



2015-2016 Mitigation Fee Act Annual Report of Development Fees June 30, 2016



City of Pacifica
170 Santa Maria Avenue
Pacifica, CA 94044



Scenic Pacifica
Incorporated Nov. 22, 1957

CITY OF PACIFICA

170 Santa Maria Avenue • Pacifica, California 94044-2506
www.cityofpacifica.org

MAYOR
Sue Digre

MAYOR PRO TEM
Mike O'Neill

COUNCIL
Karen Ervin
Mary Ann Nihart
John Keener

December 12, 2016

The Honorable Mayor, Members of the City Council and Citizens of Pacifica

Dear Mayor, Members of the City Council and Citizens of Pacifica:

State law requires any local agency that imposes development impact fees to prepare an annual report providing specific information about those fees. Therefore, in accordance with the provisions of the California Government Code Section 66006(b) and 66001(d), as amended by Assembly Bill (AB) 518 and Senate Bill (SB) 1693, I hereby submit the Development Impact Fee Report (formerly the Public Facilities Fee Report) for the City of Pacifica, California for the fiscal year (FY) ended June 30, 2016.

Development impact fees are charged by local governmental agencies in connection with approval of development projects. The purpose of these fees is to defray all or a portion of the cost of public facilities related to the development project. The legal requirements for enactment of a development impact fee program are set forth in Government Code §§ 66000-66025 (the "Mitigation Fee Act"), the bulk of which was adopted as 1987's AB 1600 and thus commonly referred to as "AB 1600 requirements".

In Pacifica, development impact fees are collected at the time a building permit is issued for the purpose of mitigating the impacts caused by new development on the City's infrastructure. Fees are used to finance the acquisition, construction and improvement of public facilities needed as a result of this new development.

State law requires the City prepare and make available to the public the Development Impact Fee Report within 180 days after the last day of each fiscal year. The City Council must review the annual report at a regularly scheduled public meeting not less than fifteen days after the information is made available to the public. A draft of this report was filed with the City Clerk's office and available for public review on December 5, 2016.

Respectfully submitted,

Lorenzo Hines Jr.
Assistant City Manager

CITY OF PACIFICA, CALIFORNIA

SUE DIGRE
Mayor

MICHAEL O'NEILL
Mayor Pro Tem

MARY ANN NIHART KAREN ERVIN
JOHN KEENER
Members of City Council
* * * * *

LORIE TINFOW
City Manager
* * * * *

MICHELLE MARCHETTA KENYON
City Attorney
* * * * *

OTHER ADMINISTRATIVE OFFICERS

LORENZO HINES JR.	Assistant City Manager
DAN STEIDLE	Police Chief
RON MYERS	Fire Chief
TINA WEHRMEISTER	Director of Planning
VAN OCAMPO	Director of Public Works/Wastewater Collection and Plant Operation
MICHAEL PEREZ	Director of Parks, Beaches & Recreation
KATHY O'CONNELL	City Clerk

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OFFICIAL COMMISSIONS AND COMMITTEES

BEAUTIFICATION ADVISORY COMMITTEE

ECONOMIC DEVELOPMENT COMMITTEE

EMERGENCY PREPAREDNESS & SAFETY COMMISSION

OPEN SPACE AND PARKLAND ADVISORY COMMITTEE

PARKS, BEACHES AND RECREATION COMMISSION

PLANNING COMMISSION

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INTRODUCTION



LEGAL REQUIREMENTS FOR DEVELOPMENT IMPACT FEE REPORTING

A. CALIFORNIA GOVERNMENT CODE SECTION 66006(b)

California Government Code Section 66006(b) defines the specific reporting requirements for local agencies that impose AB 1600 development impact fees on new development. Annually, for each separate fund established for the collection and expenditure of development impact fees, the local agency shall, within 180 days after the last day of each fiscal year, make available to the public the information shown below for the most recent fiscal year. The applicable page numbers for the location where each item can be found in the report are provided for reference.

