



STAFF REPORT

SAUSALITO CITY COUNCIL

AGENDA TITLE:

Report on Development Impact Fees for the Fiscal Year 2007

RECOMMENDED MOTION:

Accept the Staff Report and approve the Development Impact Fee Annual Report

SUMMARY

The City of Sausalito currently has one Development Impact Fee (DIF), a construction traffic road fee (Sausalito Municipal Code Chapter 3.36). The fee is paid in conjunction with the issuance of a building permit. The intent of this fee is to allow mitigation of the impacts of private construction which includes accelerated wear and tear to the City's roads due to numerous heavy loads brought on by construction activity. Because the City collects a DIF, Government Code Section 66006 (b)(1) requires the preparation of a report to disclose the financial activity associated with the fee. This staff report and attachments provides the Council and public the opportunity to review the status of the City's DIF as it pertains to Fiscal Year 2007 (the 2006/2007 budget) and comply with State Law.

BACKGROUND

Government Code Section 66006 (b)(1) requires a local agency, within 180 days after the last day of each fiscal year, to make available to the public the following information for the fiscal year:

- A) A brief description of the type of fee in the account or fund.
- B) The amount of the fee.
- C) The beginning and ending balance of the account or fund.
- D) The amount of the fees collected and the interest earned.
- E) An identification of each public improvement on which the 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.
- F) An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement, and the public improvement remains incomplete.

- G) A description of each interfund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and in the case of an interfund 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.
- H) The amount of refunds made.

The City's DIF was established on June 10, 2003 and was put into effect for Fiscal Year 2004. A budget was created to spend these monies.

For Fiscal Year 2007 Development Impact Fees funds were expended as follows :

2006 Street Overlay Project(aka 2006 Street Rehab Project)	\$100,672.76
--	--------------

As illustrated in the Construction Impact Fee Fund Expenditure Budget (Exhibit B), the funds necessary to complete budgeted street repair exceeds the amount of money collected by the DIF . The current 2008 Street Repair Budget (part of the General Capital Budget) uses all of the DIF fund balances and supplements it with funds from other sources to allow full funding:

No interfund loans were made from the DIF Fund. No refunds were made.

FINANCIAL CONSIDERATIONS

The Community Development Department collected this money for the sole purpose of repairing City streets. The fund balance, as of June 30, 2007 is \$607,260.26. The fee revenue and expenditure plan is included in the current 2008 Budget.

STAFF RECOMMENDATION

Receive the Staff Report and approve the CIF Annual Report

ATTACHMENTS

Exhibit A – Development Impact Fee Annual Report
Exhibit B – 2008 Construction Impact Fee Project List

REPORT PREPARED BY:

Todd Teachout, P.E., City Engineer

SUBMITTED BY:

Adam Politzer
City Manager

REPORT REVIEWED BY:

Louise Ho
Finance Director