

FINANCIAL IMPACT

There is no impact to the General Fund.

RECOMMENDATION

It is recommended that the City Council:

- Receive and file the Fiscal-Year 2011-12 Development Impact Fee Annual Report as required by Government Code Section 66006(b).


WILLIAM E. MURRAY, P.E.
Public Works Director/City Engineer

By: GREG BROWN
Senior Project Manager


Attachment: Fiscal Year 2011-12 Development Impact Fee Annual Report

Recommended for Approval


Matthew Fertal
City Manager

**The City of Garden Grove
Development Impact Fee Annual Report
Fiscal Year 2011-2012**

The following is a report that has been prepared to comply with California Government Code Section 66006. The section requires an annual disclosure review of collected development impact fees and disbursements. This review is prepared in compliance with the requirements of the code as a coordinated effort with the Department of Public Works and the Finance Department.

The disclosure portion of Section 66006(b) requires that within 180 days after the last day of the fiscal year the city shall make available the following information for the previous fiscal year:

- A. A brief description of the type of fee in the account or fund, included under Section 1.0.
- B. The amount of the fee, included as Section 2.0.
- C. The beginning and ending balances of the fund and fees collected and the interest earned included as Section 3.0.
- D. An identification of each public improvement on which the fees were expended and the amount of the expenditure on each improvement, including the total percentage of the cost of the public improvement that was funded with fees included as Section 4.0.
- E. 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 of an incomplete public improvement, as identified in paragraph (2) of subdivision (a) of Section 66001, and the public improvement remains incomplete Included as Section 5.0.
- F. A description of each inter-fund transfer or loan made from the account or fund including the public improvement on which the transferred or loaned fees will be expended, and the rate of an inter-fund 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. No transfers or loans were required or made.
- G. The amount of refunds made pursuant to subdivision (e) of Section 66001 and any allocations pursuant to subdivision (f) of Section 66001. No refunds were required or made.

Section 1.0. A brief description of the type of fee in the account or fund

Drainage Fee

As city lands are developed, hard surface areas (concrete/paving) increase and directly affect flooding citywide. A drainage fee is charged to fund local drainage improvements that are required to reduce the cumulative impact of increased runoff in the city.

Traffic Impact Fee

Development increases the motorist population citywide and the cumulative increase requires constant improvements to meet the demands of the public. The Traffic Impact Fee is charged to fund projects that relieve traffic congestion either in a specific location of need or citywide.

Water Assessment Fees

The fees reflect the cumulative impact of development on the water infrastructure. Water assessment fees are charged per (1) frontage and (2) acreage. The reasoning is that a property with a large frontage will benefit from additional street exposure, including landscaping and will place a greater burden on the water system as opposed to a similar sized parcel with a smaller sized frontage. The fee for acreage is to account for the increased demand placed on the water system by larger properties in general. Together, these fees fund capital projects that are required in order to meet the water needs of an increased population and to upgrade an aging infrastructure. As a result, The City will meet the ever-increasing water quality and fire flow regulations.

Parkway Tree Fee

City Parkway Trees are located throughout the city. The maintenance and care of the city's urban forest is an ongoing task that involves trimming, planting, removal, sucker removal, installation of root barriers, staking, etc. Additionally, hardscape items, such as curb, gutter, and sidewalk, need removal and replacement due to tree root damage. New development often removes mature trees as part of the project. This fee is collected to pay for the capital improvement costs associated with maintaining the city's parkway trees and adjacent hardscape. In this manner, the city's urban forest is maintained at a service level that is consistent with the public's expectations.

In Lieu Park Fee

The in lieu park fee is charged to offset city requirements to provide onsite park space or improvements. These fees are used to pay for current capital replacement and improvements at parks as well as future park space.

Art in Public Places

The city collects Art fees to construct various public art pieces and memorials.

General Plan

The city is required to update its General Plan every ten years to reflect current development trends and city needs. This fee pays for the General Plan update.

