



Agenda Submittal

Agenda #: 17 **Status:** Consent Calendar
Type: Report **Department:** County Administrator
File #: 18-823 **Contact:** Ian Goldberg, 784-6116
Agenda date: 12/11/2018 **Final action:** 12/11/2018
Title: Accept the FY2017/18 Public Facilities Fee Annual Disclosure

Governing body: Board of Supervisors

District: All

Attachments: 1. A - Description of County PFF, 2. B - County PFF Rate Summary, 3. C - Summary of Collections and Distributions, 4. D - Summary of Agency Balances, 5. E - 180 Day Review, 6. F - STA FY2017/18 Annual Report, 7. G - Public Notice, 8. Minute Order

Date	Ver.	Action By	Action	Result
12/11/2018	1	Board of Supervisors	Accepted	

Published Notice Required? Yes ☒ No ☐
Public Hearing Required? Yes ☐ No ☒

DEPARTMENTAL RECOMMENDATION:

The County Administrator's Office recommends that the Board of Supervisors accept the Annual Disclosure and Review of the Public Facilities Fee as required by Government Code section 66006(b).

SUMMARY:

The Annual Disclosure and Review of Public Facility Fee (Annual Disclosure) is required by section 66006(b) of the Government Code. This Annual Disclosure is prepared in compliance with the requirements of the code as a coordinated effort with the General Services' Department, the Auditor-Controller's Office and County Counsel.

FINANCIAL IMPACT:

Since its inception, the County's Public Facilities Fee (PFF) has provided funding for numerous capital facility projects that enhance the County's ability to respond to the growing needs for public services. This annual review provides an overview of the projects that were identified to receive the PFF in FY2017/18. Disbursements in FY2017/18 totaled \$4 million and include a disbursement of \$1.5 million for existing debt service payments, \$1 million in transportation improvement as approved by the STA Board, \$0.9 million for the SB1022 Jail Construction and \$0.6 million to the Vacaville Library District.

In December 2013, the Board received a report on the updated Nexus Analysis for Solano County Public Facilities Fee. A public hearing was conducted and the Board adopted a resolution establishing modified fee amounts based on the Nexus Analysis. The new fee amounts went into effect on February 3, 2014 and included a transportation component (Regional Transportation Impact Fee (RTIF)). On August 28, 2018 the Board of Supervisors approved a contract with Economic and Planning Systems to provide consultant services in updating the Nexus Analysis for the next 5 year Comprehensive Analysis of the County Public Facilities Fees. This study is currently in process and will be brought back to the Board in the Spring 2019.

FY2012/13 had collections of \$6,807,528; FY2013/14 had collections of \$4,334,960; FY2014/15 had collections of \$8,111,096; FY2015/16 had collections of \$7,806,204; FY2016/17 collections of \$8,761,328, and FY2017/18 collections were \$6,036,215 which includes \$29,466 (RTIF Part A) and \$1,061,175 (RTIF Part B) for the County and Solano Transportation Authority regional transportation impact fee component.

The costs associated with preparing the agenda item are nominal and absorbed by the department's FY2018/19 Adopted Budget.

DISCUSSION:

Government Code section 66000 et seq., more commonly known as 'the Mitigation Fee Act' or 'Act,' provides for the establishment and collection of the PFF to fund expansion of County facilities to meet growth requirements. In FY1992/93, Solano County adopted the PFF to be collected on new construction in both the incorporated and unincorporated areas of the County. To support this purpose, the County also established a Public Facilities Expenditure Plan. This plan calls for periodic studies of the fee structure and recommendations for expenditures of previously collected and anticipated fees. The PFF is established by findings contained in annual public facilities fee updates as required by the Act. The Act also requires that local agencies that collect PFF evaluate the assumptions that justify the collection of PFF every five years. In FY2013/14, Solano County completed the most recent Nexus Analysis, which provided a comprehensive review and current analysis of the fee program. On December 3, 2013, the Board received a report on the updated Nexus Analysis and adopted a resolution establishing modified fee amounts based on the analysis contained in the report. The next five year review is currently in process and is anticipated to be presented to the Board in Spring 2019. The current fee amounts are shown in the attached Summary of Solano County Public Facilities Fees.

In order to comply with the Mitigation Fee Act, Government Code section 66006(b) requires an annual review and disclosure of the PFF funds. The disclosure portion of section 66006(b) requires that within 180-days after the last day of the fiscal year, the County shall make available to the public the following information for the prior fiscal year:

- A brief description of the type of fee in the account or fund. *This information is contained in the Description of Solano County PFF (Attachment A).*
- The amount of the fee. *This information is contained in the Solano County Current PFF Rate Summary (Attachment B).*
- The beginning and ending balance of the account or fund. *This information is contained in the PFF Schedule of Collections and Disbursements for FY2017/18 (Attachment C) and the PFF Summary of Agency Balances for FY2017/18 (Attachment D).*
- The amount of the fees collected and the interest earned. Also, if applicable, a description of each Interfund transfer or loan made from the account or fund including the public improvement on which the transferred or loaned fees 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 of fund will receive on the loan. *This information is also contained in the PFF Schedule of Collections and Disbursements for FY2017/18 (Attachment C).*
- An identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees. If applicable, an identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement, as

identified in Government Code, section 66001(a)(2), and the public improvement remains incomplete. *This information is contained in the 180-Day Review of PFF for FY2017/18 (Attachment E).*

- Those components of the PFF that are in a deficit are charged interest. Interest is then apportioned to the other components of the PFF Fund based on their pro rata balance in the Fund.
- The amount of refunds made pursuant to Government Code 66001(e) and any allocations pursuant to Government Code 66001(f). No refunds were made.

The County collects an impact fee on behalf of the Dixon Public Library District (DPLD) for the library component within the DPLD boundaries, and in partnership with the Solano Transportation Authority (STA) for Part B of the regional transportation component. No fee revenue was expended by the Dixon Public Library District. Disbursements totaling \$1,043,678 for transportation improvements as approved by the STA Board occurred in FY2017/18. The STA Board is scheduled to adopt their FY2017/18 Regional Transportation Impact Fee (RTIF) Annual Report (Attachment F) on December 12, 2018. This report provides a summary of the RTIF collected and disbursed in FY2017/18 and the distribution of revenue available toward each RTIF District for eligible regional projects as approved by the STA Board.

In compliance with Government Code section 66006(b)(2), a notice of the time and place of this meeting, including the address where this information may be reviewed, is mailed at least 15-days prior to today's Board meeting to all interested parties who have filed a written request with the Clerk of the Board. Notification was sent to all parties on file and the seven cities located within Solano County and a notice was published in the legal section of the Daily Republic.

ALTERNATIVES:

The Board could choose not to accept the Annual Disclosure. This action is not recommended as the Annual Disclosure is required by the Mitigation Fee Act to provide information to the public concerning collections and expenditures of the Public Facilities Fee. As long as the County collects these fees, this Annual Disclosure will be required.

OTHER AGENCY INVOLVEMENT:

The County Administrator's Office, Auditor-Controller's Office, General Services Department and County Counsel and the STA jointly prepared this annual report. The Auditor-Controller's Office provided the schedule of collections and disbursements, and agency balances (Attachments C and D). General Services, County Library, Resource Management and the Auditor-Controller's Office assisted with the 180-day review of projects receiving PFF during FY2017/18 (Attachment E). The STA provided their FY2017/18 RTIF Annual Report (Attachment F).