

SUMMARY REPORT

CITY COUNCIL

ITEM INITIATED BY:

Christopher Fong, P.E., City Engineer/Director of Utilities
Department of Engineering/Utilities

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ITEM AUTHORIZED BY:

Jim Lindley, City Manager

PREPARED BY:

Brandon Rodriguez, P.E., Senior Civil Engineer
Department of Engineering/Utilities

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RECOMMENDATION / REQUESTED ACTION:

Receive and file the Annual Report on Development Impact Fees (also known as AB 1600 or Capital Facilities Fees) for the Fiscal Year 2023-24 as required by Government Code Section 66006(b).

BACKGROUND / DISCUSSION / ANALYSIS:

A Development Impact Fee is a monetary exaction other than a tax or special assessment that is charged by a local governmental agency to an applicant in connection with the approval of a development project to defray all or a portion of the cost of public facilities related to the development project. (Govt. Code § 66000(b).) Agencies that collect and utilize Development Impact Fees are required to provide information on each fund or account established for the collection of impact fees. Within 180 days after the last day of each fiscal year, this information must be made available to the public for the period covered by that fiscal year. The information must provide the following:

1. A brief description of the type of fee in the fund.
2. The amount of the fee.
3. The beginning and ending balances of the fund.
4. The number of fees collected, and the interest earned.
5. An identification of each public improvement on which fees were expended and the number of expenditures on each improvement, including the total percentage of improvement that was funded with Impact fees.
6. An identification of an approximate date by which the construction of the public improvement will commence if the City determines that sufficient funds have been collected to complete financing on an incomplete public improvement.
7. A description of each inter-fund transfer or loan made from the fund, including the public improvement on which the transferred or loaned fees were expended; and in the case of an inter-fund loan, the date on which the loan will be repaid and the rate of interest that will be received on the loan.

8. The number of refunds made per Government Code Section 66001(e).

The 2023-24 Development Impact Fee Report provides information on the following infrastructure service types (funds):

- Fire Facilities Impact Fee
- Police Facilities Impact Fee
- Administrative & Public Works
Administrative Facilities Impact Fee
- Drainage Improvement Impact Fee
- Transportation Impact Fee
- Park and Recreation Facilities Impact
Fee
- Sewer Impact (Connection) Fee
- Water Impact (Connection) Fee

The attached report includes a summary of all funds and individual pages that provide details of activity by infrastructure service type. Current Development Impact Fees are published in the Citywide Master Fee Schedule.

ALTERNATIVES / OPTIONS:

None.

ENVIRONMENTAL:

None.

SUBSEQUENT ACTION(S):

The Annual Report will be published on the City's website.

FINANCIAL IMPACT:


None.

ATTACHMENTS:

- City of Dixon Annual Report on Development Impact Fees Fiscal Year 2023-24

APPROVALS:

Finance: 13

City Manager: 

City Attorney: _____



City of Dixon, California

Annual Report

Development Impact Fees

Fiscal Year 2023-24

City of Dixon
Development Impact Fee Annual Report
Fiscal Year 2023-24

This report contains information on the City of Dixon's Development Impact Fees for the Fiscal Year 2023-2024. This information is presented to comply with the annual reporting requirements contained in Government Code Section 66000 et seq., also referred to as AB1600. Please note that this annual report is not a budget document; instead, it is meant to meet reporting requirements. This annual report is not intended to represent a full picture of currently planned projects as it only reports revenues and expenditures for Fiscal Year 2023-24. The annual report must be made available to the public within 180 days after the last day of the fiscal year.

The report summarizes the following information for each of the Development Impact Fee programs.

1. A brief description of the fee program.
2. Schedule of fees.
3. Beginning and ending balances of the fee program.
4. Amount of fees collected, interest earned, and transfers/loans.
5. Disbursement information (including inter-fund transfers/loans) and percentage of the project funded by fees.
6. A description of each inter-fund loan along with the date the loan will be repaid and the rate of interest.
7. The estimated date when projects will begin if sufficient revenues are available to construct the project.
8. Findings for each fee program.

Development Impact Fees are not a tax or special assessment, but a fee charged by a local government agency to an applicant in connection with the approval of a development project. The purpose of these fees is to defray all, or a portion of the public facilities' cost related to the projected development. The legal requirements for enactment of a development impact fee program are set forth in California Government Code Sections 66000-66025. The majority of the provisions were adopted in 1987's Assembly Bill (AB) 1600 and are commonly referred to as "AB1600 requirements."

