



Annual Impact Fee Report For the City of South San Francisco For Fiscal Year 2023-24

This report contains information on the City of South San Francisco's development impact fees for the Fiscal Year 2023-24. The annual reporting requirements are in Government Code section 66000 et seq. Please note that this annual report is not a budget document but rather meets reporting requirements. The report is not intended to provide a full picture of currently planned projects. It only reports project information, revenues, and expenditures for the Fiscal Year 2023-24.

Government Code Section 66006 requires agencies to outline the status of development impact fees. Government Code Section 66001 requires local agencies to submit five-year financial reports. The annual report is available to the public within 180 days after the last day of the fiscal year. The report is presented to the public agency (the City Council) at least 15 days after it is made available to the public.

This report summarizes each of the development impact fee programs. Requirements under Government Code Section 66006 are:

1. A brief description of the fee program.
2. The amount of the fee.
3. Beginning and ending balances of the fee program.
4. Amount of fees collected, interest earned, and transfers/loans.
5. An identification of each public improvement. The expenditures on each project. The total percentage of the cost of the public improvement is funded with development impact fees.
6. A description of each interfund transfer or loan. The date the loan will be repaid, the rate of interest, and a description of the public improvement.
7. The estimated date when projects will begin if enough revenues are available to construct the project.
8. The number of refunds made to property owners.

This report also summarizes five-year reporting information for the Impact Fee programs as required under Government Code Section 66001:

1. The purpose of the fee expenditure.

2. The reasonable relationship between the fee and the purpose used.
3. All sources and amounts of funding anticipated to complete financing in incomplete improvements.
4. The approximate dates on which the funding referred to in subparagraph (3) above are deposited into the appropriate account or fund.

This report also contains information on the City of South San Francisco's sewer capacity charges. Government Code Section 66013 requires agencies to submit annual reports on the status of sewer capacity charges. The public must have access to the report within 180 days after the last day of each fiscal year. This report summarizes the following information for the sewer capacity charges:

1. A description of the charges deposited in the fund.
2. The beginning and ending balance of the fund and the interest earned from investment in the fund.
3. The amount collected in that fiscal year.
4. An identification of all the following:
 - a. Each public improvement on which charges were expended and the amount of the expenditure for each improvement, including the percentage of the total cost of the public improvement that was funded with those charges if more than one source of funding was used.
 - b. Each public improvement on which charges were expended was completed during that fiscal year.
 - c. Each public improvement that is anticipated to be undertaken in the following fiscal year.
5. A description of each interfund transfer or loan from the capital facilities fund, the date the loan will be repaid, and the rate of interest. In the case of an interfund transfer, the report identifies the public improvements on which the money is or will be expended.

More detailed information on the various fee programs is available. Nexus studies, master plans, capital improvement programs, and budgets are all made public on the City's website.

The City does not earmark impact fees for any specific project as revenues come in. Nexus studies outline capital improvement projects. Nexus studies examples may include future sewer infrastructure, transportation infrastructure, and other capital facilities. This report is accurate as of the time of publication. Any proposed plans are subject to change based on City Council action.

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Bicycle and Pedestrian Impact Fee Program

The City Council adopted this nexus study for the citywide impact fee program in 2017. The study identified the need to support the Bicycle Master Plan adopted by the City in February 2011 by Resolution 23-2011. The General Plan establishes that maintaining bicycle and pedestrian infrastructure requires funding sources. The Bicycle Master Plan recommends the completion of the City's existing network of bicycle paths, lanes, and routes.

Annual Reporting Information:

1. The purpose of the Bicycle and Pedestrian Impact Fee Program is to establish funding for completion of the City's existing network of bicycle paths. Additional daily trips due to development projects place more demands on bicycle and pedestrian infrastructures in the city.
2. Refer to page 34 of this report for the fee schedule outlining the amount of the Bicycle and Pedestrian Impact Fee.
3. Refer to page 6 of this report for the beginning and ending balance of the account for the Bicycle and Pedestrian Impact Fee.
4. See page 6 of this report for Bicycle and Pedestrian Impact Fees collected, and interest earned.
5. There were no projects worked on during the Fiscal Year 2023-24 using the Bicycle and Pedestrian Impact Fee funding.
6. The approximate date for funding and execution of projects will be determined, at the discretion of the City Council, when adequate additional funds have accumulated.
7. There were no interfund transfers or loans.
8. There is no potential refund to property owners as available funds have been appropriated for on-going projects.

Bicycle and Pedestrian Impact Fee Program (Fund 822)

This citywide development impact fee program funds bicycle and pedestrian improvements. Development projects generate additional daily trips that place more demands on bicycle and pedestrian infrastructures in the city.

Beginning balance, July 1, 2023 **\$ 226,954**

Additions

Bicycle and Pedestrian Impact Fees collected	\$ 16,550
Interest Earned	6,636
Unrealized gains/losses	<u>3,036</u>

Total Additions \$ 26,222

Total Disbursements -

Remaining balance as of June 30, 2024 **\$ 253,176**

Projects Appropriate from prior Fiscal Years

Oyster Point & East Grand Corridor Improvement (tr1602) \$ (156,915)

Planned Projects for Fiscal Year 2024-25 -

Remaining balance after planned projects **\$ 96,261**

Five-Year Revenue Test Using First In First Out Method

Revenue Available	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Current Fiscal Year	\$ 14,639	\$ 50,901	\$ 69,090	\$ 41,051	\$ 26,222
2-Year Old funds	50,347	14,639	50,901	69,090	41,051
3-Year Old funds	926	50,347	14,639	50,901	69,090
4-Year Old funds	-	926	50,347	14,639	50,901
5-Year Old funds	-	-	926	50,347	14,639
Older than 5 Years old	-	-	-	926	51,273
Total Revenue Available	\$ 65,912	\$ 116,813	\$ 185,903	\$ 226,954	\$ 253,176

Childcare Impact Fee Program

The City Council adopted the nexus study for this citywide impact fee program in 2001. The study identified the need for new and expanded childcare facilities in the City. In August 2020, a new study analyzed the current relationship between new development in the City, the childcare services needed to serve that growth, and the estimated costs of those facilities to provide those childcare services, and to analyze new development's fair share of childcare infrastructure costs. The City's current ordinance governing the impact fees provide the City with the ability to increase impact fees annually based upon either a Consumer Price Index or Construction Cost Index. The fee program includes a 3.34% administrative fee. The study estimates that the City will need to create 2,138 additional childcare spaces by 2040 to maintain current childcare services standards in the City and estimates that 1,069 of these needed spaces are expected to be met by traditional childcare facilities funded by the fee. The study further estimates that the total projected cost to create these additional 1,069 childcare spaces is \$43.5 million. Other funding sources may include the City's General Fund, grants, developer contributions, and Community Development Block Grants.

Annual Reporting Information:

1. The purpose of the Childcare Impact Fee Program is to finance the creation of new childcare spaces in the City through construction of new childcare facilities or the expansion of existing facilities, in order to maintain current service levels considering the increased demand for childcare services caused by development in the City, and for new development to pay its fair and proportional share of such childcare spaces.
2. Refer to page 35 of this report for the fee schedule outlining the amount of the Childcare Impact Fee.
3. Refer to page 8 of this report for the beginning and ending balance of the account for the Childcare Impact Fee.
4. See page 8 of this report for the Childcare Impact Fees that have been collected, and interest earned.
5. Two projects were worked on during Fiscal Year 2023-24 using the Childcare Impact Fee funding.
6. There are no new projects planned for Fiscal Year 2024-25.
7. The approximate date for funding and constructing future facilities will be determined, at the discretion of the City Council, when adequate additional funds for facility construction have accumulated.
8. There were no interfund transfers or loans.
9. There is no potential refund to property owners as available funds have been appropriated for on-going projects.

