# CITY OF CARSON

## Legislation Details (With Text)

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|---|---|---|---|---|---|
| **File #:** | 2021-983 | **Version:** | 1 | **Name:** | |
| **Type:** | Consent | | | **Status:** | Agenda Ready |
| **File created:** | 12/21/2021 | | | **In control:** | City Council |
| **On agenda:** | 1/4/2022 | | | **Final action:** | |
| **Title:** | CONSIDER THE INTERIM DEVELOPMENT IMPACT FEE ANNUAL REPORT FOR FISCAL YEAR 2020-2021, PURSUANT TO GOVERNMENT CODE SECTION 66006 (CITY COUNCIL) | | | | |
| **Sponsors:** | | | | | |
| **Indexes:** | | | | | |
| **Code sections:** | | | | | |
| **Attachments:** | 1. EXHIBIT NO. 1: Draft IDIF Program FY 2020-2021 Annual Report | | | | |

| Date | Ver. | Action By | Action | Result |
|---|---|---|---|---|

# Report to Mayor and City Council

Tuesday, January 04, 2022

Consent

**SUBJECT:**

**CONSIDER THE INTERIM DEVELOPMENT IMPACT FEE ANNUAL REPORT FOR FISCAL YEAR 2020-2021, 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 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 Report for Fiscal Year 2020-2021 ("Annual Report") is prepared for City Council review.

## II. RECOMMENDATION

TAKE the following action:

1. RECEIVE and FILE.

## III. ALTERNATIVES



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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 Report (Exhibit No. 1) provides revenue and expenditure information through June 30, 2021. 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.

Prior to adoption of IDIF Program, City had been charging development projects a "Short-Term Interim Development Impact Fee" of $2.00 per building square foot for industrial, $807.56 per truck parking space for truck yards, and/or $10,000 per residential unit in matters which have either been negotiated through Development Agreements and/or had been subject to the City's Moratorium on certain types of developments. Because Short Term Interim Development Impact Fees were collected prior to the adoption of the IDIF Program, the collected fees are converted in proportion to the fee type category based on the current IDIF Program as presented in this Annual Report.

*Revenue*

In summary, the following two tables summarize the preliminary unaudited collected amounts, as of June 30, 2021, for the six categories as well as the administration fee. The amounts below include both collected IDIF and Short Term IDIF:

| Fiscal Year | Administration | Traffic | Parks |
|---|---|---|---|
| FY 16-17 | N/A | N/A | N/A |
| FY 17-18 | $ 36,828.69 | $ 170,177.40 | $ 114,295.81 |
| FY 18-19 | $ 110,263.95 | $ 273,446.36 | $ 323,276.19 |
| FY 19-20 | $ 2,251.77 | $ - | $ - |
| FY 20-21 | $ 162,364.29 | $ 302,909.67 | $ 759,750.27 |
| **TOTAL** | **$ 311,708.70** | **$ 746,533.43** | **$ 1,197,322.27** |



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| Fiscal Year | Beautification | Gov. Facilities | Transportation | Utilities & Sustainability |
|---|---|---|---|---|
| FY 16-17 | N/A | N/A | N/A | N/A |
| FY 17-18 | $ 3,049.95 | $ 21,861.81 | $ 44,533.70 | $ 28,121.64 |
| FY 18-19 | $ 10,089.51 | $ 72,273.85 | $ 147,224.51 | $ 92,967.64 |
| FY 19-20 | $ - | $ - | $ 120,000.00 | $ - |
| FY 20-21 | $ 7,480.02 | $ 53,774.70 | $ 194,552.39 | $ 69,149.99 |
| **TOTAL** | **$ 20,619.48** | **$ 147,910.36** | **$ 506,310.59** | **$ 190,239.27** |

| Fiscal Year | Total Collected |
|---|---|
| FY 16-17 | N/A |
| FY 17-18 | $ 418,869.00 |
| FY 18-19 | $ 1,029,542.00 |
| FY 19-20 | $ 122,251.77 |
| FY 20-21 | $ 1,549,981.33 |
| **TOTAL** | **$3,120,644.10** |

The City has also collected impact fees that are separate from the IDIF and Short Term 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 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, 2021, the total balance of the "Restricted" category is as follows:

| Fiscal Year | Other Fees (Restricted) | Notes |
|---|---|---|
| FY 2016-2017 | $ 38,088.75 | Collected from the Porsche Experience Center project for fire related infrastructure. Fees collected on behalf of the LA County Fire Department for its use. |
| FY 2017-2018 | $ - | |
| 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 | $ - | |
| **TOTAL** | **$ 1,858,659.49** | |

As presented in the table above, some of the restricted revenue collected during FY 16-17 and FY 19-20 are set aside for external public entities. Specifically, the $38,088.75 collected in FY 16-17 is reserved for the Los Angeles County Fire Department for fire related infrastructure improvements. Similarly, 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, 2021, $38,088.75 of restricted fees were expended for geotechnical and soil investigation for a fire station on 20820 S. Main Street. There are no other expenditures.

*Public Notice*

City staff has prepared the attached Annual Report and made it available to the public at least 15 days 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 Report.

## VI. EXHIBITS

Interim Development Impact Fee Annual Report for FY 20-21 (pgs. 5-19)

Prepared by: James Nguyen, Project Manager, Saied Naaseh, Director of Community Development;