

Attachment A

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Board of Supervisors
County of Monterey, State of California

Resolution No. 24-_____

- Adopt a Resolution to:)
- a. Approve a report on the status of)
development traffic impact fees for)
fiscal year ending June 30, 2023; and)
- b. Adopt findings, in accordance with)
Government Code section 66000 *et seq.*,)
that the need for the improvements for)
which the fees are being collected still)
exists, and as such the funds will be)
retained)

WHEREAS, Government Code sections 66001 and 66006 delineate certain accounting and reporting requirements with respect to development impact fees collected by the County of Monterey.

WHEREAS, pursuant to Government Code Section 66006, the agency that collected the fees must make available to the public the following information regarding each fund or account:

1. Brief 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, including the total percentage of the cost of the public improvement that was funded with fees;
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 fund;
7. Description of each inter-fund 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 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; and
8. Amount of any refunds made due to inability to expend fees within the required time frame.

WHEREAS, the fees collected by the County must be segregated from general and other funds of the County, interest reported for each development fund and used only for the purposes for which the fees were collected.

WHEREAS, the County must make available to the public an accounting of information regarding the status of each development fee fund.

WHEREAS, the Carmel Valley Traffic Mitigation Fee (CVTMF) 2653 (Fund 002-3000-2653) is specific to Carmel Valley Master Plan (CVMP) where 10 projects have been identified to mitigate development in accordance with the CVMP, and the ending balance as of June 30, 2023 is \$3,131,595 (Exhibit 1).

WHEREAS, the Countywide Traffic Impact Fee (TIF) 2652 (Fund 002-3000-2652) accounts for 27 projects and has an ending balance of \$5,466,040 (Exhibit 1).

WHEREAS, East Garrison Traffic Impact Fee 2655 (Fund 002-3000-2655) accounts for projects related to East Garrison and has an ending balance of \$395,726 (Exhibit 1).

WHEREAS, Exhibit 1 is a list of the projects and associated accounting of development impact fees by project and for fiscal year ending June 30, 2022 through June 30, 2023.

WHEREAS, pursuant to Government Code section 66001 for development projects for which fees have been collected for more than five years, the County is required to make findings with respect to any portion of the fee remaining unexpended, whether committed or uncommitted regarding the following project criteria:

1. Identify the purpose to which the fee is to be put;
2. Demonstrate a reasonable relationship between the fee and the purpose for which it was originally charged;
3. Identify all sources and amounts of funding anticipated to complete financing of incomplete improvements; and
4. Designate the approximate dates on which the anticipated funding is expected to be deposited into the fund.

WHEREAS, Exhibit 2 is a listing of the projects for which fees have been collected for more than five years.

NOW, THEREFORE, BE IT RESOLVED THAT the Monterey County Board of Supervisors hereby approves the following:

1. The purposes for which the fees have been collected are identified in Exhibits 1 and 2, which are attached hereto and incorporated by this reference.
2. A reasonable relationship exists between the fees and the purposes for which said fees were charged as indicated in Exhibits 1 and 2, and because the need for the improvements for which the fees are being collected still exists.
3. The sources and amounts of funding anticipated to complete the financing of the various improvements are identified in Exhibits 1 and 2.
4. Exhibits 1 and 2 designate as unknown the approximate dates on which the anticipated funding is expected to be deposited into the fund.

AND BE IT FURTHER RESOLVED that the Board of Supervisors of Monterey County hereby approves the reports on the status of development traffic impact fees for fiscal year ending June 30, 2023.

PASSED AND ADOPTED upon this 11th day of June, 2024, by roll call vote:

AYES:

NOES:

ABSENT:

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original resolution of said Board of Supervisors duly made and entered in the minutes thereof Minute Book____ for the meeting on June 11, 2024.

