



Meeting Date: 11 / 21 / 06

ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input checked="" type="checkbox"/> Info/Consent
<input type="checkbox"/> Ord. No(s). _____	<input type="checkbox"/> Report
<input type="checkbox"/> Res. No(s). _____	<input type="checkbox"/> Public Hearing (Info/consent)
<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____

Prepared By: Lettie De Dios *LD* Agenda Item No. I-5
 Reviewed By: City Manager *SMH* City Attorney *Y* Finance *mm* Other (Specify) *KAN/RO/4*

DATE: November 1, 2006

TO: City Council

FROM: Marcie Medina, Finance Director *MM*
Finance Department

SUBJECT: Annual Report for Development, Connection and Improvement Fees for the Year Ended June 30, 2006

RECOMMENDATION

That City Council receive and file the Annual Report for Development, Connection and Improvement Fees for the year ended June 30, 2006 in accordance with Government Code Section 66006.

DISCUSSION

California Government Code Section 66006 requires that an accounting of developer impact fees be made public and the information reviewed in a regularly scheduled public meeting.

The park acquisition and development improvement fee, storm drain facility fee, circulation system improvement fee (traffic impact fee), capital growth fee (residential and non-residential), water system connection fee, wastewater collection connection fee, and wastewater treatment connection fee that the City of Oxnard collects, qualify as development impact fees. Therefore, these fees must comply with the above referenced Government Code section.

Park Acquisition and Development Improvement Fee

Ordinance No. 1421 enables the City to levy a tax which is a prerequisite to the issuance of a building permit per dwelling unit. Every person constructing a new dwelling within the City is taxed a fee for each new dwelling unit. The fee varies from \$150 for one or fewer bedrooms; \$200 for two bedrooms; and \$250 for three or more bedrooms. The fee is set aside for the acquisition of land and improvement of the City's park facilities.

Storm Drain Fees

Resolution No. 10,274 enables the City to charge a storm drain fee for low density residential (single-family detached) and public land at \$10,645 per acre of gross area. All other land uses, including medium and high density residential (over 6 dwelling units per acre of gross area), commercial and

industrial is \$14,637 per acre of gross area. Exemptions from the storm drain fee are Pacific Commerce Center (a.k.a. Northeast Industrial Assessment District), Rose/Santa Clara Specific Plan Area (a.k.a. Auto Center), Oxnard Town Center, and Hueneme Road Assessment District No. 83-1 (Tracts 3406, 3504, 3544). When developers of new subdivisions or other developments are conditioned by the City to build or install master planned storm drain system improvements, the City will provide them full credit toward the Storm Drain Fee. Excess funds due the developer will be reimbursed per City of Oxnard Resolution No. 10,272. The fee is used for the installation of storm drain facilities.

Traffic Impact Fee (Circulation System Improvement Fee)

Resolution No. 10,673 enables the City to charge a traffic impact fee assessed for new development and redevelopment in the City which will generate additional average daily vehicular trips above that which can be reasonably associated with the current use of the property. The total current contribution required for additional average daily trips generated is \$173.90 per trip. The fees vary for residential single-family detached, 11.0 trips/unit x \$173.90 = \$1,912.90/unit; condominium, \$1,495.54/unit; apartment and granny flat, \$1,130.35/unit; mobile home, \$834.72/unit; commercial for general retail and service, \$5,394.38/1,000 gross square feet; industrial for research and development use, \$1,982.46/1,000 gross square feet; and so on. The fee is used to provide an additional funding source necessary to meet the need for circulation system improvements.

Capital Growth Fee – Residential

Resolution No. 10,996 enables the City to collect a Growth Requirement Capital Fee for residential development projects. A fee of \$1.16 is charged for each square foot of covered space constructed (including garage and accessory structures, but excluding patios); mobile home park development projects and mobile home pads. The fee is used to defray costs of constructing public facilities required to serve population growth and increased demand for public services attributable to development projects.

Capital Growth Fee – Non Residential

Resolution No. 10,275 enables the City to charge a Growth Requirement Capital Fee for commercial development projects, a fee of \$0.60 for each square foot of covered space constructed. The term “Commercial Development” includes, but is not limited to quasi-public facilities such as hospitals, day care centers, convalescent homes, and cemeteries, etc. For industrial development projects, a fee of \$0.60 for each square foot of office area constructed; and \$0.04 for each square foot of uncovered space provided. The fee is used to account for all development improvement in commercial and industrial areas.