City of Dixon Impact Fees Revenue and Expenditures For Fiscal Year 2023/24

Fund 410 Fire Facilities Impact Fee

The fees are used to mitigate the impact of new development on fire facilities.

Fee Schedule

Residential - Single Family	\$2,167.33/unit
Residential - Multi-Family	\$1,726.92/unit
Highway Commercial	\$1.35/sq. ft.
Commercial	\$1.35/sq. ft.
Office	\$2.038/sq. ft.
Industrial	\$1.69/sq. ft.

	<u>Project Number</u>	<u>FY 23/24 AB 1600</u>	<u>% from this fund</u>		<u>Total Project Expenditures</u>
<u>Revenue</u>					
Interest		\$ 107,872			
Fire Facilities Impact Fees		<u>\$ 715,386</u>			
Total Revenue		<u>\$ 823,258</u>			
<u>Expenditures</u>					
Administration		\$ 7,173	100.00%	\$	30,639
Fire Station #2	100117	<u>\$ 88</u>	100.00%	\$	88
Total Expenditures		<u>\$ 7,261</u>			
Revenue less Expenditures		\$ 815,997			
Balance as of June 30, 2023		<u>2,370,681</u>			
Balance as of June 30, 2024		<u>\$ 3,186,678</u>			

*Note: Presentation does not include effect of fair value investment adjustment reflected in the City's Annual Comprehensive Financial Reports

City of Dixon Impact Fees Revenue and Expenditures For Fiscal Year 2023/24

Fund 420 Police Facilities Impact Fee

The fees are used to mitigate the impact of new development on police facilities.

Fee Schedule

Residential - Single Family	\$863.46/unit
Residential - Multi-Family	\$687.30/unit
Highway Commercial	\$0.54/sq. ft.
Commercial	\$0.54/sq. ft.
Office	\$0.81/sq. ft.
Industrial	\$0.67/sq. ft.

	<u>Project Number</u>	<u>FY 23/24 AB 1600</u>	<u>% from this fund</u>	<u>Total Project Expenditures</u>
<u>Revenue</u>				
Interest		\$ 40,925		
Police Facilities Impact Fees		284,880		
Total Revenue		<u>\$ 325,805</u>		
<u>Expenditures</u>				
Administration		5,480	100.00%	\$ 23,196
Police Dept. - 2nd Story	100118	126,905	100.00%	\$ 152,783
Total Expenditures		<u>\$ 132,385</u>		
Revenue less Expenditures		\$ 193,420		
Balance as of June 30, 2023		<u>965,690</u>		
Balance as of June 30, 2024		<u><u>\$ 1,159,110</u></u>		

*Note: Presentation does not include effect of fair value investment adjustment reflected in the City's Annual Comprehensive Financial Reports

City of Dixon Impact Fees Revenue and Expenditures For Fiscal Year 2023/24

Fund 430 Administrative Facilities Impact Fee

The fees are used to mitigate the impact of new development on Administrative facilities.

Fee Schedule

Residential - Single Family	\$1,696.23/unit
Residential - Multi-Family	\$1,350.58/unit
Highway Commercial	\$1.06/sq. ft.
Commercial	\$1.06/sq. ft.
Office	\$1.59/sq. ft.
Industrial	\$1.33/sq. ft.

	<u>Project Number</u>	<u>FY 23/24 AB 1600</u>	<u>% from this fund</u>	<u>Total Project Expenditures</u>
<u>Revenue</u>				
Interest		\$ 98,365		
Administrative Facilities Impact Fees		559,701		
Total Revenue		<u>\$ 658,066</u>		
<u>Expenditures</u>				
Administration		6,282	1.22%	\$ 514,140
City Hall Expansion Study	100306	-	0.00%	\$ -
MSC Improvement/Master Plan	100314	56,993	58.40%	\$ 97,587
Total Expenditures		<u>\$ 63,275</u>		
Revenue less Expenditures		\$ 594,791		
Balance as of June 30, 2023		<u>2,238,568</u>		
Balance as of June 30, 2024		<u><u>\$ 2,833,359</u></u>		

*Note: Presentation does not include effect of fair value investment adjustment reflected in the City's Annual Comprehensive Financial Reports

City of Dixon Impact Fees Revenue and Expenditures For Fiscal Year 2023/24

Fund 450 Drainage Improvement Impact Fee

The fees are used to mitigate the impact of new development on the drainage system.

