



Annual Impact Fee Report For the City of South San Francisco For Fiscal Year 2021-22

This report contains information on the City of South San Francisco's development impact fees for the Fiscal Year 2021-22. The annual reporting requirements are in Government Code section 66000 et seq. Please note that this annual report is not a budget document but rather meets reporting requirements. The report does not intend to represent a full picture of currently planned projects. It only reports project information, revenues, and expenditures for the Fiscal Year 2021-22

Government Code Section 66006 requires agencies to outline the status of development impact fees. Government Code Section 66001 requires local agencies to submit five-year financial reports. The annual report is available to the public within 180 days after the last day of the fiscal year. The report is presented to the public agency (the City Council) at least 15 days after it is made available to the public.

This report summarizes each of the development impact fee programs. Requirements under Government Code Section 66006 are:

1. A brief description of the fee program.
2. The amount of the fee.
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. The expenditures on each project. The total percentage of the cost of the public improvement is funded with development impact 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.
7. The estimated date when projects will begin if enough revenues are available to construct the project.
8. The number of refunds made to property owners.

This report also summarizes five-year reporting information for the Oyster Point Interchange Impact Fee program as required under Government Code Section 66001:

1. The purpose of the fee expenditure.
2. The reasonable relationship between the fee and the purpose used.

3. All sources and amounts of funding anticipated to complete financing in incomplete improvements.

4. The approximate dates on which the funding referred to in subparagraph (3) above are deposited into the appropriate account or fund.

This report also contains information on the City of South San Francisco's sewer capacity charges. Government Code Section 66013 requires agencies to submit annual reports on the status of sewer capacity charges. The public must have access to the report within 180 days after the last day of each fiscal year. This report summarizes the following information for the sewer capacity charges:

1. A description of the charges deposited in the fund.
2. The beginning and ending balance of the fund and the interest earned from investment in the fund.
3. The amount collected in that fiscal year.
4. An identification of all the following:
 - a. Each public improvement on which charges were expended and the amount of the expenditure for each improvement, including the percentage of the total cost of the public improvement that was funded with those charges if more than one source of funding was used.
 - b. Each public improvement on which charges were expended that was completed during that fiscal year.
 - c. Each public improvement that is anticipated to be undertaken in the following fiscal year.
5. A description of each interfund transfer or loan from the capital facilities fund, the date the loan will be repaid, and the rate of interest. In the case of an interfund transfer, the report identifies the public improvements on which the money is or will be expended.

More detailed information on the various fee programs is available. Nexus studies, master plans, capital improvement programs, and budgets are all made public on the City's website.

The City does not earmark impact fees for any specific project as revenues come in. Nexus studies outline capital improvement projects. Nexus studies examples may include future sewer infrastructure, transportation infrastructure, and other capital facilities. This report is accurate as of the time of publication. Any proposed plans are subject to change based on City Council action.

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Bicycle and Pedestrian Impact Fee Program

The City Council adopted this nexus study for the citywide impact fee program in 2017. The study identified the need to support the Bicycle Master Plan adopted by the City in February 2011 by Resolution 23-2011. The General Plan establishes that maintaining bicycle and pedestrian infrastructure requires funding sources. The Bicycle Master Plan recommends the completion of the City's existing network of bicycle paths, lanes, and routes.

Annual Reporting Information:

1. The purpose of the Bicycle and Pedestrian Impact Fee Program is to establish funding for completion of the City's existing network of bicycle paths. Additional daily trips due to development projects place more demands on bicycle and pedestrian infrastructures in the city.
2. Refer to page 34 of this report for the fee schedule outlining the amount of the Bicycle and Pedestrian Impact Fee.
3. Refer to page 6 of this report for the beginning and ending balance of the account for the Bicycle and Pedestrian Impact Fee.
4. See page 6 of this report for Bicycle and Pedestrian Impact Fees collected, and interest earned.
5. There were no projects worked on during the Fiscal Year 2021-22 using the Bicycle and Pedestrian Impact Fee funding.
6. There is one project planned for Fiscal Year 2022-23.
7. The approximate date for funding and execution of projects will be determined, at the discretion of the City Council, when adequate additional funds have accumulated.
8. There were no interfund transfers or loans.
9. There were no potential refunds to property owners.

Bicycle and Pedestrian Impact Fee Program (Fund 822)

This citywide development impact fee program funds bicycle and pedestrian improvements. Development projects generate additional daily trips that place more demands on bicycle and pedestrian infrastructures in the city.

Beginning balance, July 1, 2021 **\$116,813**

Additions

Bicycle and Pedestrian Impact Fees collected	\$73,981
Interest earned	\$1,279
Unrealized gains/losses	<u>(\$6,170)</u>

Total additions \$69,090

Disbursements % Fee Funded

Total disbursements 0

Remaining balance as of June 30, 2022 **\$185,903**

Planned projects for Fiscal Year 2022-23 % Fee Funded

Additional funding for Oyster Pt & E.Grand Corridor Improvement (tr1602) \$156,915 100%

(\$156,915)

Remaining balance after planned projects **\$28,988**

Five-Year Revenue Test Using First in First Out Method

Revenue Available	FY 2017/18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Current Fiscal Year	\$926	\$50,347	\$14,639	\$50,901	\$69,090
Prior FY (2-yr Old Funds)		926	50,347	14,639	50,901
Prior FY (3-yr Old Funds)			926	50,347	14,639
Prior FY (4-yr Old Funds)				926	50,347
Prior FY (5-yr Old Funds)					926
In Excess of Five Prior Fiscal Years	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenue Available	<u>\$926</u>	<u>\$51,273</u>	<u>\$65,912</u>	<u>\$116,813</u>	<u>\$185,903</u>

Childcare Impact Fee Program

The City Council adopted the nexus study for this citywide impact fee program in 2001. The study identified the need for new and expanded childcare facilities in the City. Updates since 2001 to this fee program have included a periodic inflation change. The fee program includes a 5% administrative fee. The estimated cost of the new and expanded facilities included in the nexus study totaled \$43.9 million. The nexus study identified new development's share of the cost as 24.6% of the total new and expanded facilities cost. Development impact fee revenue was estimated at \$11.3 million, which includes administrative costs of 5% of total fee revenue. Existing development's share of the cost is \$33.1 million (75.4% of new facilities) which must be funded with other funding sources. Other funding sources may include the City's General Fund, grants, developer contributions, and Community Development Block Grants.

Annual Reporting Information:

1. The purpose of the Childcare Impact Fee Program is to provide new development's share of funding for new and expanded childcare facilities required at build-out of the City.
2. Refer to page 34 of this report for the fee schedule outlining the amount of the Childcare Impact Fee.
3. Refer to page 8 of this report for the beginning and ending balance of the account for the Childcare Impact Fee.
4. See page 8 of this report for the amount of the Childcare Impact Fees that have been collected, and interest earned.
5. There was one project worked on during Fiscal Year 2021-22 using the Childcare Impact Fee funding.
6. There are three projects planned for Fiscal Year 2022-23
7. The approximate date for funding and constructing future facilities will be determined, at the discretion of the City Council, when adequate additional funds for facility construction have accumulated.
8. There were no interfund transfers or loans.
9. There are no potential refunds to property owners.

Childcare Impact Fee (Fund 830)

This citywide development impact fee program funds new development's fair share of new and expanded childcare facilities to serve the City.

