,965		3,065			
2016-17 Expenditures	7,124	712			712		
2017-18 Expenditures	1,436	144				144	
2018-19 Expenditures	0	-					0
Water Main Improvement -San Mateo Ave (84151)							
2014-15 Expenditures	25,736	2,136	2,136				
2015-16 Expenditures	98,951	8,213		2,013			
2016-17 Expenditures	52,773	5,277			5,277		
2017-18 Expenditures	2,234,338	223,434				0	
2018-19 Expenditures	17,820	1,782					0
Water Main Improvement -Crystal Springs (84152)							
2014-15 Expenditures	28,860	2,395	2,395				
2015-16 Expenditures	55,565	4,612		1,212			
2016-17 Expenditures	7,518	752			752		
2017-18 Expenditures	16,443	1,645				1,645	
2018-19 Expenditures	0	-					0
Water Main Improvement - Ave No. 1-1 (84153)							
2015-16 Expenditures	30,738	2,551		2,551			
2016-17 Expenditures	47,915	4,792			4,792		
2017-18 Expenditures	54,054	5,405				0	
2018-19 Expenditures	12,491	1,249					0
Water Main Improvement - Ave No. 1-2 (11002)							
2015-16 Expenditures	30,854	2,561		1,912			
2016-17 Expenditures	46,706	4,671		1,912	4,671		
2017-18 Expenditures	44,352	4,436				4,436	
2018-19 Expenditures	15,974	1,597					0
Lake Drive Pump Station Impr (11003)							
2016-17 Expenditures	1,364	136			136		
2017-18 Expenditures	0	-				0	
2018-19 Expenditures	4,982	498					0
Sneath Lane Pump Station (11004)							
2018-19 Expenditures	2,553	255					0
Whitman Pump Station Generator (11012)							
2018-19 Expenditures	28,439	2,844					0
Princeton Pump Station (11021)							
2018-19 Expenditures	9,059	906					0
Arbor Court Pressure Regulator Relacemt (11005)							
2016-17 Expenditures	23,730	2,373			2,373		
2017-18 Expenditures	35,591	3,560				3,560	
2018-19 Expenditures	452,978	45,298					0
Rollingwood Pressure Regulator Rehab (11016)							

**City of San Bruno
Five-Year Project Cost and Funding Summary
Water Capacity Charges**

Description

Charges collected on new connections or water meter size upgrades contribute to the prior investments by ratepayers in the existing facilities that provide available capacity.

Revenue and Expenditures: For Each Fiscal Year Ending June 30

Fiscal Year	Project Expenditures	Projected Increased Capacity	2014-15	2015-16	2016-17	2017-18	2018-19
2018-19 Expenditures	814	81					0
Oakmont Pressure Regulator Rehab (11017)							
2018-19 Expenditures	425	43					0
Cunningham Pressure Regulator Replacemt (11018)							
2018-19 Expenditures	22	2					2
Glenview Pressure Regulator Replacemt (11019)							
2018-19 Expenditures	0	-					0
Piedmont Ave Pressure Regulator Improv (11020)							
2018-19 Expenditures	0	-					0
Water Main Improvement - San Antonio Ave (11006)							
2016-17 Expenditures	1,416	142			142		
2017-18 Expenditures	20,267	2,027				0	
2018-19 Expenditures	942,252	94,225					0
Corp Yard Well (17) Rehab (84707)							
2018-19 Expenditures	0	-					0
Lions Field Well (20) Rehabilitation (11013)							
2016-17 Expenditures	1,015	102			102		
2017-18 Expenditures	150,589	15,059				15,059	
2018-19 Expenditures	2,107	211					211
City Park Well (18) Rehab (11014)							
2018-19 Expenditures	75,872	7,587					7,587
Forest Lane Well Rehab (16) (11015)							
2017-18 Expenditures	74,991	7,499				7,499	
2018-19 Expenditures	14,319	1,432					1,432
SCADA Radio Transmitter Instal (84102)							
2015-16 Expenditures	307,000	25,481		3,481			
2016-17 Expenditures	1,127	113			113		
2017-18 Expenditures	0	-				0	
2018-19 Expenditures	0	-					0
Shallow Groundwater Study (84712)							
2015-16 Expenditures	94,241	7,822		3,861			
2016-17 Expenditures	23,665	2,367			2,367		
2017-18 Expenditures	0	-				0	
2018-19 Expenditures	0	-					0
S. Westside Basin Groudwater Mgmt Study (84715)							
2015-16 Expenditures	42	3		3			
2016-17 Expenditures	1,843	184			184		
2017-18 Expenditures	2,414	241				241	
2018-19 Expenditures	665	67					67
Ave No. 1-3 Water Main Improvement (11007)							
2017-18 Expenditures	59,595	5,960				5,960	
2018-19 Expenditures	105,592	10,559					0

