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Title: CONSIDER THE INTERIM DEVELOPMENT IMPACT FEE ANNUAL AND FIVE-YEAR REPORT FOR FISCAL YEAR 2022-2023, PURSUANT TO GOVERNMENT CODE SECTION 66006 (CITY COUNCIL)

Sponsors:

Indexes:

Code sections:

Attachments: 1. IDIF Program FY 2022-2023 Annual and Five-Year Reportv2

Date	Ver.	Action By	Action	Result
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Report to Mayor and City Council

Tuesday, January 09, 2024

Consent

SUBJECT:

CONSIDER THE INTERIM DEVELOPMENT IMPACT FEE ANNUAL AND FIVE-YEAR REPORT FOR FISCAL YEAR 2022-2023, PURSUANT TO GOVERNMENT CODE SECTION 66006 (CITY COUNCIL)

I. SUMMARY

State Law (Government Code §66006) requires any local agency that imposes development impact fees to prepare an annual and five-year report providing specific information about those fees. The City's Interim Development Impact Fee Program ("IDIF Program") adopted in April 2019 also incorporates the same reporting requirements under Chapter 6 of Article XI of the Carson Municipal Code (under Ordinance No. 19-1931). In accordance with these reporting requirements, the Interim Development Impact Fee Annual and Five-Year Report for Fiscal Year 2022-2023 ("Annual and Five-Year Report") is prepared for City Council review.

In summary, the City collected \$5,449,895 in IDIF revenue for Fiscal Year 2022-2023 and has a fund balance of \$12,187,824 as of June 30, 2023, when including all revenues collected and expenditures made since IDIF Program inception. Details of the IDIF fund are described in Table 1 and 2 of the staff report. Additional details can be found under attached Annual and Five-Year Report (Exhibit No. 1).

II. RECOMMENDATION

TAKE the following action:

- 1. RECEIVE and FILE.**

III. ALTERNATIVES

TAKE another action the City Council deems appropriate.

IV. BACKGROUND

Development impact fees are charged by local governmental agencies in connection with approval of development projects. The purpose of these fees is to collect a proportional share of funds from new development projects to mitigate impacts on infrastructure improvements or other public facilities. The legal requirements for enactment of an impact fee program are set forth in Government Code §§ 66000 - 66025 (the "Mitigation Fee Act").

The Annual and Five-Year Report provides revenue and expenditure information through June 30, 2023. Six types of fees are collected under the IDIF Program including: (1) Traffic, (2) Parks, (3) Beautification, (4) General Government Facilities, (5) Transportation Infrastructure, and (6) Utilities and Sustainability. These fees are generally collected in one lump sum fee ("IDIF Amount") and distributed into the six fee categories in accordance with the respective percentages provided by the IDIF Program Ordinance. In addition to the six categories above, an administration fee is included to offset the cost of managing the IDIF Program. This year's report includes a Five-Year Report section which makes certain findings with respect to applicable IDIF account that remains unexpended, whether committed or uncommitted.

Revenue

In summary, the following two tables summarize the preliminary unaudited collected amounts, as of June 30, 2023, for the six categories as well as the administration fee. The Previous Years row include the total IDIF collected since the inception of the program.

Table 1.0 - IDIF Program Revenue

Fiscal Year	Administration	Traffic	Parks	Beautification
Previous Years	\$ 672,279.67	\$ 1,478,957.16	\$ 2,326,959.27	\$ 36,525.77
FY 22-23	\$ 545,126.03	\$ 719,197.37	\$ 2,867,656.05	\$ 27,322.93
TOTAL	\$1,217,405.70	\$ 2,198,154.53	\$ 5,194,615.32	\$ 63,848.70

Fiscal Year	Gov. Facilities	Transportation	Utilities & Sustainability	Total Collected (All 7 Funds)
Previous Years	\$ 262,095.76	\$ 618,434.29	\$ 337,053.16	\$ 5,732,305.08
FY 22-23	\$ 196,135.05	\$ 883,623.65	\$ 251,834.78	\$ 5,490,895.86
TOTAL	\$ 458,230.81	\$ 1,502,057.94	\$ 588,887.94	\$ 11,223,200.94

The City has also collected impact fees that are separate from the IDIF. These fees are restricted and designated for specific public improvement projects as established by their individual project agreements, adopted City resolutions, and/or conditions of approval. Fees under this category are included in this Annual and Five-Year Report under the Other Fees (Restricted) category separate from the six fee categories of the IDIF Program.

Based on preliminary unaudited activities, as of June 30, 2023, the total balance of the “Restricted” category is as follows:

Table 2.0 - Other Collected Fees (Restricted)

Fiscal Year	Other Fees (Restricted)	Notes
FY 2018-2019	\$ 961,619.74	Collected from MBK Homes project for Shuttle Service, Public Art, and Traffic.
FY 2019-2020	\$ 858,951.00	Collected from MBK Homes for library infrastructure. Fees collected on behalf of LA County Library for use towards improvements to the library facilities in Carson.
FY 2020-2021	\$ -	
FY 2021-2022	\$ -	
FY 2022-2023	\$ -	
TOTAL	\$1,820,570.74	

Table 2.0 - Other Collected Fees (Restricted)

As presented in the table above, restricted revenue collected may also be set aside for external public entities. For example, the \$858,951.00 amount collected in FY 19-20 is reserved for the Los Angeles County Library District for their use towards improvements to the MLK Library in Carson.

Expenditure

As of June 30, 2023, a \$858,951 payment was made to County of Los Angeles Library District during Fiscal Year 2022-2023 for improvements to Carson’s Martin Luther King

Library pursuant to a previously approved Memorandum of Understanding (MOU) by and between the City of Carson and County of Los Angeles.

Public Notice

City staff has prepared the attached Annual and Five-Year Report and made it available to the public in advance of this meeting as required by State law and recommends that the City Council receive and file the attached report.

V. FISCAL IMPACT

None. There are no fiscal impacts associated with the receiving and filing of this Annual and Five-Year Report.

VI. EXHIBITS

1. Interim Development Impact Fee Annual and Five-Year Report for FY 22-23 (pgs. 5-27)

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