

City of Avalon

ANNUAL DEVELOPMENT IMPACT FEE REPORT

| FISCAL YEAR ENDED JUNE 30, 2023

Legal Requirements for Development Impact Fee Reporting

California Government Code Section 66006 (b)

California Government Code Section 66006 (b) defines the specific reporting requirements for local agencies that impose AB 1600 DIFs on new development. Annually, for each separate fund established for the collection and expenditure of DIFs, the local agency shall, within 180 days of the close of the fiscal year, make available to the public the information shown below for the most recent fiscal year.

- a) A brief description of the type of fee in the account or fund.
- b) The amount of the fee.
- c) The beginning and ending balance of the account or fund.
- d) The amount of the fees collected and interest earned.
- e) 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.
- f) 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, as identified in paragraph (2) of subdivision (a) of Section 66001, and the public improvement remains incomplete.
- g) 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, in the case 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.
- h) The amount of refunds made pursuant to subdivision (e) of Section 66001 and any allocations pursuant to subdivision (f) of Section 66001.

California Government Code Section 66001 (d)

For all funds established for the collection and expenditure of DIFs, California Government Code Section 66001 (d) has additional requirements. For the fifth fiscal year following the first deposit into the fund and every five years thereafter, the local agency shall make all of the following findings with respect to that portion of the fund remaining unexpended, whether committed or uncommitted:

- a) Identify the purpose to which the fee is to be put.
- b) Demonstrate a reasonable relationship between the fee and purpose for which it is charged.
- c) Identify all sources and amounts of funding anticipated to complete financing in incomplete improvements identified in paragraph (2) of subdivision (a).

- d) Designate the approximate dates on which the funding referred to in subparagraph (c) is expected to be deposited into the appropriate account or fund.

California Government Code Section 66002

The State of California Government Code Section 66002 states that:

- a) Any local agency, which levies a fee subject to Section 66001, may adopt a capital improvement plan, which shall indicate the approximate location, size, time of availability, and estimates of cost for all facilities or improvements to be financed with the fees.
- b) The capital improvement plan shall be adopted by, and shall be annually updated by, a resolution of the governing body of the local agency adopted at a noticed public hearing. Notice of the hearing shall be given pursuant to Section 65090. In addition, mailed notice shall be given to any city or county, which may be significantly affected by the capital improvement plan. This notice shall be given no later than the date the local agency notices the public hearing pursuant to Section 65090. The information in the notice shall be not less than the information contained in the notice of public hearing and shall be given by first-class mail or personal delivery.
- c) "Facility" or "improvement," as used in this section, means any of the following:
 - 1) Public buildings, including schools and related facilities; provided that school facilities shall not be included if Senate Bill 97 of the 1987-88 Regular Session is enacted and becomes effective on or before January 1, 1988.
 - 2) Facilities for the storage, treatment, and distribution of nonagricultural water.
 - 3) Facilities for the collection, treatment, reclamation, and disposal of sewage.
 - 4) Facilities for the collection and disposal of storm waters and for flood control purposes.
 - 5) Facilities for the generation of electricity and the distribution of gas and electricity.
 - 6) Transportation and transit facilities, including but not limited to streets and supporting improvements, roads, overpasses, bridges, harbors, ports, airports, and related facilities.
 - 7) Parks and recreation facilities.
 - 8) Any other capital project identified in the capital facilities plan adopted pursuant to Section 66002.

Fire Protection (Fund 301)

Description of Development Impact Fees (DIF)

The fire protection impact fee revenues may be used to purchase land for expansions to the fire station and/or to construct new facilities, upgrade existing facilities, purchase vehicles and personal protection equipment and other equipment with a minimum five-year life span, enhance the utility of existing systems, and/or perform refurbishment within the parameters allowed by Government Code Section 66000.

