



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Auditor - Controller
Department No.: 061
For Agenda Of: December 11, 2012
Placement: Administrative
Estimated Tme: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Robert W. Geis, CPA, Auditor – Controller
Director(s)
Staff: Gregory E. Levin, CPA, Division Chief, Auditor-Controller

SUBJECT: **Mitigation Fee Act Annual Report**

County Counsel Concurrence

As to form: Yes

Other Concurrence: N/A

As to form:

Recommended Actions:

Receive and review the Fiscal Year (FY) 2011-2012 Mitigation Fee Act Annual Report, the FY 2011-2012 Annual Fund Account Activity Reports, and the FY 2012-2013 Fee Schedule for the Countywide, Orcutt, Goleta, South Coast, Santa Ynez, Lompoc and Santa Maria development impact fee programs.

Background: The Auditor-Controller's Advanced & Specialty Accounting division, along with the County Executive Office, has coordinated with the various departments and prepared the required annual reports for the Mitigation Fee Act program. Development Impact Fees are fees imposed on new development to pay for their "fair share" of the construction costs associated with new public infrastructure (e.g., roads, parks, library, etc.) necessary to serve the new development.

Under the authority of Government Code § 66000 et seq. (AB 1600/Mitigation Fee Act), which allows local jurisdictions to establish development impact fees, the County of Santa Barbara has adopted several fee programs to fund needed public infrastructure. Some of the established fee programs are imposed Countywide, while others apply to specific geographical areas (e.g., community planning areas) within the County.

The existing County fee programs are listed in Table 1 on the following page. Automatic annual fee adjustments are mandated by most adopted County ordinances beginning each fiscal year. Where applicable, Table 1 indicates whether an annual report, and/or an annual fee adjustment is included as part of this report for each fee program.

Fund	Fee Program	Annual Report	Annual Adjustment	5 Year Report Due
Countywide				
1397	Quimby Fee (Ord. No. 4137; adopted June 16, 1998)	N/A	N/A	N/A
1398	Park Development Mitigation Fee (Ord. No. 4348; adopted June 16, 1998)	Yes	Yes	June 2014
1512	Transportation Mitigation Fee (Ord. No. 4270; adopted June 16,1998)	Yes	Yes	June 2014
1130	Fire Mitigation Fee (Ord. No. 4236; adopted July 30, 1996)	N/A	N/A	June 2014
Orcutt Planning Area				
1394	Comm.Ind. Park Facility Fee (Ord. No. 4316; adopted June 16, 1998)	Yes	Yes	June 2014
1398	Comm.Ind. Park Facility Fee (Ord. No. 4316; adopted June 16, 1998)	Yes	Yes	June 2014
1128	Fire Facility Fee (Ord. No. 4311; adopted June 16, 1998)	Yes	Yes	June 2014
1495	Library Facility Fee (ord. No. 4314; adopted June 16, 1998)	Yes	Yes	June 2014
1497	Public Administration Facility Fee (Ord. No. 4315; adopted June 16,1998)	Yes	Yes	June 2014
2406	Regional Drainage Facility Fee (Ord. No. 4313; adopted June 16,1998)	Yes	Yes	June 2014
1570	Sheriff Facility Fee (Ord. No. 4312; adopted June 16, 1998)	Yes	Yes	June 2014
1510	Transportation Mitigation Fee (Ord. No. 4270; adopted June 16,1998)	Yes	Yes	June 2014
Goleta Planning Area				
1396	Comm.Ind. Park Facility Fee (Ord. No. 4341; adopted November 3, 1998)	Yes	Yes	June 2014
1129	Fire Facility Fee (Ord. No. 4353; adopted March 23, 1999)	Yes	Yes	June 2014
1496	Library Facility Fee (ord. No. 4354; adopted March 23, 1999)	Yes	Yes	June 2014
1498	Public Administration Facility Fee (Ord. No. 4355; adopted March 23,1999)	Yes	Yes	June 2014
1571	Sheriff Facility Fee (Ord. No. 4360; adopted May 25,1999)	Yes	Yes	June 2014
1511	Transportation Mitigation Fee (Ord. No. 4270;adopted June 16,1998)	Yes	Yes	June 2014
South Coast Planning Area				
1396	South Coast West Rec. Demand Area Fee 4348; adopted December 15, 1998)	Yes	Yes	June 2014
1405	South Coast West Rec. Demand Area Fee 4348; adopted December 15, 1998)	Yes	Yes	June 2014
1404	South Coast East Rec. Demand Area Fee 4348; adopted December 15, 1998)	Yes	Yes	June 2014
Santa Ynez Planning Area				
1406	Recreational Demand Are Fee (Ord. No. 4348; adopted December 15, 1998)	Yes	Yes	June 2014
Lompoc Planning Area				
1407	Recreational Demand Are Fee (Ord. No. 4348; adopted December 15, 1998)	Yes	Yes	June 2014
Santa Maria Planning Area				
1408	Recreational Demand Are Fee (Ord. No. 4348; adopted December 15, 1998)	Yes	Yes	June 2014

The following discussion addresses the reporting requirements for the annual reports, and the automatic annual fee adjustments for each of the fee programs as indicated in Table 1. Attachments A and B contain the required reporting information for each of the applicable fee programs.

Annual Reports

Section 66006(b)(1) of the Government Code requires that for each separate account or fund established pursuant to AB 1600, the local agency shall, within 180 days after the last day of each fiscal year, make available to the public the following information for the fiscal year:

- 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 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 and the public improvement remains incomplete.
- 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.
- The amount of refunds made pursuant to subdivision (e) of § 66001 and any allocations pursuant to subdivision (f) of § 66001.

Attachment A provides detailed information of the fee program accounts for the last fiscal year. Total estimated costs for construction of projects and fees expended to date for the identified public improvements are shown for each fee program.

All affected departments prepared reports that provide the required information for each fee account for the last fiscal year (Attachment A). The projects identified in the reports are generally consistent with those found in the County's 5-Year Capital Improvement Program (CIP), Goleta Transportation Improvement Program (GTIP), Orcutt Transportation Improvement Program (OTIP), and Fee Justification studies. The reports contain an accounting of the monies and the projects for which the fees have been collected during the last fiscal year.

Automatic Annual Fee Adjustments

Except for the Countywide Fire Mitigation Fees and Quimby fees all of the County development impacts fees require that the fees be adjusted **automatically** based upon the Engineering Construction Cost index. Attachment B lists the current fees for this fiscal year.

Mandates and Service Levels

Government Code Section 66000 et seq. mandates that any fees imposed by a local agency as a condition of approving a development project must be reviewed annually and every five years by the local agency at a noticed public meeting. As part of this, the Government Code requires that the County shall make certain information available to the public within 180 days following the end of the fiscal year.

Ordinances adopted by the County to implement the development impact mitigation fee programs require that a report shall be submitted to the Board within 60 days following the end of the fiscal year.

County fee ordinances mandate automatic annual fee adjustments to keep pace with the cost of constructing public facilities.

Fiscal and Facilities Impacts: Individual Annual Reports provide information on the amount of fees collected historically including total project costs, fees collected the past fiscal year, and amount expended to date. No fiscal or facility impacts are anticipated with the annual fee report and adjustments.

Attachments:

Attachment A: AB 1600 Annual Fund Account Activity Reports for the Period of July 1, 2011 – June 30, 2012

Attachment B: FY 2012-2013 AB 1600 Annual Departmental Fee Schedules & Adjustments

Authored by:

cc: