

RESOLUTION NO. 2019-139

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA
RECEIVING AND FILING THE FISCAL YEAR 2018-2019 ANNUAL REPORT ON THE
COLLECTION AND USE OF MITIGATION FEES FOR NEW DEVELOPMENT.

WHEREAS, the City of Marina collects impact fees to mitigate the effects of increased demand for public facilities, transportation infrastructure, and parks, and;

WHEREAS, pursuant to the Mitigation Fee Act (Government Code Section 66000 et seq.), the City is required to annually report certain information regarding the collection of development impact fees, and;

WHEREAS, the Report for Fiscal Year 2018-19, attached as "Exhibit A," identifies unexpended impact fee programs, and;

WHEREAS, the Report was made available on December 10, 2019 at City Hall prior to this Council meeting, and;

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Marina does hereby receive and file the fiscal year 2018-2019 report on the collection and use of mitigation fees for new development.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 17th day of December 2019, by the following vote:

AYES, COUNCIL MEMBERS: Berkley, Urrutia, O'Connell, Morton, Delgado

NOES, COUNCIL MEMBERS: None

ABSENT, COUNCIL MEMBERS: None

ABSTAIN, COUNCIL MEMBERS: None

Bruce C. Delgado, Mayor

ATTEST:

Anita Sharp, Deputy City Clerk

**Annual Impact Fee Report
For the City of Marina
For Fiscal Year 2018-19**

This report contains information on the City of Marina's development impact fees for Fiscal Year 2018-19. This information is presented to comply with the annual reporting requirements contained in Government Code section 66000 *et seq.* Please note that this annual report is not a budget document, but rather is compiled to meet reporting requirements. It is not intended to represent a full picture of currently planned projects as it only reports project information, revenues and expenditures for Fiscal Year 2018-19.

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) no less than 15 days after it is made available to the public.

This report summarizes the following annual reporting information for each of the development impact fee programs:

1. A brief description of the fee program.
2. Schedule of fees.
3. Beginning and ending balances of the fee program.
4. Amount of fees collected, interest earned, and transfers/loans.
5. 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.
6. A description of each interfund transfer or loan, the date the loan will be repaid, the rate of interest, and a description of the public improvement on which the transferred or loaned fees will be expended.
7. The estimated date when projects will begin if sufficient revenues are available to construct the project.
8. The amount of refunds made to property owners.

More detailed information on certain elements of the various fee programs is available through other documents such as nexus studies, master plans, the capital improvement program, and budgets.

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Impact Fee Program Descriptions

Public Building Facilities Fee

The Public Facilities Fee is imposed to pay for the public building costs for a City Hall, Public Works Yard and a Senior Community Center. Residential and commercial development help pay the City Hall and Public Works Yard. Only residential development pays towards the future Senior Community Center.

Public Safety Facilities Fee

The Public Safety Fee is imposed to pay the public building costs for a new fire station and animal control facility. Residential and commercial development help pay for these facilities.

Transportation Facilities Fee – Roadways and Intersections

New vehicle trip generation by new development impacts the City's roadways and intersections. What portion of the development impact not paid by other transportation revenues are paid by transportation impact fees. The City divides these impacts into roadway and intersection impacts and collects fees for these two types of transportation impacts.

Park Facilities Fee

The Park Facilities Fee is imposed to create additional park facilities to maintain the same ratio of park space currently available to the residents of Marina. The fee is limited to residential development.

The City does not typically earmark impact fees for any specific project as the revenues are collected, but rather the revenues are applied toward a series of capital improvement projects as outlined in the nexus studies, such as future parks, transportation infrastructure, and other capital facilities.