Childcare Impact Fee (Fund 830)

This citywide development impact fee program funds new development's fair share of new and expanded childcare facilities to serve the City.

Beginning balance, July 1, 2023		\$ 14,107,544	
Additions			
Child Care Impact Fees	\$ 485,015		
Interest Earned	414,263		
Unrealized Gains/Losses	189,896		
Total Additions		\$ 1,089,174	
Disbursements			% Fee Funded
City Administration	\$ 3,652		100%
West Orange Library Preschool Project (pf2301)	12,544		100%
New Licensed Preschool Facility (pf2101)	23,573		100%
Total Disbursements		\$ (39,769)	
Remaining balance as of June 30, 2024		\$ 15,156,949	
Projects Appropriated from prior Fiscal Years			
Design & construct new preschool facility (pf2101)	\$ 8,839,777		
West Orange Library Preschool Project (pf2301)	3,987,456		
		\$ (12,827,234)	
Planned Projects for Fiscal Year 2024-25		-	
Remaining balance after planned projects		\$ 2,329,715	

Five-Year Revenue Test Using First In First Out Method					
Revenue Available	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Current Fiscal Year	\$ 665,458	\$ 642,118	\$ 7,215,136	\$ 699,180	\$ 1,089,174
2-Year Old funds	920,469	665,458	642,118	7,215,136	699,180
3-Year Old funds	1,295,310	920,469	665,458	642,118	7,215,136
4-Year Old funds	527,347	1,295,310	920,469	665,458	642,118
5-Year Old funds	387,646	527,347	1,295,310	920,469	665,458
Older than 5 Years old	2,388,979	2,737,625	3,162,673	3,965,183	4,845,883
Total Revenue Available	\$ 6,185,209	\$ 6,788,327	\$ 13,901,164	\$ 14,107,544	\$ 15,156,949

Commercial Linkage Fee Program

The nexus study for this citywide impact fee program was adopted by the City Council in 2018 by Resolution 123-2018. The study justified the need to provide sufficient funding for affordable housing and established a nexus between the need for affordable housing and the impacts of commercial development within the City. The impact fee program supports the City of South San Francisco's adopted 2023-2031 Housing Element, which includes the goal of promoting the provision of housing by both the private and public sectors for all income groups in the community.

Annual Reporting Information:

1. The purpose of the Commercial Linkage Impact Fee program is to provide funding for sufficient affordable housing to achieve the city's goal of providing a full range of affordable housing options to residents of the city, in accordance with the standards established in the general plan, housing element, and other applicable plans and regulations. Commercial development projects shall pay a commercial linkage fee in order to mitigate in the impacts of these development projects on affordable housing in the city.
2. Refer to page 34 of this report for the fee schedule outlining the amount of the Commercial Linkage Impact Fee.
3. Refer to page 10 of this report for the beginning and ending balance of the account for the Commercial Linkage Impact Fee.
4. See page 10 of this report for Commercial Linkage Impact Fees that have been collected and interest earned.
5. There were purchases of properties during FY 2023-24 using the Commercial Linkage Impact Fee funding.
6. There are no new projects planned for FY 2024-25.
7. The approximate date for funding and execution of projects will be determined, at the discretion of the City Council, when adequate additional funds have accumulated.
8. There were no interfund transfers or loans.
9. There were no potential refunds to property owners.

Commercial Linkage Impact Fee Program (Fund 823)

The Commercial Linkage Fee (CLF) Ordinance (No. 1560-2018) was adopted by the City Council on August 22, 2018, establishing a fee on certain commercial development to generate local funding for affordable housing.

Beginning balance, July 1, 2023		\$ 15,028,386	
Additions			
Commercial Linkage Impact Fees	\$ 6,616,930		
Unrealized Gains/Losses	227,954		
Interest Earned	501,581		
Rent	19,072		
Total Additions		\$ 7,365,536	
Disbursements			% Fee Funded
Payroll	\$ 701		100%
Professional Services and program	439,237		100%
Purchase of 2230 Gellert Blvd #3105	729,031		100%
Purchase of 226,232 & 240 Grand Ave	6,862,592		100%
Total Disbursements		\$ (8,031,560)	
Remaining balance as of June 30, 2024		\$ 14,362,362	
Projects Appropriated from prior Fiscal Years			
Disposition of city-owned firehouse site at 201 Baden Ave and redevelopment of BMR units		(1,025,000)	
Planned Projects for Fiscal Year 2024-25		-	
Remaining balance after planned projects		\$ 13,337,362	

Five-Year Revenue Test Using First In First Out Method					
Revenue Available	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Current Fiscal Year	\$ 4,957,461	\$ 5,375,874	\$ 3,077,684	\$ 7,499,156	\$ 7,365,537
2-Year Old funds	-	4,835,751	5,375,874	3,077,684	6,996,825
3-Year Old funds	-	-	460,542	4,451,546	
4-Year Old funds	-	-	-	-	
5-Year Old funds	-	-	-	-	
Older than 5 Years old	-	-	-	-	-
Total Revenue Available	\$ 4,957,461	\$10,211,625	\$ 8,914,100	\$ 15,028,386	\$ 14,362,362

Library Impact Fee Program

The nexus study for this impact fee program was adopted by the City Council in 2020. Ordinance 1608-2020 amended the Municipal Code to include Chapter 8.74 establishing the library impact fee. Based upon the City's projected population increase and current per capita usage of facilities and collections materials, the City will need approximately 9,900 square feet of additional library space and 32,000 additional materials in circulation in order to maintain the current library service standard. The study identified the need to better implement the goals of maintaining adequate service standards in the face of the increase in library service demands. The study estimates that the total projected cost associated with future residential and non-residential development through 2040 would be approximately \$7.8 million.

Annual Reporting Information:

1. The Library Impact Fee is collected to provide new development's share of funding for additional library space and materials to maintain current library service standard.
2. Refer to page 34 of this report for the fee schedule outlining the amount of the fee.
3. Refer to page 12 of this report for the beginning and ending balance for the account of this fee.
4. Refer to page 12 of this report for fees collected and interest earned.
5. There were no projects worked on during FY 2023-24 using the Library Impact Fee.
6. There are no projects planned for FY 2024-25.
7. The approximate date for funding and execution of projects will be determined, at the discretion of the City Council, when adequate additional funds have accumulated.
8. There were no interfund transfers or loans.
9. There are no potential refunds to property owners.

Library Impact Fee (Fund 824)

This citywide development impact fee program funds new development's fair share for additional library space and materials to maintain current library service standard. Library Impact Fees for non-residential developments went into effect on November 23, 2020. Library Impact Fees for residential development went into effect on January 1, 2022.