Fee Schedule

	<u>Fee Area</u>				
	A1	A2	A3	B/C	D/G
Residential - Single Family	\$357.72	\$8,167.21	\$8,445.42	\$2,337.52	N/A
Residential - Multi-Family	\$1,881.38	\$50,708.60	\$49,152.73	\$12,380.47	N/A
Highway Commercial	\$2,420.83	\$65,197.54	\$63,195.01	\$15,917.99	\$29,689.62
Commercial - Office	\$2,420.83	\$65,197.54	\$63,195.01	\$15,917.99	\$29,689.62
Commercial - Service	\$2,420.83	\$65,197.54	\$63,195.01	\$15,917.99	\$29,689.62
Industrial	\$2,420.83	\$65,197.54	\$63,195.01	\$15,917.99	\$29,689.62

	<u>Project Number</u>	<u>FY 23/24 AB 1600</u>	<u>% from this fund</u>	<u>Total Project Expenditures</u>
Revenue				
Interest		\$ 166,031		
Drainage Improvement Impact Fees		1,800,102		
Project Reimbursement/Others		-		
Total Revenue		<u>\$ 1,966,133</u>		

Expenditures

Administration		6,966	100.00%	505,450
Pond C	100315	-	72.52%	\$ 1,386,275
NE Quad Drainage Study	100316	11,352	100.00%	\$ 11,352
Storm Drain Master Plan Update	100119	171,563	100.00%	\$ 171,563
Storm Drain Impact Fee (Nexus Study)	100373	69	100.00%	\$ 69
Integrated Pest Management Plan	100374	3,060	100.00%	\$ 3,060
Total Expenditures		<u>\$ 193,010</u>		
Revenue less Expenditures		<u>\$ 1,773,123</u>		
Balance as of June 30, 2023		<u>3,166,557</u>		
Balance as of June 30, 2024		<u><u>\$ 4,939,680</u></u>		

*Note: Presentation does not include effect of fair value investment adjustment reflected in the City's Annual Comprehensive Financial Reports

City of Dixon Impact Fees Revenue and Expenditures For Fiscal Year 2022/23

Fund 460 & 461 Transportation Impact Fee

The fees are used to fund regional, local, and alternative transportation improvements.

Fee Schedule

Residential - Single Family	\$13,448.80/unit
Residential - Multi-Family	\$7,606.94/unit
Commercial	\$14.60/sq. ft
Office	\$12.03/sq. ft
Industrial	\$6.77/sq. ft.

	<u>Project</u>	<u>FY 23/24</u>	<u>% from</u>	<u>Total Project</u>
	<u>Number</u>	<u>AB 1600</u>	<u>this fund</u>	<u>Expenditures</u>
<u>Revenue</u>				
Interest		\$ 719,097		
Transportation Impact Fees		\$ 1,591,783		
Mitigation Fees		\$ -		
Project Reimbursement/Others		\$ -		
Total Revenue		<u>\$ 2,310,880</u>		

Expenditures

Administration		\$ 28,090	100.00%	\$ 659,391
Sidewalk Rehabilitation Program		\$ -	100.00%	\$ 2,009
Transportation Impact Fee Study	100120	\$ -	100.00%	\$ 68,220
Vaugh Rd. Realignment Study	100122	\$ 171,549	100.00%	\$ 309,688
Pedestrian Crossing Improvements	100124	\$ 143	53.35%	\$ 21,841
Parkway Blvd Overcrossing	100126	\$ 450,560	100.00%	\$ 5,377,482
Pedrick Rd. Interchange Study	100320	\$ 130	100.00%	\$ 3,757
Street Master Plan	100321	\$ -	100.00%	\$ 163,615
North First Street Interchange Study	100322	\$ 1,892	100.00%	\$ 3,693
5-Year Subdivision Slurry Project	100323	\$ 108,026	100.00%	\$ 174,497
North First Street RR Crossing Imp	100327	\$ -	100.00%	\$ 411,395
Vaca-Dixon Bikeway Ph6	100328	\$ -	100.00%	\$ 503,177
Railroad Safety Corridor Study	100330	\$ -	100.00%	\$ 13,856
Speed Zone Survey	100332	\$ 278	100.00%	\$ 23,300
Crosswalk Signage Replacement	100398	\$ -	100.00%	\$ 24,595
Cherry Street Improvements		\$ -	100.00%	\$ 15,000
Slurry Seal & Paving		\$ -	100.00%	\$ 508,250
Save Route to School Jacobs/Tremont		\$ -	100.00%	\$ 191,677
Pavement Rehabilitation		\$ -	100.00%	\$ 1,246
Benchmark Project		\$ -	100.00%	\$ 61,995
West A Street Interchange Study	100319	\$ 3,693	100.00%	\$ 3,693
Total Expenditures		<u>\$ 764,361</u>		