Annual Impact Fee Report For the City of Marina For Fiscal Year 2018-19

City of Marina
AB 1600 Impact Fee Report
Fiscal Year ending 6/30/2019

	Intersections	Roadways	Public Safety	Public Building Facilities	Parks	Total
Beginning Balance 7/1/2018	\$ 987,362.77	\$ 2,526,121.08	\$ 396,139.76	\$ 2,129,192.99	\$ 4,279,433.27	\$ 10,318,249.87
<u>Revenues</u>						
Impact Fee Revenues	185,288.45	539,343.49	57,167.27	226,421.59	700,164.32	1,708,385.12
Transfer In from Closed Proj.	81,604.51	458,637.93				
Interest	24,082.95	57,184.45	5,423.87	35,797.70	74,285.30	196,774.27
Total Revenues	290,975.91	1,055,165.87	62,591.14	262,219.29	774,449.62	2,445,401.83
<u>Expenditures</u>						
CIP Administration	(25,100.00)	(18,500.00)	(800.00)	(3,200.00)	(2,400.00)	(50,000.00)
Transfers to Projects						
Imjin Pkwy Widening Project	(500,000.00)	(667,686.91)				(1,167,686.91)
Pool Rehabilitation Study				(25,000.00)		(25,000.00)
Dunes Traffic Impact Study		(60,000.00)				(60,000.00)
Total Expenditures	(525,100.00)	(746,186.91)	(800.00)	(28,200.00)	(2,400.00)	(1,302,686.91)
Ending Balance 6/30/2019	753,238.68	2,835,100.04	457,930.90	2,363,212.28	5,051,482.89	11,460,964.79
Future Impact Fee Projects as Outlined in the May 2016 Impact Fee Report						
	(13,335,666)	(55,019,251)	(3,602,444)	(13,397,186)	(28,074,699)	(113,429,246)
Project Completed	2,000,000	2,200,000	-	-	-	
Remaining Fee Needs	(10,582,427)	(49,984,151)	(3,144,513)	(11,033,974)	(23,023,216)	(101,968,281)

Project Descriptions

Imjin Pkwy Widening Project (\$500,000 Roadways, \$667,686.91 Intersections)

Widening of Imjin Parkway from 2 lanes to 4 lanes from Imjin Road to Reservation Road. Construction of a grade separated multi-use pathway. Modification of signals and construction of roundabouts at intersections are being evaluated.

Pool Rehabilitation (\$25,000 Public Facilities)

The pool building has been stabilized to preserve the facility for future use. The pool remains in a deteriorated condition with the pool mechanical equipment removed. Future rehabilitation of the pool will provide a much-needed indoor pool recreation facility. The Project will analyze and develop alternatives for the revitalization of the pool.

Dunes Traffic Impact Study (\$60,000 Roadways)

Project will provide an update to the Traffic Impact of the Dunes Development from the baseline study conducted in 2004 and adopted in the 2005 Environmental Impact Report. It will also evaluate the changes to the circulation network including relocating the Marina-Salinas Multi-modal corridor from 9th Street to 2nd Avenue. The Study will review the current intersection and road segment operations and validate the need, timing, and fair share for the settlement agreement and the traffic related capital improvement program projects based on mitigation measures.