- A brief description of the type of fee in the account or fund.
- The amount of the fee.
- The beginning and ending balance of the account or fund.
- The amount of the fees collected and interest earned.
- An identification of each public improvement on which fees were expended and the amount of 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 due to sufficient funds being collected to complete financing on incomplete public improvements, and the amount of reallocation of funds made due to administrative costs of refunding unexpended revenues exceeding the amount to be refunded.

City Actions Regarding this Section:

- For the 2015-2016 fiscal year the City did not provide any refunds of development fees.
- Regarding transfers, in Fund 34, Sewer Facility Construction Fund an annual transfer for departmental overhead (\$0.7M) was made to the General Fund and an asset transfer (\$1.2M) to reflect the completion of capital projects was also made from Fund 34, to Fund 18, Sewer Charge Fund. In Fund 22, Capital Projects Funds, a transfer was made to Fund 40, Debt Services Fund for the repayment of debt payments. No developer fees were used in these transfers.
- Regarding loans, as part of the 2014-15 Budget, the City Council approved an inter-fund loan between Fund 34, Sewer Facility Construction Fund and Fund 01, General Fund to help smooth repayment of the 2010 Pension Obligation Bonds through 2020-21. The 2015-2016 adopted budget continues this loan. The General Fund will begin repaying this loan during 2017-2018. The loan carries a 0.05% interest rate and will be repaid by June 30, 2021. No developer fees are used in this transaction.



B. CALIFORNIA GOVERNMENT CODE SECTION 66001(d)

For all funds established for the collection and expenditure of development impact fees, 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:

- Identify the purpose to which the fee is to be put.
- Demonstrate a reasonable relationship between the fee and purpose for which it is charged.
- Identify all sources and amounts of funding anticipated to complete financing in incomplete improvements.
- Designate the approximate dates on which the funding is expected to be deposited into the appropriate account or fund.

City Actions Regarding this Section:

- For 2016, we are proposing a Resolution (page 12) which seeks authority to utilize the funds in Fund 14, the Manor Drive/Palmetto Avenue/Oceana Boulevard Intersections, that we have held for over 5 years. The Resolution provides the findings as prescribed above.

C. DESCRIPTION OF DEVELOPMENT IMPACT FEES

Highway 1 Improvements, Fund 12 – To provide for the construction of improvements to Highway One in the City from Westport Drive south to the southern City limits. 2015/16 Development Impact Fee Report Page 4

Manor Drive/Palmetto Avenue/Oceana Boulevard Intersections, Fund 14 – To provide for the construction of improvements to alleviate traffic congestion at the Manor Drive/Palmetto Avenue/Oceana Boulevard intersection.

Planned Drainage Facilities Fees And Reserve For Drainage Facility Construction Funds, Fund 19 – To provide for the construction of drainage facilities to remove surface and storm drainage waters.

Capital Projects Funds, Fund 22 – To provide for the construction of facilities that provide essential municipal services.

Rockaway Beach In-Lieu Parking Facilities Fee, Fund 25 - The fee provides for the construction and renovation of public parking facilities in the Rockaway Beach Redevelopment Project Area.

Dedications And Fees For Park And Recreational Purposes, Fund 26 – To provide for the development and rehabilitation of parks and recreational facilities.

Sewer Facility Construction Fund (Sewer Connection Charges), Fund 34 – To provide for the construction and expansion of the City's wastewater facilities, inclusive of the treatment plant, disposal system, main trunk interceptor, outfall sewers, inflow elimination facilities, and collection system trunk lines.