Beginning balance, July 1, 2021	\$6,788,327	
Additions		
Childcare Impact Fees collected	\$7,656,815	
Interest earned	\$115,072	
Unrealized gains/losses	<u>(\$556,751)</u>	
Total additions	\$7,215,136	
Disbursements		<u>% Fee Funded</u>
City administration	\$2,800	100%
Projects for Fiscal Year 2020-21		
Design and Construction of New Preschool Facility (pf2101)	<u>\$99,499</u>	100%
Total disbursements	(\$102,299)	
Remaining balance as of June 30, 2022	<u>\$13,901,164</u>	
Planned projects for Fiscal Year 2022-23		<u>% Fee Funded</u>
Additional funding for new preschool facility design and construction (pf2101)	\$3,250,000	36%
Additional funding for Library – Parks & Rec Phase II Measure W (pf2103)	\$490,000	100%
Additional funding for West Orange Library Preschool Project (pf2301)	<u>\$4,000,000</u>	100%
Total planned projects	(\$7,740,000)	
Remaining balance after planned projects	<u>\$6,161,164</u>	

Five-Year Revenue Test Using First in First Out Method

Revenue Available	FY 2017/18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Current Fiscal Year	\$1,295,310	\$920,469	\$665,458	\$642,118	\$7,215,136
Prior FY (2-yr Old Funds)	527,347	1,295,310	920,469	665,458	642,118
Prior FY (3-yr Old Funds)	387,646	527,347	1,295,310	920,469	665,458
Prior FY (4-yr Old Funds)	163,207	387,646	527,347	1,295,310	920,469
Prior FY (5-yr Old Funds)	43,099	163,207	387,646	527,347	1,295,310
In Excess of Five Prior Fiscal Years ¹	<u>2,275,802</u>	<u>2,242,749</u>	<u>2,388,979</u>	<u>2,737,625</u>	<u>3,162,673</u>
Total Revenue Available	<u>\$4,692,411</u>	<u>\$5,536,728</u>	<u>\$6,185,209</u>	<u>\$6,788,327</u>	<u>\$13,901,164</u>

Note:

- Funds are to be allocated to planned projects including but not limited to New Preschool Design and Construction and the West Orange Library Preschool Project.

Commercial Linkage Fee Program

The nexus study for this citywide impact fee program was adopted by the City Council in 2018 by Resolution 123-2018. The study justified the need to provide sufficient funding for affordable housing and established a nexus between the need for affordable housing and the impacts of commercial development within the City. The impact fee program supports the City of South San Francisco's adopted 2015-2023 Housing Element, which includes the goal of promoting the provision of housing by both the private and public sectors for all income groups in the community.

Annual Reporting Information:

1. The purpose of the Commercial Linkage Impact Fee program is to provide funding for affordable housing for employees who work in the City as a result of new commercial development.
2. Refer to page 34 of this report for the fee schedule outlining the amount of the Commercial Linkage Impact Fee.
3. Refer to page 10 of this report for the beginning and ending balance of the account for the Commercial Linkage Impact Fee.
4. See page 10 of this report for the amount of Commercial Linkage Impact Fees that have been collected and interest earned.
5. There was no project worked on during the Fiscal Year 2021-22 using the Commercial Linkage Fee funding.
6. There is no planned project during the Fiscal Year 2022-23 using the Commercial Linkage Impact Fee funding.
7. The approximate date for funding and execution of projects will be determined, at the discretion of the City Council, when adequate additional funds have accumulated.
8. There were no interfund transfers or loans.
9. There were no potential refunds to property owners.

Commercial Linkage Impact Fee Program (Fund 823)

The Commercial Linkage Fee (CLF) Ordinance (No. 1560-2018) was adopted by the City Council on August 22, 2018, establishing a fee on certain commercial development to generate local funding for affordable housing.

Beginning balance, July 1, 2021 **\$10,211,626**

Additions

Commercial Linkage Impact Fees collected	\$3,425,285	
Unrealized Gains/Losses	(\$433,904)	
Interest earned	\$86,303	
Total additions		\$3,077,684

Disbursements		<u>% Fee Funded</u>
Payroll	\$24,758	100%
Professional and special services and program	<u>\$4,350,452</u>	100%
Total disbursements		(\$4,375,210)

Remaining balance as of June 30, 2022 **\$8,914,100**

No planned project for Fiscal Year 2022-2023 % Fee Funded

Total planned projects 0

Remaining balance after planned projects **\$8,914,100**

Five-Year Revenue Test Using First in First Out Method

Revenue Available¹	FY 2017/18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Current Fiscal Year	\$0	\$0	\$4,957,461	\$5,375,874	\$3,077,684
Prior FY (2-yr Old Funds)				4,957,461	5,375,874
Prior FY (3-yr Old Funds)					4,957,461
Prior FY (4-yr Old Funds)					
Prior FY (5-yr Old Funds)					
In Excess of Five Prior Fiscal Years				<u>(121,710)</u>	<u>(4,496,919)</u>
Total Revenue Available	<u>\$</u>	<u>\$</u>	<u>\$4,957,461</u>	<u>\$10,211,625</u>	<u>\$8,914,100</u>

Note:

1. Revenue includes initial transfer from Gas Tax 2105 in FY 2019-20

Library Impact Fee Program

The nexus study for this impact fee program was adopted by the City Council in 2020. Ordinance 1608-2020 amended the Municipal Code to include Chapter 8.74 establishing the library impact fee. Based upon the City's projected population increase and current per capita usage of facilities and collections materials, the City will need approximately 9,900 square feet of additional library space and 32,000 additional materials in circulation in order to maintain the current library service standard. The study identified the need to better implement the goals of maintaining adequate service standards in the face of the increase in library service demands. The study estimates that the total projected cost associated with future residential and non-residential development through 2040 would be approximately \$7.8 million.

Annual Reporting Information:

1. The Library Impact Fee is collected to provide new development's share of funding for additional library space and materials to maintain current library service standard.
2. Refer to page 34 of this report for the fee schedule outlining the amount of the fee.
3. Refer to page 12 of this report for the beginning and ending balance for the account of this fee.
4. Refer to page 12 of this report for the amount of fees collected and interest earned.
5. There were no projects worked on during the Fiscal Year 2021-22 using the Library Impact Fee.
6. There is no planned project during the Fiscal Year 2022-23 using the Library Impact Fee funding.
7. The approximate date for funding and execution of projects will be determined, at the discretion of the City Council, when adequate additional funds have accumulated.
8. There were no interfund transfers or loans.
9. There are no potential refunds to property owners.

Library Impact Fee (Fund 824)

This citywide development impact fee program funds new development's fair share for additional library space and materials to maintain current library service standard. Library Impact Fees for non-residential developments went into effect on November 23, 2020. Library Impact Fees for residential development will go into effect on January 1, 2022. No library Impact Fees were collected in fiscal year 2020-21.

Beginning balance, July 1, 2021		\$0
Additions		
Library Impact Fees collected	\$693	
Interest earned	\$1	
Unrealized Gains/Losses	<u>(\$20)</u>	
Total additions		\$674
Disbursements	0	
Total disbursements		0 <u>% Fee Funded</u>
Remaining balance as of June 30, 2022		<u>\$674</u>
Planned projects for Fiscal Year 2022-23		
There are no planned projects for Fiscal Year 2022-23		0 <u>% Fee Funded</u>
Total planned projects		0
Remaining balance after planned projects		<u>\$674</u>

Five-Year Revenue Test Using First in First Out Method

Revenue Available	FY 2017/18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Current Fiscal Year					\$674
Prior FY (2-yr Old Funds)					
Prior FY (3-yr Old Funds)					
Prior FY (4-yr Old Funds)					
Prior FY (5-yr Old Funds)					
In Excess of Five Prior Fiscal Years					<u>0</u>
Total Revenue Available	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$674</u>

Park Construction Fee

The nexus study for this impact fee program was adopted by the City Council in 2017. Ordinance 1520-2016 amended the Municipal Code to include Chapter 8.67 adopting the parkland acquisition fee and park construction fee. The purpose of the Park Construction Fee is to provide funding for the construction of park facilities and improvements. The General Plan, the Parks & Recreation Master Plan, and the East of 101 Area Plan call for 3 acres of parkland and facilities per 1,000 new residents and ½ an acre of parkland and facilities per 1,000 new employees. The City incurs the costs of administering the fee program and preparing analyses and reports related to it.

Annual Reporting Information:

1. The purpose of the Park Construction Fee fund is to provide new development's share of funding developing new parks and recreation spaces at a rate of 3 acres per 1,000 new residents in multifamily development projects and 0.5 acres per 1,000 new employees in commercial development projects.
2. Refer to page 34 of this report for the fee schedule outlining the amount of the fee.
3. Refer to page 14 of this report for the beginning and ending balance for the account of this fee.
4. Refer to page 14 of this report for the number of fees collected and interest earned.
5. There was one project worked on during Fiscal Year 2021-22 using the Park Construction Fee funding.
6. There are two projects planned for Fiscal Year 2022-23 using the Park Construction Fee.
7. The approximate date for further funding and developing park land and recreation facilities will be determined, at the discretion of the City Council, when adequate additional funds have accumulated.
8. There were no interfund transfers or loans.
9. There are no potential refunds to property owners.

Park Construction Fee (Fund 806)

This citywide development impact fee program funds new development's fair share for developing new park and recreation spaces.

Beginning balance, July 1, 2021	\$5,344,782	
Additions		
Park Construction Fees collected	\$3,963,057	
Unrealized Gains/Losses	(\$280,158)	
Interest earned	<u>\$56,928</u>	
Total additions	\$3,739,827	
Disbursements		
Transfer out to Capital Improvements: Orange Park Sports Field Renovation (pk1402)	\$169,698	<u>% Fee Funded</u> 100%
Total disbursements	(\$169,698)	
Remaining balance as of June 30, 2022	<u>\$8,914,911</u>	
Planned projects for Fiscal Year 2022-23		<u>% Fee Funded</u>
Transit Village Park (pk2101)	(\$1,000,000)	100%
Linden Park Project (pk2305)	(\$300,000)	30%
Remaining balance after planned projects	<u>\$7,614,911</u>	

Five-Year Revenue Test Using First in First Out Method					
Revenue Available	FY 2017/18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Current Fiscal Year	\$25,169	\$2,112,813	\$1,158,551	\$3,069,717	\$3,739,827
Prior FY (2-yr Old Funds)		25,169	2,112,813	1,158,551	3,069,717
Prior FY (3-yr Old Funds)			25,169	2,112,813	1,158,551
Prior FY (4-yr Old Funds)				251,169	2,112,813
Prior FY (5-yr Old Funds)					251,169
In Excess of Five Prior Fiscal Years	<u>(7,550)</u>	<u>(21,467)</u>	<u>(1,021,468)</u>	<u>(1,247,468)</u>	<u>(1,417,166)</u>
Total Revenue Available	<u>\$17,619</u>	<u>\$2,116,515</u>	<u>\$2,275,065</u>	<u>\$5,344,782</u>	<u>\$8,914,911</u>

Park Land Acquisition Fee

The City Council adopted the nexus study for this impact fee program in 2017. Ordinance 1520-2016 amended the Municipal Code to include Chapter 8.67, adopting the parkland acquisition fee and park construction fee to generate funding for parks in South San Francisco. The General Plan, the Parks + Recreation Master Plan, and the East of 101 Area Plan each lay out specific park requirements. The current need is three acres of park land per one thousand future residents and one half of an acre per one thousand new employees is the current need. This fee differs from the City's Quimby Act fee in Section 19.24.040 et seq of the Municipal Code. The Quimby Act allows for the imposition of land dedication requirements and in-lieu fees for residential subdivisions. The Act does not apply to other types of residential development projects or commercial development projects.

The Park Land Acquisition Fee is applied to residential and non-residential development projects to support the demands for parks and recreation spaces generated by new residents of residential development projects and new employees of non-residential development projects. The nexus study calculated the fee for park land acquisition based on the number of residents generated by each new type of residential unit and the number of employees per 1,000 square feet in non-residential development projects. The City adopted the Park Land Acquisition Fee under the authority of the Mitigation Fee Act.

Annual Reporting Information:

1. The purpose of the Park Land Acquisition Fee fund is to provide new development's share of funding for acquiring new parks and recreation spaces at a rate of 3 acres per 1,000 new residents in multifamily development projects and 0.5 acres per 1,000 new employees in commercial development projects.
2. Refer to page 34 of this report for the fee schedule outlining the amount of the fee.
3. Refer to page 16 of this report for the beginning and ending balance for the account of this fee.
4. Refer to page 16 of this report for the amount of fees collected and interest earned.
5. One project utilized the Park Land Acquisition Fee fund in FY 2021-22. Refer to page 16 of this report for identification of public improvement on which fees were expended, the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with the fees.
6. There are two projects planned for FY 2022-23 using Park Land Acquisition Fee.
7. The approximate date for funding and acquiring park land will be determined, at the discretion of the City Council, when adequate additional funds have accumulated.
8. There were no interfund transfers or loans.
9. There are no potential refunds to property owners.

Park Land Acquisition Fee (Fund 805)

This citywide development impact fee program funds new development's fair share for acquiring new park and recreation spaces.

Beginning balance, July 1, 2021 **\$1,603,773**

Additions

Park Land Acquisition Fees collected	\$1,707,708
Unrealized Gains/Losses	(\$101,907)
Interest earned	<u>\$21,978</u>

Total additions **\$1,627,779**

Disbursements % Fee Funded

Transfer out to Capital Improvements: Transit Village park (pk2101)	<u>\$1,480</u>	100%
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Total disbursements **(\$1,480)**

Remaining balance as of June 30, 2022 **\$3,230,072**

Planned projects for Fiscal Year 2022-23: % Fee Funded

Transit Village Park (pk2101)	\$2,000,000	97%
Linden Park Project (pk2305)	\$1,000,000	100%

Projects appropriated from prior fiscal years:

Transit Village Park (pk2101)	<u>\$683,827</u>
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Total planned projects **(\$3,683,827)**

Remaining balance after planned projects **(\$453,755)**

Five-Year Revenue Test Using First in First Out Method

Revenue Available	FY 2017/18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Current Fiscal Year	\$54,663	\$311,271	\$502,798	\$771,214	\$1,627,779
Prior FY (2-yr Old Funds)		54,663	311,271	502,798	771,214
Prior FY (3-yr Old Funds)			54,663	311,271	502,798
Prior FY (4-yr Old Funds)				54,664	311,271
Prior FY (5-yr Old Funds)					54,664
In Excess of Five Prior Fiscal Years	<u>0</u>	<u>0</u>	<u>0</u>	<u>36,174</u>	<u>37,654</u>
Total Revenue Available	<u>\$54,663</u>	<u>\$365,934</u>	<u>\$868,732</u>	<u>\$1,603,773</u>	<u>\$3,230,072</u>

Public Arts In-Lieu Fee

In October 2020, the City Council passed ordinance number 1613-2020 creating the public art requirement. The City is dedicated to improving infrastructure, economic development and cultural diversity through acquisition and exhibition of public art. The public art requirement applies to any new non-residential development project and that it requires such projects to contribute public art with a value of at least one percent (1%) the amount of construction costs. In lieu of contributing public art, the public art requirement will allow for the payment of an in-lieu fee into a public art fund at the value of half of one percent (0.5%) of the amount of construction costs.