Annual Impact Fee Report For the City of Marina For Fiscal Year 2018-19

EXHIBIT A

Public Facilities Impact Fee Summary Indexed for 2019

Land Use	(a) 2018 Public Buildings Fee	(b) 2019 Public Buildings Fee	(c) 2018 Public Safety Fee	(d) 2019 Public Safety Fee	(e) 2018 Roadways Fee	(f) 2019 Roadways Fee	(g) 2018 Intersections Fee	(h) 2019 Intersections Fee	(i) 2018 Parks Fee	(j) 2019 Parks Fee	2018 Total Fee (a+c+e+g+i)	2019 Total Fee (b+d+f+h+j)
Residential												
Single Family Dwelling Units	\$ 3,973	\$ 4,088	\$ 856	\$ 881	\$ 7,492	\$ 7,708	\$ 1,815	\$ 1,867	\$ 8,604	\$ 8,852	\$ 22,740	\$ 23,396
Senior Homes	\$ 2,649	\$ 2,725	\$ 569	\$ 585	\$ 2,896	\$ 2,980	\$ 702	\$ 722	\$ 5,737	\$ 5,903	\$ 12,553	\$ 12,915
Assisted Living - Senior	\$ 1,472	\$ 1,514	\$ 316	\$ 325	\$ 2,078	\$ 2,138	\$ 504	\$ 519	\$ 3,186	\$ 3,278	\$ 7,556	\$ 7,774
Multi-Family Dwellings	\$ 3,679	\$ 3,785	\$ 792	\$ 815	\$ 5,233	\$ 5,384	\$ 1,269	\$ 1,306	\$ 7,966	\$ 8,196	\$ 18,939	\$ 19,486
Mobile Home Park	\$ 3,679	\$ 3,785	\$ 792	\$ 815	\$ 3,926	\$ 4,039	\$ 951	\$ 978	\$ 7,966	\$ 8,196	\$ 17,314	\$ 17,814
Campground/RV Park	\$ 3,679	\$ 3,785	\$ 792	\$ 815	\$ 2,125	\$ 2,186	\$ 515	\$ 530	\$ 7,966	\$ 8,196	\$ 15,077	\$ 15,512
Non-residential												
Office/Research	\$ 282	\$ 290	\$ 528	\$ 543	\$ 8,680	\$ 8,931	\$ 2,104	\$ 2,165	\$ -	\$ -	\$ 11,594	\$ 11,929
Retail/Service	\$ 170	\$ 175	\$ 316	\$ 325	\$ 14,588	\$ 15,009	\$ 3,536	\$ 3,638	\$ -	\$ -	\$ 18,610	\$ 19,147
Industrial	\$ 57	\$ 59	\$ 105	\$ 108	\$ 5,485	\$ 5,643	\$ 1,329	\$ 1,367	\$ -	\$ -	\$ 6,976	\$ 7,177
Hotel	\$ 76	\$ 78	\$ 143	\$ 147	\$ 6,430	\$ 6,616	\$ 1,558	\$ 1,603	\$ -	\$ -	\$ 8,207	\$ 8,444
Church	\$ 57	\$ 59	\$ 105	\$ 108	\$ 7,169	\$ 7,376	\$ 1,737	\$ 1,787	\$ -	\$ -	\$ 9,068	\$ 9,330
Day Care Center	\$ 226	\$ 233	\$ 423	\$ 435	\$ 58,281	\$ 59,963	\$ 14,127	\$ 14,535	\$ -	\$ -	\$ 73,057	\$ 75,165
Animal Hospital/Veterinary Clinic	\$ 338	\$ 348	\$ 633	\$ 651	\$ 37,144	\$ 38,216	\$ 9,003	\$ 9,263	\$ -	\$ -	\$ 47,118	\$ 48,478
Medical/Dental Office Building	\$ 338	\$ 348	\$ 633	\$ 651	\$ 28,432	\$ 29,253	\$ 6,891	\$ 7,090	\$ -	\$ -	\$ 36,294	\$ 37,341
Casino/Video Lottery	\$ 338	\$ 348	\$ 633	\$ 651	\$ 105,687	\$ 108,737	\$ 25,616	\$ 26,355	\$ -	\$ -	*	*
Casino	\$ 338	\$ 348	\$ 633	\$ 651	\$ 31,029	\$ 31,925	\$ 7,521	\$ 7,738	\$ -	\$ -	*	*
Notes:												
¹ Fee in this table refers to "fee per dwelling unit or mobile home park/campground/RV space," "fee per 1,000 square feet of building space or gaming space," and "fee per hotel room."												
* Specifically for the Casino uses, the fees for Public Buildings, Public Safety, and Parks are based on the 1,000 square feet of gaming area, while Roadways and Intersection fees are based on 1,000 square feet of building space, excluding hotel uses.												
Construction Cost Index CCI estimate approach was used for calculation of revised fees. November 2017 Index Value = 10870.06; November 2018 Index Value = 11183.78; % change Year = +2.9, Engineering News Record. The McGraw-Hill Companies, Inc.												

