



City of Sierra Madre Agenda Report

Gene Goss, Mayor
Edward Garcia, Mayor Pro Tem
Rachelle Arizmendi, Council Member
Kelly Kriebs, Council Member
Robert Parkhurst, Council Member

Michael Amerio, City Treasurer

TO: Honorable Mayor and Members of the City Council

FROM: Satnam Rait, Finance and Budget Manager

REVIEWED BY: Jose Reynoso, City Manager

DATE: October 25, 2022

**SUBJECT: AB 1600 ANNUAL COMPLIANCE REPORT
FY 2021-2022**

STAFF RECOMMENDATION

Staff recommends City Council receive and file the annual AB 1600 Compliance Report for fiscal year 2021-22 in accordance with California Government Code 66006.

ALTERNATIVES

1. To file the annual AB 1600 Compliance Report for fiscal year 2021-22.
2. Provide Staff with other directions.

SUMMARY

California Government Code Section 66006 requires cities imposing public facility fees to prepare an annual accounting of the revenue and expenditures in each of the funds as well as an explanation as to the use of the funds. The city received \$359,515 in new development impact fees during FY 2021-22, had expenditures foreligible projects during the fiscal year, and received interest income.

ANALYSIS

Government Code Section 66006 requires reporting on the activities within the public facility fee funds to be made available to the public within 180 days of the end of the fiscal year.

Attached is the report outlining activity within the City of Sierra Madre's public facility fee funds. Revenues comprised of development impact fees and interest income and were allocated on fund balances for each of the public facility fee categories.

During the fiscal year of 2021-22, development impact fees of \$359,515 were received and project expenditures of \$331 were incurred. Total funds remaining at the end of FY 2021-22 were \$605,323.

FINANCIAL REVIEW/SOURCE OF FUNDING

There is no financial impact for filing the annual AB 1600 Compliance Report.

PUBLIC NOTICE PROCESS

This item has been noticed through the regular agenda notification process. Copies of this report can be accessed on the City's website at www.cityofsierramadre.com

Attachments:

Attachment A: AB 1600 Compliance Report for FY 2021-22

City of Sierra Madre

AB 1600 Compliance Report Fiscal Year 2021-22



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AB 1600 Compliance Report

Introduction

The City of Sierra Madre imposes development impact fees under authority granted under Sections 66000 through 66008 of the California Government Code. These fees, known as Public Facility Fees, are charged to mitigate the effects of development on the city's public facilities. The fees were developed through a fee study process performed by MuniFinancial Services in 2006 and are periodically updated based on the Construction Cost Index. Annual reporting on the receipt and expenditure of the fees is required under Section 66006 of the California Government Code.

Annual Reporting Requirements

The annual reporting requirements include:

- A brief description of the type of fee in the account or fund.
- The amount of the fee.
- The amount of the fees collected and the interest earned.
- An identification of each public improvement on which 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.
- 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.
- 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.
- The amount of refunds made.

Public Facility Fee Categories

The City has seven categories of Public Facilities Fees. They include General Government, Library, Public Safety, Parks, Traffic, Water and Sewer fees. Fees are charged based on the type of development such as single-family, multi-family or non-residential uses. The following pages outline the activities for each of the public facilities fees for fiscal year 2021-22 as required by Section 66006 of the California Government Code.

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General Government

The purpose of the General Government Public Facility Fee is to ensure that new development funds its fair share of general government facilities. Revenues are used to expand general facilities and for other projects to accommodate new development. General government facilities include, but are not limited to, government administrative offices, city-owned vehicles, and city storage facilities.

FY 2021-2022 Schedule:

Residential		Nonresidential (per 1,000 sq. ft.)		
Single Family	Multi-Family	Commercial	Office	Industrial
\$2,603.73	\$1,622.30	\$630.81	\$839.17	\$421.02

Fiscal Year 2021-22 Activity:

Beginning Fund Balance, July 1, 2021	\$21,231
Revenue	
Fees Collected	20,149
Interest Earnings	574
	20,723
Expenditures	
Project Expenditures	-
	-
Excess Revenue Over/(Under) Expenditures	20,723
Ending Fund Balance, June 30, 2022	\$41,954

Current Public Improvement Projects:

There were no projects budgeted in fiscal year 2021-22

Interfund Transfers or Loans:

There were no interfund transfers or loans in fiscal year 2021-22

Refunds:

There were no refunds made in fiscal year 2021-22

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Library

The purpose of the Library Public Facility Fee is to ensure that new development funds its fair share of library facilities. Revenue is used to help fund expanded library facilities and for other projects to serve new development.

FY 2021-2022 Schedule:

Residential		Nonresidential (per 1,000 sq. ft.)		
Single Family	Multi-Family	Commercial	Office	Industrial
\$1,507.34	\$939.76	N/A	N/A	N/A

Fiscal Year 2021-22 Activity:

Beginning Fund Balance, July 1, 2021	\$1,995
Revenue	
Fees Collected	11,668
Interest Earnings	70
	11,738
Expenditures	
Project Expenditures	-
	-
Excess Revenue Over/(Under) Expenditures	11,738
Ending Fund Balance, June 30, 2022	\$13,733

Current Public Improvement Projects:

There were no projects budgeted in fiscal year 2021-22

Interfund Transfers or Loans:

There were no interfund transfers or loans in fiscal year 2021-22

Refunds:

There were no refunds made in fiscal year 2021-22

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Public Safety

The purpose of the Public Safety Facility Fee is to ensure that new development funds its fair share of public safety facilities. Facilities include both police and fire facilities. Revenue is used to expand public safety facilities including fire suppression apparatus, police vehicles, public safety communication systems and for other projects to serve new development.