Annual Reporting Information:

1. The Public Arts In-Lieu Fee is collected to provide cultural and artistic art to enhance the quality of life for individuals living in, working in, and visiting the City.
2. Refer to page 34 of this report for the fee schedule outlining the amount of the fee.
3. Refer to page 18 of this report for the beginning and ending balance for the account of this fee.
4. Refer to page 18 of this report for the amount of fees collected and interest earned.
5. There were no projects worked on during the Fiscal Year 2021-22 using the Public Arts In-Lieu Fee.
6. There are no planned projects for Fiscal Year 2022-23 using the Public Arts in-Lieu Fee.
7. The approximate date for further funding will be determined at the direction of the City Council when adequate additional funds have accumulated.
8. There were no interfund transfers or loans.
9. There are no potential refunds to property owners.

Public Arts In-Lieu Fee (Fund 827)

This citywide in-lieu fee funds the cultural diversity through acquisition and exhibition of public art in the City.

Beginning balance, July 1, 2021	\$0	
Additions		
In-lieu fees collected	\$0	
Interest earned	<u>0</u>	
Total additions	0	
Disbursements		<u>% Fee Funded</u>
Total disbursements	0	
Remaining balance as of June 30, 2022	<u>\$0</u>	
Planned projects for Fiscal Year 2022-23		<u>% Fee Funded</u>
There are no planned projects for Fiscal Year 2022-23	0	
Total planned projects	0	
Remaining balance after planned projects	\$0	

Five-Year Revenue Test Using First in First Out Method					
Revenue Available	FY 2017/18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Current Fiscal Year	\$0	\$0	\$0	\$0	\$0
Prior FY (2-yr Old Funds)					
Prior FY (3-yr Old Funds)					
Prior FY (4-yr Old Funds)					
Prior FY (5-yr Old Funds)					
In Excess of Five Prior Fiscal Years					
Total Revenue Available	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

Public Safety Impact Fee Program

The City Council adopted the nexus study for this citywide impact fee program in 2012. The study identified the need for new and expanded public safety capital facility and equipment to support new development projects. This fee program also includes an annual inflation adjustment. The fee program includes a 2% administrative fee. The estimated cost of the new and expanded public safety equipment and facilities included in the nexus study totaled \$40.4 million. The nexus study identified new development's share of the cost at \$10.4 million (25.6% of the total new and expanded equipment and facilities cost). Existing development's share of the cost is \$30.0 million (74.4% of new equipment and facilities) which must be funded with other funding sources such as the City's General Fund, grants, or developer contributions.

Annual Reporting Information:

1. The Public Safety Impact Fee is collected to provide new development's share of funding for new and expanded public safety capital facility and equipment required at build out of the City.
2. Refer to page 34 of this report for the fee schedule outlining the amount of the fee.
3. Refer to page 20 of this report for the beginning and ending balance for the account of this fee.
4. Refer to page 20 of this report for the amount of fees collected and interested earned.
5. There is one project worked on during Fiscal Year 2021-22 using Public Safety Impact Fee.
6. There was one project planned for FY 2022-23 using the Public Safety Impact Fee fund.
7. The approximate date for further funding and constructing facilities and procuring future equipment identified in the nexus study will be determined when adequate additional funds have accumulated.
8. There were no interfund transfers or loans.
9. There are no potential refunds to property owners.

Public Safety Impact Fee (Fund 821)

This citywide development impact fee program funds new development's fair share of new and expanded capital facility and equipment to serve the City.

Beginning balance, July 1, 2021 **\$1,499,387**

Additions

Public Safety Impact Fees collected – Fire	\$1,013,709	
Public Safety Impact Fees collected – Police	\$730,687	
Unrealized Gains/Losses	(\$78,632)	
Interest earned	<u>\$15,658</u>	
Total additions		\$1,681,422

Disbursements		<u>% Fee Funded</u>
Transfer out to Capital Improvements:		
Police Ops & 911 Dispatch Ctr (PSIF) (pf2208)	\$568,741	55.3%
Transfer out to Equipment Replacement	<u>\$60,459</u>	100%

Total disbursements **(\$629,200)**

Remaining balance as of June 30, 2022 **\$2,551,609**

Planned projects for Fiscal Year 2022-23		<u>% Fee Funded</u>
Training Tower maintenance (pf1704)	\$350,000	100%

Total planned projects **(\$350,000)**

Remaining balance after planned projects **\$2,201,609**

Five-Year Revenue Test Using First in First Out Method

Revenue Available	FY 2017/18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Current Fiscal Year	\$869,407	\$479,101	\$479,419	\$246,467	\$1,681,422
Prior FY (2-yr Old Funds)	133,199	869,407	479,101	479,419	246,467
Prior FY (3-yr Old Funds)	268,278	133,199	869,407	479,101	479,419
Prior FY (4-yr Old Funds)	228,138	268,278	133,199	869,407	479,101
Prior FY (5-yr Old Funds)	72,992	228,138	268,278	133,199	869,407
In Excess of Five Prior Fiscal Years	<u>(735,976)</u>	<u>(676,893)</u>	<u>(832,732)</u>	<u>(708,206)</u>	<u>(1,204,207)</u>
Total Revenue Available	<u>\$836,038</u>	<u>\$1,301,230</u>	<u>\$1,396,672</u>	<u>\$1,499,387</u>	<u>\$2,551,609</u>

Transportation Impact Fee Program

The nexus study for this impact fee program was adopted by the City Council in 2020. Ordinance 1607-2020 amended the Municipal Code to include Chapter 8.68 establishing the transportation impact fee. The nexus study identified the need for transportation improvements and facilities needed to serve the growth, and the estimated costs of those improvements and facilities. The nexus study has identified \$160.8 million in transportation infrastructure improvements such as roads, sidewalks, traffic lights, bicycle lanes and pathways, curbs and gutters, and medians caused by new developments throughout the City. The City seeks to mitigate these transportation impacts caused by new development and to allow the City to recover approximately \$33.7 million in costs associated with the new development by providing for the payment of the citywide Transportation Impact fee.

Annual Reporting Information:

1. The Transportation Impact Fee is collected to provide new development's share of funding for new and expanded transportation capital facility and equipment required at build out of the City.
2. Refer to page 34 of this report for the fee schedule outlining the amount of the fee.
3. Refer to page 22 of this report for the beginning and ending balance for the account of this fee.
4. Refer to page 22 of this report for the amount of fees collected and interested earned.
5. There were no projects work on during the Fiscal Year 2021-22 using the Transportation Impact Fee.
6. There are three projects planned for Fiscal Year 2022-23 using Transportation Impact Fee.
7. The approximate date for funding and execution of projects will be determined, at the discretion of the City Council, when adequate additional funds have accumulated.
8. There were no interfund transfers or loans.
9. There are no potential refunds to property owners.

