Town of Mammoth Lakes

FISCAL YEAR 21-22
ANNUAL AB 1600 REPORT

DEVELOPMENT IMPACT MITIGATION FEES ON NEW DEVELOPMENT WITHIN THE TOWN OF MAMMOTH LAKES

Prepared by: Public Works and Finance Departments

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 several 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.

Compliance with Developer Fees Reporting Requirements of Section 66006 of the Government Code

With each development during the previous fiscal year, the Town collected certain developer fees that are subject to the reporting requirement. These developer fees are the Administration Fund, Police Impact Fund, Vehicle Circulation Impact Fund, Multi-Modal Circulation Impact Fund, Storm Drainage Impact Fund, General Facilities and Equipment Impact Fund, Parkland & Recreation Impact Fund, Airport Fund, Mono County Office of Education Library Impact Fund, Mono County Office of Education Child Care Impact Fund, and Fire Facilities Impact Fund. Funds collected for the two Special Districts are passed through when requested. Attention should be directed to the Special District regarding the specific use of the funds.

There are eight reporting requirements on fees that the local agency must adhere to each fiscal year:

1. Create separate capital facilities funds or accounts for each improvement funded with impact fees (Government Code Section 66006(a)).
2. Remit all interest income earned by the fees to the same fund; interest income must be spent solely on the purpose for which the fee was originally collected (Section 66006(a)).
3. Within 180 days after the close of each fiscal year, prepare a public report concerning each impact fee fund. Such report must include the fund's beginning and ending balance for the fiscal year, amount of fees and interest deposited into the fund for the fiscal year, and a description of each expenditure from the fund for that year, including identification of the improvement being funded (Section 66006(b)).
4. Review the report at a public meeting not less than 15 days after the report is released to the public (Section 66006(b)(2)).
5. If fees remain unexpended or uncommitted five years after being collected, the local agency is to make a finding that there remains a reasonable relationship between the current need for the fees and the purposes for which they were originally collected (Section 66001 (d)).

6. Refund to current owner of lots, units, or developed projects any fees, with accrued interest, for which continued need cannot be demonstrated (Section 6600 1 (e)).
7. A local agency must not commingle fees with any other revenue, except for temporary investment purposes (Section 66006(a)).
8. A local agency may not spend impact fees for maintenance or operation of improvements funded with impact fees (Section 65913.8).

The Town is in compliance with the requirements. A Capital Improvement Program was prepared each year and funds expended are shown in this report. Financial information was also available from the Town financial system.

This year the Town will need to adopt a resolution regarding the funds because AB 1600 requires expenditures or commitment of funds within five years of their collection. Although AB 1600 requires that fees collected from developers be expended within five years, the law, as noted previously, also allows exceptions. Exceptions are provided in recognition that some project costs can be of a magnitude that it takes more than five years to accrue adequate funds; or matching funds may not be available within the five-year period.

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

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 information which is required by the fee, 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 inter-fund 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 this report.

In FY22-23, the Town will be completing a comprehensive update of the 2015 Development Impact Fee Study. In preparation for this new study, the Town is updating its processes around long-range capital improvement plans and incorporating them into the annual process. The Town has made similar improvements to the 5-year CIP

There were no refunds of Development Impact Fees during the past four years.

Total project costs are based on the most recently adopted Development Impact Fee Justification Study Report.

The Administrative Overhead fee established in Resolution 98-06 is 4% of all fees collected. The amount in the remaining Capital Funds were insufficient at year end to fund any significant improvements. Previous loans from the Town's Vehicle Replacement Fund made to cover fund shortfalls in the Capital funds have been written off.

On July 1, 2015, Town Council adopted an updated Development Impact Fee Study as a comprehensive update to previous studies. That study provided an updated framework and methodology and led to the establishment of updated Development Impact Fees.

TischlerBise and Town staff, in preparing the updated study:

- Reviewed available information regarding the previous DIF Study (2007) and amendments.
- Reviewed the previous Town Master Facilities Plan.
- Discussed development and planning changes since 2007.
- Determined information required to complete the update.
- Staff provided Mr. Bise with detail regarding housing, development and planning issues that have changed since 2007.
- Staff contacted other agencies to determine their interest in participating in this effort.
- Staff reviewed the previous Master Facilities Plan in an effort to establish a clear understanding of foreseeable Town needs.
- Staff TischlerBise have reviewed available methodologies for calculation of the updated DIF to determine the method most applicable to the Town.
- Staff has met with TischlerBise and various interested parties in Town to obtain input and to provide an update.