Beginning balance, July 1, 2023		\$ 4,309
Additions		
Library Impact Fee	\$ 38,361	
Unrealized Gains/Losses	373	
Interest Earned	895	
Total Additions		\$ 39,629
Disbursements		-
Remaining balance as of June 30, 2024		\$ 43,938
Planned Projects for Fiscal Year 2024-25		-
Remaining balance after planned projects		\$ 43,938

Five-Year Revenue Test Using First In First Out Method					
Revenue Available	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Current Fiscal Year	\$ -	\$ -	\$ 674	\$ 3,635	\$ 39,629
2-Year Old funds	-	-	-	674	3,635
3-Year Old funds	-	-	-	-	674
4-Year Old funds	-	-	-	-	-
5-Year Old funds	-	-	-	-	-
Older than 5 Years old	-	-	-	-	-
Total Revenue Available	\$ -	\$ -	\$ 674	\$ 4,309	\$ 43,938

Park Construction Fee

The nexus study for this impact fee program was adopted by the City Council in 2017. Ordinance 1520-2016 amended the Municipal Code to include Chapter 8.67 adopting the parkland acquisition fee and park construction fee. The fee was further amended by ordinance in 2019 and the 2020 resolution updating the fee amounts. The purpose of the Park Construction Fee is to provide funding for the construction of park facilities and improvements. The General Plan, the Parks and Recreation Master Plan, and the East of 101 Area Plan call for 3 acres of parkland and facilities per 1,000 new residents and ½ an acre of parkland and facilities per 1,000 new employees. The City incurs the costs of administering the fee program and preparing analyses and reports related to it.

Annual Reporting Information:

1. The purpose of the Park Construction Fee fund is to provide new development's share of funding developing new parks and recreation spaces and refurbishing and expanding existing park facilities to meet demand by new development at a rate of 3 acres per 1,000 new residents in multifamily development projects and 0.5 acres per 1,000 new employees in commercial development projects.
2. Refer to page 36 of this report for the fee schedule outlining the amount of the fee.
3. Refer to page 14 of this report for the beginning and ending balance for the account of this fee.
4. Refer to page 14 of this report for the number of fees collected and interest earned.
5. There were two projects that were worked on during FY 2023-24 using the Park Construction Fee. Refer to page 14 of this report for identification of public improvements on which fees were expended, the amount of expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with the fees.
6. There is one project planned for FY 2024-25 using the Park Construction Fee.
7. The approximate date for further funding and developing park land and recreation facilities will be determined, at the discretion of the City Council, when adequate additional funds have accumulated.
8. There are no potential refunds to property owners as available funds have been appropriated for on-going projects.

Park Construction Fee (Fund 806)

This citywide development impact fee program funds new development's fair share for developing new park and recreation spaces.

Beginning balance, July 1, 2023		\$ 10,048,248	
Additions			
Park Construction Fees	\$ 2,158,080		
Unrealized Gains/Losses	144,140		
Interest Earned	317,668		
Total Additions		\$ 2,619,888	
Disbursements			
Orange Park Sport Field Renovation (pk1402)	\$ 525,532		% Fee Funded
Caltrain Station Enhancement (st1603)	120,000		96%
Total Disbursements		\$ (645,532)	24%
Remaining balance as of June 30, 2024		\$ 12,022,604	
Projects Appropriated from prior Fiscal Years			
Linden Park Project (pk2305)	\$ 254,875		
Orange Park Sports Field Renovation (pk1402)	193,410		
Sellick Park Renovation Project (pk1803)	55,575		
Buri Buri Field & Court Improvements (pk1804)	24,079		
Avalon Parks Improvements pk (1805)	18,524		
		\$ (546,463)	
Planned Projects for Fiscal Year 2024-25			
Pickleball Court Project (pk2501)		(650,000)	
Remaining balance after planned projects		\$ 10,826,141	

Five-Year Revenue Test Using First In First Out Method					
Revenue Available	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Current Fiscal Year	\$ 1,158,551	\$ 3,069,717	\$ 3,739,827	\$ 1,289,821	\$ 2,619,888
2-Year Old funds	1,116,514	1,158,551	3,069,717	3,739,827	1,289,821
3-Year Old funds	-	1,116,514	1,158,551	3,069,717	3,739,827
4-Year Old funds	-	-	946,817	1,158,551	3,069,717
5-Year Old funds	-	-	-	790,332	1,158,551
Older than 5 Years old	-	-	-	-	144,800
Total Revenue Available	\$ 2,275,065	\$ 5,344,782	\$ 8,914,912	\$10,048,248	\$12,022,604

Park Land Acquisition Fee

The City Council adopted the nexus study for this impact fee program in 2017. Ordinance 1520-2016 amended the Municipal Code to include Chapter 8.67, adopting the parkland acquisition fee and park construction fee to generate funding for parks in South San Francisco. The ordinance was amended again in 2019 and the 2020 resolution updated the fee amounts. The General Plan, the Parks and Recreation Master Plan, and the East of 101 Area Plan each lay out specific park requirements. The current need is three acres of park land per one thousand future residents and one half of an acre per one thousand new employees is the current need. This fee differs from the City's Quimby Act fee in Section 19.24.040 et seq of the Municipal Code. The Quimby Act allows for the imposition of land dedication requirements and in-lieu fees for residential subdivisions. The Act does not apply to other types of residential development projects or commercial development projects.

The Park Land Acquisition Fee is applied to residential and non-residential development projects to support the demands for parks and recreation spaces generated by new residents of residential development projects and new employees of non-residential development projects. The nexus study calculated the fee for park land acquisition based on the number of residents generated by each new type of residential unit and the number of employees per 1,000 square feet in non-residential development projects. The City adopted the Park Land Acquisition Fee under the authority of the Mitigation Fee Act.

Annual Reporting Information:

1. The purpose of the Park Land Acquisition Fee fund is to provide new development's share of funding for acquiring new parks and recreation spaces at a rate of 3 acres per 1,000 new residents in multifamily development projects and 0.5 acres per 1,000 new employees in commercial development projects.
2. Refer to page 36 of this report for the fee schedule outlining the amount of the fee.
3. Refer to page 16 of this report for the beginning and ending balance for the account of this fee.
4. Refer to page 16 of this report for fees collected and interest earned.
5. Two projects utilized the Park Land Acquisition Fee fund in FY 2023-24. Refer to page 16 of this report for identification of public improvement on which fees were expended, the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with the fees.
6. There are no new projects planned for FY 2024-25 using the Park Land Acquisition Fee.
7. The approximate date for funding and acquiring park land will be determined, at the discretion of the City Council, when adequate additional funds have accumulated.
8. There were no interfund transfers or loans and no potential refunds to property owners.

Park Land Acquisition Fee (Fund 805)

This citywide development impact fee program funds new development's fair share for acquiring new park and recreation spaces.

Beginning balance, July 1, 2023		\$ 3,295,863	
Additions			
Park Land Acquisition Fee	\$ 6,250		
Unrealized Gains/Losses	41,483		
Interest Earned	89,882		
Total Additions		\$ 137,615	
Disbursements			% Fee Funded
Transit Village Park (pk2101)	398		100%
Linden Park Project (pk2305)	313,056		100%
Total Disbursements		\$ (313,454)	
Remaining balance as of June 30, 2024		\$ 3,120,024	
Projects Appropriated from prior Fiscal Years			
Transit Village Park (pk2101)	\$ -		
Linden Park Project (pk2305)	638,966		
		\$ (638,966)	
Planned Projects for Fiscal Year 2024-25		-	
Remaining balance after planned projects		\$ 2,481,058	

Five-Year Revenue Test Using First In First Out Method					
Revenue Available	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Current Fiscal Year	\$ 502,798	\$ 771,214	\$ 1,627,779	\$ 113,769	\$ 137,615
2-Year Old funds	311,271	502,798	771,214	1,627,779	113,769
3-Year Old funds	54,663	311,271	502,798	771,214	1,627,779
4-Year Old funds	-	18,490	311,271	502,798	771,214
5-Year Old funds	-	-	17,010	280,303	469,647
Older than 5 Years old	-	-	-	-	-
Total Revenue Available	\$ 868,732	\$ 1,603,773	\$ 3,230,072	\$ 3,295,863	\$ 3,120,024

Public Arts In-Lieu Fee

In October 2020, the City Council passed ordinance number 1613-2020 creating the public art requirement. The City is dedicated to improving infrastructure, economic development, and cultural diversity through acquisition and exhibition of public art. The public art requirement applies to any new non-residential development project and that it requires such projects to contribute public art with a value of at least one percent (1%) the amount of construction costs. In lieu of contributing public art, the public art requirement will allow for the payment of an in-lieu fee into a public art fund at the value of half of one percent (0.5%) of the amount of construction costs.