Revenue less Expenditures \$ 1,546,519

Balance as of June 30, 2023 13,843,506

Balance as of June 30, 2024 \$ 15,390,025

*Note: Presentation does not include effect of fair value investment adjustment reflected in the City's Annual Comprehensive Financial Reports

City of Dixon Impact Fees Revenue and Expenditures For Fiscal Year 2022/23

Funds 480 & 481 Park and Recreation Impact Fee

The fees are used to fund park and community and recreation center improvements.

Fee Schedule

Residential - Single Family	\$17,954.00
Residential - Multi-Family	\$15,255.00
Mobile Homes	\$13,026.00
Highway Commercial	N/A
Commercial	N/A
Office	N/A
Industrial	N/A

	<u>Project Number</u>	<u>FY 23/24 AB 1600</u>	<u>% from this fund</u>	<u>Total Project Expenditures</u>
<u>Revenue</u>				
Interest		156,321		
Recreation Impact Fees		5,474,986		
Park Impact Fees		-		
Park-in-lieu Fees		16		
Total Revenue		\$ 5,631,323		
<u>Expenditures</u>				
Administration		12,374	100.00%	576,373
Park Rehabilitation		-	100.00%	\$ 4,456
Park Master Plan Update	100128	125,263	100.00%	276,011
Challenger Field Improvements		-	100.00%	3,323
Computerized Irrigation System		-	100.00%	99,443
Hall Park Phase III & IV	100004	26,914	100.00%	5,477,856
SW Community Center/Aquatic Center	100406	-	100.00%	123
Playground Equipment		-	100.00%	471,954
Northwest Park Dog Park	100407	-	100.00%	23,549
Hall Park Tennis Court Reconstruction	100353	4,356	100.00%	68,006
Pat Granucci Aquatic Facility Renovation	100354	-	100.00%	229,563
NW Park Playground Replacement	100338	49,129	100.00%	162,105
Total Expenditures		\$ 218,036		
Revenue less Expenditures		\$ 5,413,287		
Balance as of June 30, 2023		11,888,666		
Balance as of June 30, 2024		\$ 17,301,953		

*Note: Presentation does not include effect of fair value investment adjustment reflected in the City's Annual Comprehensive Financial Reports

City of Dixon
Impact Fees Revenue and Expenditures
For Fiscal Year 2023/24

Fund 310 Sewer Connection Fee

The fees are used to mitigate the impact of new development on the wastewater system.

Fee Schedule

Single Family Dwelling \$17,064.31

Multi-family Residential, Commercial,
Office, and Industrial
(based on water meter size)

	Low	Strength Medium	High
3/4" meter	\$28,725.76	\$31,223.67	\$38,339.73
1" meter	\$47,876.26	\$52,039.41	\$63,899.55
1 1/2" meter	\$95,752.51	\$104,078.81	\$127,799.11
2" meter	\$153,204.02	\$166,526.10	\$204,478.57
3" meter	\$287,257.54	\$312,236.45	\$383,397.32
4" meter	\$478,762.55	\$520,394.10	\$638,995.54

	<u>Project Number</u>	<u>FY 23/24 AB 1600</u>	<u>% from this fund</u>	<u>Total Project Expenditures</u>
<u>Revenue</u>				
Interest		\$ 681,228		
Sewer Connection Fees		5,172,501		
Total Revenue		<u>\$ 5,853,729</u>		
<u>Expenditures</u>				
SRF Debt Service		689,246	40.00%	5,229,951
SRF Reserve			40.00%	693,864
Tsfr to Rehab & Improve Capital Administration		291,656 23,946	20-50%	951,680
Valley Glen Sewer Line Oversize			100.00%	620,250
Total Expenditures		<u>\$ 1,004,848</u>		260,285
Revenue less Expenditures		\$ 4,848,881		
Balance as of June 30, 2023		<u>13,351,053</u>		
Balance as of June 30, 2024		<u>\$ 18,199,934</u>		

*Note: Presentation does not include effect of fair value investment adjustment reflected in the City's Annual Comprehensive Financial Reports

City of Dixon Impact Fees Revenue and Expenditures For Fiscal Year 2023/24

Fund 334 Water Connection Fee

The fees are used to mitigate the impact of new development on the water system.