Transportation Impact Fee (Fund 825)

This citywide development impact fee program funds new development's fair share for transportation improvements and facilities needed to serve the City. Transportation Impact Fees for non-residential developments went into effect on November 23, 2020. Transportation Impact Fees for residential development will go into effect on January 1, 2022.

Beginning balance, July 1, 2021	\$1,962,343	
Additions		
Transportation Impact Fees collected	\$2,043,540	
Unrealized Gains/Losses	(\$145,887)	
Interest	<u>\$30,861</u>	
Total additions	\$1,928,514	
Disbursements		<u>% Fee Funded</u>
Total disbursements	0	
Remaining balance as of June 30, 2022	<u>\$3,890,857</u>	
Planned projects for Fiscal Year 2022-23		<u>% Fee Funded</u>
OYSTER PT & E GRAND COORIDOR IMP (tr1602)	\$927,029	22%
GRAND AVE OFF-RAMP REALIGNMENT (tr2201)	\$3,250,000	100%
RIGHT OF WAY INFRA ASSMT & UPG (tr2302)	<u>\$80,000</u>	100%
Total planned projects	(\$4,257,029)	
Remaining balance after planned projects	<u>(\$366,172)</u>	

Five-Year Revenue Test Using First in First Out Method					
Revenue Available	FY 2017/18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Current Fiscal Year				\$1,962,343	\$1,928,514
Prior FY (2-yr Old Funds)					1,962,343
Prior FY (3-yr Old Funds)					
Prior FY (4-yr Old Funds)					
Prior FY (5-yr Old Funds)					
In Excess of Five Prior Fiscal Years				<u>0</u>	<u>0</u>
Total Revenue Available	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$1,962,343</u>	<u>\$3,890,857</u>

Oyster Point Interchange Impact Fee Program

The City Council adopted this plan area fee program on May 23, 1984, using a February 1983 Feasibility Study prepared by Nolte and Associates in conjunction with Resolution No. 71-84 which created the “Oyster Point Contribution Formula.” The 1983 Feasibility Study identified the need for the Oyster Point Interchange project, which was, at that time, referred to as the grade separation project.

Updates to the fee program since 1984 include the following:

1. An ongoing inflation adjustment.
2. June 26, 1996, fee program changes via Resolution No. 102-96 included adjustments for:
 - a. the inflationary index that reduced the fee by approximately 22%,
 - b. the project description which increased the scope of the project to include the Terrabay hook ramps and the southbound off-ramp flyover, and the use of more current trip generation rates.
3. October 9, 1996 fee program change via Resolution No. 152-96 that added additional land uses with their associated trip generation rates.

The Feasibility Study identified new development’s share of the grade separation project cost at 64.8% and existing development’s share of the cost at 35.2%. The grade separation was completed and funded in 1995 and is not part of this annual report. The increased scope portion of the project, added in 1996, was identified as being 100% the responsibility of new development. Of this additional scope, the flyover, estimated to cost \$6.4 million, was completed in 2005, and the hook ramps, estimated to cost \$15 million, were completed in October 2006. Additional work relating to property transfers and gaining final Caltrans project acceptance is ongoing.

Required 5-Year Findings for Unexpended Funds/Annual Reporting Requirements

1. The purpose of the Oyster Point Interchange Impact Fee Program is to provide new development’s share of funding for this project required at build-out of the plan area.
2. Refer to page 25 of this report for the beginning and ending balance of the account for this fee.
3. Refer to page 25 of this report for fees collected and interest earned.
4. The reasonable relationship between the Oyster Point interchange impact fee and the purpose for which it is charged is demonstrated in the 1983 Feasibility Study by Nolte and Associates, and in the fee program updates in Resolution No. 102-96 and Resolution No. 152-96. As of June 30, 2021, there continues to be a need for Oyster Point Interchange Impact fees due to further developments in that area of South San Francisco.

5. The sources and amounts of funding anticipated for Oyster Point Interchange projects can be found in the updates adopted via Resolution No. 102-96 and Resolution No. 152-96. Additional working relating to property transfers and gaining final Caltrans project acceptance is ongoing.
6. Buildout in the Oyster Point Interchange area is ongoing due to further developments in South San Francisco. The City's buildout is assumed to occur over a 20-year period, which is consistent with the General Plan.
7. There are no planned projects for Fiscal Year 2021-22 using Oyster Point Interchange Impact Fees.
8. The fund has one loan from the former Redevelopment Agency. Please refer to page 25 of this report. The amount owed as of June 30, 2022, is approximately \$2.15 million. Since the dissolution of the Redevelopment Agency in 2012, the interest rate charged by the Successor Agency is 0%. The loan is repaid as new impact fee revenue is received. Given that the amount of future impact fee revenue is unknown, the repayment date is unknown. There were no other interfund transfers or loans.
9. There are no potential refunds of Oyster Point Interchange Impact Fees to property owners.
10. Refer to page 34 of this report for the fee schedule outlining the amount of the Oyster Point Interchange Impact Fee.

Oyster Point Interchange Impact Fee (Fund 840)

This plan area development impact fee program funds new development's fair share of the Oyster Point Interchange project.

Beginning balance, July 1, 2021 **\$38,709**

Additions

Oyster Point Interchange Impact Fees collected	\$1,444,207	
Unrealized Gains/Losses	(\$9,901)	
Interest earned	<u>\$1,821</u>	
Total additions		\$1,436,127

Disbursements

Repayment of RDA Loan	<u>\$1,445,000</u>	<u>% Fee Funded</u>
Total disbursements		100%
		(\$1,445,000)

Remaining balance as of June 30, 2022 **\$29,836**

Planned Projects for Fiscal Year 2021-22 % Fee Funded

There are no planned projects for Fiscal Year 2021-22 0

Remaining Balance After Planned Projects **\$29,836**

Loans to Oyster Point Interchange Fee Fund from Successor Agency to RDA Due Date and Interest Rate

Balance, July 1, 2021	\$3,595,152	None & 0%
Less payment during fiscal year	<u>\$1,445,000</u>	
Balance, June 30, 2022		(\$2,150,152)

Fees available (future fees required) for current and completed projects **(\$2,120,316)**

Five-Year Revenue Test Using First in First Out Method

Revenue Available	FY 2017/18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Current Fiscal Year	\$2,382,627	\$3,506,445	\$1,216,377	\$75	\$1,436,127
Prior FY (2-yr Old Funds)	23,655	2,382,627	3,506,445	1,216,377	75
Prior FY (3-yr Old Funds)	658,996	23,655	2,382,627	3,506,445	1,216,377
Prior FY (4-yr Old Funds)	353,592	658,996	23,655	2,382,627	3,506,445
Prior FY (5-yr Old Funds)	453,587	353,592	658,996	23,655	2,382,627
In Excess of Five Prior Fiscal Years	<u>(3,842,646)</u>	<u>(6,853,059)</u>	<u>(7,709,466)</u>	<u>(7,090,470)</u>	<u>(8,511,815)</u>
Total Revenue Available	<u>\$29,811</u>	<u>\$72,256</u>	<u>\$78,634</u>	<u>\$38,709</u>	<u>\$29,836</u>

Park In-Lieu Fee

City of South San Francisco Municipal Code, Title 19 Subdivisions, Chapter 19.24 Improvements requires every subdivider who subdivides land to dedicate a portion of such land, pay a fee, or do both, for the purpose of providing park and recreational facilities to serve future residents of such subdivision. The in-lieu fee shall be determined using the formula set out in Chapter 19.24.090(a). [Units in Structure X Average Residents per Unit X 0.003 (3 acres per 1,000 Residents) X Average Fair Market Value per acre = in-lieu fee]. Fees shall be adjusted annually in accordance with the All Urban Consumers, San Francisco-Oakland-San Jose (AUC-CPI); such annual adjustment shall be approved by resolution of the City Council. In addition, the City may collect reasonable administrative fee to cover the cost of administering the program.