Annual Reporting Information:

1. The Public Arts In-Lieu Fee is collected to provide cultural and artistic art to enhance the quality of life for individuals living in, working in, and visiting the City.
2. Refer to page 36 of this report for the fee schedule outlining the amount of the fee.
3. Refer to page 18 of this report for the beginning and ending balance for the account of this fee.
4. Refer to page 18 of this report for fees collected and interest earned.
5. One project was worked on during FY 2023-24 using the Public Arts In-Lieu Fee.
6. There are plans to purchase various art sculptures in FY 2024-25.
7. The approximate date for further funding will be determined at the direction of the City Council when adequate additional funds have accumulated.
8. There were no interfund transfers or loans.
9. There are no potential refunds to property owners.

Public Arts In-Lieu Fee (Fund 827)

This citywide in-lieu fee funds cultural diversity through acquisition and exhibition of public art in the City.

Beginning balance, July 1, 2023		\$ 142,886	
Additions			
In-Lieu Fees	\$ 500,000		
Unrealized Gains/Losses	5,843		
Interest Earned	<u>13,736</u>		
Total Additions		\$ 519,579	
Disbursements			<u>% Fee Funded</u>
Caltrain Station Enhancements (st1603)	200,000		40%
Total Disbursements		(200,000)	
Remaining balance as of June 30, 2024		<u>\$ 462,465</u>	
Projects Appropriated from prior Fiscal Years		-	
Planned Projects for Fiscal Year 2024-25			
Purchase of various art sculptures		\$ (120,000)	
Remaining balance after planned projects		<u>\$ 342,465</u>	

Five-Year Revenue Test Using First In First Out Method					
Revenue Available	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Current Fiscal Year	\$ -	\$ -	\$ -	\$ 142,886	\$ 462,465
2-Year Old funds	-	-	-	-	-
3-Year Old funds	-	-	-	-	-
4-Year Old funds	-	-	-	-	-
5-Year Old funds	-	-	-	-	-
Older than 5 Years old	-	-	-	-	-
Total Revenue Available	\$ -	\$ -	\$ -	\$ 142,886	\$ 462,465

Public Safety Impact Fee Program

The City Council adopted the nexus study for this citywide impact fee program in 2012. The study identified the need for new and expanded public safety capital facility and equipment to support new development projects. In August 2020, a new study analyzed the current relationship between new development in the City, the public safety equipment, vehicles, and facilities needed to serve that growth, and the estimated costs of those equipment and facilities, and to analyze new development's fair share of public safety infrastructure costs. The City's current ordinance governing the impact fees provide the City with the ability to increase impact fees annually based upon either a Consumer Price Index or Construction Cost Index. The fee program includes a 3.67% administrative fee. The study estimates that the City will incur approximately \$110 million in costs to replace, upgrade, and expand public safety infrastructure through 2040. The study further estimates that the total projected cost associated with future residential and non-residential development during that time would be approximately \$25.3 million. Other funding sources may include the City's General Fund, grants, or developer contributions.

Annual Reporting Information:

1. The purpose of the Public Safety Impact Fee is to finance the expansion, upgrading or relocation of police and fire stations, replacement of police and fire equipment and vehicles, and acquisition of addition equipment necessary to accommodate the increased demand for public safety services caused by future development in the City, and for new development to pay its fair and proportional share of such equipment, vehicles, and facilities.
2. Refer to page 37 of this report for the fee schedule outlining the amount of the fee.
3. Refer to page 20 of this report for the beginning and ending balance for the account of this fee.
4. Refer to page 20 of this report for fees collected and interest earned.
5. Two projects were worked on during FY 2023-24 using the Public Safety Impact Fee Fund. Refer to page 20 of this report for identification of public improvements on which fees were expended, the amount of expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with the fees.
6. There are safety equipment purchases planned for FY 2024-25 using the Public Safety Impact Fee Fund.
7. The approximate date for further funding and constructing facilities and procuring future equipment identified in the nexus study will be determined when adequate additional funds have accumulated.
8. There were no interfund transfers or loans.
9. There are no potential refunds to property owners.

Public Safety Impact Fee (Fund 821)

This citywide development impact fee program funds new development's fair share of new and expanded capital facility and equipment to serve the City.

Beginning balance, July 1, 2023		\$ 2,083,802	
Additions			
Impact Fees - Fire	\$ 274,761		
Impact Fees - Police	204,948		
Unrealized Gains/Losses	29,642		
Interest Earned	65,324		
Total Additions		\$ 574,675	
Disbursements			% Fee Funded
Police Ops & 911 Dispatch Center (pf2208)	\$ 220,784		100%
Training Tower maintenance (pf1704)	110,108		18%
Operating Supplies	84,879		100%
Total Disbursements		\$ (415,771)	
Remaining balance as of June 30, 2024		\$ 2,242,706	
Projects Appropriated from prior Fiscal Years			
Training Towner Maintenance (pf1704)	\$ 249,655		
Fire Station 64 Dorm and Bath Remodel (pf1805)	17,473		
Police Ops and 911 Dispatch Ctr (PSIF) (pf2208)	60,752		
Rescue Boat & Reserve	92,000		
		(419,880)	
Planned Projects for Fiscal Year 2024-25			
Purchase of 145 public safety portable radios and 65 mobile radios		(400,000)	
Remaining balance after planned projects		\$ 1,422,826	

Five-Year Revenue Test Using First In First Out Method					
Revenue Available	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Current Fiscal Year	\$ 479,419	\$ 246,467	\$ 1,681,422	\$ 448,120	\$ 574,675
2-Year Old funds	479,101	479,419	246,467	1,635,682	448,120
3-Year Old funds	438,152	479,101	479,419	-	1,219,911
4-Year Old funds	-	294,400	107,229	-	-
5-Year Old funds	-	-	-	-	-
Older than 5 Years old	-	-	-	-	-
Total Revenue Available	\$ 1,396,672	\$ 1,499,387	\$ 2,514,537	\$ 2,083,802	\$ 2,242,706

Transportation Impact Fee Program

The nexus study for this impact fee program was adopted by the City Council in 2020. Ordinance 1607-2020 amended the Municipal Code to include Chapter 8.68 establishing the transportation impact fee. The nexus study identified the need for transportation improvements and facilities needed to serve the growth, and the estimated costs of those improvements and facilities. The nexus study has identified \$160.8 million in transportation infrastructure improvements such as roads, sidewalks, traffic lights, bicycle lanes and pathways, curbs and gutters, and medians caused by new developments throughout the city. The City seeks to mitigate these transportation impacts caused by new development and to allow the City to recover approximately \$33.7 million in costs associated with the new development by providing for the payment of the citywide Transportation Impact Fee.