**City of San Bruno
Five-Year Project Cost and Funding Summary
Water Capacity Charges**

Description

Charges collected on new connections or water meter size upgrades contribute to the prior investments by ratepayers in the existing facilities that provide available capacity.

Revenue and Expenditures: For Each Fiscal Year Ending June 30

Fiscal Year	Project Expenditures	Projected Increased Capacity	2014-15	2015-16	2016-17	2017-18	2018-19
Ave No. 2-1 Water Main Improvement (11008) 2018-19 Expenditures	152	15					15
Ave No. 3-1 Water Main Improvement (11009) 2018-19 Expenditures	46,335	4,634					0
Ave No. 3-2 Water Main Improvement (11010) 2018-19 Expenditures	0	-					0
Ave No. 3-3 Water Main Improvement (11011) 2018-19 Expenditures	0	-					0
Total Expenditures			7,586	25,740	84,460	38,544	9,723
Unused Funds			\$0	\$0	\$15,000	(\$14,906)	\$833,310
Total Available Funds						\$94	\$833,404

Funding committed for FY2019-20 Capital Program	Total Budgeted FY2019-20 Project Cost	Projected Increased Capacity
Advanced Water Meter	\$1,167,950	116,795
Commodore Park Well Replacement	\$1,504,878	150,488
Water Mains Improvement and Replacement	11,752,124	1,175,212
Pressure Regulator Station Improvements & Replacement	\$1,969,590	196,959
Pump Stations Improvement and Replacement	\$1,283,414	128,341
Water Tanks Improvement and Replacement	9,977,267	997,727
Well Replacement and Rehabilitation	284,420	28,442
Total Capacity Charges Committed for Capital Improvement Program	\$27,939,643	2,793,964
Total Uncommitted Capacity Charges		\$0

Five-Year Disclosure:

Fees collected and interest earned are in compliance with California Code Section 66013.

Note: Capacity increase calculation from 8.3% to 10% for FY2016-17 which is consistent to the Water Capacity Study completed in September 28, 2017

**City of San Bruno
Five-Year Project Cost and Funding Summary
Sewer Capacity Charges**

Attachment 1

Description

Charges collected on new connections or sewer meter size upgrades contribute to the prior investments by ratepayers in the existing facilities that provide available capacity.

Revenue and Expenditures: For Each Fiscal Year Ending June 30

Fiscal Year	Project Expenditures	Projected Increased Capacity	2014-15	2015-16	2016-17	2017-18	2018-19
Capacity Charges Received			\$17,475	\$36,116	\$76,893	\$118,323	\$19,251
Interest Allocation			81	225	105	182	22
Total Revenue Received			\$17,556	\$36,341	\$50,105	\$118,505	\$19,273
Project Expenditures							
Olympic Pump Station (84336)							
2013-14 Expenditures	255,075	21,171					
2014-15 Expenditures	542,192	45,002					
2015-16 Expenditures	2,262,537	187,791	\$5,880				
2016-17 Expenditures	1,883	188			0		
2017-18 Expenditures	0	-				0	
2018-19 Expenditures	0	-					0
Trenton Drive Wastewater Main Replacement (85704)							
2013-14 Expenditures	69,685	5,784					
2014-15 Expenditures	97,091	8,059					
2015-16 Expenditures	68,921	5,720	5,720				
2016-17 Expenditures	1,167,853	116,785			23,278		
2017-18 Expenditures	317,334	31,733				31,733	
2018-19 Expenditures	5,701	570					570
Wastewater Pipeline Repair Program (84322)							
2013-14 Expenditures	48,010	3,985					
2014-15 Expenditures	43,181	3,584					
2015-16 Expenditures	26,541	2,203	2,203				
2016-17 Expenditures	6,747	675			675		
2017-18 Expenditures	0	-				0	
2018-19 Expenditures	0	-					0
Wastewater Main Improvement-Jenevein Ave (84340)							
2014-15 Expenditures	32,651	2,710					
2015-16 Expenditures	73,351	6,088	3,753	\$2,335			
2016-17 Expenditures	1,478,713	147,871					
2017-18 Expenditures	2,524	252				252	
2018-19 Expenditures	0	-					0
Wastewater Main Improvement-San Mateo Ave (84341)							
2014-15 Expenditures	29,819	2,475					
2015-16 Expenditures	92,233	7,655		7,655			
2016-17 Expenditures	42,598	4,260					
2017-18 Expenditures	2,931,618	293,162				0	
2018-19 Expenditures	24,513	2,451					0
Wastewater Main Improvement-Crystal Springs Ave (84342)							
2014-15 Expenditures	30,063	2,495					
2015-16 Expenditures	52,889	4,390		4,390			
2016-17 Expenditures	19,055	1,906			1,906		
2017-18 Expenditures	48,303	4,830				0	
2018-19 Expenditures	3,313,583	331,358					0
Wastewater Main Improvement-Ave No. 1-1 (84343)							
2015-16 Expenditures	30,597	2,540		2,540			
2016-17 Expenditures	36,710	3,671			1,607		
2017-18 Expenditures	44,014	4,401				0	
2018-19 Expenditures	12,846	1,285					0
Wastewater Main Improvement-Ave No. 1-2 (31001)							
2015-16 Expenditures	31,085	2,580		2,580			
2016-17 Expenditures	36,763	3,676					