Description of the type of Development Impact Fee for each Fund Category:

Administrative Overhead Fund is for payment of the actual or estimated costs of administering the provisions of this article and any resolutions adopted pursuant hereto, all consistent with the provisions of the Development Impact Mitigation Fee Chapter.

Police Fund is for payment of the actual or estimated costs of law enforcement facilities improvements, including any required acquisition of land, and for the actual or estimated costs of acquiring vehicles or equipment.

Vehicle Circulation Fund is for payment of the actual or estimated costs of the design, upgrading, or improvement of the vehicular circulation network including any required acquisition of land.

Multi-Modal Circulation Fund is for payment of the actual or estimated costs of the design, upgrading, or improvement of the non-vehicular circulation and vehicular parking network including any required acquisition of land.

Storm Drainage Fund is for construction of drainage facilities from impacts of increased lot coverage and runoff from new development as provided for in the 2015 Storm Water Master Plan.

General Facility Fund is for payment of the actual or estimated costs of general facilities improvements, including public meeting facilities, any required acquisition of land, and for the actual or estimated costs of acquiring vehicles or equipment.

Parkland and Recreation Facilities is for payment of the actual or estimated costs of constructing and improving parks and recreation facilities, including any required acquisition of land, as well as grading, irrigation, and landscaping costs associated therewith.

Airport Improvement Fund is for payment or estimated costs of airport improvement costs including any required acquisition of land, improvements, and equipment benefiting the municipal airport.

Mono County Office of Education Facilities is for the payment of the actual or estimated costs of construction and improving library facilities, acquiring books, and providing childcare facilities, including any required acquisition of land.

Mammoth Lakes Fire Protection District Fire Suppression Facilities, Vehicle, and Equipment Fund is for payment of the actual or estimated costs of fire facilities improvements, including any required acquisition of land, and for the actual or estimated costs of acquiring vehicles or equipment.

DEVELOPMENT IMPACT FEES

Refer to the Municipal Code and authorizing Resolutions for Details

As Updated July 1, 2015, Effective August 31, 2015

Facility	Single Family (Per Unit)	Mobile Home (Per Unit)	Multi-Unit (Per Unit)	Lodging (Per Room)	Commercial (Per Square Foot)	Offices & Other Services (Per Square Foot)	Industrial (Per Square Foot)	Institutional (Per Square Foot)
Police	$150	$128	$156	$301	$1.04	$0.41	$0.26	$0.57
Vehicle Circulation	$265	$139	$184	$166	$0.58	$0.21	$0.15	$0.31
Multi-Modal Circulation	$1,389	$727	$969	$871	$3.01	$1.17	$0.74	$1.65
Storm Drainage	$845	$459	$586	$438	$0.08	$0.08	$0.27	$0.33
General Facilities & Equipment	$707	$602	$739	$432	$0.66	$0.66	$0.27	$0.36
Parkland and Recreation	$713	$607	$746	$533	$0.00	$0.00	$0.00	$0.00
Airport	$0	$0	$0	$0	$0.00	$0.00	$0.00	$0.00
Subtotal Town Fees	$4,069	$2,661	$3,380	$2,740	$5.37	$2.55	$1.70	$3.21

Development Impact Fee for Other Districts

Facility	Single family Non-transient	Single family Transient	Mobile Home	Multi-unit Non Transient	Multi-Unit Transient	Commercial and Office	Industrial
Library Fees	$2,001	$340	$1,721	$1,721	$340	-	-
Child Care Fees	$374	$624	$374	$374	$624	-	-
Fire District Fees	$1,526	$2,014	$1,526	$961	$2,014	$2,610	$1,007
Subtotal Other Fees	$3,901	$2,978	$3,621	$3,056	$2,978	$2,610	$1,007

Developer Impact Fee Fund Balances
Development Impact Fees (DIF)