FY 2021-2022 Schedule:

Residential		Nonresidential (per 1,000 sq. ft.)		
Single Family	Multi-Family	Commercial	Office	Industrial
\$2,036.14	\$1,268.81	\$490.86	\$655.24	\$327.62

Fiscal Year 2021-22 Activity:

Beginning Fund Balance, July 1, 2021	\$5,210
Revenue	
Fees Collected	15,757
Interest Earnings	110
	15,867
Expenditures	
Project Expenditures	-
	-
Excess Revenue Over/(Under) Expenditures	15,867
Ending Fund Balance, June 30, 2022	\$21,077

Current Public Improvement Projects:

There were no projects budgeted in fiscal year 2021-22

Interfund Transfers or Loans:

There were no interfund transfers or loans in fiscal year 2021-22

Refunds:

There were no refunds made in fiscal year 2021-22

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Parks and Parkland (Quimby)

The purpose of the Park and Parkland Public Facility Fee is to ensure that new development funds its fair share of park facilities. Revenue is used to expand park facilities and for other projects to serve new development in order to maintain a standard of 3.0 acres per 1,000 residents.

FY 2021-2022 Schedule:

	Residential		Nonresidential (per 1,000 sq. ft.)		
	Single Family	Multi-Family	Commercial	Office	Industrial
Subdivision	\$13,617.83	\$8,489.41	N/A	N/A	N/A

Fiscal Year 2021-22 Activity:

Beginning Fund Balance, July 1, 2021	\$51,530
Revenue	
Fees Collected	105,408
Interest Earnings	838
	106,246
Expenditures	
Project Expenditures	331
	-
Excess Revenue Over/(Under) Expenditures	105,915
Ending Fund Balance, June 30, 2022	\$157,445

Current Public Improvement Projects:

In FY 2021-2022, \$331 was spent on pool improvement project and finalized. In FY 2022-2023, \$156,800 has been budgeted for Sierra Vista Park Heasley Field improvements.

Interfund Transfers or Loans:

There were no interfund transfers or loans in fiscal year 2021-22

Refunds:

There were no refunds made in fiscal year 2021-22

Transportation/Traffic

The purpose of the Transportation Public Facility Fee is to ensure that new development funds its fair share of street and transportation facilities. Revenue is used to fund improvements to the street network, increase the number of local transit stops and for other projects to serve new development.

FY 2021-2022 Schedule:

Residential		Nonresidential (per 1,000 sq. ft.)		
Single Family	Multi-Family	Commercial	Office	Industrial
\$5,333.90	\$4,266.26	\$13,252.85	\$11,695.21	\$4,272.01

Fiscal Year 2021-22 Activity:

Beginning Fund Balance, July 1, 2021	\$121,839
Revenue	
Fees Collected	46,933
Interest Earnings	985
	47,918
Expenditures	
Project Expenditures	-
Excess Revenue Over/(Under) Expenditures	47,918
Ending Fund Balance, June 30, 2022	\$169,757

Current Public Improvement Projects:

As of 6/30/22, \$104,580 is approved and pending for Road Resurfacing projects.

Interfund Transfers or Loans:

There were no interfund transfers or loans in fiscal year 2021-22

Refunds:

There were no refunds made in fiscal year 2021-22

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Water

The purpose of the Water Public Facility Fee is to ensure that new development funds its fair share of the water facilities. Revenue is used to expand reservoir capacity, groundwater pumping capacity and pipeline size and for other projects to serve increased demand by new development.

FY 2021-2022 Schedule:

Residential		Nonresidential (per 1,000 sq. ft.)		
Single Family	Multi-Family	Commercial	Office	Industrial
\$12,468.28	\$5,178.71	\$3,304.95	\$3,304.95	\$2,748.57

Fiscal Year 2021-22 Activity:

Beginning Fund Balance, July 1, 2021	\$20,489
Revenue	
Fees Collected	80,945
Interest Earnings	537
	81,482
Expenditures	
Project Expenditures	-
	-
Excess Revenue Over/(Under) Expenditures	81,482
Ending Fund Balance, June 30, 2022	\$101,971

Current Public Improvement Projects:

There were no projects budgeted in fiscal year 2021-22

Interfund Transfers or Loans:

There were no interfund transfers or loans in fiscal year 2021-22

Refunds:

There were no refunds made in fiscal year 2021-22

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Sewer

The purpose of the Sewer Public Facility Fee is to ensure that new development funds its fair share of the sewer facilities. Revenue is used to increase the size of the current sewer lines and for other projects to serve increased demand by new development.

FY 2021-2022 Schedule:

Residential		Nonresidential (per 1,000 sq. ft.)		
Single Family	Multi-Family	Commercial	Office	Industrial
\$14,316.18	\$3,565.04	\$2,927.04	\$2,927.04	\$2,348.48

Fiscal Year 2021-22 Activity:

Beginning Fund Balance, July 1, 2021	\$20,197
Revenue	
Fees Collected	78,655
Interest Earnings	534
	79,189
Expenditures	
Project Expenditures	-
	-
Excess Revenue Over/(Under) Expenditures	79,189
Ending Fund Balance, June 30, 2022	\$99,386

Current Public Improvement Projects:

There were no projects budgeted in fiscal year 2021-22

Interfund Transfers or Loans:

There were no interfund transfers or loans in fiscal year 2021-22

Refunds:

There were no refunds made in fiscal year 2021-22