



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Public Works



Date: February 19, 2014
Board Meeting Date: April 8, 2014
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: James C. Porter, director of Public Works

Subject: County-Wide Mitigation Fees for County Public Road Reconstruction and Adjustment of Fees for Fiscal Year 2014-15

RECOMMENDATION:

Adopt Resolutions:

- A) Accepting the report on county-wide mitigation fees for the period of January 1, 2013 to December 31, 2013; and
- B) Determining that for Calendar Year 2014, the rates for the fees for new development authorized by Chapter 2.53 of the San Mateo County Ordinance Code shall be computed on the base rates specified in Section 2.53.030, as adjusted in 2013.

BACKGROUND:

Your Board instituted mitigation fees in 1991 as a means of having developers of property contribute funds to construct and reconstruct County roads that are impacted by their developments. The enabling legislation - Government Code Sections 66484, et seq. - requires that funds be used in the same areas (zones) where the funds are collected. The Ordinance adopted by your Board which established mitigation fees, also established the various zones in the County, and:

- 1. Requires that a report on the status of the mitigation fees by zone be prepared each year; and
- 2. Allows for adjustments in the mitigation fees based on the change on the Construction Cost Index as published by the Engineering News Record.

DISCUSSION:

The fees as established use the residential fee as the base. Commercial and industrial fees are calculated as multiples of the residential fee, based on the type of use of the property with the exception of the Commercial – Self-Storage fee, which was established in 1999. The Ordinance provides for adjusting the mitigation fee based on

changes in the Engineering News Record Construction Cost Index, which has increased rates by seventy-three percent (73%) since inception of the fees. In 2013, the Construction Cost Index increased by 5.2%, and therefore we are recommending that the base residential fee be adjusted to \$1.82 per square foot of assessable space, and that the Commercial – Self-Storage fee also increase to \$1.44 per square foot of assessable space. The following is a summary of the recommended fees:

	Initial Fee	Total Change 1991-2012	2013 Fee	Proposed 2014 Fee	Percentage Increase
Residential	\$1.00	+73.0%	\$1.73	5.2%	\$1.82
Industrial	\$1.00	+73.0%	\$1.73	5.2%	\$1.82
Commercial – Self-Storage*	\$0.80	+73.0%	\$1.37	5.2%	\$1.44
Commercial – Lodging	\$1.00	+73.0%	\$1.73	5.2%	\$1.82
Commercial – Retail	\$2.00	+73.0%	\$3.44	5.2%	\$3.62
Commercial – Office	\$2.00	+73.0%	\$3.44	5.2%	\$3.62

*fee established – February 1999

The amount of funds that have been collected together with interest from inception of the fees in January 1991 through December 31, 2013, and the seven areas of benefit are included in attachments A and B respectively.

County Counsel has reviewed and approved the Resolutions as to form.

Approval of this action contributes to the Shared Vision 2025 outcome of a Livable Community by collecting mitigation fees to aid in funding the reconstruction of roads and drainage facilities that are a benefit to residents and the general public.

FISCAL IMPACT:

Specific projects to be financed with Mitigation Fees will be recommended for budgeting through the normal budget process.

There is no impact to the General Fund.

Attachments: Attachment “A” - Countywide Mitigation Fee Account Activity 2004-2013
Attachment “B” - Description of Areas of Benefit

Attachment "A" - Countywide Mitigation Fee Account Activity 2004-2013

Exhibit "A"

SAN MATEO COUNTY - DEPARTMENT OF PUBLIC WORKS MITIGATION FEES - LTD (ROADWAY IMPROVEMENT FUND 00114) AS OF DECEMBER 31, 2013