City of Pacifica

Development Impact Fees

Statement of Revenues, Expenditures and Changes in Fund Balance
FY 2015-16

Description	Highway 1 Improvements Fund 12	Manor Drive/Palmetto Avenue/Oceana Boulevard Fund 14	Planned Drainage Facilities Fees/Reserve For Drainage Facility Fund 19	Capital Projects Funds Fund 22	Rockaway Beach In- Lieu Parking Fund 25	Dedications/Fees For Park And Recreational Fund 26	Sewer Facility Construction Fund (Sewer Connection Charges), Fund 34
REVENUES							
Fees	\$ 8,418	\$ -	\$ -	\$ 6,092	\$ -	\$ 77,182	\$ 9,371
Interest	-	1,579	1,060	3,290	35	-	6,668
Other Revenues	1,821,712	-	-	5,000	-	1,318	28,517
Total Revenues	\$1,830,130	\$1,579	\$1,060	\$14,382	\$35	\$78,500	\$44,556
EXPENDITURES							
Expenditures	1,878,159	4,743	-	318,068	-	29,072	796,550
Total Expenditures	\$ 1,878,159	\$ 4,743	\$ -	\$ 318,068	\$ -	\$ 29,072	\$ 796,550
REVENUES OVER (UNDER)							
EXPENDITURES	(48,029)	(3,164)	1,060	(303,686)	35	49,428	(751,994)
Fund Balance, Beginning of Year	14,016	954,303	639,497	54,866	21,051	(9,709)	10,187,145
Fund Balance, End of Year	\$ (34,013)	\$ 951,139	\$ 640,557	\$ (248,820)	\$ 21,086	\$ 39,719	\$ 9,435,151



City of Pacifica

Highway 1 Improvements - Fund 12

Statement of Revenues, Expenditures and Changes in Fund Balance
FY 2015-2016

FY 2015-16

Description	Total Funds	Dev. Fees	% FROM FEES	Commencement Year
REVENUES				
Improvement fees	8,418	8,418	100%	
Interest	-	-	0%	
Other Revenues	1,821,712	-	0%	
Total Revenues	\$ 1,830,130	\$ 8,418		
EXPENDITURES				
Engineering Services	24,871		0%	Ongoing
Highway 1 Transportation	-	-	0%	Ongoing
Calera Parkway	-	-	0%	TBD
San Pedro Creek Bridge	1,853,288	-	0%	2014
Total Expenditures	\$ 1,878,159	\$ -		
REVENUES OVER (UNDER) EXPENDITURES	\$ (48,029)			
Fund Balance, Beginning of Year	14,016			
Fund Balance, End of Year	\$ (34,013)			

Fee Schedule:

(a) Primary Impacting Area (as defined in Municipal Code Section 8-15.03)

(1) Per new residential unit	\$4,667
(2) Per new second residential unit	\$2,301
(3) Per new commercial unit (per square foot of gross floor area)	\$1.88

(b) Secondary Impacting Area (as defined in Municipal Code Section 8-15.03)

(1) Per new residential unit	\$1,559
(2) Per new second residential unit	\$794
(3) Per new commercial unit (per square foot of gross floor area)	\$0.60

Commencement Year Key:

Ongoing - Indicates the City's efforts are ongoing, and/or sufficient funds have not yet been collected to complete the financing of the project.

Complete - indicates that construction of a project has been completed.

TBD - City staff are still in the preliminary stages of project assessment and design and a commencement date has not been determined.

Year - Year of commencement



City of Pacifica

Manor Drive/Palmetto Avenue/Oceana Boulevard - Fund 14
 Statement of Revenues, Expenditures and Changes in Fund Balance
 FY 2015-2016

FY 2015-16

Description	Total Funds	Dev. Fees	% FROM FEES	Commencement Year
REVENUES				
Improvement fees	-	-	100%	
Interest	1,579	-	0%	
Other Revenues	-	-	0%	
Total Revenues	\$ 1,579	\$ -		
EXPENDITURES				
Engineering Services	-	-	100%	Ongoing
Manor Drive O/P Improvements	-	-	100%	2021
Milagra - Highway 1 On-Ramp	4,743	4,743	100%	2018
Total Expenditures	\$ 4,743	\$ 4,743		
REVENUES OVER (UNDER) EXPENDITURES	\$ (3,164)			
Fund Balance, Beginning of Year	954,303			
Fund Balance, End of Year	\$ 951,139			

Fee Schedule:

(a) Primary Impacting Area (as defined in Municipal Code Chapter 18, Title 8)