**City of San Bruno
Five-Year Project Cost and Funding Summary
Sewer Capacity Charges**

Description

Charges collected on new connections or sewer meter size upgrades contribute to the prior investments by ratepayers in the existing facilities that provide available capacity.

Revenue and Expenditures: For Each Fiscal Year Ending June 30

Fiscal Year	Project Expenditures	Projected Increased Capacity	2014-15	2015-16	2016-17	2017-18	2018-19
2017-18 Expenditures	44,246	4,425				0	
2018-19 Expenditures	18,847	1,885					0
Wastewater Main Improvement-Crestmoor Canyon (31002)							
2015-16 Expenditures	12,910	1,072		1,072			
2016-17 Expenditures	15,817	1,582			1,582		
2017-18 Expenditures	304,761	30,476				30,476	
2018-19 Expenditures	0	-					0
Crestmoor Pump Station (31003)							
2016-17 Expenditures	171,480	17,148		1,700	3,148		
2017-18 Expenditures	73,520	7,352				0	
2018-19 Expenditures	628,368	62,837					0
Crestwood Pump Station (31004)							
2016-17 Expenditures	2,248	225			225		
2017-18 Expenditures	86,403	8,640				0	
2018-19 Expenditures	18,712	1,871					0
Lomita Pump Station (31005)							
2016-17 Expenditures	177,234	17,723			7,724		
2017-18 Expenditures	79,175	7,918				0	
2018-19 Expenditures	608,253	60,825					0
Wastewater Main Improvement-Crestwood Dr. (31006)							
2016-17 Expenditures	1,103	110			110		
2017-18 Expenditures	56,119	5,612				0	
2018-19 Expenditures	10,799	1,080					0
Spyglass Wastewater Pump Station (85111)							
2014-15 Expenditures	114,772	9,526					
2015-16 Expenditures	261,732	21,724		14,044			
2016-17 Expenditures	558,833	55,883			3,953		
2017-18 Expenditures	1,586,248	158,625				50,055	
2018-19 Expenditures	0	-					0
Sanitary Sewer Line - 1st Ave (84339)							
2014-15 Expenditures	8,933	741					
2015-16 Expenditures	691	57					
2016-17 Expenditures	1,298	130					
2017-18 Expenditures	37,905	3,791				0	
2018-19 Expenditures	1,082,798	108,280					0
Water Quality Control Plant by SSF (85708)							
2013-14 Expenditures	1,236,162	102,601					
2014-15 Expenditures	751,592	62,382					
2015-16 Expenditures	258,586	21,463		25			
2016-17 Expenditures	248,979	24,898			5,898		
2017-18 Expenditures	301,891	30,189				0	
2018-19 Expenditures	111,041	11,104					0
Sharp Park Lateral Grant Prog SEP (85709) Water Quality Ctrl							
2016-17 Expenditures	11,900	1,190					
2017-18 Expenditures	3,400	340				340	
2018-19 Expenditures	0	-					0
San Antonion Ave Sewer Main Improv (31007)							
2017-18 Expenditures	3,306	331				0	

**City of San Bruno
Five-Year Project Cost and Funding Summary
Sewer Capacity Charges**

Description

Charges collected on new connections or sewer meter size upgrades contribute to the prior investments by ratepayers in the existing facilities that provide available capacity.