PERIOD ENDING	TRANS TYPE	NORTH COUNTY	MID- PENINSULA	SOUTH BAYSIDE	EMERALD LAKE	SOUTH COUNTY	MID-COAST URBAN	RURAL	TOTALS
Dec-03	Fund Balance	252,487.91	269,317.64	658,878.08	723,876.48	609,219.31	1,331,629.27	368,927.69	4,214,336.38
Dec-04	Collections	17,213.18	38,074.91	60,769.57	51,971.84	100,355.75	292,721.76	122,140.33	683,247.34
	Interest	6,870.71	7,126.47	16,274.45	18,599.44	16,710.26	39,069.50	11,189.52	115,840.35
	Expenditures	(26,261.19)	(51,214.82)	(202,604.15)	(153,158.97)	(102,932.47)	(57,576.42)	(1,994.62)	(595,742.64)
	Fund Balance	250,310.61	283,304.20	533,317.95	641,288.79	623,352.85	1,605,844.11	500,262.92	4,417,681.43
Dec-05	Collections	20,772.75	37,113.53	69,619.50	106,723.51	149,287.35	301,627.00	32,995.20	718,138.84
	Interest	7,547.19	6,996.76	15,966.51	16,333.38	18,638.64	49,791.69	14,074.51	129,348.68
	Expenditures	(17,274.99)	(150,499.62)	(60,496.86)	(459,810.42)	(152,185.29)	(52,968.44)	(150,910.42)	(1,044,126.04)
	Fund Balance	261,355.56	156,914.87	558,407.10	304,535.26	639,113.55	1,904,294.36	396,422.21	4,221,042.91
Dec-06	Collections	14,256.35	40,272.51	192,333.03	122,027.05	72,663.06	129,078.21	43,613.00	614,243.21
	Interest	9,555.61	6,250.17	20,891.92	11,974.96	23,837.63	69,155.49	13,782.57	155,448.35
	Expenditures	(46,089.92)	(30,744.84)	(229,551.80)	(121,464.92)	(102,751.10)	(349,134.09)	(151,622.12)	(1,031,358.79)
	Net Actual	(22,277.96)	15,777.84	(16,326.85)	12,537.09	(6,250.41)	(150,900.39)	(94,226.55)	(261,667.23)
	Fund Balance	239,077.60	172,692.71	542,080.25	317,072.35	632,863.14	1,753,393.97	302,195.66	3,959,375.68
Dec-07	Collections	4,900.05	35,025.83	77,626.55	73,029.66	111,476.73	143,980.30	57,226.65	503,265.77
	Interest	11,373.07	8,492.09	12,299.55	16,101.53	32,075.97	82,878.30	14,926.18	178,146.69
	Expenditures	(273.58)	(201.48)	(535,844.20)	(389.42)	(781.01)	(126,549.50)	(366.96)	(664,406.15)
	Fund Balance	255,077.14	216,009.15	96,162.15	405,814.12	775,634.83	1,853,703.07	373,981.53	3,976,381.99
Dec-08	Collections	6,322.68	19,881.65	17,756.76	62,614.45	140,032.81	88,460.36	18,403.03	353,271.74
	Interest	(4,488.65)	(4,318.72)	(312.81)	(8,687.01)	(14,257.91)	(4,383.64)	(6,858.64)	(43,307.38)
	Expenditures	(892.68)	(790.24)	(50,193.68)	(1,562.69)	(103,961.55)	(835,422.05)	(1,319.23)	(994,142.12)
	Net Actual	941.35	14,572.69	(32,749.73)	52,364.75	21,813.35	(751,345.33)	10,225.16	(684,177.76)
	Fund Balance	256,018.49	230,581.84	63,412.42	458,178.87	797,448.18	1,102,357.74	384,206.69	3,292,204.23

Exhibit "A"

**SAN MATEO COUNTY - DEPARTMENT OF PUBLIC WORKS
MITIGATION FEES - LTD (ROADWAY IMPROVEMENT FUND 00114)
AS OF DECEMBER 31, 2013**