Dated: June 11, 2024
File Number: RES 24-
Agenda Item:

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

By _____
Deputy

Public Works, Facilities, and Parks Traffic Mitigation Fee Summary

Summary Traffic Fees - Countywide (with Earned Interest)

As of June 30, 2023

	Beginning Balance at FY 2022	Deposits	Interest Earned FY 2022-2023	Withdrawals / Expenditures	Ending Balance 6/30/2023	Percent Funded With Fees
Boronda Area Regional Traffic Impacts**	\$ 563,678		\$ 8,720		\$ 572,397	2.29%
Castroville Area Regional Traffic Impacts**	\$ 1,039,406		\$ 16,079		\$ 1,055,485	1.06%
Chualar Streets Traffic Impacts**	\$ 23,140		\$ 358		\$ 23,498	4.70%
Highland Hills Subdivision (Soledad area) Traffic Impacts**	\$ 9,926		\$ 154		\$ 10,079	2.02%
Highway 1/Carmel Valley Road**	\$ 1,797		\$ 28		\$ 1,825	0.36%
Highway 1/Carmel Valley Rd. Operational Improvements**	\$ 862		\$ 13		\$ 875	1.75%
Highway 1/High Meadow Operational Improvements**	\$ 16,353		\$ 253		\$ 16,606	33.21%
Highway 1/Moss Landing Improvements (4 Lanes)**	\$ 121,487		\$ 1,879		\$ 123,367	0.06%
Highway 1/Palo Colorado Operational Improvements**	\$ 944		\$ 15		\$ 959	0.19%
Highway 1/Salinas Road Interchange**	\$ 24,776		\$ 383		\$ 25,159	0.06%
Highway 101/Spence Road Traffic Improvements**	\$ 47,706		\$ 738		\$ 48,444	9.69%
Highway 101/Gonzalez Area Traffic Signals**	\$ 2,095		\$ 32		\$ 2,127	0.43%
Highway 101/Prunedale Improvement Project**	\$ 261,398		\$ 4,044		\$ 265,441	0.27%
Highway 156/Cathedral Oaks**	\$ 28,973		\$ 448		\$ 29,421	5.88%
Highway 156/Highway 183 (Merritt Street) Traffic Impacts**	\$ 66,339		\$ 1,026		\$ 67,365	13.47%
Highway 68 Regional Traffic Impacts**	\$ 153,667		\$ 2,377		\$ 156,044	1.73%
North County Area Traffic Impacts**	\$ 182,406		\$ 2,822		\$ 185,228	0.62%
Pine Canyon Road**	\$ 175,207		\$ 2,710		\$ 177,917	35.58%
Rio Road/Carmel Rancho Blvd Traffic Signal**	\$ 69,760		\$ 1,079		\$ 70,839	28.34%
River Road Future Needs**	\$ 2,439		\$ 38		\$ 2,477	0.01%
San Juan Road at Crazy Horse Road Traffic Impacts**	\$ 34,010		\$ 526		\$ 34,536	0.23%
San Juan Grade Road/Rogge Road Traffic Signal**	\$ 46,719		\$ 723		\$ 47,442	1.36%
San Juan Road**	\$ 609		\$ 9		\$ 619	
San Juan Traffic Impacts**	\$ 7,983		\$ 123		\$ 8,106	0.08%
Zone 1 - Countywide Fee**	\$ 579,855	\$ 99,836	\$ 9,832		\$ 689,523	2.47%
Zone 2 - Countywide Fee**	\$ 648,896	\$ 93,061	\$ 10,460		\$ 752,416	30.10%
Zone 3 - Countywide Fee**	\$ 270,410	\$ 26,650	\$ 4,370		\$ 301,430	0.29%
Zone 4 - Countywide Fee**	\$ 185,197	\$ 15,052	\$ 2,926		\$ 203,175	1.85%
CBTM-Cannabis	\$ 505,114	\$ 79,020	\$ 8,501		\$ 592,635	21.86%
Total Traffic Mitigations Fees (Fund 002-3000-2652)	\$ 5,071,747	\$ 313,618	\$ 80,676		\$ 5,466,040	
East Garrison Traffic Impacts (Fund 002-300-2655)**	\$ 388,265		\$ 7,461		\$ 395,726	
Carmel Valley Road Traffic Impact Fees (Fund 002-3000-2653)*	\$ 3,284,534	\$ 313,951	\$ 64,845	\$ (531,735)	\$ 3,131,595	
Total Traffic Mitigations Fees (All Funds)	\$ 8,744,546	\$ 627,569	\$ 152,981	\$ (531,735)	\$ 8,993,362	

*The Carmel Valley Master Plan is intended to generate only the development fair-share contribution of project costs and is not intended to provide 100% funding for or construct all projects listed in the plan. Additional funds are required to fund all projects listed in the plan. Sufficient funds have not been collected to fully fund all the public improvements identified in the plan. However, Sufficient funds have potentially been allocated to complete an improvement project identified in the August 2018 Carmel Valley Road Study by Kimley Horn. The improvement consists of the construction of a new roundabout at the intersection of Carmel Valley Road and Laureles Grade. The improvement plans are nearly complete (90% complete) and the next phase consists of bidding the project and determining whether the existing funds can cover the cost.