Revenue and Expenditures: For Each Fiscal Year Ending June 30

Fiscal Year	Project Expenditures	Projected Increased Capacity	2014-15	2015-16	2016-17	2017-18	2018-19
2018-19 Expenditures	9,741,181	974,118					0
Ave No. 1-3 Sewer Main Improv (31008)							
2017-18 Expenditures	56,209	5,621				5,621	
2018-19 Expenditures	105,902	10,590					10,590
Ave No. 2-1 Sewer Main Improv (31009)							
2018-19 Expenditures	2,853	285					0
Ave No. 2-2 Sewer Main Improv (31010)							
2018-19 Expenditures	2,810	281					0
Ave No. 2-3 Sewer Main Improv (31011)							
2018-19 Expenditures	0	-					0
Ave No. 3-1 Sewer Main Improv (31012)							
2018-19 Expenditures	41,160	4,116					0
Total Expenditures			17,556	36,341	50,105	118,478	11,160
Unused Funds			\$0	\$0	(\$0)	\$27	\$8,113
Total Available Funds						\$27	\$8,139

Funding committed for FY2019-20 Capital Program	Total Budgeted Project Cost	Projected Increased Capacity
Wastewater Pump Stations Improvement and Replacement	9,833,016	983,302
Wastewater Mains Improvement and Replacement	21,400,084	2,140,008
Water Quality Control Plant by SSF	3,551,000	355,100
Total Capacity Charges Committed for Capital Improvement Program	\$34,784,100	\$3,478,410
Total Uncommitted Capacity Charges		\$0

Five-Year Disclosure:

Fees collected and interest earned are in compliance with California Code Section 66013.

Note: Capacity increase calculation from 8.3% to 10% for FY2016-17 which is consistent to the Water Capacity Study completed in September 28, 2017

**City of San Bruno
Five-Year Project Cost and Funding Summary
Development Impact Fees**

Attachment 1

Description

The Development Impact Fees collected upon development and redevelopment projects to fully or partially offset the costs of public facilities that are needed to serve demand created by that development project.

Revenue and Expenditures: For Each Fiscal Year Ending June 30

Fiscal Year	Total Project Cost	2018-19
Revenues		
Fees Received		
4250 Community Facilities Impact Fee		\$ 21,717
4251 Public Safety Impact Fee		\$ 1,716
4252 General Government Impact Fee		\$ 2,283
4253 Transportation Impact Fee		\$ 3,915
4254 Utilities Impact Fee		\$ 3,126
Interest Allocation		264
Total Revenue Received		\$ 33,021
Project Expenditures		
4250 Community Facilities Impact Fee		-
4251 Public Safety Impact Fee		-
4252 General Government Impact Fee		-
4253 Transportation Impact Fee		-
4254 Utilities Impact Fee		-
Total Expenditures		\$ -
Total Change in Revenues (Expenditures)		\$ 33,021
Beginning Fund Balance at July 1, 2018		\$ -
Total Change in Revenues (Expenditures)		33,021
Ending Fund Balance at June 30, 2019		\$ 33,021

Five-Year Disclosure:

Ordinance added Chapter 12.260 to Title 12 (Zoning) of the San Bruno Municipal Code established for Development Impact Fees effective May 1, 2019.

For the fifth fiscal year following the first deposit into the accounts or funds established pursuant to Section 12.260.080 of the ordinance, and every five years thereafter, the City Council shall, in connection with its review conducted, make each of the findings required by Section 66001(d) of the California Government Code including purpose of the fee, reasonable relationship between the fee and purpose, sources and amounts of funds, and approximate dates when funding is expected to be deposited into appropriate accounts or funds.

**City of San Bruno
Five-Year Project Cost and Funding Summary
Park in-Lieu Fees**

Description

The Park In-Lieu Fees collected are dedicated to land for parks and recreational purpose. With the adoption of the Development Impact Fee Ordinance that took effect on May 1, 2019, the Park in-Lieu fee was repealed and replaced with the new Facilities Impact Fee.