(1) Per daily trip generated. \$324



City of Pacifica

Planned Drainage Facilities Fees/Reserve For Drainage Facility - Fund 19

Statement of Revenues, Expenditures and Changes in Fund Balance
FY 2015-2016

FY 2015-16

Description	Total Funds	Dev. Fees	% FROM FEES	Commencement Year
REVENUES				
Improvement fees	-	-	100%	
Interest	1,060	-	0%	
Other Revenues	-	-	0%	
Total Revenues	\$ 1,060	\$ -		
EXPENDITURES				
Drainage Master Plan	-	-	100%	Completed
Total Expenditures	\$ -	\$ -		
REVENUES OVER (UNDER) EXPENDITURES	\$ 1,060			
Fund Balance, Beginning of Year	639,497			
Fund Balance, End of Year	\$ 640,557			

Fee Schedule:

(a) Area Number (as defined in Municipal Code Section 7-4.101):

Area Number	Watershed Title	Fee per acre
1	Globe	\$ -
2	Edgemar	\$ 5,066.00
3	Pacific Manor	\$ 4,428.00
4	Salada Beach	\$ 4,428.00
5	Brighton	\$ 5,284.00
6	Fairway Park	\$ 9,877.00
7	Valleamar	\$ 6,998.00
8	Rockaway Beach	\$ 13,035.00
9	Lower Linda Mar	\$ -
10	Linda Mar	\$ 4,673.00
11	San Pedro Terrace	\$ 16,539.00



City of Pacifica

Capital Projects Fund - Fund 22

Statement of Revenues, Expenditures and Changes in Fund Balance
FY 2015-2016

FY 2015-16

Description	Total Funds	Dev. Fees	% FROM FEES	Commencement Year
REVENUES				
Improvement fees	\$ 6,092	\$ 6,092	100%	
Interest	3,290	-	0%	
Other Revenues	5,000	-	0%	
Total Revenues	\$ 14,382	\$ 6,092		
EXPENDITURES				
Engineering Services	\$ 41,667	\$ 4,167	10%	Ongoing
Frontierland Remediation	-	-	0%	2017
Pier Rehabilitation	-	-	5%	Completed
Devil's Slide Headlands Trail	-	-	10%	Completed
IT Infrastructure Replacement	-	-	15%	Completed
EECB Grant-Federal	-	-	15%	Completed
Beach Blvd. Project	-	-	15%	Completed
Library Needs Assesment	-	-	15%	TBD
Capistrano Bridge Fish Passage	50	-	0%	Completed
Palmetto Streetscape	21,697	3,255	15%	2017
Pacifica Shuttle	65,267	-	0%	Completed
Drain Wall Repair	46,387	-	0%	2016
Transfer Out Debt	143,000	-	0%	N/A
Total Expenditures	\$ 318,068	\$ 7,421		
REVENUES OVER (UNDER) EXPENDITURES	\$ (303,686)			
Fund Balance, Beginning of Year	54,866			
Fund Balance, End of Year	\$ (248,820)			

Fee Schedule:

(a) Primary Impacting Area (as defined in Municipal Code Article 2, Chapter 4, Title 7)

- (1) Per bedroom in a dwelling unit \$239
- (2) Per hotel or motel unit \$119
- (3) each other new structure (except accessory buildings and buildings or structures primarily used for Boys' or Girls' Clubs, Boy or Girl Scouts, or other nonprofit activities for which the Council may waive the fee), . 1.40% of the valuation



City of Pacifica

Rockaway Beach In-Lieu Parking Facilities Fee - Fund 25
 Statement of Revenues, Expenditures and Changes in Fund Balance
 FY 2015-2016

FY 2015-16

Description	Total Funds	Dev. Fees	% FROM FEES	Commencement Year
REVENUES				
Improvement fees	\$ -	\$ -	100%	
Interest	35	-	0%	
Other Revenues	-	-	0%	
Total Revenues	\$ 35	\$ -		
EXPENDITURES				
No Project(s) in FY 2015-16*	-	-	0%	No Projects Planned at this time
Total Expenditures	\$ -	\$ -		
REVENUES OVER (UNDER) EXPENDITURES	\$ 35	\$ -		
Fund Balance, Beginning of Year	<u>21,051</u>			
Fund Balance, End of Year	<u><u>\$ 21,086</u></u>			

*Parking Assessment Study will be introduced in the FY 2017-22 Capital Improvement Program

Fee Schedule:

