

TOWN COUNCIL STAFF REPORT

Title: Fiscal Year 20/21 Report on Development Impact Fees on New Development within the Town.

Meeting Date: December 15, 2021

Prepared by: Rob Patterson, Administrative Services / Finance Director

RECOMMENDATION:

Adopt a Resolution Approving the FY 20/21 Development Impact Fee Report and Making Findings that there Remains a Reasonable Relationship for the Fee Program.

BACKGROUND:

In 1989, Section 66000 et seq. of the Government Code became effective. When passed in 1987, this section was known as AB 1600. When the Legislature passed AB 1600, it added a new chapter to the Government Code on fees for development projects. The chapter sets forth a number of requirements that local agencies must follow if they are to exact fees from developers to defray the cost of construction of public facilities related to development projects. Section 66006 mandates the reporting requirements on fees that the local agency must adhere to each fiscal year. Through the General Plan and fee studies, the Town of Mammoth Lakes has established the nexus between development, the capital improvements necessary to mitigate the effects of development, and approved fees to fund the mitigation measures.

On July 1, 2015, the Town Council reviewed an updated Development Impact Fee Study prepared by TischlerBise, conducted a Public Hearing and, after receiving public testimony and considering available information, approved the Development Impact Study and adopted the Resolution approving the updated Development Impact Fees. Updated project categories included:

- Police Department
- Vehicle Circulation System
- Multi-Modal Circulation System
- Storm Drain System
- General Facilities, Vehicles, and Equipment
- Parks and Recreation Facilities
- No fee is recommended for the Airport

In FY21/22, the Town will complete a comprehensive update to the Development Impact Fee Study.

With each development during each fiscal year, the Town collected certain developer fees that are subject to the reporting requirement. The Town also collects fees as part of the building permit for Special Districts including the Mono County Office of Education for Library and Child Care Funds and for the Mammoth Lakes Fire Protection District for Fire Facilities. Funds collected for these two Special Districts are passed through when requested. Attention should be directed to the Special District regarding the specific use of the funds.

ANALYSIS:

The California Government Code Section 66006 requires local agencies to annually report certain financial information related to capital funds that were established to track fees charged in connection with the approval of a development project. The following information is required: the beginning and ending balance of the fund, the amount of the fees collected and the interest earned, an identification and amount of each public improvement on which fees were expended, the total percentage of the project funded by that fee, the approximate date by which the construction of the public improvement will commence (if financed), a description of each interfund transfer or loan including the project to be funded with the loan and the approximate date of repayment, and any refunds made to developers pursuant to the Code. This information is included in the attached report.

The attached Resolution includes necessary language for approval of the report and to make the necessary findings

ENVIRONMENTAL CONSIDERATIONS:

The proposed approval of the Development Impact Fee Report is not a project as defined by CEQA Section 21065 and State CEQA Guidelines Section 15378(b)(4), as it relates to a government funding mechanism which does not involve any commitment to any specific project which may result in a potentially physical impact on the environment.

LEGAL CONSIDERATIONS:

The Development Impact Fee Report, capital projects, and fees have been reviewed and prepared in accordance with Federal and State law. A review of existing environmental documents was also completed, and the proposed Development Impact Fee Program will not impact mitigation requirements.