Fee Amount

Land Use Type	Fire Protection Fee
Residential (<i>per square foot</i>)	\$3.56
<i>Nonresidential (per square foot or as noted)</i>	
Lodging (per room)	\$2,588.04
Retail/Commercial	\$1.28
Office/Professional Services	\$1.37
Industrial	\$0.68
Medical Clinics	\$1.02
Leisure/Hospitality Services	\$0.85
Public/Institutional	\$1.02
Transportation/Warehouse/Utilities	\$0.51

Fee Report

Statement of Revenues, Expenditures and Changes in Fund Balance for the Fiscal Year Ended June 30, 2023

Revenues	FY 22/23
Fees	\$8,910.68
Investment Earnings	409.60
Other	0.00
Total Revenues	\$9,320.28
Expenditures	
Expenditures	0.00
Other	0.00
Transfers in (out)	0.00
Total Expenditures	\$0.00
Rev Over (Under) Exp	\$9,320.28
Beginning Fund Balance	13,477.80
Ending Fund Balance	\$22,798.08

California Government Code Section 66006 (b) requires an identification of each public improvement on which fees were expended and the amount of expenditures on each improvement, including the percentage of the costs of the public improvement that was funded with fees. No improvements were funded with Fire Protection DIF during the fiscal year.

Capital Project	DIF Expenditures	Project Expenditures	% Funded by DIF
No active projects funded by DIF	N/A	N/A	N/A

Section 66001 requires that, for the fifth fiscal year following the first deposit of any impact fee revenue into an account or fund as required by Section 66006, and every five years thereafter, the City must make all of the following findings for any fee revenues that remain unexpended, whether committed or uncommitted:

1. Identify the purpose to which the fee will be put.
2. Demonstrate the reasonable relationship between the fee and the purpose for which it is charged.
3. Identify all sources and amounts of funding anticipated to complete financing of incomplete improvements for which the impact fees are to be used.
4. Designate the approximate dates on which the funding necessary to complete financing of those improvements will be deposited in to the appropriate account of fund.

Revenues	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Fees	10,690.68	\$2,719.84	\$8,910.68		
Investment Earnings	34.42	32.86	409.60		
Other	0.00	0.00	0.00		
Total Revenues	\$10,725.10	\$2,752.70	\$9,320.28		
Expenditures					
Expenditures	0.00	0.00	0.00		
Other	0.00	0.00	0.00		
Transfers in (out)	0.00	0.00	0.00		
Total Expenditures	\$0.00	\$0.00	\$0.00		
Rev Over (Under) Exp	10,725.10	\$2,752.70	\$9,320.28		
Beginning Fund Balance	0.00	10,725.10	13,477.80		
Ending Fund Balance	\$10,725.10	\$13,477.80	\$22,798.08		

Fire Protection Fund 301 reports no funds being held past the fifth fiscal year following the first deposit. Sufficient funds from the Fire Protection DIF have not been collected to complete the financing on an incomplete public improvement. No inter-fund transfers or loans were made during the reporting period. No refunds were issued due to protests during this reporting period.

Circulation (Fund 302)

Description of Development Impact Fees (DIF)

The circulation fee is intended to contribute to the funds needed to improve mobility, access and safe travel to and from homes, businesses and activities for all users of the circulation system, including bicyclists and pedestrians as well as motor vehicles. The circulation and mobility improvements will be designed with the goal of also providing benefits related to parking by reducing the overall demand for motor vehicle parking spaces.

Fee Amount

Land Use Type	Circulation Fee
Residential (<i>per square foot</i>)	\$1.32
<i>Nonresidential (per square foot or as noted)</i>	
Lodging (per room)	\$923.13
Retail/Commercial	\$1.69
Office/Professional Services	\$0.52
Industrial	\$0.35
Medical Clinics	\$0.90
Leisure/Hospitality Services	\$0.66
Public/Institutional	\$0.21
Transportation/Warehouse/Utilities	\$0.69

Fee Report

Statement of Revenues, Expenditures and Changes in Fund Balance for the Fiscal Year Ended June 30, 2023

Revenues	FY 22/23
Fees	\$3,527.51
Investment Earnings	154.62
Other	0.00
Total Revenues	\$3,682.13
Expenditures	
Expenditures	0.00
Other	0.00
Transfers in (out)	0.00
Total Expenditures	\$0.00
Rev Over (Under) Exp	\$3,682.13
Beginning Fund Balance	5,007.09
Ending Fund Balance	\$8,689.22

California Government Code Section 66006 (b) requires an identification of each public improvement on which fees were expended and the amount of expenditures on each improvement, including the percentage of the costs of the public improvement that was funded with fees. No improvements were funded with Circulation DIF during the fiscal year.