Annual Reporting Information:

1. The Transportation Impact Fee is collected to provide new development's share of funding for new and expanded transportation capital facility and equipment required at build out of the City.
2. Refer to page 37 of this report for the fee schedule outlining the amount of the fee.
3. Refer to page 22 & 23 of this report for the beginning and ending balance for the account of this fee.
4. Refer to page 22 & 23 of this report for fees collected and interest earned.
5. Eleven projects were worked on during FY 2023-24 using the Transportation Impact Fee. Refer to page 22 & 23 of this report for identification of public improvement on which fees were expended, the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with the fees.
6. There are five projects planned for FY 2024-25.
7. The approximate date for funding and execution of projects will be determined, at the discretion of the City Council, when adequate additional funds have accumulated.
8. There were no interfund transfers or loans.
9. There are no potential refunds to property owners.

Transportation Impact Fee (Fund 825)

This citywide development impact fee program funds new development's fair share for transportation improvements and facilities needed to serve the City. Transportation Impact Fees for non-residential developments went into effect on November 23, 2020. Transportation Impact Fees for residential development went into effect on January 1, 2022.

Beginning balance, July 1, 2023 **\$ 3,887,577**

Additions

Impact Fees	\$ 10,057,799	
Unrealized Gains/Losses	132,898	
Interest Earned	312,139	
Total Additions		\$ 10,502,836

Disbursements

		% Fee Funded
Bay Trail - Centennial Way Trail Gap Closure (tr2407)	\$ 284,932	100%
Junipero Serra Westborough Corridor Feasibility Proj (st2301)	93,771	30%
Traffic Signal Safety Improvement Project(tr2403)	93,236	100%
Right of Way Infrastructure Assessment & Upgrades (tr2302)	78,983	100%
Traffic Studies & Grant Support (tr2406)	47,720	100%
Airport Blvd/Pedestrian Gap Closure Study(tr2401)	44,106	100%
2024 Street Surface Seal Project (st2402)	13,215	7%
School St/Spruce Ave & Hillside Blvd Safety & Access Improvement Project (st2305)	8,743	100%
El Camino Real Bike/Pedestrian Improvements (tr2402)	9,626	100%
Street Improvement-Elm Court, Hillside Blvd, Park Way & Ponderosa Way (st2401)	7,004	100%
Colma/SSF ECR Bicycle & Pedestrian Improvements (tr2415)	5,464	100%
Total Disbursements		\$ (686,799)

Remaining balance as of June 30, 2024 **\$ 13,703,614**

Projects Appropriated from prior Fiscal Years

Grand Avenue Off-Ramp Realignment (tr2201)	3,220,000
Signalized Intersection Battery Backup (tr2408)	2,000,000
School St/Spruce Ave & Hillside Blvd Improve Project (st2305)	1,031,258
Junipero Serra Westborough Corridor Feasibility Study (st2301)	57,130
Elm Crt, Hillside, Park & Ponderosa Improvement(st2401)	992,996
Oyster Pt & E. Grand Ave Corridor Improvement (tr1602)	927,029
2026 Street Surface Seal Project (st2402)	586,785
Traffic Signal Safety Improvement Project(tr2403)	406,764
Misc Traffic Improvements FY 2022-25 (tr2301)	300,000
Chestnut & Commercial Ave Intersection Improvement (tr2404)	300,000
El Camino Real Bike/Pedestrian Improvements (tr2402)	290,375
Airport Blvd/Pedestrian Gap Closure Study(tr2401)	255,894
Traffic Studies & Grant Support (tr2406)	252,280
El Camino Real @1st St To Centennial Trail Gap Closure (tr2413)	200,000

Adaptive Traffic Control System (tr1901)	100,000	
East 101 Transit Shelter additions and upgrades(tr2203)	30,000	
Spruce Ave Corridor Study-Bike/Pedestrian/Streets (tr2410)	100,000	
Forbes Blvd Corridor Study-Bike/Pedestrian/Streets (tr2412)	99,000	
Junipero Serra Class 4 Bike Lanes (tr2414)	50,000	
Colma/SSF El Camino Real Bicycle & Pedestrian Improv (tr2415)	94,536	
Bay Trail - Centennial Way Trail Gap Closure (tr2407)	16,068	
Right of Way Infrastructure Assessment & Upgrades (tr2302)	1,017	
		\$ (11,311,131)

Planned Projects for Fiscal Year 2024-25

Chestnut Ave & Commercial Ave Intersection Improvement (tr2404)	\$ 1,500,000	
Downtown Vision Zero Improvements (st2501)	400,000	
Reconnecting Communities - Hwy to Blvd (st2504)	200,000	
Vision Zero (tr2501)	100,000	
Junipero Serra Blvd Buffered Bike Lane (tr2502)	50,000	
		\$ (2,250,000)

Remaining balance after planned projects

\$ 142,483

Five-Year Revenue Test Using First In First Out Method					
Revenue Available	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Current Fiscal Year	\$ -	\$ 1,962,343	\$ 1,928,514	\$ 50,818	\$ 10,502,836
2-Year Old funds	-	-	1,962,343	1,928,514	50,818
3-Year Old funds	-	-	-	1,908,245	1,928,514
4-Year Old funds	-	-	-	-	1,221,446
5-Year Old funds	-	-	-	-	-
Older than 5 Years old	-	-	-	-	-
Total Revenue Available	\$ -	\$ 1,962,343	\$ 3,890,857	\$ 3,887,577	\$ 13,703,614

Oyster Point Interchange Impact Fee Program

The City Council adopted this plan area fee program on May 23, 1984, using a February 1983 Feasibility Study prepared by Nolte and Associates in conjunction with Resolution No. 71-84 which created the “Oyster Point Contribution Formula.” The 1983 Feasibility Study identified the need for the Oyster Point Interchange project, which was, at that time, referred to as the grade separation project.

Updates to the fee program since 1984 include the following:

1. An ongoing inflation adjustment.
2. June 26, 1996, fee program changes via Resolution No. 102-96 included adjustments for:
 - a. the inflationary index that reduced the fee by approximately 22%,
 - b. the project description which increased the scope of the project to include the Terrabay hook ramps and the southbound off-ramp flyover, and the use of more current trip generation rates.
3. October 9, 1996 fee program change via Resolution No. 152-96 that added additional land uses with their associated trip generation rates.

The Feasibility Study identified new development’s share of the grade separation project cost at 64.8% and existing development’s share of the cost at 35.2%. The grade separation was completed and funded in 1995 and is not part of this annual report. The increased scope portion of the project, added in 1996, was identified as being 100% the responsibility of new development. Of this additional scope, the flyover, estimated to cost \$6.4 million, was completed in 2005, and the hook ramps, estimated to cost \$15 million, were completed in October 2006. Additional work relating to property transfers and gaining final Caltrans project acceptance is ongoing.

Annual Reporting Information

1. The purpose of the Oyster Point Interchange Impact Fee Program is to provide new development’s share of funding for this project required at build-out of the plan area.
2. Refer to page 26 of this report for the beginning and ending balance of the account for this fee.
3. Refer to page 26 of this report for fees collected and interest earned.
4. The reasonable relationship between the Oyster Point interchange impact fee and the purpose for which it is charged is demonstrated in the 1983 Feasibility Study by Nolte and Associates, and in the fee program updates in Resolution No. 102-96 and Resolution No. 152-96. As of June 30, 2024, there continues to be a need for Oyster Point Interchange Impact fees due to further developments in that area of South San Francisco.
5. The sources and amounts of funding anticipated for Oyster Point Interchange projects can be found in the updates adopted via Resolution No. 102-96 and Resolution No. 152-96. Additional working relating to property transfers and gaining final Caltrans project acceptance is ongoing.