(a) Primary Impacting Area (as defined in Resolution No. 17-86)

(1) Fee per in-lieu parking space. \$3,000



City of Pacifica

Dedications/Fees For Park And Recreational - Fund 26
Statement of Revenues, Expenditures and Changes in Fund Balance
FY 2015-2016

FY 2015-16

Description	Total Funds	Dev. Fees	% FROM FEES	Commencement Year
REVENUES				
Improvement fees	\$ 77,182	\$ 77,182	100%	
Interest	-	-	0%	
Other Revenues	1,318	-	0%	
Total Revenues	\$ 78,500	\$ 77,182		
EXPENDITURES				
Engineering Services	\$ 3,800	\$ -	0%	Ongoing
To General Fund	25,000.00	-	0%	N/A
Sanchez Dog Park	272.00	272.00	100%	2011
Headlands Trail	-	-	5%	Completed
Park 12 Improvements	-	-	5%	Completed
Total Expenditures	\$ 29,072	\$ 272		
REVENUES OVER (UNDER) EXPENDITURES	\$ 49,428			
Fund Balance, Beginning of Year	(9,709)			
Fund Balance, End of Year	\$ 39,719			

Fee Schedule:

(a) Primary Impacting Area (as defined in Municipal Code Chapter 19, Title 8)

Table 3.10a: Parkland Dedication In-Lieu Fee (Quimby Act)

Residential Use	A Cost Per Capita	B Household Size	C=A x B Base Fee ¹	D=C x 2% Admin Charge ²	E=C+D Total Fee	Incremental (per bdrm) Fee
Zero Bedrooms						
Parkland	\$ 706	1.00	\$ 706	\$ 14	\$ 721	
Improvements	1,936	1.00	1,936	39	1,974	
Total					\$ 2,695	N/A
One Bedroom						
Parkland	\$ 706	1.50	\$ 1,060	\$ 21	\$ 1,081	
Improvements	1,936	1.50	2,904	58	2,962	
Total					\$ 4,042	\$ 1,347
Two Bedrooms						
Parkland	\$ 706	2.10	\$ 1,484	\$ 30	\$ 1,513	
Improvements	1,936	2.10	4,065	81	4,146	
Total					\$ 5,659	\$ 1,617
Three Bedrooms						
Parkland	\$ 706	2.60	\$ 1,837	\$ 37	\$ 1,874	
Improvements	1,936	2.60	5,033	101	5,133	
Total					\$ 7,007	\$ 1,347
Four Bedrooms						
Parkland	\$ 706	3.20	\$ 2,261	\$ 45	\$ 2,306	
Improvements	1,936	3.20	6,194	124	6,318	
Total					\$ 8,624	\$ 1,617
Five Bedrooms						
Parkland	\$ 706	3.70	\$ 2,614	\$ 52	\$ 2,666	
Improvements	1,936	3.70	7,162	143	7,305	
Total					\$ 9,971	\$ 1,347
Each Bedroom Above Five: ADD These Amounts to Five Bedroom Fee						
Parkland	\$ 706	0.60	\$ 424	\$ 8	\$ 432	
Improvements	1,936	0.60	1,161	23	1,185	
Total					\$ 1,617	\$ 1,617

Notes:

¹ Fee per dwelling unit.

² Administrative charge of 2.0 percent for (1) legal, accounting, and other administrative support and (2) impact fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, and fee justification analyses.

Sources: Tables 2 and 9; Willdan Financial Services.