PERIOD ENDING	TRANS TYPE	NORTH COUNTY	MID- PENINSULA	SOUTH BAYSIDE	EMERALD LAKE	SOUTH COUNTY	MID-COAST URBAN	RURAL	TOTALS
Dec-09	Collections	13,852.71	24,039.40	37,107.35	53,998.00	58,933.80	59,023.02	14,780.92	259,735.20
	Interest	4,873.69	4,467.01	1,407.58	8,966.91	14,721.68	15,076.27	7,279.77	58,782.91
	Expenditures	(622.90)	(575.15)	(208.23)	(1,176.58)	(73,043.76)	(1,021,128.82)	(4,314.51)	(1,101,089.95)
	Net Actual	18,103.50	27,931.26	38,306.70	61,788.33	(1,388.28)	(947,029.53)	17,746.18	(784,541.84)
	Fund Balance	274,121.99	258,513.10	101,719.12	519,967.20	796,059.90	155,328.21	401,952.87	2,507,662.39
Dec-10	Collections	13,888.07	33,556.71	32,200.32	42,966.42	110,074.54	44,257.85	26,553.01	303,496.92
	Interest	2,969.33	2,908.70	1,226.36	5,807.71	8,784.68	1,176.35	4,398.39	27,271.52
	Expenditures	(290.53)	(288.61)	(116.45)	(569.50)	(37,793.65)	(145,678.10)	(429.02)	(185,165.86)
	Net Actual	16,566.87	36,176.80	33,310.23	48,204.63	81,065.57	(100,243.90)	30,522.38	145,602.58
	Fund Balance	290,688.86	294,689.90	135,029.35	568,171.83	877,125.47	55,084.31	432,475.25	2,853,264.97
Dec-11	Collections	2,504.17	17,922.14	71,881.40	24,030.93	97,495.54	32,978.68	21,199.28	267,812.14
	Interest	3,219.03	3,345.67	1,690.48	6,367.91	10,001.76	637.36	4,814.76	30,076.97
	Expenditures	(2,129.23)	(828.84)	(497.50)	(1,562.10)	(2,552.16)	(9,306.66)	(1,198.22)	(18,074.71)
	Net Actual	3,593.97	20,438.97	72,874.38	28,836.74	104,945.14	24,309.38	24,815.82	279,814.40
	Fund Balance	294,282.83	315,128.87	207,903.73	597,008.57	982,070.61	79,393.69	457,291.07	2,933,079.37
Dec-12	Collections	10,100.68	11,755.36	36,093.43	60,110.45	94,116.51	22,695.18	8,888.38	243,759.99
	Interest	4,461.91	4,766.90	3,405.01	9,230.43	15,164.55	1,250.31	6,861.31	45,140.42
	Expenditures	(1,542.38)	(1,641.17)	(1,791.38)	(3,133.38)	(5,181.29)	(418.01)	(2,957.89)	(16,665.49)
	Net Actual	13,020.20	14,881.09	37,707.07	66,207.50	104,099.77	23,527.48	12,791.80	272,234.92
	Fund Balance	307,303.03	330,009.96	245,610.80	663,216.07	1,086,170.38	102,921.17	470,082.87	3,205,314.29
Dec-13	Collections	6,503.55	24,130.77	142,573.26	35,894.31	151,270.39	18,303.88	59,156.88	437,833.04
	Interest	7,311.86	8,025.28	7,613.80	16,102.34	27,003.51	2,581.53	11,870.30	80,508.63
	Expenditures	(65.06)	(71.84)	(70.89)	(143.76)	(247.26)	(24.14)	(106.41)	(729.37)
	Net Actual	13,750.35	32,084.21	150,116.17	51,852.89	178,026.64	20,861.27	70,920.77	517,612.30
	Fund Balance	321,053.39	362,094.17	395,726.97	715,068.96	1,264,197.02	123,782.44	541,003.64	3,722,926.58

**SAN MATEO COUNTY - DEPARTMENT OF PUBLIC WORKS
MITIGATION FEES - LTD (ROADWAY IMPROVEMENT FUND 00114)
FUNDS > 5 YEARS AS OF 12/31/2013**

