

DATE SUBMITTED December 9, 2021
 SUBMITTED BY Laura Gutierrez
 DATE ACTION REQUIRED December 15, 2021

COUNCIL ACTION (x)
 PUBLIC HEARING REQUIRED ()
 RESOLUTION (x)
 ORDINANCE 1ST READING ()
 ORDINANCE 2ND READING ()
 CITY CLERK'S INITIALS em

**IMPERIAL CITY COUNCIL
 AGENDA ITEM**

SUBJECT: DISCUSSION/ACTION – DEVELOPMENT IMPACT FEE PROGRAM FUNDING REPORT.	
1. APPROVE/DISAPPROVE RESOLUTION NUMBER 2021-__ APPROVING THE FISCAL YEAR 2020 – 2021 DEVELOPMENT IMPACT FEE FUNDING REPORT.	
DEPARTMENT INVOLVED: ADMINISTRATIVE SERVICES DEPARTMENT	
BACKGROUND/SUMMARY: In accordance with California Government Code Section 66006, an annual report shall be prepared that provides the status and tracking of the development impact fees collected as a part of the development of projects within the City of Imperial. The report shall provide a description of the fee, the amount of the fee, the beginning and the ending balance of each facility fund, the amount of fees collected, the interest earned, the amount of the fee expended including a description of the improvements completed, an approximate date upon which future improvement will commence and a description of interfund transfers.	
FISCAL IMPACT: F.O. INITIALS <u>AS</u> The Impact Fee Funding Report fulfills requirements by State Code and does not result in a fiscal impact to the City.	
STAFF RECOMMENDATION: <u>VB</u> After the review and consideration by the Administrative Services Department, it is recommended that the City Council approve Resolution Number 2021-__ accepting the Fiscal Year 2020 – 2021 Development Impact Fee Program Funding Reports. There were no findings to any of the reports.	
MANAGER'S RECOMMENDATION: MANAGER'S INITIALS <u>DM</u> After the review and consideration by the City Manager, it is recommended that the City Council approve Resolution Number 2021-__ accepting the Fiscal Year 2020 – 2021 Development Impact Fee Program Funding Reports.	
MOTION: SECONDED: APPROVED () REJECTED () AYES: DISAPPROVED () DEFERRED () NAYES: ABSENT: REFERRED TO:	

RESOLUTION NO. 2021-53

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL,
CALIFORNIA, TO MAKE CERTAIN FINDINGS PURSUANT TO CALIFORNIA
GOVERNMENT CODE SECTION 66001**

WHEREAS, the City of Imperial (City) is required to make certain findings every year with respect to unexpected fund balance of certain development fee funds pursuant to California Government Code Section 66001, *et seq.*; and

WHEREAS, these findings need to be made in conjunction with the public information required by Code Section 66006; and

WHEREAS, the City has prepared the attached “Annual Report Mitigation Fee Act Pursuant to Government Code 66006 City of Imperial Fiscal Year 2020-21” which provides detailed information required pursuant to Government Code section 66006(b)(1).

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Imperial, California, as follows:

1. That the above recitations are true and correct.
2. That the following findings are made as required under Government Code Section 66001:
 - a. That the purpose to which the development impact fee is to be put has been identified.
 - b. That a reasonable relationship has been demonstrated between the fee and the purpose for which it is charged.
 - c. That all sources and amounts of funding anticipated to complete financing on incomplete improvements have been identified.
 - d. That the approximate dates on which the funding referred to above is expected to be deposited into the appropriate fund have been designated.
3. That these findings are based on information provided in the City of Imperial Operating Budgets for Fiscal Year 2020/2021, as well as the Annual Report Mitigation Fee Act Pursuant to Government Code section 66006 City of Imperial Fiscal Year 2020-21, both of which are incorporated herein by reference.

PASSED, APPROVED, AND ADOPTED at a regular meeting of the City of Imperial City Council on the 15th day of December, 2021.

Karin Eugenio, Mayor

ATTEST:

City Clerk

**Annual Report
Mitigation Fee Act
Pursuant to Government Code 66006
City of Imperial
Fiscal Year 2020-21**

Government Code Section 66006 provides that a local agency that required the payment of development fees shall prepare an annual and five-year report detailing the status of those fees. The annual report must be made available to the public within 180 days of the end of the fiscal year. The City Council must review the report at the next regularly scheduled public meeting of the Council that falls at least fifteen (15) days after the information is made available to the public.