City of Pacifica

Sewer Connection Charges - Fund 34

Statement of Revenues, Expenditures and Changes in Fund Balance
FY 2015-2016

FY 2015-16

Description	Total Funds	Dev. Fees	% FROM FEES	Commencement Year
REVENUES				
Improvement fees	\$ 9,371	\$ 9,371	100%	
Interest	6,668	-	0%	
Other Revenues	28,517	-	0%	
Total Revenues	\$ 44,556	\$ 9,371		
EXPENDITURES				
Digesters	\$ -	\$ -	0%	N/A
Pump Replacements	87,131	-	0%	2015
Meter & Probe Replacements	3,383	-	0%	N/A
Centrifuges	306,457	-	10%	2015
Plant Landscaping	-	-	0%	N/A
Scada & PLC System	49,100	-	20%	2015
Calera Crk Wetlands Compliance	-	-	0%	N/A
NPDES Permit & Compliance	929	-	0%	2016
Ultraviolet Disinfection	-	-	0%	N/A
Laboratory Program	-	-	0%	N/A
Security & Gate System	-	-	5%	N/A
Secondary System Blowers	-	-	0%	N/A
Fuel Tank	-	-	5%	N/A
Brighton Pump Station	13,619	-	0%	2016
Anza Pump Station	5,941	-	0%	Completed
Linda Mar Pump Station	21,214	-	5%	2016
Collection System	-	-	5%	N/A
Rockaway Pump Station	997	-	0%	Completed
Sewer System Master Plan	-	-	5%	N/A
Sharp Park Pump Station	21,214	-	0%	2016
Skyridge Pump Station	28,680	-	5%	Completed
Linda Mar Generator	420	-	5%	Completed
CCTV Software & Equip	28,584	-	0%	Completed
Palmetto Slip Line Project	-	-	5%	N/A
CMMS Maint Software	-	-	0%	N/A
SEP Lateral Program-CDO	(2,000)	-	0%	N/A
OCE Settlement	-	-	0%	N/A
Smoke Testing	-	-	5%	N/A
Root Foaming	22,174	-	0%	Completed
Capacity Improv Projects	-	-	50%	2012
Equalization Basin Project	441,289	22,064	5%	2017
Repair and Rehab	252,540	12,627	5%	2012
Lateral Grant Assistance	47,000	-	0%	Completed
Forcemain Condition	521	-	0%	Completed
Transfer Out to General Fund	691,952	-	0%	N/A
Asset Transfer to Fund 18	(1,224,595)	NA	NA	N/A
Total Expenditures	\$ 796,550	\$ 34,691		

**REVENUES OVER (UNDER)
EXPENDITURES**

\$ (751,994)

Fund Balance, Beginning of Year 10,187,145
Fund Balance, End of Year \$ 9,435,151



City of Pacifica

Sewer Facility Construction Fund (Sewer Connection Charges), Fund 34

Fee Schedule:

CONNECTION FEES (SEC. 6-11.102)

a) Residential Units: Single, Townhouse, or Condominium dwelling unit	
b) Multi-Family Dwellings:	\$922
c) Commercial Units (= # fixture units/12)	\$1,203

TRUNK LINE FEES (SEC. 6-11.103)

a) Residential	
1) Per unit: Single, Townhouse, Condominium, or multi-family	\$903
2) Per acre	\$1,803
b) Commercial Units (= # fixture units/12)	
1) Per commercial unit (= # fixture units/12)	\$903
2) Per acre	\$1,803

INFLOW/INFILTRATION FEES (SEC. 6-11.104)

a) Residential	
3) Per unit: Single, Townhouse, Condominium, or multi-family	
4) Per acre	\$658
	\$1,404
b) Commercial Units (= # fixture units/12)	
3) Per commercial unit (= # fixture units/12)	\$658
4) Per acre	\$1,404





RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PACIFICA APPROVING 2015-2016 MITIGATION FEE ACT ANNUAL REPORT OF DEVELOPMENT FEES JUNE 30, 2016 AND MAKING FINDINGS REGARDING UNSPENT FEES IN THE MANOR DRIVE/PALMETTO AVENUE/OCEANA BOULEVARD INTERSECTION IMPROVEMENT FUND

WHEREAS, the City imposes seven development fees that are subject to the Mitigation Fee Act (Gov. Code §§ 66000 *et seq.*): the Traffic Impact Mitigation Improvement Fees for Highway One Improvements, the Traffic Impact Mitigation Fees for the Improvement of the Manor Drive/Palmetto Avenue/Oceana Boulevard Intersection (“Manor Drive Fee”), the Planned Drainage Facilities Fees, the Capital Projects Fees, the Rockaway Beach In-Lieu Parking Facilities Fee, the Dedications and Fees for Park and Recreational Purposes, and the Sewer Facilities Fee; and