EXHIBIT B

University Villages (the Dunes) Impact Fees Summary Indexed for 2019

Land Use	(a) 2018 DA	(b) 2019	(c) 2018 DA	(d) 2019	(e) 2018 DA	(f) 2019 Parks	(g) 2018 DA	(h) 2019	(i) 2018 DA	(j) 2019 Public	2018 DA Total		
	Traffic Intersections	Traffic Intersections			Roadways		Roadways	Parks	Facilities	Facilities	Public Safety	Safety	Fee (a+c+e+g+i)
Residential													
Single Family Dwelling Units	\$ 3,028.91	\$ 3,116.33	\$ 4,865.83	\$ 5,006.26	\$ 9,322.98	\$ 9,592.05	\$ 2,042.72	\$ 2,101.67	\$ 849.50	\$ 874.02	\$ 20,109.94	\$ 20,690.33	
Town Homes	\$ 1,854.52	\$ 1,908.04	\$ 2,980.24	\$ 3,066.25	\$ 8,632.40	\$ 8,881.54	\$ 2,042.72	\$ 2,101.67	\$ 849.50	\$ 874.02	\$ 16,359.38	\$ 16,831.53	
Senior	\$ 949.15	\$ 976.54	\$ 1,525.31	\$ 1,569.33	\$ 5,524.74	\$ 5,684.19	\$ 2,042.72	\$ 2,101.67	\$ 849.50	\$ 874.02	\$ 10,891.42	\$ 11,205.76	
Multi-Family Dwellings	\$ 2,126.82	\$ 2,188.20	\$ 3,417.85	\$ 3,516.49	\$ 8,632.40	\$ 8,881.54	\$ 2,042.72	\$ 2,101.67	\$ 849.50	\$ 874.02	\$ 17,069.29	\$ 17,561.93	
Non-residential													
Office (per building sq. ft.)	\$ 3.21	\$ 3.30	\$ 5.15	\$ 5.30	\$ -	\$ -	\$ 1.59	\$ 1.64	\$ 1.36	\$ 1.40	\$ 7.74	\$ 11.64	
Hotels (room)	\$ 2,381.68	\$ 2,450.42	\$ 3,827.39	\$ 3,937.85	\$ -	\$ -	\$ 1,702.25	\$ 1,751.38	\$ 693.18	\$ 713.19	\$ 5,875.00	\$ 8,852.83	
Commercial/Retail (per building sq. ft.)	\$ 12.92	\$ 13.29	\$ 20.77	\$ 21.37	\$ -	\$ -	\$ 0.97	\$ 1.00	\$ 0.82	\$ 0.84	\$ 24.21	\$ 36.50	
Industrial (per building sq. ft.)	\$ 2.04	\$ 2.10	\$ 3.27	\$ 3.36	\$ -	\$ -	\$ 0.32	\$ 0.33	\$ 0.28	\$ 0.29	\$ 4.02	\$ 6.08	
Construction Cost Index CCI estimate approach was used for calculation of revised fees. November 2017 Index Value = 10870.06; November 2018 Index Value = 11183.78; % change = 2.9, Engineering News Record. The McGraw-Hill Companies, Inc.													

December 5, 2019

Item No: **8j(3)**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of December 17, 2019

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2019-,
RECEIVING AND FILING THE FISCAL YEAR 2018-2019 ANNUAL
REPORT ON THE COLLECTION AND USE OF MITIGATION FEES
FOR NEW DEVELOPMENT IMPACTS.**

REQUEST:

It is requested that City Council consider:

1. Adopting Resolution No. 2019-, receiving and filing the fiscal year 2018-2019 on the collection and use of mitigation fees for new development impacts.

BACKGROUND:

AB 1600 (Statutes of 1998, Mitigation Fee Act), codified as Section 66000 et seq. of the California Government Code, regulates how public agencies collect, maintain, and spend development impact fees imposed on developers for the purpose of defraying costs of public facilities. It includes requirements for accounting, spending, and reporting the fees and related interest earnings.

The City's Public Building Facilities Impact Fee, Public Safety Facilities Impact Fee, Transportation (Roadway and Intersections) Facilities Impact Fee, and Parks Facilities Impact Fee collected by the City have been identified as fees subject to Government Code 66000 (AB 1600) requirements, and each had a balance remaining at the end of the most recently ended fiscal year. These fees are accounted for in separate funds, and each fund earns and accumulates interest. Expenditures from these funds have been used for the purposes for which the fees were collected.

ANALYSIS:

Attached (Exhibit A) is the FY 2018-19 report required under Government Code Section 66006(b)(1). The report summarizes revenue and expenditures for the funds, and includes beginning and ending balances, as required. The purpose and use of the expenditures and transfers made during the fiscal year have been identified. Since the fees are imposed on development projects that impact the facility requirements of the community, the use of these fees to fund the construction of system facilities is reasonable.

The law also requires that this report be made available to the public. This requirement has been met in conjunction with the posting of the agenda and related attachment that is associated with the City Council meeting at which this report will be presented. In addition, Exhibit A of this report was publicly posted on December 10, 2019.

FISCAL IMPACT:

No direct fiscal impact results from receiving and filing this report of activity within the impact mitigation fee accounts. Impact fee funds were budgeted in the FY 2018-2019 budget to cover the cost of preparing the annual report.

CONCLUSION:

This report is submitted to City Council for information.

Respectfully submitted,

Brian McMinn, P.E., P.L.S.
Public Works Director/City Engineer
City of Marina

Eric Frost
Interim Finance Director
City of Marina

REVIEWED/CONCUR:

Layne P. Long
City Manager
City of Marina