Pursuant to Government Code Section 66006(b)(1), as applicable, the following information must be made available to the public:

1. Provide a brief description of the type of fee in the account or fund.

- a. *Administrative Facilities Impact Fee:* The fees are used to mitigate the impact of new development of general government services used by the City to provide basic governmental services. The City identified the need for the expansion of City Hall and a new Council Chambers.
- b. *Fire Facilities Impact Fee:* The fees are used to mitigate the impact of new development for fire safety services. The City identified the need for a new fire station, firefighting apparatus, and a new fire engine.
- c. *Law Enforcement Facilities Impact Fee:* The fees are used to mitigate the impact of new development for public safety services. The City identified the need for a new police station.
- d. *Library Facilities Impact Fee:* The fees are used to mitigate the impact of new development for library facilities by promoting literacy learning, as well as providing for an improved quality of life. The City identified the need for future library improvements, equipment, and book shelves.
- e. *Park Facilities Impact Fee:* The fees are used to mitigate the impact of new development for recreation while enhancing the community's appeal and quality of life. The City identified the need for future parks, a parks master plan, park expansion improvements, and Joshua Park improvements.
- f. *Circulation Facilities Impact Fee:* The fees are used to mitigate the impact of new development for meeting the needs of transportation demand. The City identified several street projects that will provide efficient vehicular access throughout the City.

2. Amount of fees.

IMPACT FEE SUMMARY				
FACILITY	SINGLE FAMILY RESIDENTIAL (Per Dwelling Unit)	MULTIPLE FAMILY RESIDENTIAL (Per Dwelling Unit)	COMMERCIAL	INDUSTRIAL
Administrative Facilities	\$253.91	\$253.91	\$235.54 (per 1,000 Sq.Ft.)	\$235.54 (per 1,000 Sq.Ft.)
Fire Facilities	\$116.32	\$116.32	\$107.90 (per 1,000 Sq.Ft.)	\$107.90 (per 1,000 Sq.Ft.)
Law Enforcement Facilities	\$242.17	\$242.17	\$224.65 (per 1,000 Sq.Ft.)	\$224.65 (per 1,000 Sq.Ft.)
Library Facilities	\$263.52	\$245.14	\$0.00	\$0.00
Park Facilities	\$1,504.92	\$1,399.92	\$0.00	\$0.00
Circulation Facilities	\$514.76	\$357.69	\$22.43 (per ADT)	\$22.43 (per ADT)
TOTAL	\$2,895.59	\$2,615.16	Land Use Dependent (1)	

Notes:

- (1) Land Use Dependent - The Development Impact Fees for nonresidential land uses are based on both the overall square footage of the building as well as the type of land use. Therefore, a TOTAL fee amount cannot be provided.
- (2) Sq. Ft. stands for Square Foot
- (3) ADT stands for Average Daily Traffic

Fee schedule established August 4, 2010, implemented July 1, 2010.

3. List of beginning and ending balances of the by account or fund.

a. Administrative Facilities Impact Fee:		
Beginning balance as of 07/01/2020:	\$	783,178
Ending balance as of 06/30/2021:	\$	881,827
b. Fire Facilities Impact Fee:		
Beginning balance as of 07/01/2020:	\$	89,358
Ending balance as of 06/30/2021:	\$	134,008
c. Law Enforcement Facilities Impact Fee:		
Beginning balance as of 07/01/2020:	\$	883,742
Ending balance as of 06/30/2021:	\$	927,992
d. Library Facilities Impact Fee:		
Beginning balance as of 07/01/2020:	\$	607,569
Ending balance as of 06/30/2021:	\$	695,759
e. Park Facilities Impact Fee:		
Beginning balance as of 07/01/2020:	\$	924,439
Ending balance as of 06/30/2021:	\$	1,309,569
f. Circulation Facilities Impact Fee:		
Beginning balance as of 07/01/2020:	\$	597,055
Ending balance as of 06/30/2021:	\$	568,910

4. List of fees collected and the interest earned:

	Fees Collected	Interest Earned
a. Administrative Facilities Impact Fee:	\$ 97,635	\$ 1,014
b. Fire Facilities Impact Fee:	\$ 44,476	\$ 174
c. Law Enforcement Facilities Impact Fee:	\$ 93,180	\$ 1,070
d. Library Facilities Impact Fee:	\$ 87,418	\$ 772
e. Park Facilities Impact Fee:	\$ 499,225	\$ 1,384
f. Circulation Facilities Impact Fee:	\$ 251,237	\$ 637

5. List of Fees expended and the amount of the expenditure on each improvement, including total percentage of the cost of the public improvement that was funded with the fees.

