

**DATE:** December 12, 2023  
**TO:** Joshua McMurray, City Manager  
**FROM:** Jeri Tejada, Administrative Services Director  
**SUBJECT:** Development Impact Fee Five-Year Report

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## Background and Analysis

State law allows the City to charge fees to offset impacts associated with new development. Along with requirements related to the amount of the fees, nexus to impacts, and specifications for use of the fees, the Law requires that the City prepare annual five year reports for each fee program. The annual report must include a fee schedule, beginning and ending fund balances, revenues, expenditures, and project information. The five-year report must include information showing the fees are being spent timely and include supporting information about each program’s projects that support making a number of required findings. Once prepared and made available to the Public, it must also be presented to the City Council. The attached report is the City’s Five-Year Report for the period ending June 30, 2023, containing the prescribed information for each of the City’s Impact Fee Programs.

The legal requirements for enactment of a development impact fee program are set forth in the California Government Code sections 66000-66025 (the “Mitigation Fee Act”), the bulk of which was adopted as 1987’s Assembly Bill (AB) 1600 and thus are commonly referred to as “AB 1600 requirements”. Each fiscal year the City publishes a Development Impact Fee Report meeting the requirements of both California Government Code Section 66006(b) and 66001(d). The law also requires the report to be made available to the public within 180 days of the close of a fiscal year and that it be presented to the City Council at the next regular meeting not less than 15 days after it is made available to the public. This report was made available to the public on November 28, 2023.

## Consistency with the Oakley Strategic Plan 27+

This item is consistent with our strategic plans, sustainable organization goal as we continue to strive for transparency and trust within the City.

## Fiscal Impact

None



## Staff Recommendation

Staff recommends that the City Council approve the Resolution accepting the attached Report and making the required findings pursuant to Government Code Sections 66000 et seq.

## Attachments

1. Resolution
2. Five-Year Report



**Five Year Report  
Development Impact Fees  
For the City of Oakley  
For Fiscal Year Ending June 30, 2023**

Development Impact fees are fees, other than a tax or special assessment, which is charged by a local government agency to an applicant in connection with approval of a development project. The purpose of these fees is to defray all or a portion of the cost of public infrastructure related to the development project.

The legal requirements for enactment of a development impact program are set forth in the California Government Code sections 66000-66025 (the "Mitigation Fee Act"), the bulk of which was adopted as 1987's Assembly Bill (AB) 1600 and thus are commonly referred to as "AB 1600 requirements." The annual report must be made available to the public no later than 180 days after the end of the fiscal year, and must be presented to the City Council at least fifteen days after it is made available to the public. The five year report must be made available to the public following the fifth year the fees are collected and each five years thereafter.

This report is the City's Five-Year Report for the period ended June 30, 2023.

This report includes all of the Annual Report required data, and data that supports the findings required by the Code for the five-year period. Below, and on the following pages you will find for each fee program:

1. A brief description of the program.
2. Beginning and ending balances for the year.
3. Amount of fees collected and the interest earned during the year.
4. Total Expenditures for the year.
5. A summary of fund balances and five year test.
6. A detailed list of current year disbursements by project, including the percentages funded by fees, including operating transfers.
7. Information listing the programs' projects expected to be funded with fees that have been collected but unspent, whether committed or not yet committed, including data from the City's most current Capital Improvement Plan.
8. A current schedule of fees.

The fee programs included in this report are the following:

Section A - Traffic Impact Fee Program

Section B - Park Impact Fee Program

Section C - Public Facilities Impact Fee Program

Section D - Fire Facilities Impact Fee Program

### **Program Descriptions**

#### **A. Traffic Impact Fee Program**

The Traffic Impact Fee Program was established by the City on incorporation in 1999, and included separate Area of Benefit and Median Island Fees. In 2003, all of these programs were rolled up into a broader Traffic Impact Fee Program. The Program's stated purpose is to finance roadway improvements to reduce the impacts caused by future development in the City. The City accounts for the program in its Traffic Impact Fee Fund.