	NORTH COUNTY	MID- PENINSULA	SOUTH BAYSIDE	EMERALD LAKE	SOUTH COUNTY	MID-COAST URBAN	RURAL	TOTAL
Collections - Mitigation Fees								
2002	41,350.40	32,152.40	49,113.35	83,901.90	88,482.44	204,249.15	27,005.65	524,235.29
2003	177,101.19	38,274.10	77,043.55	67,389.95	100,475.07	171,201.65	38,520.17	670,005.68
2004	17,213.18	38,074.91	60,789.57	51,971.84	100,355.75	292,721.76	122,140.33	683,247.34
2005	20,772.75	37,113.53	69,619.50	106,723.51	149,287.35	301,627.00	32,995.20	718,138.84
2006	14,256.35	40,272.51	192,333.03	122,027.05	72,663.06	129,078.21	43,613.00	614,243.21
2007	4,900.05	35,025.83	77,626.55	73,029.66	111,476.73	143,980.30	57,226.65	503,265.77
2008	6,322.68	19,681.65	17,756.76	62,614.45	140,032.81	88,460.36	18,403.03	353,271.74
								0.00
Total Collections as of Dec 31, 2008 (excluding interest)	281,916.60	240,594.93	544,262.31	567,658.36	760,753.21	1,331,318.43	339,904.03	4,066,407.87
Expenditures from Jan 2002								
2002	(364.26)	(29,291.92)	(17,340.24)	(295,985.99)	(32,603.24)	(48,950.77)	(3,526.87)	(428,063.29)
2003	(1,011.44)	(181,099.11)	(202,612.04)	(91,471.56)	(2,518.19)	(407,055.83)	(201,482.34)	(1,087,250.51)
2004	(26,281.19)	(51,214.82)	(202,604.15)	(153,158.97)	(102,932.47)	(57,576.42)	(1,994.62)	(595,742.84)
2005	(17,274.99)	(150,499.62)	(60,496.86)	(459,810.42)	(152,165.29)	(52,968.44)	(150,910.42)	(1,044,126.04)
2006	(46,089.92)	(30,744.84)	(229,551.80)	(121,464.92)	(102,751.10)	(349,134.09)	(151,622.12)	(1,031,358.79)
2007	(273.58)	(201.48)	(535,844.20)	(389.42)	(781.01)	(126,549.50)	(366.96)	(664,406.15)
2008	(862.68)	(790.24)	(50,193.68)	(1,562.69)	(103,961.55)	(835,422.05)	(1,319.23)	(994,142.12)
2009	(622.90)	(575.15)	(208.23)	(1,176.58)	(73,043.76)	(1,021,128.82)	(4,314.51)	(1,101,069.95)
2010	(290.53)	(288.81)	(116.45)	(569.50)	(37,793.65)	(145,678.10)	(429.02)	(185,165.88)
2011	(2,129.23)	(828.84)	(497.50)	(1,562.10)	(2,552.16)	(9,306.66)	(1,198.22)	(18,074.71)
2012	(1,542.38)	(1,641.17)	(1,791.36)	(3,133.38)	(5,181.29)	(418.01)	(2,957.89)	(16,665.49)
2013	(65.06)	(71.84)	(70.89)	(143.76)	(247.26)	(24.14)	(106.41)	(729.37)
Total Expenditures from Jan 2002 - Dec 31, 2013	(96,818.17)	(447,247.65)	(1,301,327.40)	(1,130,429.29)	(616,530.97)	(3,054,212.83)	(520,228.62)	(7,166,794.92)
Funds > 5 Years as of Dec 31, 2013	185,098.43	(206,652.72)	(757,065.09)	(562,770.93)	144,222.24	(1,722,894.40)	(180,324.59)	(3,100,387.05)

ATTACHMENT “B”

Countywide Mitigation Fees

AREAS OF BENEFIT

Name	Served by Arterials/Highways/Freeways	Major Unincorporated Areas	Minor Unincorporated Areas
North County	I-280	Broadmoor Village Colma Country Club Park	Olympic Club California Golf & Country Club San Francisco Airport Area Guadalupe Canyon Parkway
Mid-Peninsula	I-280/Highway 92	Burlingame Hills San Mateo Highlands Devonshire	
South Bayside	Highway 101/Middlefield Road	Harbor Industrial North Fair Oaks Menlo Oaks	Mobile Home Parks (Haven Road) Ideal Cement
Emerald Lake	Edgewood Road/Alameda de las Pulgas	Palomar Park Emerald Lake Hills Oak Knoll	Kensington Square Whipple Terrace Edgewood Road
South County	I-280/Alameda de las Pulgas	Sequoia Tract West Menlo Park Ladera Los Trancos	Stanford Lands Weekend Acres
Mid-Coast Urban	Highway 1	Montara Moss Beach El Granada Princeton	
Rural	Skyline Boulevard/Highway 1	Skyline Area La Honda San Gregorio Pescadero All other rural areas	