



County of San Mateo

Inter-Departmental Correspondence

Department: PLANNING AND BUILDING

File #: 23-953

Board Meeting Date: 12/5/2023

Special Notice / Hearing: 15-Day Notice

Vote Required: Majority

To: Honorable Board of Supervisors

From: Steve Monowitz, Community Development Director

Subject: Annual Report of the Mid-Coast Park and Recreation Development Fees Trust Fund and Fee Adjustment

RECOMMENDATION:

Adopt a resolution:

- A) Accepting the 2022-23 annual report for the Mid-Coast Park and Recreation Development Fees Trust Fund; and
- B) Confirming annual fee adjustment.

BACKGROUND:

On January 28, 2003, the Board adopted the Mid-Coast Park and Recreation Development Fees Ordinance ("Ordinance") (San Mateo County Ordinance Code Chapter 2.64). The Ordinance established mitigation fees for (1) new residential development and (2) residential reconstruction or remodeling projects that increase the assessable space of an existing residence in the unincorporated Mid-Coast area of the County (i.e., the communities of Montara, Moss Beach, El Granada, Miramar, and Princeton). (Ordinance Code §§ 2.64.030, 2.64.040.) Farm labor housing projects and lower income housing projects are exempt from the fee. (Ordinance Code § 2.64.110.) The fees collected are to be deposited in a Trust Fund and used to acquire or develop parks to be located in and primarily used by Mid-Coast residents (Ordinance Code § 2.64.060).

The Ordinance was enacted pursuant to the Mitigation Fee Act (Government Code Section, 66000 et seq.), which regulates the collection, maintenance, spending, and accounting of impact fees. The Mitigation Fee Act requires that the County publish an annual report documenting the collection and use of impact fees and periodically (at least every five years) make certain findings about unexpended impact fees collected, whether committed or uncommitted. The Board of Supervisors adopted a resolution making findings regarding unexpended funds when it accepted the 2021-22 annual report, on December 13, 2022.

This memorandum provides the fiscal year 2022-23 annual report for the Trust Fund pursuant to the Mitigation Fee Act and the Ordinance.

DISCUSSION:

A. Annual Report

Pursuant to Government Code Section 66006(b), the 2022-23 annual report for the Trust Fund includes the following information:

(A) A brief description of the type of fee in the account or fund.

The Mid-Coast Park and Recreation Development fee is a fee imposed on new residential development and specified residential reconstruction or remodel projects located in the Mid-Coast to help acquire or develop parks in the unincorporated Mid-Coast area of San Mateo County.

(B) The amount of the fee.

The current fee is \$1.99 per square foot of assessable space (or per square foot of increased assessable space for reconstruction or remodels). The fee will increase to \$2.02 per square foot of assessable space effective January 1, 2024 in accordance with Ordinance Code § 2.64.070(a) and the current Engineering News Record Construction Cost Index.

(C) The beginning and ending balances of the account or fund for the fiscal year.

See table below.

(D) The amount of fees collected and interest earned for the fiscal year.

See table below.

(E) An identification of each public improvement on which impact fees were expended and amount of expenditure on each improvement, including the total percentage of the cost of the public improvement that was funded with impact fees.

The Quarry Park Pump Track (opened to the public on July 16, 2022) was approximately 81% funded by the Mid-Coast Park Mitigation Fees. No other projects were funded by the Mid-Coast Park Mitigation Fee in fiscal year 2022-23. *(F) An identification of approximate date by which construction of a public improvement will begin, if sufficient funds have been collected and the improvement remains incomplete.*

The Parks Department has not yet identified any projects that Mid-Coast Mitigation Fee funds will be used for. Given the current balance of the fund, the Department is waiting for additional revenue to be generated before selecting a project that will enhance recreation opportunities on the Mid-coast.

(G) A description of each interfund transfer or loan made from the account or fund, including the public improvement on which the loaned funds 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.

No interfund transfers or loans were made from the account.

(H) Amount of any refunds made pursuant to Government Code Section 66001(e) and any allocations of administrative costs associated with refunds pursuant to Government Code Section 66001(f).

No refunds were made.

The table below identifies the beginning and ending balance, the amounts collected during the year, interest earned, and expenditures.

	FY2018-19	FY2019-20	FY2020-21	FY2021-22	FY2022-23
Beginning balance	386,312.09	454,855.35	497,319.89	530,369.82	324,515.06
Fees collected	59,239.74	33,460.50	62,656.66	35,230.40	12,415.22
Interest Income	9,303.52	9,004.04	6,428.27	5,236.79	5,705.00
Expenditures	-	-	(36,035.00)	(246,321.95)	(103,378.66)
Ending Balance	454,855.35	497,319.89	530,369.82	324,515.06	239,256.62

The County Attorney's Office has reviewed and approved the resolution as to form.

FISCAL IMPACT:

There is no fiscal impact associated with accepting the 2022-23 annual report for the Trust Fund.