#### **B. Park Impact Fee Program**

In 2003, the City amended its existing Park Impact Fee Program. The stated purpose for the program is to acquire property and develop city parks to reduce the impacts caused by future development in the City. The City accounts for the program in its Park Impact Fee Fund.

#### **C. Public Facilities Impact Fee Program**

The Public Facilities Impact Fee Program was established by the City in 2003 to finance the acquisition, or design, engineering, construction and other costs related to the purchase or construction of the Civic Center, Community Center, and Corporation Yard detailed in the resolution establishing the fee. These facilities were identified as necessary to reduce the impacts caused by future development in the City. The City accounts for the program in its Public Facilities Impact Fee Fund.

#### **D. Fire Facilities Impact Fee Program**

The Fire Facilities Impact Fee Program was established by the City in 2003 to finance the acquisition, design, engineering, construction, upgrade and or other costs related to the improved fire facilities in Oakley and Knightsen. Specific projects were identified in the enabling legislation, although subject to revision by the City Council.

### **Attached Supporting Documentation**

The pages following include the supporting documentation required to meet the annual program reporting requirements and to support the Council's ability to make the findings they are required to make for each program as part of this five year report.

The City's Capital Improvement Plan (CIP) is updated annually and provides a longer-term view of the City's plan for public improvements. The Fee Program revenues are budgeted and allocated through the annual CIP and City Budget process. References to CIP project numbers in the attachments have been provided where they are part of the adopted CIP.

## TRAFFIC IMPACT FEES

### Section A Summary of Annual Activity

Fund Balance 06/30/22	Fee Income 22/23	Interest & Misc Inc 22/23	Expenditures 22/23	Fund Balance 06/30/23
\$ 12,299,189	1,795,783	403,707	2,243,163	\$ 12,255,516 ***

\*\*\* Above includes \$606,402 in deferred impact fees receivable from the Successor Agency to the Oakley Redevelopment Agency for a prior housing project. The balance is due on or before December 2063 at variable interest rate.

### Section B Summary of Fund Balance

#### Five Year Revenue Test

Using First In First Out Method

Unspent Funds Representing Ending Fund Balance:	Amount
Revenues Collected from FY 18/19	-
Revenues Collected from FY 19/20	-
Revenues Collected from FY 20/21	5,726,622
Revenues Collected from FY 21/22	4,329,404
Revenues Collected from FY 22/23	2,199,491
Deferred Impact Fees Receivable	(606,402)
<b>Total Ending Fund Balance</b>	<b>\$ 11,649,114</b>

### Section C Summary of Expenditures

Expenditure Detail:	CIP #	% Complete	% Funded by Fee	Expenditures 22/23	Future Traffic Fee Appropriations 23/24 - 27/28	Future Add'l Appropriations & Other Funding Sources 23/24 - 27/28	Future Funding & Construction
Administrative & Operating Expenditures			100%	\$ 340,979			
Downtown Train Platform	205	33%	8%	-	596,095	4,678,868	5,274,963
E. Cypress - Knightson Av Intersection Signal	247	14%	96%	1,262,802	9,038,355	406,352	9,444,707
O'Hara AV/Carpenter RD Intersection IMP	263	2%	100%	3,690	334,620	0	334,620
Main ST/Delta Intersection IMP	268	0%	100%	-	200,000	0	200,000
Main ST/Brownstone Intersection IMP	269	0%	100%	-	200,000	0	200,000
Hall St. Expansion	270	63%	100%	-	28,000	0	28,000
Laurel RD Extension (Teton-Sellers)	273	38%	100%	86,446	224,660	0	224,660
FY22-23 Traffic Signal Modernization	278	100%	100%	200,198	-	0	0
Laurel RD Extension (Cloverbrook-O'Hara)	280	67%	100%	333,798	166,202	0	166,202
Bethel Island RD(Rock SLO Bridge-Delat)	285	100%	42%	15,250	-	0	0
				<b>\$ 2,243,163</b>	<b>\$ 10,787,933</b>	<b>\$ 5,085,220</b>	<b>\$ 15,873,153</b>