**Monterey County conditions and collects Ad Hoc development impact fees on development projects within the unincorporated County areas in order to offset the impacts of development on the County's transportation system. The amount of fees collected is dependent upon the type of development and the impacts to the County transportation system attributable to the development. A list of the fees collected and expenditures made in FY2022/23 is included above as part of this report.

ALL Fees collected and expenditures made in FY2022/23 as noted above:

1. At this time, no refunds have been made per this Section. Sufficient funds have not been collected to complete all projects. It is not anticipated that refunds will occur in the near future. If refunds occur, that information will be included in future annual reports.
2. There also has not been any interfund transfer or loan from any of the plan funds per this Section 2.
3. The data supporting the information shown on the attached sheet is updated as transactions occur and is available for public review at the Monterey County Public Works, Facilities, and Parks (PWFP) 1441 Schilling Place, 2nd Floor, Salinas, CA 93901.

Exhibit 2			
Public Works, Facilities, and Parks Traffic Mitigation Fee Summary			
AB 1600 FIVE-YEAR REPORT			
(Projects for which fees have been collected more than five years)			
	Effective Fund Balance at 6/30/2023	Estimated Total Project Cost	Anticipated Source of Remaining Funds
Boronda Area Regional Traffic Impacts**	\$ 572,397	\$ 25,000,000	TAMC/Dev. Impact Fees/Salinas
Castroville Area Regional Traffic Impacts**	\$ 1,055,485	\$ 100,000,000	TAMC/Dev Impact Fees
Chualar Streets Traffic Impacts**	\$ 23,498	\$ 500,000	TAMC/Dev Impact Fees
Highland Hills Subdivision (Soledad area) Traffic Impacts**	\$ 10,079	\$ 500,000	TAMC/Dev Impact Fees
Highway 1/Carmel Valley Road**	\$ 1,825	\$ 500,000	Caltrans/TAMC/Dev Impact Fees
Highway 1/Carmel Valley Rd. Operational Improvements**	\$ 875	\$ 10,000,000	Caltrans/TAMC/Dev Impact Fees
Highway 1/High Meadow Operational Improvements**	\$ 16,606	\$ 50,000	Caltrans/Dev Impact Fees
Highway 1/Moss Landing Improvements (4 Lanes)**	\$ 123,367	\$ 200,000,000	Caltrans/TAMC/Dev Impact Fees
Highway 1/Palo Colorado Operational Improvements**	\$ 959	\$ 500,000	Caltrans/TAMC/Dev Impact Fees
Highway 1/Salinas Road Interchange**	\$ 25,159	\$ 40,000,000	Caltrans/TAMC/Dev Impact Fees
Highway 101/Spence Road Traffic Improvements**	\$ 48,444	\$ 500,000	Caltrans/TAMC/Dev Impact Fees
Highway 101/Gonzalez Area Traffic Signals**	\$ 2,127	\$ 500,000	Caltrans/TAMC/Dev Impact Fees
Highway 101/Prunedale Improvement Project**	\$ 265,441	\$ 100,000,000	Caltrans/TAMC/Dev Impact Fees
Highway 156/Cathedral Oaks**	\$ 29,421	\$ 500,000	Caltrans/TAMC/Dev Impact Fees
Highway 156/Highway 183 (Merritt Street) Traffic Impacts**	\$ 67,365	\$ 500,000	Caltrans/TAMC/Dev Impact Fees
Highway 68 Regional Traffic Impacts**	\$ 156,044	\$ 9,000,000	Caltrans/TAMC/Dev Impact Fees
North County Area Traffic Impacts**	\$ 185,228	\$ 30,000,000	Dev Impact Fees
Pine Canyon Road**	\$ 177,917	\$ 500,000	Dev Impact Fees
Rio Road/Carmel Rancho Blvd Traffic Signal**	\$ 70,839	\$ 250,000	Dev Impact Fees
River Road Future Needs**	\$ 2,477	\$ 25,000,000	TAMC/Dev Impact Fees
San Juan Road at Crazy Horse Road Traffic Impacts**	\$ 34,536	\$ 15,000,000	RSTP/Dev Impact Fees
San Juan Grade Road/Rogge Road Traffic Signal**	\$ 47,442	\$ 3,500,000	Dev Impact Fees
San Juan Road**	\$ 619	-	Dev Impact Fees
San Juan Traffic Impacts**	\$ 8,106	\$ 10,000,000	TAMC/Dev Impact Fees
Zone 1 - Countywide Fee**	\$ 689,523	\$ 27,900,000	Dev Impact Fees
Zone 2 - Countywide Fee**	\$ 752,416	\$ 2,500,000	Dev Impact Fees
Zone 3 - Countywide Fee**	\$ 301,430	\$ 102,300,000	Dev Impact Fees
Zone 4 - Countywide Fee**	\$ 203,175	\$ 11,000,000	Dev Impact Fees
Total Traffic Mitigations Fees (Fund 002-3000-2652)	\$ 4,873,406	\$ 716,000,000	
East Garrison Traffic Impacts**	\$ 395,726	\$ 23,100,000	Future Dev. Impact Fees
Carmel Valley Road Traffic Impact Fees (Fund 002-3000-2653)*	\$ 3,131,595	N/A	Future Dev. Impact Fees
Total Traffic Mitigations Fees (All Funds)	\$ 8,400,727		