<u>Fee Schedule</u>	<u>Domestic</u>	<u>Irrigation</u>		
3/4" meter	\$7,902.71	\$3,523.32		
1" meter - residential (1) (3)	\$7,902.71	\$5,873.02		
1" meter	\$13,197.51	\$5,063.76		
1-1/2" meter	\$26,316.01	\$11,743.62		
2" meter	\$42,121.41	\$18,790.27		
3" meter	\$84,321.85	\$35,233.26		
4" meter	\$131,738.08	\$58,722.91		
6" meter	\$263,397.14	\$117,443.40		
8" meter	\$421,451.23	\$187,909.95		
			<u>Project</u>	<u>FY 23/24</u>
			<u>Number</u>	<u>AB 1600</u>
				<u>% from</u>
				<u>this fund</u>
				<u>Total Project</u>
				<u>Expenditures</u>
Revenue				
Interest		\$ 107,540		
Water Connection Fees		502,583		
Total Revenue		<u>\$ 610,123</u>		
Expenditures				
Administration		3,664	100.00%	\$ 12,992
Fitzgerald Drive Well Upgrade		1,443	100.00%	6,492
Total Expenditures		<u>\$ 5,107</u>		
Revenue less Expenditures		\$ 605,016		
Balance as of June 30, 2023		<u>2,383,457</u>		
Balance as of June 30, 2024		<u><u>\$ 2,988,473</u></u>		

*Note: Presentation does not include effect of fair value investment adjustment reflected in the City's Annual Comprehensive Financial Reports

City of Dixon
Impact Fees Revenue and Expenditures
For Fiscal Year 2023/24

Interfund Transfers

Fund 410 Fire Facilities Impact Fee

A transfer of \$7,173 was made to the general fund for administrative costs per the cost allocation plan.

Fund 420 Police Facilities Impact Fee

A transfer of \$5,480 was made to the general fund for administrative costs per the cost allocation plan.

Fund 430 Administrative Facilities Impact Fee

A transfer of \$6,282 was made to the general fund for administrative costs per the cost allocation plan.

Fund 450 Storm Drainage Administrative Facilities Impact Fee

A transfer of \$6,966 was made to the general fund for administrative costs per the cost allocation plan.

Fund 460 & 461 Transportation Impact Fee

An interfund transfer of \$28,090 was made to the general fund for administrative costs per the cost allocation plan.

Fund 480 & 481 Park and Recreation Impact Fee

An interfund transfer of \$12,374 was made to the general fund for administrative costs per the cost allocation plan.

Fund 310 Sewer Connection Fee

An interfund transfer of \$291,656 was made to the Sewer Capital Mixed Fund (fund 316). The Sewer Capital Mixed Fund tracks projects that are funded by both connection fees as well as user charges. A transfer of \$23,946 was made to the general fund for administrative costs per the cost allocation plan. \$689,246 was transferred to the State Revolving Loan Debt Service Fund.

Fund 334 Water Impact Fee

An interfund transfer of \$3,664 was made to the general fund for administrative costs per the cost allocation plan.

City of Dixon
Impact Fees Revenue and Expenditures
For Fiscal Year 2023/24

Interfund Loans

Fund 460 Transportation Impact Fee

An interfund loan was made from the Transportation Impact Fee Fund (460) to the Drainage Improvement Impact Fee Fund (450) for the Pond C project in 2008 in the amount of \$1,275,000. The interest on the loan is set at average annual LAIF plus 0.5%. A payment of \$160,052 was made during fiscal year 2024. It is projected that principal payments of \$141,000 in addition to the annual interest will be made each year with the final payment made during fiscal year 2027. This repayment schedule is contingent upon sufficient impact fee receipts in the Drainage Improvement Impact Fee Fund (450).