## PARK IMPACT FEES

### Section A Summary of Annual Activity

Fund Balance 06/30/22	Fee Income 22/23	Interest & Misc Inc 22/23	Expenditures 22/23	Fund Balance 06/30/23	
\$ 5,906,365	898,632	500,961	832,807	\$ 6,473,151	***

\*\*\* Above includes \$449,587 in deferred impact fees receivable from the Successor Agency to the Oakley Redevelopment Agency for a prior housing project. The balance is due on or before December 2063 at variable interest rate.

### Section B Summary of Fund Balance

#### Five Year Revenue Test

Using First In First Out Method

Unspent Funds Representing Ending Fund Balance:	Amount
Revenues Collected from FY 18/19	-
Revenues Collected from FY 19/20	-
Revenues Collected from FY 20/21	2,485,102
Revenues Collected from FY 21/22	2,588,457
Revenues Collected from FY 22/23	1,399,593
Deferred Impact Fees Receivable	(449,587)
<b>Total Ending Fund Balance</b>	<b>\$ 6,023,564</b>

### Section C Summary of Expenditures

Expenditure Detail:	CIP #	% Complete	% Funded by Fee	Expenditures 22/23	Future Park Fee Appropriations 23/24 - 27/28	Future Additional Appropriations & Other Funding Sources	Future Funding & Construction
Administrative Fees & Expenses			100%	81,536	TBD		
Oakley Regional Community Park	176	17%	16%	65,209	2,889,541	17,924	2,907,465
Holly Creek Restroom Construction	248	100%	100%	273,749	-	-	-
Irrigation Well Install-Fredom Basin	265	0%	51%	-	200,000	194,984	394,984
Enrico Cinquinin Park Construction	281	2%	100%	92,553	4,107,447	-	4,107,447
Holly creek Park Playground Resurfacing	284	100%	100%	319,760	-	-	-
Koda Dog Park Shade Structure	287	0%	100%	-	150,000	-	150,000
				<b>\$ 832,807</b>	<b>\$ 7,346,988</b>	<b>\$ 212,907</b>	<b>\$ 7,559,896</b>

**PUBLIC FACILITIES IMPACT FEES**

**Section A Summary of Annual Activity**

Fund Balance 6/30/2022	Fee Income 22/23	Interest & Misc Inc 22/23	Expenditures 22/23	Fund Balance 06/30/23
\$ 3,485,873	488,170	159,089	1,096,062	\$ 3,037,070 ***

\*\*\*

Above includes \$143,904 in deferred impact fees receivable from the Successor Agency to the Oakley Redevelopment Agency for a prior housing project. The balance is due on or before December 2063 at variable interest rate.

**Section B Summary of Fund Balance**

**Five Year Revenue Test**

Using First In First Out Method

Unspent Funds Representing Ending Fund Balance:	Amount
Revenues Collected from FY 18/19	-
Revenues Collected from FY 19/20	-
Revenues Collected from FY 20/21	747,769
Revenues Collected from FY 21/22	1,642,042
Revenues Collected from FY 22/23	647,259
Deferred Impact Fees Receivable	(143,904)
<b>Total Ending Fund Balance</b>	<b>\$ 2,893,167</b>

**Section C Summary of Expenditures**

Expenditure Detail:	CIP #	% Complete	% Funded by Fee	Expenditures 22/23	Future Public Fac. Fee Appropriations 23/24 - 27/28	Future Additional Appropriations & Other Funding Sources	Future Funding & Construction
Administrative Fees			100%	\$ 23,542	TBD		
Transfer to Fund 351 2006 COP Debt Service Fund			100%	666,769	3,355,644		
City Hall Roof Top Solar Proejct	286	54%	92%	324,259	275,241	50,000	\$325,241
SR. Ctr Roof &HVAC Repair & Replacement	288	100%	100%	\$81,492	0	0	0
				<u>\$ 1,096,062</u>	<u>\$ 3,630,885</u>	<u>\$ 50,000</u>	<u>\$ 325,241</u>