6. Buildout in the Oyster Point Interchange area is ongoing due to further developments in South San Francisco. The City's buildout is assumed to occur over a 20-year period, which is consistent with the General Plan.
7. No projects were worked on during FY 2023-24 using the Oyster Point Interchange Impact Fees funds.
8. There are currently no planned projects for Oyster Point Interchange Impact fees for FY 2024-25.
9. The fund has one loan from the former Redevelopment Agency. Please refer to page 26 of this report. The amount owed as of June 30, 2024, is approximately \$1.16 million. Since the dissolution of the Redevelopment Agency in 2012, the interest rate charged by the Successor Agency is 0%. The loan is repaid as new impact fee revenue is received. Given that the amount of future impact fee revenue is unknown, the repayment date is unknown. There were no other interfund transfers or loans.
10. There are no potential refunds of Oyster Point Interchange Impact Fees to property owners.
11. Refer to page 38 of this report for the fee schedule outlining the amount of the Oyster Point Interchange Impact Fee.

Oyster Point Interchange Impact Fee (Fund 840)

This plan area development impact fee program funds new development's fair share of the Oyster Point Interchange project.

Beginning balance, July 1, 2023		\$ 36,771
Additions		
Impact Fees	\$ 884,195	
Unrealized Gains/Losses	5,573	
Interest Earned	<u>13,513</u>	
Total Additions		\$ 903,281
Disbursements		
Repayment of RDA Loan	<u>\$ 884,000</u>	
Total Disbursements		\$ (884,000)
Remaining balance as of June 30, 2024		<u>\$ 56,052</u>
Projects Appropriated from prior Fiscal Years		-
Planned Projects for Fiscal Year 2024-25		-
Remaining balance after planned projects		<u>\$ 56,052</u>

Loans to Oyster Point Interchange Fee Fund from Successor Agency to RDA

Outstanding Balance as of July 1, 2023	\$ 2,050,152
Less: Payment during FY 2023-24	<u>(884,000)</u>
Outstanding Balance as of June 30, 2024	<u>\$ 1,166,152</u>

Due Date and
Interest Rate
None & 0%

Five-Year Revenue Test Using First In First Out Method					
Revenue Available	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Current Fiscal Year	\$ 78,634	\$ 75	\$ 29,836	\$ 36,771	\$ 56,052
2-Year Old funds	-	38,634	-	-	-
3-Year Old funds	-	-	-	-	-
4-Year Old funds	-	-	-	-	-
5-Year Old funds	-	-	-	-	-
Older than 5 Years old	-	-	-	-	-
Total Revenue Available	\$ 78,634	\$ 38,709	\$ 29,836	\$ 36,771	\$ 56,052

East of 101 Sewer Impact Fee Program

The 2002 nexus study for this fee was adopted by the City Council in 2002. The study identified the need for new and rehabilitated sewer collection and treatment facilities to serve the area located east of US 101 in the City of South San Francisco. This fee program also includes an annual inflation adjustment. The estimated cost of the 20 new and expanded sewer projects included in the study totaled \$21.4 million. The study identified new development's share of the cost of the required facilities at \$15.5 million (72.4% of the total new and expanded facilities cost) while existing development's share of the cost (existing deficiency) is \$5.9 million (27.6% of new facilities). New development's share of the cost, \$15.5 million, was increased to include some master planning costs (\$425,000) and some CEQA reviewing costs (\$600,000) for a total cost to new development of \$16,425,000. Of that amount, \$12,429,000 was to be sewer impact fee funded and \$4,066,000 was to be funded directly by developer contributions. Of the twenty total projects listed in the nexus study, eleven projects are either fully or partially funded with the sewer impact fee funds, four are existing development's responsibility, four are to be funded by developer contributions, and one is to be funded with a combination of developer contributions and revenues from existing development. Existing development's share will be funded with the sewer charges appearing on property tax bills as a direct levy.

Annual Reporting Information

1. The purpose of the Sewer Impact Fee Program is to provide new development's share of funding for new and rehabilitated sewer collection and treatment facilities to serve the area located east of US 101 at build-out of the plan area.
2. Refer to page 38 of this report for the fee schedule outlining the amount of the fee.
3. Refer to page 28 of this report for the beginning and ending balance of the account for this fee.
4. Refer to page 28 of this report for fees collected, and interest earned.
5. One project was worked on during FY 2023-24 using the Sewer Impact Fee.
6. There is one project planned for FY 2024-25.
7. The approximate date for further funding will be determined at the direction of the City Council when adequate additional funds have accumulated.
8. There were no interfund transfers or loans.
9. There is no potential refund of Sewer Impact Fees to property owners as available funds have been appropriated for on-going and future projects.

East of 101 Sewer Impact Fee (Fund 810)

This plan area development impact fee program funds new development's fair share of new and rehabilitated sewer collection and treatment facilities to serve the area located east of US 101 in the City.

Beginning balance, July 1, 2023 **\$ 5,275,564**

Additions

Impact Fees	\$ 861,755	
Unrealized Gains/Losses	73,046	
Interest Earned	160,684	
Total Additions	\$ 1,095,485	

Disbursements		% Fee Funded
City Administration	\$ 3,652	100%
Sewer Master Plan (ss1801)	4,327	26%
Total Disbursements	(7,979)	

Remaining balance as of June 30, 2024 **\$ 6,363,070**

Projects Appropriated from prior Fiscal Years

Oyster Point Sewer Upsize Project (ss2401)	\$ 100,000	
Sewer Master Plan (ss1801)	140,673	
	\$ (240,673)	

Planned Projects for Fiscal Year 2024-25

Oyster Point Sewer Upsize Project (ss2401)	\$ 6,000,000	
	\$ (6,000,000)	

Remaining balance after planned projects **\$ 122,397**

Five-Year Revenue Test Using First In First Out Method					
Revenue Available	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Current Fiscal Year	\$ 1,491,477	\$ 452,369	\$ 839,146	\$ 405,557	\$ 1,095,485
2-Year Old funds	1,881,711	1,491,447	452,369	839,146	405,557
3-Year Old funds	2,034,651	1,881,711	1,491,447	452,369	839,146
4-Year Old funds	-	318,752	1,881,711	1,491,447	452,369
5-Year Old funds	-	-	208,133	1,881,711	1,491,447
Older than 5 Years old	-	-	-	205,334	2,079,066
Total Revenue Available	\$ 5,407,839	\$ 4,144,279	\$ 4,872,806	\$ 5,275,564	\$ 6,363,070

East of 101 Traffic Impact Fee Program

The 2001 nexus study for this plan area fee was adopted by the City Council in 2002. The study identified the need for new and expanded roadway and intersection improvements to serve the area located east of US 101 in the City of South San Francisco. The study was updated on May 6, 2005, and on July 19, 2007. This fee program includes an annual inflation adjustment and a 2.5% administrative fee. The estimated cost of the new and expanded facilities included in the 2007 study totaled \$38.5 million (\$32.4 million in net cost after accounting for fees already received). There are 26 road improvements listed in the 2007 study and two studies for a total of 28 projects. The study determined that new development would be responsible for 100% of the cost of the 28 projects.