Annual Reporting Information

1. The purpose of the Park in-lieu fee is to acquire land and develop new parks and recreation facilities, or for the rehabilitation and enhancement of existing neighborhood parks, community parks, and recreational facilities.
2. Refer to page 34 of this report for the fee schedule outlining the amount of the fee.
3. Refer to page 27 of this report for the beginning and ending balance of the account for this fee.
4. Refer to page 27 of this report for the amount of fees collected, and interest earned.
5. There is one project worked on during Fiscal Year 2021-22 using Park In-Lieu Fee.
6. There is one planned project on in FY 2022-23 using the Park In-Lieu Fee.
7. The approximate date for further funding will be determined at the direction of the City Council when adequate additional funds have accumulated.
8. There were no interfund transfers or loans.
9. There are no potential refunds of Park In-Lieu Fees to property owners.

Park In-Lieu Fee (Funds 206 – 209)

The Park In-Lieu fee may only be used for acquiring land and developing new park and recreation facilities, or for the rehabilitation and enhancement of existing neighborhood parks, community parks, and recreational facilities.

Beginning balance, July 1, 2021	\$3,850,903	
Additions		
Fees collected	\$0	
Unrealized Gains/Losses	(\$149,020)	
Interest earned	\$112,650	
Adjustment from prior fiscal year	(\$122,566)	
Total additions	(\$241,307)	
Disbursements		<u>% Fee Funded</u>
Orange Park Sports Field Renovation (pk1402)	\$508,546	100%
Centennial Trail Vision Plan (pk2103)	\$141,569	100%
Total Disbursements	(\$650,115)	
Remaining balance as of June 30, 2022	<u>\$2,959,482</u>	
Planned Projects for Fiscal Year 2022-23		<u>% Fee Funded</u>
Centennial Trail Improvements (pk2302)	\$2,400,000	100%
Projects appropriated from prior fiscal years (pk1402, pk1806, pk1807, pk2103)	<u>\$836,469</u>	
	(\$3,236,469)	
Remaining Balance After Planned Projects	<u>(\$154,890)</u>	

Five-Year Revenue Test Using First in First Out Method

Revenue Available¹	FY 2017/18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Current Fiscal Year	\$1,857	\$1,334,811	\$2,711,304	\$8,479	(\$119,110)
Prior FY (2-yr Old Funds)	876,288	1,857	1,334,811	2,711,304	8,479
Prior FY (3-yr Old Funds)	14,695	876,288	1,857	1,334,811	2,711,304
Prior FY (4-yr Old Funds)	10,543	14,695	876,288	1,857	1,334,811
Prior FY (5-yr Old Funds)	165,262	10,543	14,695	876,288	1,857
In Excess of Five Prior Fiscal Years	<u>643,197</u>	<u>597,282</u>	<u>(100,223)</u>	<u>(1,214,937)</u>	<u>(977,589)</u>
Total Revenue Available	<u>\$1,711,842</u>	<u>\$2,835,476</u>	<u>\$4,838,732</u>	<u>\$3,850,903</u>	<u>\$2,959,482</u>

Note:

1. Revenue includes developer's contributions or reimbursement and transfer from Park Construction Fees.

East of 101 Sewer Impact Fee Program

The 2002 nexus study for this fee was adopted by the City Council in 2002. The study identified the need for new and rehabilitated sewer collection and treatment facilities to serve the area located east of US 101 in the City of South San Francisco. This fee program also includes an annual inflation adjustment. The estimated cost of the 20 new and expanded sewer projects included in the study totaled \$21.4 million. The study identified new development's share of the cost of the required facilities at \$15.5 million (72.4% of the total new and expanded facilities cost) while existing development's share of the cost (existing deficiency) is \$5.9 million (27.6% of new facilities). New development's share of the cost, \$15.5 million, was increased to include some master planning costs (\$425,000) and some CEQA reviewing costs (\$600,000) for a total cost to new development of \$16,425,000. Of that amount, \$12,429,000 was to be sewer impact fee funded and \$4,066,000 was to be funded directly by developer contributions. Of the twenty total projects listed in the nexus study, eleven projects are either fully or partially funded with the sewer impact fee funds, four are existing development's responsibility, four are to be funded by developer contributions, and one is to be funded with a combination of developer contributions and revenues from existing development. Existing development's share will be funded with the sewer charges appearing on property tax bills as a direct levy.

Annual Reporting Information

1. The purpose of the Sewer Impact Fee Program is to provide new development's share of funding for new and rehabilitated sewer collection and treatment facilities to serve the area located east of US 101 at build-out of the plan area.
2. Refer to page 34 of this report for the fee schedule outlining the amount of the fee.
3. Refer to page 29 of this report for the beginning and ending balance of the account for this fee.
4. Refer to page 29 of this report for the amount of fees collected, and interest earned.
5. There was one project worked on in FY 2021-22 using the Sewer Impact Fee.
6. There are no planned project in FY 2022-23 using the Sewer Impact Fee.
7. The approximate date for further funding will be determined at the direction of the City Council when adequate additional funds have accumulated.
8. There were no interfund transfers or loans.
9. There are no potential refunds of Sewer Impact Fees to property owners.

East of 101 Sewer Impact Fee (Fund 810)

This plan area development impact fee program funds new development's fair share of new and rehabilitated sewer collection and treatment facilities to serve the area located east of US 101 in the City.

Beginning balance, July 1, 2021	\$4,144,279	
Additions		
Sewer Impact Fees collected	\$985,102	
Unrealized Gains/Losses	(\$182,470)	
Interest earned	<u>\$36,514</u>	
Total additions		\$839,146
Disbursements		<u>% Fee Funded</u>
City administration	\$2,800	100%
Pump Station #2 Upgrade (ss1702)	<u>\$107,818</u>	3%
Total Disbursements		(\$110,618)
Remaining balance as of June 30, 2022	<u>\$4,872,807</u>	
Planned Projects for Fiscal Year 2022-23		<u>% Fee Funded</u>
There are no planned projects for Fiscal Year 2022-23	0	
Des for Current Capital Project	<u>\$4,864,572</u>	
Total planned projects		(\$4,864,572)
Remaining Balance After Planned Projects	<u>\$8,235</u>	

Five-Year Revenue Test Using First in First Out Method

	FY				
Revenue Available	2017/18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Current Fiscal Year	\$2,265,191	\$1,881,711	\$1,491,447	\$452,369	\$839,146
Prior FY (2-yr Old Funds)	188,815	2,265,191	1,881,711	1,491,447	452,369
Prior FY (3-yr Old Funds)	551,441	188,815	2,265,191	1,881,711	1,491,447
Prior FY (4-yr Old Funds)	472,461	551,441	188,815	2,265,191	1,881,711
Prior FY (5-yr Old Funds)	888,164	472,461	551,441	188,815	2,265,191
In Excess of Five Prior Fiscal Years	<u>(1,527,170)</u>	<u>(923,485)</u>	<u>(970,765)</u>	<u>(2,135,354)</u>	<u>(2,057,057)</u>
Total Revenue Available	<u>\$2,838,902</u>	<u>\$4,436,134</u>	<u>\$5,407,840</u>	<u>\$4,144,279</u>	<u>\$4,872,807</u>

East of 101 Traffic Impact Fee Program

The 2001 nexus study for this plan area fee was adopted by the City Council in 2002. The study identified the need for new and expanded roadway and intersection improvements to serve the area located east of US 101 in the City of South San Francisco. The study was updated on May 6, 2005, and on July 19, 2007. This fee program includes an annual inflation adjustment and a 2.5% administrative fee. The estimated cost of the new and expanded facilities included in the 2007 study totaled \$38.5 million (\$32.4 million in net cost after accounting for fees already received). There are 26 road improvements listed in the 2007 study and two studies for a total of 28 projects. The study determined that new development would be responsible for 100% of the cost of the 28 projects.