## FIRE PROTECTION FACILITIES IMPACT FEES

### Section A Summary of Annual Activity

Fund Balance 6/30/2022	Fee Income 22/23	Interest & Misc Inc 22/23	Expenditures 22/23	Fund Balance 6/30/2023
\$ -	-	617	617	\$ - *

### Section B Summary of Fund Balance

#### Five Year Revenue Test

Using First In First Out Method

Unspent Funds Representing Ending Fund Balance:	Amount
Revenues Collected from FY 18/19	-
Revenues Collected from FY 19/20	-
Revenues Collected from FY 20/21	-
Revenues Collected from FY 21/22	-
Revenues Collected from FY 22/23	-
<b>Total Ending Fund Balance</b>	<b>\$ -</b>

\* The conditions of approval for the Summerlake Subdivision had required the developer of the Summerlake Subdivision to construct a new Fire Station on East Cypress Road across from this subdivision. This task had been delayed for several years, and finally in 2017 a settlement was reached. A contractor and architect was hired by the City for the design and build of this new Fire Station. The project completed in FY 2020. The City entered into a Cooperative agreement with the District and impact fees will be remitted as they become available for the additional costs of Station 55 that were requested by the District. In FY 2021 an agreement was made with the Fire District that all Fire Impact Fees will be collected by the district at permit issuance. The City is no longer collecting this fee but will continue to do the reporting until the liability is paid off.

### Section C Summary of Expenditures

Expenditure Detail:	CIP #	% Complete	% Funded by Fee	Expenditures 22/23	Future Fire Fac. Fee Appropriations 23/24 - 27/28	Future Additional Appropriations & Other Funding Sources	Future Funding & Construction
Administrative Fees			100%	\$ 617	\$ -		
Co-Op Agreement with District for Station 55				\$201,757	\$136,023		
				<u>\$ 202,374</u>	<u>\$ 136,023</u>		

**City of Oakley Impact Fee List  
FY 23-24**

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Should you have any questions regarding any of the impact fees, please feel free to contact the Oakley Public Works and Engineering Department or Planning Division at (925) 625-7000.

**Outside Agencies' Phone Numbers:**

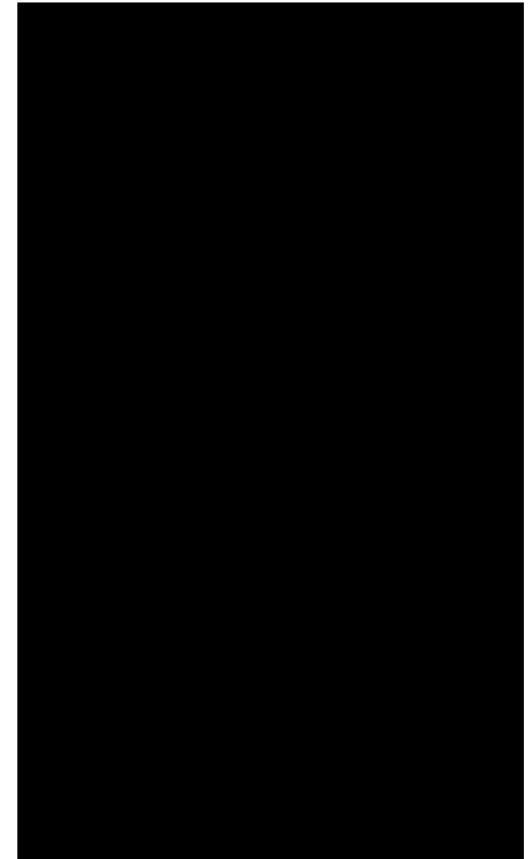
- Ironhouse Sanitary District  
(925) 625-2279
- Diablo Water District  
(925) 625-3798
- Contra Costa County Flood Control and Water Conservation District  
(925) 313-2000
- Oakley Union Elementary School District  
(925) 625-0700
- Liberty Union High School District  
(925) 634-2166
- Antioch Unified School District  
(925) 706-4100 (generally properties west of Empire Avenue)