Revenue, Expenditure and Fund Balance Summary

Revenues/Expenditures by Fund		Actual	Actual	Actual	Actual	Actual	Actual
		FY2016-17	FY2017-18	FY2018-19	FY2019-20	FY2020-21	FY2021-22
Administration (Fund 830)							
	Beginning Fund Balance	**5,211**	**5,243**	**19,130**	**33,091**	**44,659**	**59,729**
	Revenue	32	13,887	13,961	11,568	15,069	30,576
	Expenditures						
	Write Off						
	Ending Fund Balance	**5,243**	**19,130**	**33,091**	**44,659**	**59,729**	**90,305**
General Facilities & Equipment (Fund 831)							
	Beginning Fund Balance	**2,851**	**6,924**	**34,715**	**66,938**	**94,181**	**138,665**
	Revenue	4,073	28,939	33,566	28,378	46,314	43,315
	Expenditures		(1,148)	(1,343)	(1,135)	(1,830)	(1,712)
	Write Off						
	Ending Fund Balance	**6,924**	**34,715**	**66,938**	**94,181**	**138,665**	**180,268**
Police (Fund 832)							
	Beginning Fund Balance	**1,005**	**1,872**	**24,519**	**34,343**	**48,975**	**58,609**
	Revenue	867	23,584	10,233	15,242	10,025	12,438
	Expenditures		(937)	(409)	(610)	(390)	(489)
	Write Off						
	Ending Fund Balance	**1,872**	**24,519**	**34,343**	**48,975**	**58,609**	**70,559**
Storm Drainage (Fund 833)							
	Beginning Fund Balance	**3,258**	**8,128**	**26,675**	**56,692**	**75,519**	**114,161**
	Revenue	4,870	19,311	31,268	19,611	40,233	38,380
	Expenditures		(764)	(1,251)	(784)	(1,591)	(1,518)
	Write Off						
	Ending Fund Balance	**8,128**	**26,675**	**56,692**	**75,519**	**114,161**	**151,023**
Parkland & Recreation (Fund 834)							
	Beginning Fund Balance	**164,648**	**19,223**	**41,157**	**74,853**	**20,485**	**64,393**
	Revenue	4,575	22,833	35,100	21,492	45,728	38,247
	Expenditures	(150,000)	(898)	(1,404)	(75,860)	(1,821)	(1,519)
	Ending Fund Balance	**19,223**	**41,157**	**74,853**	**20,485**	**64,393**	**101,121**

	MCOE Library Fees (Fund 835)							
		Beginning Fund Balance	**37,716**	**14,925**	**47,697**	**73,412**	**90,710**	**115,902**
		Revenue	23,960	34,120	26,786	18,019	26,221	173,056
		Expenditures	(46,750)	(1,348)	(1,071)	(721)	(1,029)	(122,723)
		Adjustment						
		Ending Fund Balance	**14,925**	**47,697**	**73,412**	**90,710**	**115,902**	**166,235**
	Vehicle Circulation (Fund 836)							
		Beginning Fund Balance	**1,262**	**2,792**	**18,764**	**27,567**	**38,797**	**51,001**
		Revenue	1,530	16,632	9,170	11,698	12,703	13,271
		Expenditures		(660)	(367)	(468)	(499)	(523)
		Write Off						
		Ending Fund Balance	**2,792**	**18,764**	**27,567**	**38,797**	**51,001**	**63,748**
	MCOE Child Care Fees (Fund 837)							
		Beginning Fund Balance	**21,154**	**46,069**	**54,216**	**104,139**	**122,563**	**158,901**
		Revenue	24,915	8,462	52,003	19,192	37,823	60,674
		Expenditures		(314)	(2,080)	(768)	(1,485)	(2,403)
		Adjustment						
		Ending Fund Balance	**46,069**	**54,216**	**104,139**	**122,563**	**158,901**	**217,172**
	Fire District Fees (Fund 838)							
		Beginning Fund Balance	**34,908**	**25,809**	**130,531**	**92,011**	**167,598**	**254,560**
		Revenue	20,902	109,046	84,875	78,737	90,542	315,149
		Expenditures	(30,000)	(4,324)	(123,395)	(3,149)	(3,580)	(12,560)
		Ending Fund Balance	**25,809**	**130,531**	**92,011**	**167,598**	**254,560**	**557,149**
	Airport (Fund 839)							
		Beginning Fund Balance	**13,618**	**13,701**	**13,866**	**14,193**	**14,574**	**14,644**
		Revenue	83	165	327	381	70	70
		Expenditures						
		Ending Fund Balance	**13,701**	**13,866**	**14,193**	**14,574**	**14,644**	**14,715**
	Multi-Modal Circulation (Fund 841)							
		Beginning Fund Balance	**5,648**	**13,655**	**96,622**	**149,190**	**208,514**	**272,732**
		Revenue	8,007	86,397	54,759	61,796	66,844	69,512
		Expenditures		(3,430)	(2,190)	(2,472)	(2,627)	(2,740)
		Ending Fund Balance	**13,655**	**96,622**	**149,190**	**208,514**	**272,732**	**339,504**
	Total		**158,341**	**507,893**	**726,430**	**926,576**	**1,303,297**	**1,951,799**