Annual Reporting Information

1. The purpose of the East of 101 Traffic Impact Fee Program is to provide new development's share of funding for new and expanded roadway and intersection improvements to serve the area located east of US 101 at build-out of the plan area.
2. See page 34 of this report for the fee schedule outlining the amount of the fee.
3. See page 31 of this report for beginning and ending balance of the account for this fee.
4. See page 31 of this report for the amount of fees collected and interest earned.
5. There were 9 projects worked on in FY 2021-22 using the Traffic Impact Fee.
6. There is one project planned for FY 2022-23 using the Traffic Impact Fee.
7. The approximate date for further funding will be determined at the direction of the City Council when adequate additional funds have accumulated.
8. There were no interfund transfers or loans.
9. There are no potential refunds of Traffic Impact Fees to property owners.

East of 101 Traffic Impact Fee (Fund 820)

This plan area development impact fee program funds new development's fair share of new and expanded roadway and intersection improvements east of US 101 to serve the City of South San Francisco.

Beginning balance, July 1, 2021	\$22,527,967	
Additions		
Traffic Impact Fees collected	\$5,040,331	
Unrealized Gains/Losses	(\$957,039)	
Interest earned	<u>\$191,916</u>	
Total additions	\$4,275,208	
Disbursements		<u>% Fee Funded</u>
City administration	\$2,800	100%
CIP disbursements	<u>\$5,929,676</u>	
Total disbursements	(\$5,932,476)	
Remaining Balance as of June 30, 2022	<u>\$20,870,699</u>	
Planned Projects for Fiscal Year 2022-23		<u>% Fee Funded</u>
Oyster Pt & E Grand Corridor Improvements (tr1602)	\$2,416,056	77%
Des for Current Capital Project	<u>\$13,869,776</u>	
Total planned projects	(\$16,285,832)	
Remaining balance after planned projects	<u>\$4,584,867</u>	

Five-Year Revenue Test Using First in First Out Method					
Revenue Available	FY 2017/18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Current Fiscal Year	\$5,716,072	\$8,837,963	\$5,058,500	\$44,230	\$4,275,208
Prior FY (2-yr Old Funds)	119,374	5,716,072	8,837,963	5,058,500	44,230
Prior FY (3-yr Old Funds)	1,745,975	119,374	5,716,072	8,837,963	5,058,500
Prior FY (4-yr Old Funds)	1,462,604	1,745,975	119,374	5,716,072	8,837,963
Prior FY (5-yr Old Funds)	1,986,284	1,462,604	1,745,975	119,374	5,716,072
In Excess of Five Prior Fiscal Years	<u>1,429,496</u>	<u>2,711,469</u>	<u>3,537,862</u>	<u>2,751,828</u>	<u>(3,061,274)</u>
Total Revenue Available	<u>\$12,459,805</u>	<u>\$20,593,457</u>	<u>\$25,015,746</u>	<u>\$22,527,967</u>	<u>\$20,870,699</u>

Sewer Capacity Charge Program

The original analysis was adopted by the City Council in 2000 and annual updates included a preset adjustment to the charges based on borrowing costs. The most current Sewer Capacity Charge Analysis by Bartle Wells & Associates is dated August 26, 2009 and was adopted by the City Council in April of 2010 to be effective in Fiscal Year 2010-11. This analysis identifies the need for sewer collection and treatment capacity in the City of South San Francisco. There are two components to the Sewer Capacity Charge: the capital assets valuation charge and the capital improvements charge. The capital assets charge accounts for the existing value of the sewer collection and treatment system which is calculated using the depreciated replacement cost of the system's assets. The capital assets charge (also called a "buy-in" fee) assigns a value to the benefit that new development receives from the availability of sewer capacity (which existing development has maintained over the years through the sewer rates). The total depreciated replacement value is \$161.6 million, of which 37.2 percent is new development's fair-share, or \$60.1 million. The second component is the charge for future improvements to the system identified in the City's Capital Improvement Program. The total cost of these future improvements is \$84.6 million, the fair-share allocation to new development is 37.2 percent of that amount, or \$29.8 million. The total fair-share is \$90 million. These funds may be used for capital improvements to maintain capacity in the system.

Annual Reporting Information:

1. Refer to page 33 of this report for the beginning and ending balance of the account for the sewer capacity fund, the amount of charges collected, and the interest earned from investment of moneys in the fund.
2. There is one project that was worked on in FY 2020-21 using the sewer capacity charge program. Refer to page 33 of this report for an identification of the public improvement on which charges were expended, the amount of the expenditures on each improvement.
3. Refer to page 33 of this report for an identification of public improvements anticipated to be undertaken in the next fiscal year.
4. The sewer capacity charges do not exceed the estimated reasonable costs of providing the facilities for which the fee is charged (see Cal. Gov. Code § 66013, subd. (a)).
5. The sewer capacity charge's accounting and reporting requirements are being met, i.e., the revenues are kept in a separate fund and the City provides annual reports on the use of the funds collected (see Cal. Gov. Code §§ 66013, subds. (c) and (d)).
6. There were not any interfund transfers or loans.

Sewer Capacity Charges (Fund 730)

This fee program funds the cost associated with providing collection and treatment capacity to new development, both through the existing infrastructure provided, and through future capital projects not funded by other sources.

Beginning balance, July 1, 2021	\$7,726,129	
Additions		
Fees collected	\$3,130,802	
Unrealized Gains/Losses	(\$373,689)	
Interest earned	<u>\$75,294</u>	
Total additions	\$2,832,407	
Disbursements		<u>% Fee Funded</u>
City administration	\$2,800	100%
Transfer out to Sewer Enterprise Fund: Pump Station #2 Upgrade (ss1702)	<u>\$147,072</u>	3%
Total disbursements	(\$149,872)	
Remaining Balance as of June 30, 2022	<u>\$10,408,664</u>	
Planned Projects for Fiscal Year 2021-22		<u>% Fee Funded</u>
There are no planned projects for Fiscal Year 2021-22	0	
Transfer to Sewer Enterprise Fund: Pump Station #2 Upgrade (ss1702)	<u>\$1,309,593</u>	
Total planned projects	(\$1,309,593)	
Remaining balance after planned projects	<u>\$9,099,071</u>	

