



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: RES 21-014, **Version:** 1

Adopt a Resolution to:

- a. Approve a report on the status of development traffic impact fees for fiscal year ending June 30, 2020; 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.

RECOMMENDATION:

It is recommended that the Board of Supervisors adopt a Resolution to:

- a. Approve a report on the status of development traffic impact fees for fiscal year ending June 30, 2020; 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.

SUMMARY:

Monterey County collects Traffic Impact Fees (TIF) from developments that represents their fair share towards specific road improvement projects in the immediate area. This report provides an update on various TIFs throughout the County, including the Carmel Valley Traffic Mitigation Fee (CVTMF) Master Plan where ten (10) projects have been identified as eligible for TIF funding. As of June 30, 2020, the ending balances for TIF funds are as follows: CVTMF \$3,127,547; East Garrison TIF \$356,424; and all other Countywide TIF \$3,506,928. Additional details for each TIF fund are included in Exhibit 1 to Attachment A - Resolution.

DISCUSSION:

Government Code Section 66000 et. seq. (AB1600) delineates certain accounting and reporting requirements with respect to development impact fees collected by the County. The fees, for accounting purposes, must be segregated from the general funds of the County and from other funds or accounts containing fees collected for other improvements. Interest on each development fee fund must be credited to that fund or account and used only for the purposes for which the fees were collected. 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.

Projects for which fees have been collected for more than five (5) years are required to make findings with respect to any portion of the fee remaining unexpended, whether committed or uncommitted. Staff has provided a resolution that addresses the following findings (Attachment A):

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.

Exhibit 1 to Attachment A - Resolution is a list of the projects and associated accounting of development impact fees by project and for fiscal year ending June 30, 2019 through June 30, 2020. Exhibit 2 to Attachment A - Resolution is a listing of the projects for which fees have been collected for more than five (5) years.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel has reviewed the proposed resolution as to form and legality.

FINANCING:

The Public Works, Facilities, & Parks Department (PWFP) formally Resource Management Agency, has collected pro-rata fair share development fees under Government Code Section 66000 et. seq. Exhibit 1 summarizes the traffic impact fees received by project location and fiscal year ending June 30, 2019 through June 30, 2020.

For CVTMF, the fund balance is \$3,127,547, East Garrison, the fund balance is \$356,424 and for all other Countywide traffic impact fees, the fund balance is \$3,506,928.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This report is required by State law and submitting this report assures the County has complied with State law. These fees are collected to address fair share costs associated with impacts to infrastructure resulting from development. The fees collected are designated to be used for improvements identified by traffic studies conducted in conjunction with development projects or by regional studies that establish the basis for a fee plan.

☐ Economic Development
☒ Administration
☐ Health & Human Services
☒ Infrastructure
☐ Public Safety

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Approved by: Randy Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities, & Parks

Attachments:

Attachment A - Resolution

Exhibit 1 - Summary Traffic Fees-Countywide

Exhibit 2 - AB1600 Five Year Report