City of Oakley  
3231 Main Street  
Oakley, CA 94561  
(925) 625-7000



City of Oakley Impact Fees  
Fiscal Year 23-24  
(Effective July 1, 2023)



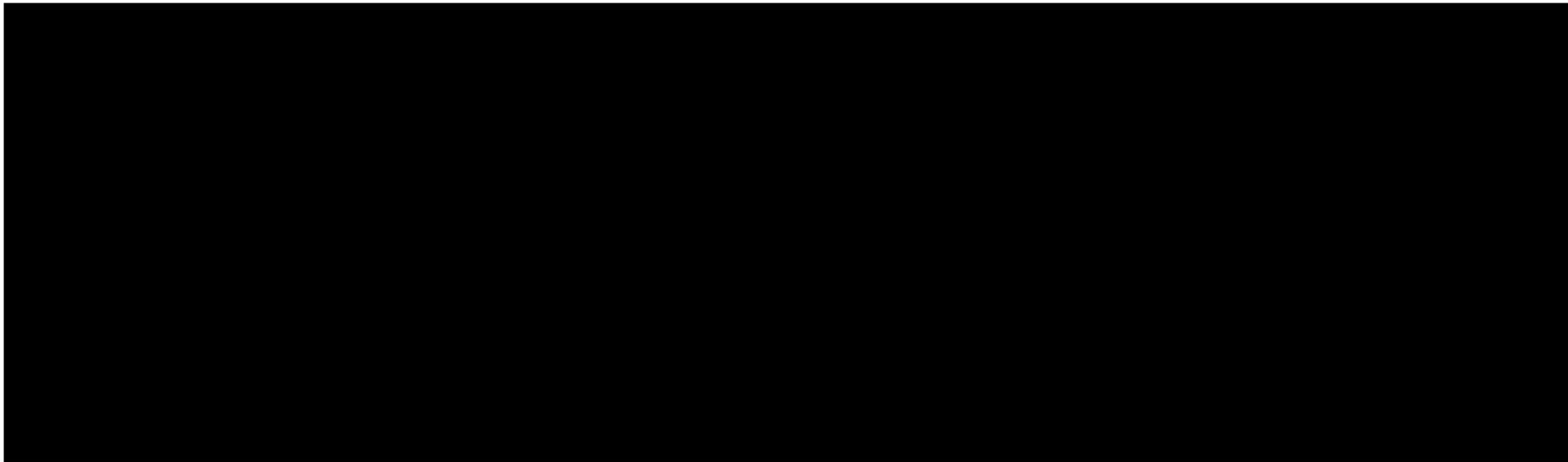
**Impact Fees by Land Use Category (fees are subject to change)  
Effective July 1, 2023**

Fee Type	Single Family (per unit)	Multi-Family (per unit)	Accessory Dwelling Unit*** ("ADU")	Commercial (per 1,000 sf.)	Commercial Recreation (per 1,000 sf.)	Business Park (per 1,000 sf.)	Light Industrial (per 1,000 sf.)	Utility Energy (per 1,000 sf.)	Other (as noted)
<b>Oakley Traffic</b>	\$14,960.88	\$9,126.45	\$4,289.43	\$6,582.79	\$8,826.61	\$15,109.56	\$8,826.61	\$8,826.61	\$14,960.88 (per peak hour trip)
<b>RTDIM (Regional Traffic)</b>	\$23,785.50	\$14,601.57	\$6,862.74	\$2,323.00	\$2,323.00	\$2,020.00	\$2,020.00	\$2,020.00	\$27,983.06 (per peak hour trip)
<b>Park Acquisition</b>	\$1,101.47	\$719.86	\$338.33	\$162.31	\$130.09	\$324.62	\$137.53	\$137.53	
<b>Park Improvement</b>	\$9,571.24	\$6,254.45	\$2,939.59	\$1,409.98	\$1,126.25	\$2,817.48	\$1,198.11	\$1,198.11	
<b>Public Facilities</b>	\$3,974.18	\$2,602.16	\$1,223.02	\$586.84	\$469.08	\$1,171.75	\$498.04	\$498.04	
<b>General Plan*</b>	See "other"	See "other"	Not charged	See "other"	See "other"	See "other"	See "other"	See "other"	\$300.00 (per gross acre)
<b>South Oakley Infrastructure Plan**</b>	See "other"	See "other"	Not charged	See "other"	See "other"	See "other"	See "other"	See "other"	\$352.00 (per gross acre)
<b>Total</b>	\$53,393.27	\$33,304.49	\$15,653.11	\$11,064.92	\$12,875.03	\$21,443.41	\$12,680.29	\$12,680.29	