Revenue and Expenditures: For Each Fiscal Year Ending June 30

Fiscal Year	Total Project Cost	2014-15	2015-16	2016-17	2017-18	2018-19
Revenues						
Fees Received		\$ 2,000	\$ -	\$ -	\$ -	\$ -
Interest Allocation		1,434	65	73	105	167
Total Revenue Received		\$ 3,434	\$ 65	\$ 73	\$ 105	\$ 167
Project Expenditures						
2013-14 Expenditures - 324 Florida Ave	0		-	-	-	-
2014-15 Expenditures - 324 Florida Ave	603,015	603,015	-	-	-	-
Total Expenditures		\$ 603,015	\$ -	\$ -	\$ -	\$ -
Total Change in Revenues (Expenditures)		\$ (599,581)	\$ 65	\$ 73	\$ 105	\$ 167
Beginning Fund Balance at July 1, 2018						\$ 9,040
Total Change in Revenues (Expenditures)						167
Ending Fund Balance at June 30, 2019						<u>\$ 9,207</u>

Five-Year Disclosure:

Exempt per Quimby Act

**City of San Bruno
 Five-Year Project Cost and Funding Summary
 Below Market Rate Housing in-Lieu Fees**

Description

The Below Market Rate Housing in-Lieu fees are charged on all residential ownership or rental developments of 10 units or more throughout the City.

Revenue and Expenditures: For Each Fiscal Year Ending June 30

Fiscal Year	Total Eligible Cost	2014-15	2015-16	2016-17	2017-18	2018-19
Revenues						
Fees Received			\$ -	\$ -	\$ -	\$ 320,000
Interest Allocation		\$ 24,268	\$ 25,907	\$ 29,046	\$ 41,417	\$ 66,990
Total Revenue Received		\$ 24,268	\$ 25,907	\$ 29,046	\$ 41,417	\$ 386,990
Operating Expenditures						
21 Elements	\$ 6,000		2,000	2,000	2,000	1,800
HIP Housing Program	\$ 150,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Urban Housing Communities	\$ 4,000					
City of Foster City - Housing Nexus Study	\$ -					
Shelter Network Homesharing Program	\$ 30,000	7,500	7,500	7,500	7,500	7,500
North Peninsula Neighborhood Center	\$ 6,000					
Total Expenditures		\$ 37,500	\$ 39,500	\$ 39,500	\$ 39,500	\$ 39,300
Total Change in Revenues (Expenditures)		\$ (13,232)	\$ (13,593)	\$ (10,454)	\$ 1,917	\$ 347,690
Beginning Fund Balance at July 1, 2018						\$ 3,524,442
Total Change in Revenues (Expenditures)						347,690
Ending Fund Balance at June 30, 2019						<u>\$ 3,872,132</u>

Five-Year Disclosure:

Not required. Development fees collected in conjunction with contractual agreement, or development agreements, are not constrained by AB 1600 requirement.

RESOLUTION NO. 2019-_____

RESOLUTION ACCEPTING THE ANNUAL REPORT ON RECEIPT AND USE OF DEVELOPMENT IMPACT FEES FOR THE YEAR ENDING JUNE 30, 2019

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 defray costs from increased capacity demands on water and sewer infrastructure; and

WHEREAS, the City collects Development Impact Fees upon development and redevelopment projects to fully or partially offset the costs of public facilities that are needed to serve demand created by that development project; and

WHEREAS, the City collects Park In-Lieu fees to dedicate land for parks and recreational purposes; and

WHEREAS, the City collects Below Market Rate Housing (BMR) In-Lieu fees on all residential ownership or rental developments of 5 units or more throughout the City to ensure housing for low income residents; and

WHEREAS, BMR In-Lieu and Park In-Lieu fees, which are exempt from AB 1600 reporting requirements, have been included in the Annual Report for informational purposes.

NOW THEREFORE, BE IT RESOLVED that the City Council of San Bruno receives and accepts the Annual Report on Development Impact Fees for the Year Ending June 30, 2019.

—oOo—

I hereby certify that foregoing Resolution No. 2019-_____ was introduced and adopted by the San Bruno City Council at a regular meeting on December 10, 2019 by the following vote:

AYES:

NOES:

ABSENT:

Melissa Thurman, CMC
City Clerk

THIS PAGE INTENTIONALLY LEFT BLANK