Administrative Facilities Impact Fee

<i>Capital Improvement Facilities</i>			
Capital Improvement Facilities Actual Expenses	FY 2020-2021	% Complete	% funded with fee
None	\$ -		
Total	\$ -		

Anticipated Future Projects	FY 2016-2025	Cost	% funded with fee
New Council Chambers		5,562	100%
City Hall Expansion		3,290,909	
Total Anticipated Future Projects		\$3,296,471	

Fire Facilities Impact Fee

<i>Capital Improvement Facilities</i>			
Capital Improvement Facilities Actual Expenses	FY 2020-2021	% Complete	% funded with fee
None	\$	0%	0%
Total	\$		

Anticipated Future Projects	FY 2016-2025	cost	% funded with fee
Fire Station - New Fire Station	none	821,478	1%
Fire Station - Firefighting Apparatus	none	700,000	62%
Fire Station - New Fire Engine	none	835,063	100%
Total Anticipated Future Projects	-	\$2,356,541	

Law Enforcement Facilities Impact Fee

<i>Capital Improvement Facilities</i>			
Capital Improvement Facilities Actual Expenses	FY 2020-2021	% Complete	% funded with fee
None	\$ -		
Total	\$ -		

Anticipated Future Projects	FY 2016-2025	Cost	% funded with fee
Future Police Station		2,179,444	0%
Total Anticipated Future Projects		\$2,179,444	

Library Facilities Impact Fee

<i>Capital Improvement Facilities</i>			
Capital Improvement Facilities	FY 2020-2021	% Complete	% funded with fee
None	\$ -		
Total	\$ -		

Anticipated Future Projects	FY 2016-2025	Cost	% funded with fee
New Library - Equipment		12,690	100%
New Library - Book Shelves		3,690	100%
Future Library Improvements	none	1,083,943	1%
Total Anticipated Future Projects		\$1,100,323	

Parks Facilities Impact Fee

<i>Capital Improvement Facilities</i>			
Capital Improvement Facilities Actual Expenses	FY 2020-2021	% Complete	% funded with fee
Contract Services: Imperial Community Park	43,855		
Impact fees study	1,769		
Townsite Park	69,837		
Advertising: Impact fees study (\$18)	18		
Total	\$ 115,479.00		

Anticipated Future Projects	FY 2016-2025	Cost	% funded with fee
Parks Master Plan	none	28,406	100.00%
Park Expansion Improvements	none	63,167	100.00%
Joshua Park Improvements	none	174,000	100.00%
Future Parks	134,151	9,372,984	1.43%
Total Anticipated Future Projects	\$134,151	\$9,638,558	

Circulation Facilities Impact Fee

<i>Capital Improvement Facilities</i>			
Capital Improvement Facilities Actual Expenses	FY 2020-2021	% Complete	% funded with fee
Contract Services: La Brucherie Widening	\$ 278,250.00		
Impact Fees Study	\$ 1,769.00		
Total	\$ 280,019.00		

Anticipated Future Projects	FY 2016-2025	Cost	% funded with fee
Projects: Within City			
Aten Road -Retention Basin to La Brucherie Rd.		85,000	42%

<i>Aten Road - La Brucherie Rd to Highway 86</i>		217,600	100%
<i>Aten Road - Railroad Tracts to SE Annexation Border</i>		93,500	56%
<i>Treshill Road - La Brucherie Rd to Highway 86</i>		364,000	100%
<i>P Street - Aten Rd to East Annexation Southern Border</i>		84,000	
<i>P Street - East Annexation Southern Border to City Limits</i>		112,000	
<i>P Street - 1st Street to Barioni Boulevard</i>		182,000	
<i>P Street - Barioni Boulevard to Neckel Rd</i>		728,000	
<i>Neckel Road - Highway 86 to Rodeo Drive</i>		14,000	100%
<i>Neckel Road - Railroad Tracts to City Limits</i>		64,400	
<i>1st Street - Railroad Tracts to P Street</i>		52,500	
<i>La Brucherie Road - Wall Rd to Aten Rd</i>		141,750	
<i>La Brucherie Road - Aten Road to North of Industry Way</i>		89,250	
<i>La Brucherie Road - Treshill Rd to Aten Rd</i>		136,500	
<i>15th Street - La Brucherie Rd to West of D Street</i>		36,750	
<i>15th Street - West of Ellen Street to East of Ellen Street</i>		68,250	
<i>15th Street - East of Ellen Street to Imperial Avenue</i>		73,500	
<i>Intersection - Clark Raod and Aten Rd</i>		90,000	1%
<i>Future Streets - Aten Ph#3</i>		20,000	79%
<i>Annexation Areas A & B</i>			
<i>P Street - City Limit to Worthinton</i>		386,400	
<i>Dogwood Road - Dogwood Rd and Aten Rd Intersection</i>		175,000	13%
<i>North Annexation Area</i>			
<i>La Brucherie Road - Murphy Road to Neckel Rd</i>		273,000	
<i>15th Street - La Brucherie Rd to West of D Street</i>		36,750	
<i>Southeast Annexation Area</i>			
<i>Clark Road - South City Limit to Aten Rd.</i>		442,000	88%
<i>Aten Road - West of Railroad Tracts to east of P Street</i>		246,500	64%
<i>Southwest Annexation Area</i>			
<i>Austin Road - Aten Rd to Brewer Rd.</i>		18,200	
<i>Brewer Road - Nance Rd to SW Annexation Border</i>		52,500	
<i>West Annexation Area</i>			
<i>Worthington Road - Austin Rd to West of Dahlia Lane</i>		382,500	
<i>La Brucherie Road - Pearl Rd to Banta Rd</i>		315,000	
<i>Nance Road - Brewer Rd to Worthington Rd</i>		273,000	
Total Anticipated Future Projects	-	\$5,253,850	