Capital Project	DIF Expenditures	Project Expenditures	% Funded by DIF
No active projects funded by DIF	N/A	N/A	N/A

Section 66001 requires that, for the fifth fiscal year following the first deposit of any impact fee revenue into an account or fund as required by Section 66006, and every five years thereafter, the City must make all of the following findings for any fee revenues that remain unexpended, whether committed or uncommitted:

1. Identify the purpose to which the fee will be put.
2. Demonstrate the reasonable relationship between the fee and the purpose for which it is charged.
3. Identify all sources and amounts of funding anticipated to complete financing of incomplete improvements for which the impact fees are to be used.
4. Designate the approximate dates on which the funding necessary to complete financing of those improvements will be deposited in to the appropriate account of fund.

Revenues	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Fees	3,963.96	\$1,008.48	\$3,527.51		
Investment Earnings	12.76	21.89	154.62		
Other	0.00	0.00	0.00		
Total Revenues	\$3,976.72	\$1,030.37	\$3,682.13		
Expenditures					
Expenditures	0.00	0.00	0.00		
Other	0.00	0.00	0.00		
Transfers in (out)	0.00	0.00	0.00		
Total Expenditures	\$0.00	\$0.00	\$0.00		
Rev Over (Under) Exp	3,976.72	\$1,030.37	\$3,682.13		
Beginning Fund Balance	0.00	3,976.72	5,007.09		
Ending Fund Balance	\$3,976.72	\$5,007.09	\$8,689.22		

Circulation Fund 302 reports no funds being held past the fifth fiscal year following the first deposit. Sufficient funds from the Circulation DIF have not been collected to complete the financing on an incomplete public improvement. No inter-fund transfers or loans were made during the reporting period. No refunds were issued due to protests during this reporting period.

Transportation (Fund 303)

Description of Development Impact Fees (DIF)

The transportation improvements provide for expanded wharf, pier, docking, and moorage facilities to accommodate the increase in passengers on cruise ships and cross channel ferries that will attend new development. Transportation improvements may also include freight handling facilities and airport improvements. The public use facilities fee revenues may be used to purchase land, to construct, upgrade, and expand facilities, and/or to perform refurbishment within the parameters allowed by Government Code Section 66000.

Fee Amount

Land Use Type	Transportation Fee
Residential (<i>per square foot</i>)	\$2.63
<i>Nonresidential (per square foot or as noted)</i>	
Lodging (per room)	\$1,886.59
Retail/Commercial	\$0.94
Office/Professional Services	\$1.01
Industrial	\$0.50
Medical Clinics	\$0.75
Leisure/Hospitality Services	\$0.63
Public/Institutional	\$0.75
Transportation/Warehouse/Utilities	\$0.38

Fee Report

Statement of Revenues, Expenditures and Changes in Fund Balance for the Fiscal Year Ended June 30, 2023

Revenues	FY 22/23
Fees	\$6,359.34
Investment Earnings	300.42
Other	0.00
Total Revenues	\$6,659.76
Expenditures	
Expenditures	0.00
Other	0.00
Transfers in (out)	0.00
Total Expenditures	\$0.00
Rev Over (Under) Exp	\$6,659.76
Beginning Fund Balance	9,976.25
Ending Fund Balance	\$16,636.01

California Government Code Section 66006 (b) requires an identification of each public improvement on which fees were expended and the amount of expenditures on each improvement, including the percentage of the costs of the public improvement that was funded with fees. No improvements were funded with Transportation DIF during the fiscal year.

Capital Project	DIF Expenditures	Project Expenditures	% Funded by DIF
No active projects funded by DIF	N/A	N/A	N/A

Section 66001 requires that, for the fifth fiscal year following the first deposit of any impact fee revenue into an account or fund as required by Section 66006, and every five years thereafter, the City must make all of the following findings for any fee revenues that remain unexpended, whether committed or uncommitted:

1. Identify the purpose to which the fee will be put.
2. Demonstrate the reasonable relationship between the fee and the purpose for which it is charged.
3. Identify all sources and amounts of funding anticipated to complete financing of incomplete improvements for which the impact fees are to be used.
4. Designate the approximate dates on which the funding necessary to complete financing of those improvements will be deposited in to the appropriate account of fund.