FIVE-YEAR FINDINGS: In accordance with Government Code Section 66001, the County of Monterey makes the following findings with respect to those portions of the accounts or funds remaining unexpended, whether committed or uncommitted:

All unexpended funds held for five years or more are committed to projects that are suitable purpose for the use of the developer fee.

A) Identify the purpose to which the fee is to be put:

*The Carmel Valley Traffic Mitigation Fee (CVTMF) was established on August 22, 1995 by adoption of Ordinance 18.60 of the Monterey County Code. The fees collected are used for road and street improvements on Carmel Valley Road as approved and authorized by the Board of Supervisors.

**The purpose of the fees collected on development projects is to mitigate the impacts to the affected transportation facilities proportional to the impacts directly created by a particular development project. The impacts are determined by project specific transportation studies and analysis, and the transportation projects to be funded, or portion thereof, are listed within conditions of approval for the projects.

**The regional demand models developed by the Association of Monterey Bay Area Governments (AMBAG) were used to develop the 2014 Regional Growth Forecast in June 2014. The forecast shows continued growth in the area though the rate of growth may have slowed following the 2007 recession. The County also conducted a Nexus study for a future Countywide Traffic Impact fee program. This study also relied on the AMBAG models to project development growth. The study also examined deficiencies in the roadway network and identified a list of projects which should be programmed and funded by the future impact fee.

**Both the AMBAG Growth Forecast and the Nexus study conclude that projected growth is still likely to occur; thus, the need remains for the projects listed in the above tables. Therefore, the County will continue to retain the funds collected to date and collect future fees to complete the projects.

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

*The relationship between Carmel Valley Traffic Mitigation Fee and purpose was established by the ordinance and remains in effect.

**Each development project undergoes a detailed analysis of the transportation impacts as a result of the development. That analysis may include a focused traffic study or might be based upon the studies included in the latest edition of the Institute of Transportation Engineer's trip generation manual for the same type of development. The fees are based upon the results of those studies, and are directly related to the development project and the effects on the transportation system caused by the development.

C) Identify all sources and amounts of funding anticipated to complete financing:

*For the Carmel Valley Mitigation Fee program, additional sources of funding have not been identified.

**Sources and amounts of funding to complete financing for projects are identified in the table above. Since the development fee mitigates a specific development project, and not all the development anticipated to occur in an area or previously existing development, additional funding sources will need to be identified to complete the projects for which fees have been collected. The anticipated funding will be a combination of additional development mitigation fees, gas tax, Local Measure X and any State or Federal funds that can be applied for or leveraged for projects. The projects will be constructed as funding sources are identified. Until then, the fees remain as a reserved deposit, with interest accruing, and they are necessary to fund a portion of the project.

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

*For the Carmel Valley Mitigation Fee program, the date when additional funding will be deposited has not been identified.

**Countywide Mitigation Fee program fund balances currently available as shown in the table above, it is unknown when additional fees will be deposited.