6. 5 Year Test of fees collected using First In First Out Method.

Administrative Facilities Impact Fees

Five Year Test

Using First In First Out Method

Unspent Funds Represent Ending Fund Balance	June 30, 2021
Revenues Collected from 2016	19,043
Revenues Collected from 2017	64,594
Revenues Collected from 2018	58,671
Revenues Collected from 2019	58,723
Revenues Collected from 2020	36,580
Revenues Collected from 2021	97,635
Total Ending Fund Balance	335,246

Result: Five Year Spent Test was met in accordance with Government Code 66001.

Funds have been encumbered for City Hall expansion.

Fire Facilities Impact Fees

Five Year Test

Using First In First Out Method

Unspent Funds Represent Ending Fund Balance	June 30, 2021
Revenues Collected from 2016	29,067
Revenues Collected from 2017	26,713
Revenues Collected from 2018	2,443
Revenues Collected from 2019	44,090
Revenues Collected from 2020	19,586
Revenues Collected from 2021	44,476
Total Ending Fund Balance	166,375

Result: Five Year Spent Test was met in accordance with Government Code 66001.

Funds have been encumbered for New Fire Station.

Law Enforcement Facilities Impact Fee

Five Year Test

Using First In First Out Method

Unspent Funds Represent Ending Fund Balance	June 30, 2021
Revenues Collected from 2016	61,607
Revenues Collected from 2017	55,958
Revenues Collected from 2018	56,008
Revenues Collected from 2019	89,080
Revenues Collected from 2020	34,982
Revenues Collected from 2021	93,180
Total Ending Fund Balance	390,815

Result: Five Year Spent Test was met in accordance with Government Code 66001.

Funds have been encumbered for new Police Station.

Library Facilities Impact Fee

Five Year Test

Using First In First Out Method

Unspent Funds Represent Ending Fund Balance	June 30, 2021
Revenues Collected from 2016	37,948
Revenues Collected from 2017	40,582
Revenues Collected from 2018	56,314
Revenues Collected from 2019	53,251
Revenues Collected from 2020	37,704
Revenues Collected from 2021	87,418
Total Ending Fund Balance	313,217

Result: Five Year Spent Test was met in accordance with Government Code 66001. Funds have been encumbered for expansion of Library to be completed FY 16-17.

Parks Facilities Impact Fees

Five Year Test

Using First In First Out Method

Unspent Funds Represent Ending Fund Balance	June 30, 2021
Revenues Collected from 2016	216,717
Revenues Collected from 2017	231,758
Revenues Collected from 2018	321,597
Revenues Collected from 2019	212,311
Revenues Collected from 2020	215,321
Revenues Collected from 2021	499,225
Total Ending Fund Balance	1,696,929

Result: Five Year Spent Test was met in accordance with Government Code 66001. Monies have been encumbered for new Regional Park/Equestrian/Sports Facility. Proposed Cost \$40M, to be completed in Multiple FY's

7. Amount of any refunds made from surplus and the amount of any allocations made pursuant to subdivision (f) of Section 66001. (Subdivision (f) of Section 66001 requires reallocation of surplus fees where the administrative costs of refunding the fees exceed the amount to be refunded.)

a. Administrative Facilities Impact Fee:

None

b. Fire Facilities Impact Fee:

None

c. Law Enforcement Facilities Impact Fee:

None

d. Library Facilities Impact Fee:

None

e. Park Facilities Impact Fee:

None

f. Circulation Facilities Impact Fee:

None

8. Inter-fund transfer(s) or loan(s) 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 inter-fund 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.

None