Revenues	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Fees	7,898.89	\$2,009.32	\$6,359.34		
Investment Earnings	25.43	43.62	300.42		
Other	0.00	0.00	0.00		
Total Revenues	\$7,923.31	\$2,052.94	\$6,659.76		
Expenditures					
Expenditures	0.00	0.00	0.00		
Other	0.00	0.00	0.00		
Transfers in (out)	0.00	0.00	0.00		
Total Expenditures	\$0.00	\$0.00	\$0.00		
Rev Over (Under) Exp	7,923.31	\$2,052.94	\$6,659.76		
Beginning Fund Balance	0.00	7,923.31	9,976.25		
Ending Fund Balance	\$7,923.31	\$9,976.25	\$16,636.01		

Transportation Fund 303 reports no funds being held past the fifth fiscal year following the first deposit. Sufficient funds from the Transportation DIF have not been collected to complete the financing on an incomplete public improvement. No inter-fund transfers or loans were made during the reporting period. No refunds were issued due to protests during this reporting period.

Landfill (Fund 304)

Description of Development Impact Fees (DIF)

Landfill fund impact fee revenues may be used for the landfill closure-post closure and corrective action costs, constructing a new solid waste transfer station and recycling center, and funding the capital costs of enhanced recycling programs. The fair-share capital costs of alternatives to landfill disposal may also be funded by the fee revenues.

Fee Amount

Land Use Type	Landfill Fee
Residential (<i>per square foot</i>)	\$2.88
<i>Nonresidential (per square foot or as noted)</i>	
Lodging (per room)	\$2,067.07
Retail/Commercial	\$1.03
Office/Professional Services	\$1.10
Industrial	\$0.55
Medical Clinics	\$0.83
Leisure/Hospitality Services	\$0.69
Public/Institutional	\$0.83
Transportation/Warehouse/Utilities	\$0.41

Fee Report

Statement of Revenues, Expenditures and Changes in Fund Balance for the Fiscal Year Ended June 30, 2023

Revenues	FY 22/23
Fees	\$7,208.64
Investment Earnings	331.78
Other	0.00
Total Revenues	\$7,540.42
Expenditures	
Expenditures	0.00
Other	0.00
Transfers in (out)	0.00
Total Expenditures	\$0.00
Rev Over (Under) Exp	\$7,540.42
Beginning Fund Balance	10,924.59
Ending Fund Balance	\$18,465.01

California Government Code Section 66006 (b) requires an identification of each public improvement on which fees were expended and the amount of expenditures on each improvement, including the percentage of the costs of the public improvement that was funded with fees. No improvements were funded with Landfill DIF during the fiscal year.

Capital Project	DIF Expenditures	Project Expenditures	% Funded by DIF
No active projects funded by DIF	N/A	N/A	N/A

Section 66001 requires that, for the fifth fiscal year following the first deposit of any impact fee revenue into an account or fund as required by Section 66006, and every five years thereafter, the City must make all of the following findings for any fee revenues that remain unexpended, whether committed or uncommitted:

1. Identify the purpose to which the fee will be put.
2. Demonstrate the reasonable relationship between the fee and the purpose for which it is charged.
3. Identify all sources and amounts of funding anticipated to complete financing of incomplete improvements for which the impact fees are to be used.
4. Designate the approximate dates on which the funding necessary to complete financing of those improvements will be deposited in to the appropriate account of fund.