\* The General Plan fee is collected to reimburse the City for the costs associated with preparing and adopting the City's General Plan.

\*\* The SOIMP fee is collected to reimburse the City for the costs associated with preparing and adopting the SOIMP.

\*\*\* ADU impact fees are only collected for ADUs that are 750 square feet or greater in floor area.



**RESOLUTION NO. 116-23**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OAKLEY  
ACCEPTING THE FIVE-YEAR DEVELOPMENT IMPACT FEE REPORT FOR  
THE PERIOD ENDING JUNE 30, 2023 AND MAKING REQUIRED FINDINGS AS  
REQUIRED BY GOVERNMENT CODE SECTIONS 66000 ET SEQ.**

**WHEREAS**, in 1987 Assembly Bill 1600 (AB 1600) was adopted; and

**WHEREAS**, State Law allows Cities to establish development impact fees to mitigate the impacts of new development on growing communities; and

**WHEREAS**, the City of Oakley did, in 2003, adopt its existing development impact fee programs; and

**WHEREAS**, Sections 66000 et seq. of the California Government Code contains the provisions defining parameters of development impact fees, as well as reporting and maintenance requirements to ensure the ongoing appropriateness of the fees charged; and

**WHEREAS**, the attached Five-Year Report contains information that meets both the annual and five year reporting requirements described in the Code; and

**WHEREAS**, State Law also requires that every five years the Council make the following specific findings for each fee program related to that portion of the account or fund remaining unexpended, whether committed or uncommitted:

- a) Identify the purpose to which the fee is to be put;
- b) Demonstrate a reasonable relationship between the fee and the purpose for which it is charged;
- c) Identify all sources and amounts of funding anticipated to complete financing of incomplete improvements identified in the program;
- d) Designate the approximate dates on which the funding referred to in c) is expected to be deposited into the appropriate account or fund; and

**WHEREAS**, Staff recommends the City Council accept the report attached as Exhibit A and incorporate it herein in order to make the required findings.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Oakley accepts the attached Five-Year Report and makes the following required findings for each of the City's Development Impact Fee Programs, incorporating the information from the report into this resolution.

1. The report includes the stated purpose for each fee;
2. The report includes the amount of fees unexpended in each Fund at June 30,

2023 and sufficient detail regarding the expected use of the fees to demonstrate a reasonable relationship between the fee and the purpose for which it is charged;

3. The report includes the sources and amounts of funding anticipated to complete financing of incomplete improvements identified in each program;
4. The report was made available to the public on November 28, 2023, and within 180 day of the end of the fiscal year;
5. The report includes the approximate dates on which the funding is expected to be deposited into the appropriate account or fund to finance the incomplete improvements noted.

**PASSED AND ADOPTED** by the City Council of the City of Oakley this 12<sup>th</sup> day of December 2023 by the following vote:

AYES: Fuller, Henderson, Meadows, Shaw, Williams

NOES:

ABSTENTION:

ABSENT:

ATTEST:



\_\_\_\_\_  
Libby Vreonis, City Clerk

APPROVED:

  
\_\_\_\_\_  
Anissa Williams, Mayor

12/14/23  
\_\_\_\_\_  
Date