THE CITY OF SAN DIEGO

REPORT TO THE CITY COUNCIL

DATE ISSUED: April 16, 2008 REPORT NO: 08-059

ATTENTION: Council President and City Council
Docket of April 22, 2008

SUBJECT: Developer Impact Fees FY 2007 Annual Report

REQUESTED ACTION: Adopt a resolution accepting the attached developer fees reports for Fiscal Year 2007 and make findings related to unexpended balances as required in the California Government Code 66001.

STAFF RECOMMENDATION: Adopt the resolution accepting the attached reports and make findings as required by the California Government Code.

SUMMARY: The purpose of this Report to the City Council, and the accompanying attachments, is to fulfill state mandated annual reporting and disclosure requirements with respect to the imposition of development impact fees by local governments.

The California Government Code requires that local agencies that impose fees in connection with the approval of development projects make certain information available to the public on an annual basis. This section of the Government Code requires that the following be disclosed: a) a brief description of the type of fee in the fund; b) the amount of the fee; c) the beginning and ending balance of the fund; d) the amount of fees collected and the interest earned; e) an identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement; and f) an identification of an approximate date by which the construction of the public improvement will commence if the public agency determines that sufficient funds have been collected to complete financing of an incomplete public improvement.

Reports 1 through 3 relate to Development Impact Fees, Park Development Fees, and Urban Impact Fees. Reports 4 and 5 relate to the Sewerage Utility Expansion Fund and the Water Utility Expansion Fund. These reports were made available to the public in the City Clerk's Office on December 18, 2007.

Section 66001 of the Government Code mandates additional disclosure with respect to any fees collected and remaining unexpended in the fifth year after collection. For this category, whether

the fees are committed or not, the following findings must be made: 1) identify the purpose to which the fee is to be put; 2) demonstrate a reasonable relationship between the fee and the purpose for which it is charged; and 3) identify all sources and amounts of funding anticipated to complete financing of incomplete improvements and the approximate dates on which such funding is expected to be deposited into the appropriate fund. When sufficient funds have been collected to complete financing of incomplete public improvements and the improvements remain incomplete, the agency is required to identify an approximate date by which construction of the public improvement will be commenced, or shall refund to the then current owners of record the unexpended portion of the fee and interest accrued thereon with limited exception. Required findings for funds collected over five years ago are contained in Attachment 6.

FISCAL CONSIDERATIONS: Not applicable.

PREVIOUS COUNCIL and/or COMMITTEE ACTION: As this is an annual report, the City Council approved the Developer Impact Fees FY 2006 Report on March 27, 2007, Resolution # 302427.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: On December 18, 2007 Report 1 through Report 5 (see Attachments) were filed with the Office of the City Clerk for public review.

KEY STAKEHOLDERS AND PROJECTED IMPACTS: Not applicable.

Charlene M. Gabriel
Facilities Financing Manager
City Planning & Community Investment

Beth Murray for
William Anderson, FAICP
Deputy Chief Operating Officer:
Executive Director of City Planning and Development

Attachment:
1. Report #1 Development Impact Fee (Planned Urbanizing)
2. Report #2 Park Development Fees
3. Report #3 Urban Impact Fees
4. Report #4 Sewerage Utility Expansion Fund
5. Report #5 Water Utility Expansion Fund
6. Findings
7. Fee Schedule

Note: Due to the size of the attachment, only a limited distribution was made. A copy is available for review in the Office of the City Clerk.