Cultural Arts Fee

The Cultural Arts fee is collected in lieu of requirements that new developments contribute onsite facilities for the Arts. The Cultural Arts fee is used for capital improvements to the city's existing theatre.

In Lieu Undergrounding Fee

This fee is collected in lieu of required electric utility under grounding at the request of the developer. The fee is used to underground overhead utility lines in conjunction with the City's Rule 20A program funded through Southern California Edison. This will maximize the city's resources and deliver a more cost effective project.

Section 2.0. Fee Amounts

Drainage Fee.

\$3,000/acre or \$.07 per square foot lot size

Traffic Impact Fee

Cost is determined by land use.

Land Use--Fee Per Unit

Single Family (Includes Condominiums, town homes)	\$423.00
Apartment.....	\$381.00
Hotel/Motel	\$363.00

Land Use--Fee Per SFGFA*

General Office.....	\$0.94
Industrial	\$0.31
Retail (PB)	\$1.80
Church	\$0.44
Hospital	\$0.86
Child Care (PB)	\$2.46

Note: For specific land uses not listed, the fee will be determined by the City Engineer using the trip rates from the "Institute of Transportation Engineers (ITE) Trip Generation" manual, Fifth Edition.

* SFGFA = Square Feet of Gross Floor Area PB = Passby Traffic

Water Assessment Fees

Cost is determined by adding the acreage and frontage charges:

Acreage charge; \$950 per acre.

Frontage charge; \$8 per linear foot for an arterial street or \$4.50 per linear foot for a residential street

Parkway Tree Fee

Cost = \$2.50 per linear foot of frontage.

In Lieu Park Fee

These fees are in lieu of dedication of park land for residential development only. Type of Residential Subdivision or Development Fee per Dwelling Unit

Single-family dwelling	\$5,500.00
Town House, Condominium or Planned Unit Development Units	\$5,500.00
Two, Three or Multiple Family Dwellings	\$5,500.00
Mobile Home Parks	\$2,750.00

Art in Public Places

This fee applies to all office, commercial, and industrial developments within the City of Garden Grove.

Total Valuation

Up to \$499,999.00	<u>Fee</u> No fee
\$500,000.00 to \$1,000,000.00	1/4 of 1% of total valuation

Over \$1,000,000.00\$2,500.00 plus \$500.00/each
whole one million dollar thereafter.

General Plan

\$2.00 plus \$1.75/\$1,000.00 or fraction thereof of valuation as determined by the Building Official.

Cultural Arts Fee

\$2.00 plus \$1.75/\$1,000.00 or fraction thereof of valuation as determined by the Building Official.

In Lieu Undergrounding Fee

This fee is equal to the Southern California Edison cost estimate to underground the required utility poles for the project.

Section 3.0. Fund Balances, Interest Earned, and Fees Collected

The beginning balance is as of June 30, 2011 and the ending balance is as of June 30, 2012. Fees and interest were collected between those dates.

DRAINAGE FEE			
Beginning Balance:	\$285,627.87	Interest Earned:	\$1,214.77
Fees Collected:	\$65,854.13	Ending Balance:	\$352,696.77
Fees Expended	\$0		
TRAFFIC IMPACT FEE			
Beginning Balance:	\$58,339.00	Interest Earned:	\$966.54
Fees Collected:	\$108,974.00	Ending Balance:	\$149,451.58
Fees Expended	(\$18,827.96)		
WATER ASSESSMENT FEE			
Beginning Balance:	\$0	Interest Earned:	\$0
Fees Collected:	\$5,388.35	Ending Balance:	\$0
Fees Expended	(\$5,388.35)		
WATER ASSESSMENT FEE			
Beginning Balance:	\$0	Interest Earned:	\$0
Fees Collected:	\$5,490.00	Ending Balance:	\$0
Fees Expended	(\$5,490)		
PARKWAY TREE FEE			
Beginning Balance:	\$0	Interest Earned:	\$0
Fees Collected:	\$11,067.00	Ending Balance:	\$0
Fees Expended	(\$11,067.00)		
IN LIEU PARK FEE			
Beginning Balance:	\$1,429,281.69	Interest Earned:	\$1,860.51
Fees Collected:	\$165,000.00	Ending Balance:	\$1,243,351.07
Fees Expended	(\$352,791.13)		
ART IN PUBLIC PLACES FEE			
Beginning Balance:	\$0	Interest Earned:	\$0
Fees Collected:	\$13,647.50	Ending Balance:	\$0
Fees Expended	(\$13,647.50)		
CULTURAL ARTS FEE			
Beginning Balance:	\$259,839.23	Interest Earned:	\$475.59
Fees Collected:	\$29,114.47	Ending Balance:	\$213,459.82
Fees Expended	(\$75,969.47)		
IN LIEU UNDERGROUNDING FEE			
Beginning Balance:	\$0	Interest Earned:	\$0
Fees Collected:	\$0	Ending Balance:	\$0
Fees Expended	\$0		