Five-Year Revenue Test Using First in First Out Method

Revenue Available	FY 2017/18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Current Fiscal Year	\$5,565,334	\$3,187,257	\$2,297,395	\$1,916,350	\$2,832,407
Prior FY (2-yr Old Funds)	1,635,518	5,565,334	3,187,257	2,297,395	1,916,350
Prior FY (3-yr Old Funds)	1,777,053	1,635,518	5,565,334	3,187,257	2,297,395
Prior FY (4-yr Old Funds)	213,972	1,777,053	1,635,518	5,565,334	3,187,257
Prior FY (5-yr Old Funds)	222,438	213,972	1,777,053	1,635,518	5,565,334
In Excess of Five Prior Fiscal Years	<u>92,283</u>	<u>(55,576)</u>	<u>(6,312,809)</u>	<u>(6,875,725)</u>	<u>(5,390,079)</u>
Total Revenue Available	<u>\$9,506,598</u>	<u>\$12,323,558</u>	<u>\$8,149,748</u>	<u>\$7,726,129</u>	<u>\$10,408,664</u>

Bicycle and Pedestrian Impact Fee for Fiscal Year 2021-22

Land Use	Cost per Unit or 1,000 Square Feet (SQFT)
Residential	
Single-Family	\$243 per unit
Multi-Family	\$170 per unit
Mobile Home	\$127 per unit
Commercial/Industrial	
Commercial / Retail	\$.36 per SQFT
Hotel / Visitor Services	\$.24 / visitor SF
Office / R&D	\$.09 per SQFT
Industrial	\$.12 per SQFT

Commercial Linkage Impact Fee Rates for Fiscal Year 2021-22

Gross Square Feet Commercial Floor Area Minus Existing Floor Area × Current Fee Amount for Applicable Land use Category where the Land Use Fee is:

\$5.52 per sf for hotel

\$2.76 per sf for restaurant and retail

\$16.55 per sf for office and R&D

Library Impact Fee Rates for Fiscal Year 2021-22

Land Use	Cost per Unit or 1,000 Square Feet (SQFT)
Residential	
Up to 8 du / ac	\$725.86 per unit
8.1-18 du / ac	\$635.39 per unit
18 + du / ac	\$540.71 per unit
Commercial/Industrial	
Commercial / Retail	\$.07 per SQFT
Hotel / Visitor Services	\$.03 / visitor SF
Office / R&D	\$.13 per SQFT
Industrial	\$.04 per SQFT

Park In-Lieu Fee for Fiscal Year 2021-22

The Park In-Lieu Fee shall be determined using the formula set out in Chapter 19.24.090(a).

[Units in Structure X Average Residents per Unit X 0.003 (3 acres per 1,000 Residents) X Average Fair Market Value per acre = in-lieu fee]

Childcare Impact Fee Rates for Fiscal Year 2021-22

Land Use	per Unit or per Gross Sq. Ft. (GSF)
Residential	
Up to 8 du / ac	\$3,626.26 per unit
8.1-18 du / ac	\$3,175.72 per unit
18 + du / ac	\$2,703.56 per unit
Residential – Applications Deemed Complete before 1/1/2022	
Up to 8 du / ac	\$2,072.01
8.1-18 du / ac	\$1,945.33
18 + du / ac	\$1,938
Commercial/Industrial	
Commercial / Retail	\$0.71 per GSF
Hotel / Visitor Services	\$0.26 per GSF
Office / R&D	\$1.32 per GSF
Industrial	\$0.52 per GSF

Park Land Acquisition Fee for Fiscal Year 2021-22

Land Use	per Unit
Residential	
Single-Family	\$2,976 per unit
Duplex to Four-plex	\$2,571 per unit
5 to 19	\$2,183 per unit
20 to 49	\$1,759 per unit
50+	\$1,535 per unit
Mobile Home	\$2,286 per unit

Park Construction Fee for Fiscal Year 2021-22

Land Use	per Unit
Residential	
Single-Family	\$27,376.96 per unit
Duplex to Four-plex	\$23,647.54 per unit
5 to 19	\$20,076.23 per unit
20 to 49	\$16,188.71 per unit
50+	\$14,125.08 per unit
Mobile Home	\$21,029 per unit

Park Acquisition/Construction Fee for Nonresidential for Fiscal Year 2021-22

Commercial/Industrial	
Commercial / Retail	\$1.32 per SQFT
Hotel / Visitor Services	\$1.26 per SQFT
Office / R&D	\$3.10 per SQFT
Industrial	\$1.47 per SQFT

Public Arts In-Lieu Fees Fiscal Year 2021-22

Every non-residential development project shall provide qualifying public art with a value equal to not less than 1% of construction costs for acquisition and installation of public art on the development site. A non-residential development project may elect to make a public art contribution payment in an amount not less than 0.5% of construction costs into the public art fund, in lieu of acquisition and installation of public art on the development project site.

Public Safety Impact Fee Rates for Fiscal Year 2021-22

Land Use	per Unit or per Square Foot (SF)
Residential	
Up to 8 du / ac	\$1,452.19 per unit
8.1-18 du / ac	\$1,271.06 per unit
18 + du / ac	\$1,081.55 per unit
Commercial/Industrial	
Commercial / Retail	\$0.46 per SF
Hotel / Visitor	\$0.27 per SF
Office / R&D	\$1.15 per SF
Industrial	\$0.42 per SF

Transportation Impact Fee for Fiscal Year 2021-22

Land Use	per Unit or 1,000 Square Feet (SQFT)
Residential	
Single-Family	\$7,039.20 per unit
Multi-Family	\$4,056.46 per unit
Commercial/Industrial	
Commercial / Retail	\$26.62/ SQFT
Office/ R&D	\$30.53/ SQFT
Industrial	\$13.77/ SQFT
Hotel	\$2,565.85/ room

Oyster Point Interchange Impact Fee Rates for Fiscal Year 2021-22

The impact fee is calculated by multiplying the number of vehicle trips by \$154 and by the percentage increase in the Construction Cost Index (CCI) as published in the Engineering News-Record (ENR) from the date of adoption, when the CCI was 6,552.16, to the current effective CCI.

Vehicle Trips are based on average daily traffic (ADT). The rates shown below are based on 1,000 gross square feet of land use.

The ENR CCI published in May is used to calculate monthly increases. The CCI for May 2020 and 2021 were 12,816.67 and 13,425.35, respectively, resulting in a percentage increase of 4.75%.

Land Use	ADT Trip Rate per 1,000 GSF
General Industrial	5.72
Manufacturing	4.18
Warehousing	4.71
Hotel	11.00
General Office Building	12.88
Research & Development (R&D)	5.55
Restaurant (Dinner House/High Turn-over)	58.97 / 172.21
General Commercial	50.28

OPI Impact Fee: = (Development Area, SF / 1000 SF) X (\$154.00) X (Monthly ENR-CCI) / (6,552.16)

Sewer Impact Fee Rates for Fiscal Year 2021-22

The generation rate for all land use is 400 gallons per day per 1,000 square feet of building area.

New Sewer Impact Fee = (\$5.60/Gallon) X (1.0475) = (\$5.87/Gallon)

Traffic Impact Fee Rates for Fiscal Year 2021-22

Area of Building x Land Use Fee where the Land Use Fee is:

R&D/office = \$6.66 per building sq. ft.

Hotel = \$1,552.08 per room

Commercial/retail = \$27.63 per building sq. ft.

Sewer Capacity Charge for Fiscal Year 2021-22

The fee is updated each calendar year. The fee is currently \$5,497 per EDU. An EDU, or Equivalent Dwelling Unit, is the amount and strength of sewage equivalent to that discharged by a single-family residence. $EDU = (0.00347 \times Q) + (0.362 \times BOD) + (0.589 \times TSS)$. Q = gallons per day of sewage to be discharged; BOD = pounds per day of biochemical oxygen demand to be discharged; TSS = pounds per day of total suspended solids to be discharged.