The East of 101 Traffic Impact Fee has been superseded by the Citywide Transportation Impact Fee; however, this fee is still in use for projects that received entitlements and are vested prior to November 22, 2020. Therefore, this impact fee will continue to receive annual adjustments along with the other fees.

Annual Reporting Information

1. The purpose of the Traffic Impact Fee Program is to provide new development's share of funding for new and expanded roadway and intersection improvements to serve the area located east of US 101 at build-out of the plan area.
2. See page 38 of this report for the fee schedule outlining the amount of the fee.
3. See page 30 & 31 of this report for beginning and ending balance of the account for this fee.
4. See page 30 & 31 of this report for fees collected and interest earned.
5. Eight projects were worked on during FY 2023-24 using the Traffic Impact Fee.
6. One project is planned for FY 2024-25.
7. The approximate date for further funding will be determined at the direction of the City Council when adequate additional funds have accumulated.
8. There were no interfund transfers or loans.
9. There are no potential refunds to property owners as available funds have been appropriated for on-going projects.

East of 101 Traffic Impact Fee (Fund 820)

This plan area development impact fee program funds new development's fair share of new and expanded roadway and intersection improvements east of US 101 to serve the City of South San Francisco.

Beginning balance, July 1, 2023 **\$ 17,525,894**

Additions

Impact Fees	\$ 831,641	
Unrealized Gains/Losses	223,650	
Interest Earned	482,707	
Total Additions		\$ 1,537,998

Disbursements		% Fee Funded
City Administration	\$ 3,652	100%
Hillside and Lincoln Traffic Signal (tr1906)	(337,113)	n/a
SSF Shoreline Protection & Connectivity (sd2402)	2,403	100%
Grand Avenue Streetscape (st1801)	2,477,189	100%
Station to East Grand Bike Gap Closure (st2003)	215	100%
Oyster Pt & E. Grand Corridor Improvement (tr1602)	67,665	100%
Adaptive Traffic Control System (tr1901)	110,713	100%
Hillside and Lincoln Traffic Signal (tr1906)	474,952	88%
Utah and Harbor Intersection Improvement (tr2101)	10,485	100%
East 101 Transit Shelter upgrades (tr2203)	134,039	22%
Total Disbursements	\$ (2,944,199)	

Remaining balance as of June 30, 2024 **\$ 16,119,693**

Projects Appropriated from prior Fiscal Years

Colma Creek Oak Ave Pedestrian Bridge (sd2202)	\$ 197,516	
SSF Shoreline Protection & Connectivity (sd2402)	27,597	
Grand Ave Streetscape (st1801)	692,626	
Station to East Grand Bike Gap Closure (st2003)	26,671	
South Airport Blvd Improvement Project (st2004)	33,376	
South Airport Blvd/Utah Ave (tr1010)	245,243	
Grand/East Grand (TIF#26) (tr1103)	254,631	
US-101 Produce Ave Interchange (TIF#39) (tr1404)	2,890,000	
Oyster Pt & East Grand Corridor Improvement (tr1602)	2,109,159	
Adaptive Traffic Control System (tr1901)	1,603,421	
East of 101 Traffic Signal IDEA Grant (tr1902)	129,383	
Hillside and Lincoln Traffic Signal (tr1906)	187,134	
Utah and Harbor Intersection Improvement (tr2101)	2,565,601	
DNA way and Allerton Ave at E Grand Signal (tr2102)	63,014	
East of 101 Bicycle Safety Improvement (tr2104)	15,140	
East 101 Transit Shelter & Bulb Turnout-MTC (tr2203)	254,213	
		\$ (11,294,724)

Planned Projects for Fiscal Year 2024-25

SSF Shoreline Protection & Connectivity (sd2402)	200,000	
		\$ (200,000)

Remaining balance after planned projects **\$ 4,624,969**

Five-Year Revenue Test Using First In First Out Method					
Revenue Available	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Current Fiscal Year	\$ 5,058,500	\$ 44,230	\$ 4,275,208	\$ 1,238,554	\$ 1,537,998
2-Year Old funds	8,837,963	5,058,500	44,230	4,275,208	1,238,554
3-Year Old funds	5,716,072	8,837,963	5,058,500	44,230	4,275,208
4-Year Old funds	119,374	5,716,072	8,837,963	5,058,500	44,230
5-Year Old funds	1,745,975	119,374	2,654,799	6,909,402	5,058,500
Older than 5 Years old	3,537,862	2,751,828	-	-	3,965,203
Total Revenue Available	\$25,015,746	\$22,527,967	\$20,870,700	\$17,525,894	\$16,119,693

Sewer Capacity Charge Program

The original analysis was adopted by the City Council in 2000 and annual updates included a preset adjustment to the charges based on borrowing costs. The most current Sewer Capacity Charge Analysis by Bartle Wells & Associates is dated August 26, 2009 and was adopted by the City Council in April of 2010 to be effective in Fiscal Year 2010-11. This analysis identifies the need for sewer collection and treatment capacity in the City of South San Francisco. There are two components to the Sewer Capacity Charge: the capital assets valuation charge and the capital improvements charge. The capital assets charge accounts for the existing value of the sewer collection and treatment system which is calculated using the depreciated replacement cost of the system's assets. The capital assets charge (also called a "buy-in" fee) assigns a value to the benefit that new development receives from the availability of sewer capacity (which existing development has maintained over the years through the sewer rates). The total depreciated replacement value is \$161.6 million, of which 37.2 percent is new development's fair-share, or \$60.1 million. The second component is the charge for future improvements to the system identified in the City's Capital Improvement Program. The total cost of these future improvements is \$84.6 million, the fair-share allocation to new development is 37.2 percent of that amount, or \$29.8 million. The total fair-share is \$90 million. These funds may be used for capital improvements to maintain capacity in the system.

Annual Reporting Information:

1. Refer to page 33 of this report for the beginning and ending balance of the account for the sewer capacity fund, the amount of charges collected, and the interest earned from investment of money in the fund.
2. No projects were worked on during FY 2023-24 using the sewer capacity charge program.
3. There are no projects planned for FY 2024-25.
4. The sewer capacity charges do not exceed the estimated reasonable costs of providing the facilities for which the fee is charged (see Cal. Gov. Code § 66013, subd. (a)).
5. The sewer capacity charge's accounting and reporting requirements are being met, i.e., the revenues are kept in a separate fund and the City provides annual reports on the use of the funds collected (see Cal. Gov. Code §§ 66013, subds. (c) and (d)).
6. There were not any interfund transfers or loans.
7. There is no potential refund to property owners as available funds have been appropriated for future projects.

Sewer Capacity Charges (Fund 730)

This fee program funds the cost associated with providing collection and treatment capacity to new development, both through the existing infrastructure provided, and through future capital projects not funded by other sources.