Revenues	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Fees	8,648.64	\$2,200.32	\$7,208.64		
Investment Earnings	27.85	47.78	331.78		
Other	0.00	0.00	0.00		
Total Revenues	\$8,676.49	\$2,248.10	\$7,540.42		
Expenditures					
Expenditures	0.00	0.00	0.00		
Other	0.00	0.00	0.00		
Transfers in (out)	0.00	0.00	0.00		
Total Expenditures	\$0.00	\$0.00	\$0.00		
Rev Over (Under) Exp	\$8,676.49	\$2,248.10	\$7,540.42		
Beginning Fund Balance	0.00	8,676.49	10,924.59		
Ending Fund Balance	\$8,676.49	\$10,924.59	\$18,465.01		

Landfill Fund 304 reports no funds being held past the fifth fiscal year following the first deposit. Sufficient funds from the Landfill DIF have not been collected to complete the financing on an incomplete public improvement. No inter-fund transfers or loans were made during the reporting period. No refunds were issued due to protests during this reporting period.

Wastewater (Fund 305)

Description of Capacity Charges

Wastewater capacity charge revenues may be used for any of the improvements listed in Table 8.3 of the *Development Impact Mitigation Fees Nexus Study and Capacity Charges for Wastewater and Reclaimed Water Report* adopted by City Council on February 18, 2020 or for capacity expansion, or sanitary sewer service extension projects. Portions of the revenues may also be used for waste water treatment plant (WWTP) capital replacements or system rehabilitation, and/or be placed in the sewer system capital reserve account to be used to offset future rate increases.

Charge Amount

Land Use Type	Wastewater Charge
Residential (<i>per square foot</i>)	\$5.41
<i>Nonresidential (per square foot or as noted)</i>	
Lodging (per room)	\$2,921.39
Retail/Commercial	\$2.43
Office/Professional Services	\$4.87
Industrial	\$4.87
Medical Clinics	\$7.25
Leisure/Hospitality Services	\$2.92
Public/Institutional	\$4.06
Transportation/Warehouse/Utilities	\$0.60

Charge Report

Statement of Revenues, Expenditures and Changes in Fund Balance for the Fiscal Year Ended June 30, 2023

Revenues	FY 22/23
Fees	\$0.00
Investment Earnings	234.83
Other	0.00
Total Revenues	\$234.83
Expenditures	
Expenditures	0.00
Other	0.00
Transfers in (out)	0.00
Total Expenditures	\$0.00
Rev Over (Under) Exp	\$234.83
Beginning Fund Balance	10,284.47
Ending Fund Balance	\$10,519.30

California Government Code Section 66006 (b) requires an identification of each public improvement on which fees were expended and the amount of expenditures on each improvement, including the percentage of the costs of the public improvement that was funded with fees. No improvements were funded with Wastewater Capacity Charges during the fiscal year.

Capital Project	DIF Expenditures	Project Expenditures	% Funded by DIF
No active projects funded by DIF	N/A	N/A	N/A

Section 66001 requires that, for the fifth fiscal year following the first deposit of any impact fee revenue into an account or fund as required by Section 66006, and every five years thereafter, the City must make all of the following findings for any fee revenues that remain unexpended, whether committed or uncommitted:

1. Identify the purpose to which the fee will be put.
2. Demonstrate the reasonable relationship between the fee and the purpose for which it is charged.
3. Identify all sources and amounts of funding anticipated to complete financing of incomplete improvements for which the impact fees are to be used.
4. Designate the approximate dates on which the funding necessary to complete financing of those improvements will be deposited in to the appropriate account of fund.

Revenues	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Fees	6,091.66	\$4,133.24	\$0.00		
Investment Earnings	19.61	39.96	234.83		
Other	0.00	0.00	0.00		
Total Revenues	\$6,111.27	\$4,173.20	\$234.83		
Expenditures					
Expenditures	0.00	0.00	0.00		
Other	0.00	0.00	0.00		
Transfers in (out)	0.00	0.00	0.00		
Total Expenditures	\$0.00	\$0.00	\$0.00		
Rev Over (Under) Exp	\$6,111.27	\$4,173.20	\$234.83		
Beginning Fund Balance	0.00	6,111.27	10,284.47		
Ending Fund Balance	\$6,111.27	\$10,284.47	\$10,519.30		

Wastewater Fund 305 reports no funds being held past the fifth fiscal year following the first deposit. Sufficient funds from the Wastewater Capacity Charges have not been collected to complete the financing on an incomplete public improvement. No inter-fund transfers or loans were made during the reporting period. No refunds were issued due to protests during this reporting period.