Section 4.0. List of Public Improvements Funded by Each Fee.

An identification of each public improvement on which the fees were expended and the amount of the expenditure on each improvement, including the total percentage of the cost of the public improvement that was funded with fees.

DRAINAGE FEE	
Project: Line B-5 Storm Drain, Phase II	Total Cost: \$3,000,000
Fee Expended: \$0	Percentage of project funded by fees: 0%
TRAFFIC IMPACT FEE	
Project: Traffic Signal Installation & Modifications	Total Cost: \$485,000
Fee Expended: \$18,827.96	Percentage of project funded by fees: 3.88%
New Traffic Signal at Westminster and Dawson	
WATER ASSESSMENT FEES	
Project: Capital replacement (lines, meters & valves)	Total Cost: \$1,700,000
Fee Expended: \$19,800.08	Percentage of project funded by fees: 1%
Hydrants, meters, laterals and gate valves citywide.	
PARKWAY TREE FEE	
Project: Tree-Related Capital Improvements & Maintenance	Total Cost: \$1,000,000
Fee Expended: \$11,067	Percentage of project funded by fees: 1%
Citywide locations.	
IN LIEU PARK FEE	
Project: Park Capital Improvements	Total Cost: \$1,320,000
Fee Expended: \$352,791.00	Percentage of project funded by fees: 27%
ADA park restroom improvements for Eastgate, Garden Grove, Phelane, Gutosky and Woodbury parks.	
ART IN PUBLIC PLACES	
Project: Cultural Arts	Total Cost: \$70,000
Fee Expended: \$13,647.50	Percentage of project funded by fees: 19%
Costs for engineering, consultant services and rental fees.	
CULTURAL ARTS FEE	
Project: General Plan Update & Implementation	Total Cost: \$400,000
Fee Expended: \$75,969.47	Percentage of project funded by fees: 19%
Engineering and consultant services for general plan update and implementation.	
IN LIEU UNDERGROUNDING FEE	
Project: N/A	Total Cost: \$0
Fee Expended: \$0	Percentage of project funded by fees:

Section 5.0. List of Approximate Construction Dates for Public Improvements

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 of an incomplete public improvement, as identified in paragraph (2) of subdivision (a) of Section 66001.

Drainage Fee

Project: Line B-5 Storm Drain Phase II
Estimated Start Date: July 2013

Traffic Impact Fee

Project: New Traffic Signal at Westminster and Dawson
Estimated Start Date: In-progress

Water Assessment Fees

Project: Citywide Capital Replacement (includes lines, meters, and valves)
Estimated Start Date: On-going

Parkway Tree Fee

Project: Tree-Related Capital Improvements
Estimated Start Date: On-going

In Lieu Park Fee

Project: Restroom Renovation and Park Capital Improvement/Replacement
Estimated Start Date: Completed

Art in Public Places

Project: Vietnam Veterans Museum
Estimated Start Date: Once sufficient funds are collected date will be determined

Cultural Arts Fee

Project: General Plan Update
Estimated Start Date: Next General Plan Update to begin in 2018

In Lieu Undergrounding Fee

Project: Project to be identified once funding is secured.
Estimated Start Date: TBD