Beginning balance, July 1, 2023 **\$ 11,635,207**

Additions

Impact Fees	\$ 1,453,256
Unrealized Gains/Losses	163,571
Interest Earned	<u>359,265</u>

Total Additions \$ 1,976,092

Disbursements

City Administration	\$ 3,652	<u>% Fee Funded</u>
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Total Disbursements \$ (3,652) 100%

Remaining balance as of June 30, 2024 **\$ 13,607,647**

Projects Appropriated from prior Fiscal Years -

Planned Projects for Fiscal Year 2024-25 -

Remaining balance after planned projects **\$ 13,607,647**

Five-Year Revenue Test Using First In First Out Method					
Revenue Available	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Current Fiscal Year	\$ 2,297,395	\$ 1,916,350	\$ 2,832,407	\$ 1,229,343	\$ 1,976,092
2-Year Old funds	3,187,257	2,297,395	1,916,350	2,832,407	1,229,343
3-Year Old funds	2,665,095	3,512,384	2,297,395	1,916,350	2,832,407
4-Year Old funds	-	-	3,362,512	2,297,395	1,916,350
5-Year Old funds	-	-	-	3,359,712	2,297,395
Older than 5 Years old	-	-	-	-	3,356,060
Total Revenue Available	\$ 8,149,747	\$ 7,726,129	\$10,408,664	\$11,635,207	\$13,607,647

Bicycle and Pedestrian Impact Fee for Fiscal Year 2023-24

Land Use	Cost per Unit or 1,000 Square Feet (SQFT)
Residential	
Single-Family	\$243 per unit
Multi-Family	\$170 per unit
Mobile Home	\$127 per unit
Commercial/Industrial	
Commercial / Retail	\$.36 per SQFT
Hotel / Visitor Services	\$.24 / visitor SF
Office / R&D	\$.09 per SQFT
Industrial	\$.12 per SQFT

Commercial Linkage Impact Fee Rates for Fiscal Year 2023-24

Gross Square Feet Commercial Floor Area Minus Existing Floor Area × Current Fee Amount for Applicable Land use Category where the Land Use Fee is:

\$5.80 per sf for hotel

\$2.90 per sf for restaurant and retail

\$17.38 per sf for office and R&D

Library Impact Fee Rates for Fiscal Year 2023-24

Land Use	Cost per Unit or 1,000 Square Feet (SQFT)
Residential	
Up to 8 du / ac	\$828.68 per unit
8.1-18 du / ac	\$725.39 per unit
18 + du / ac	\$617.30 per unit
Commercial/Industrial	
Commercial / Retail	\$.08 per SQFT
Hotel / Visitor Services	\$.04 / visitor SF
Office / R&D	\$.14 per SQFT
Industrial	\$.05 per SQFT

Childcare Impact Fee Rates for Fiscal Year 2023-24

Land Use	per Unit or per Gross Sq. Ft. (GSF)
Residential	
Up to 8 du / ac	\$4,139.91 per unit
8.1-18 du / ac	\$3,625.54 per unit
18 + du / ac	\$3,086.51 per unit
Residential – Applications Deemed Complete before 1/1/2022	
Up to 8 du / ac	\$2,365.50
8.1-18 du / ac	\$2,220.87
18 + du / ac	\$2,212.51
Commercial/Industrial	
Commercial / Retail	\$0.81 per GSF
Hotel / Visitor Services	\$0.30 per GSF
Office / R&D	\$1.51 per GSF
Industrial	\$0.52 per GSF

Park Land Acquisition Fee for Fiscal Year 2023-24

Land Use	per Unit
Residential	
Single-Family	\$3,124.80 per unit
Duplex to Four-plex	\$2,699.55 per unit
5 to 19	\$2,292.15 per unit
20 to 49	\$1,846.95 per unit
50+	\$1,611.75 per unit
Mobile Home	\$2,400.30 per unit

Park Construction Fee for Fiscal Year 2023-24

Land Use	per Unit
Residential	
Single-Family	\$31,254.78 per unit
Duplex to Four-plex	\$26,997.11 per unit
5 to 19	\$22,919.93 per unit
20 to 49	\$18,481.77 per unit
50+	\$16,125.83 per unit
Mobile Home	\$24,007.66 per unit

Park Land Acquisition/Construction Fee for Non-Residential for Fiscal Year 2023-24

Commercial/Industrial	
Commercial / Retail	\$1.51 per SQFT
Hotel / Visitor Services	\$1.44 per SQFT
Office / R&D	\$3.54 per SQFT
Industrial	\$1.68 per SQFT

Public Arts Fees Fiscal Year 2023-24

Every non-residential development project shall provide qualifying public art with a value equal to not less than 1% of construction costs for acquisition and installation of public art on the development site. A non-residential development project may elect to pay an in-lieu fee in an amount not less than 0.5% of construction costs into the public art fund, in lieu of acquisition and installation of public art on the development project site. The in-lieu fee is due prior to the issuance of first building permit.

Public Safety Impact Fee Rates for Fiscal Year 2023-24

Land Use	per Unit or per Square Foot (SF)
Residential	
Up to 8 du / ac	\$1,657.88 per unit
8.1-18 du / ac	\$1,451.10 per unit
18 + du / ac	\$1,234.75 per unit
Commercial/Industrial	
Commercial / Retail	\$0.53 per SF
Hotel / Visitor	\$0.31 per SF
Office / R&D	\$1.31 per SF
Industrial	\$0.48 per SF

Transportation Impact Fee for Fiscal Year 2023-24

Land Use	per Unit or 1,000 Square Feet (SQFT)
Residential	
Single-Family	\$8,176.98 per unit
Multi-Family	\$4,712.12 per unit
Commercial/Industrial	
Commercial / Retail	\$30.93/ SQFT
Office/ R&D	\$35.46/ SQFT
Industrial	\$16.00/ SQFT
Hotel	\$2,980.58/ room

Oyster Point Interchange Impact Fee Rates for Fiscal Year 2023-24

The impact fee is calculated by multiplying the number of vehicle trips by \$154 and by the percentage increase in the Construction Cost Index (CCI) as published in the Engineering News-Record (ENR) from the date of adoption, when the CCI was 6,552.16, to the current effective CCI.

Vehicle Trips are based on average daily traffic (ADT). The rates shown below are based on 1,000 gross square feet of land use.

The ENR CCI published in May is used to calculate monthly increases. The CCI for May 2022 and 2023 were 15,326.99 and 15,595.35, respectively, resulting in a percentage increase of 1.75%

Land Use	ADT Trip Rate per 1,000 GSF
General Industrial	5.46
Manufacturing	3.99
Warehousing	4.50
Hotel	10.50
General Office Building	12.30
Research & Development (R&D)	5.30
Restaurant (Dinner House/High Turn-over)	56.30 / 164.40
General Commercial	48

OPI Impact Fee: = (Development Area, SF /1000 SF) x (\$154.00) x (Monthly ENR-CCI) / (6,552.16)

Sewer Impact Fee Rates for Fiscal Year 2023-24

The generation rate for all land use is 400 gallons per day per 1,000 square feet of building area.

New Sewer Impact Fee = (\$6.40/Gallon) x (1.018) = (\$6.51/Gallon)

Traffic Impact Fee Rates for Fiscal Year 2023-24 (East of 101*)

Area of Building x Land Use Fee where the Land Use Fee is:

R&D/office = \$7.73 per building sq. ft.

Hotel = \$1,802.92 per room

Commercial/retail = \$32.10 per building sq. ft.

* The East of 101 Traffic Impact Fee has been superseded by the Citywide Transportation Impact Fee; however, this fee is still in use for projects that received entitlements and are vested prior to November 22, 2020. Therefore, this impact fee will continue to receive annual adjustments along with the other fees.

Sewer Capacity Charge for Fiscal Year 2023-24

The fee is updated each calendar year. The fee is currently \$5,952 per EDU. An EDU, or Equivalent Dwelling Unit, is the amount and strength of sewage equivalent to that discharged by a single-family residence. $EDU = (0.00347 \times Q) + (0.362 \times BOD) + (0.589 \times TSS)$. Q = gallons per day of sewage to be discharged; BOD = pounds per day of biochemical oxygen demand to be discharged; TSS = pounds per day of total suspended solids to be discharged.