WHEREAS, Government Code § 66006 imposes certain accounting and reporting requirements on local agencies that collect development fees; and

WHEREAS, the City has prepared the 2015-2016 Mitigation Fee Act Annual Report of Development Fees June 30, 2016, a copy of which is attached hereto as Exhibit A (“Impact Fee Report”), and incorporated by reference, which satisfies the reporting requirements stated in the Mitigation Fee Act; and

WHEREAS, Government Code § 66001 requires that the City must, on a five-year basis, make certain findings with respect to unexpended development fees in accounts held by the City; and

WHEREAS, Pacifica Municipal Code Chapter 18 of Title 8 imposed the Manor Drive Fee to mitigate certain traffic impacts from new construction by defraying the actual costs of constructing improvements to the Manor Drive/Palmetto Avenue/Oceana Boulevard intersection and created the Manor Drive/Palmetto Avenue/Oceana Boulevard Intersection Improvement Fund (“Manor Drive Fund”) for the collection of Manor Drive Fees; and

WHEREAS, the City has collected the Manor Drive Fee and deposited the funds in the Manor Drive Fund as authorized by the Municipal Code; and

WHEREAS, at the end of fiscal year 2015-16, the Manor Drive Fund contained the sum of \$951,139 representing fees collected and interest accrued thereon; and

WHEREAS, the City last made findings regarding the unexpended fund in the Manor Drive Fund in 2011.

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Pacifica as follows:

1. The Impact Fee Report, attached hereto as Exhibit A and incorporated by reference, report meets the requirements of Government Code § 66006 and is adopted by the City Council.



BE IT FURTHER RESOLVED, that the City Council of the City of Pacifica finds as follows:

1. The purpose of the Manor Drive Fee is to mitigate the impact of future building activity in the City by defraying the actual costs of constructing improvements to the Manor Drive/Palmetto Avenue/Oceana Boulevard intersection, which will be required to accommodate the increased traffic flow in the area resulting from such future building activity.
2. The unexpended fees in the Manor Drive Fund will fund two related ongoing projects
 - a. The Milagra On-Ramp Project (“On-Ramp Project”), which will construct an on-ramp to northbound Highway One at Milagra Drive to improve highway access to northbound Highway One and reduce traffic congestion by decreasing traffic volume. The On-Ramp Project is further described in the City’s 2016-2021 Capital Improvement Plan.
 - b. The Manor Drive Overcrossing Widening and Signalization Project (“Widening and Signalization Project”) which will include widening the vehicular overcrossing along Manor Drive over Highway One and signalization of the Manor Drive/Palmetto Avenue intersection and the Manor Drive/Oceana Boulevard intersection. The Signalization Project is further described in the City’s 2016-2021 Capital Improvement Plan.
3. A reasonable relationship exists between the On-Ramp Project, the Widening and Signalization Project, and the purpose for which the fees in the Manor Drive Fees were collected. The On-Ramp Project and the Widening and Signalization Project will individually and collectively reduce congestion at the Manor Drive/Palmetto Avenue/Oceana Boulevard Intersection caused by the increased traffic flow in the area by reducing the traffic volume at the intersection, thus improving traffic circulation, mobility and safety.
4. In addition to the fees from the Manor Drive Fund, the following additional funding sources and amounts will continued to be requested from granting agencies to complete financing of the On-Ramp Project and Widening and Signalization Project:

<u>Funding Source</u>	<u>Amount</u>	<u>Expected Deposit Date</u>
San Mateo County Transportation Authority Measure A	\$19,930,000	FY 2020-21

5. Based on the foregoing, a continuing need has been demonstrated for the fees in the Manor Drive Fund.

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PASSED AND ADOPTED at a regular meeting of the City Council of the City of Pacifica, California, held on the 12th of December 2016, by the following vote:

AYES, Councilmembers:

NOES, Councilmembers:

ABSENT, Councilmembers:

ABSTAIN, Councilmembers:

Mayor Sue Digre

ATTEST:

Kathy O'Connell, City Clerk

APPROVED AS TO FORM:

Michelle Marchetta Kenyon, City Attorney