Water System Connection Fee

Resolution No. 10,273 enables the City to collect a water system connection fee for new, expanded or additional service connections, based on the diameter of the meter installation, which is directly related to the volume of water, required for the new, expanded or additional service connection.

Examples of fee:

3/4 inch meter size with an equivalency factor of 1, is \$341 for capital facility charge and \$2,792 for water resource development fee.

Subject: Annual Report for Development, Connection and Improvement Fees for the Year Ended
June 30, 2006
November 1, 2006
Page 3

12 inch meter size with an equivalency factor of 180 is \$61,404 and a water resource development fee of \$502,498.

The fees vary by meter sizes from $\frac{3}{4}$ inch to over 12 inches. The fee is used to pay for the planned water facilities approved by City Council.

Sewer Connection Fee

Ordinance No. 2709 enables the City to collect a treatment facility infrastructure fee based upon the level of wastewater treatment required as represented by the three treatment elements: flow, biochemical oxygen demand (BOD), and suspended solids (SS). All fees shall be based upon a meter equivalency factor which provides an index to identify the service requirements.

A. Treatment Facility Related Infrastructure Fee

The treatment facility related infrastructure fee shall be paid based on the treatment facility.

(1) flow charges to all users meter equivalency factor is \$1,627.

(2) BOD charges for single-family residential is 1 x meter equivalency factor x \$1,235

(3) SS charges for restaurants/food preparation is 3.2 x meter equivalency factor x \$936.

B. The Conveyance System Connection Fee

For all connections to the wastewater conveyance system, the fee shall be determined by the size of the water meter needed to serve the facility, based on a charge of \$1,458 per water meter equivalency factor.

Example of fee:

Single family residence - \$3,798 for treatment fee, \$1,458 for conveyance fee, total fee of \$5,256.

Commercial laundry - \$4,539 for treatment fee, \$1,458 for conveyance fee, total fee of \$5,997.

The fees vary by type of use and water meter size equivalency factor. The fee is used to pay for the wastewater improvement facilities.

FINANCIAL IMPACT

There is no fiscal impact with the filing of this report.

MRM:LDD:ct

Attachment #1 - Development, Connection and Improvement Fees, Statement of Revenues,
Expenditures and Changes in Fund Balance for the Year Ended June 30, 2005

**CITY OF OXNARD
PARK ACQUISITION & DEVELOPMENT IMPROVEMENT FEE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR YEAR ENDED JUNE 30, 2006**

	AMOUNT
REVENUES	
Development and connection fees	\$ 148,000
Interest income	21,723
Total revenues	169,723
EXPENDITURES	
Parks capital improvement projects:	
Wilson park rehabilitation project	12,881
Oxnard state beach park	26,560
Total expenditures	39,441
Excess of revenues over (under) expenditures	130,282
OTHER FINANCING SOURCES & (USES)	
Transfers in	
Transfers out	
Total other financing sources (uses)	0
Net Change in fund balance	130,282
Fund balance, July 1, 2005	612,403
Fund balance, June 30, 2006	\$ 742,685
Fund balance, June 30, 2006 (per above)	
Unreserved:	
Designated for authorized projects outstanding - June 30, 2006	\$ 432,443
Undesignated and available for future operation	310,242
Fund balance unreserved - June 30, 2006	\$ 742,685

000036

**CITY OF OXNARD
STORM DRAIN FACILITY FEE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR YEAR ENDED JUNE 30, 2006**

	AMOUNT
REVENUES	
Development and connection fees	\$ 1,355,760
Interest income	257,171
Intergovernmental	32,810
Total revenues	1,645,741
EXPENDITURES	
Storm Drain capital improvement projects:	
Storm drain non program improvement project	321,581
W Hemlock/Paterson storm drain project	256,179
Sanford Street storm drain	14,016
Pleasant Valley widening	335,006
Storm drain project - various locations	117,728
Total expenditures	1,044,510
Excess of revenues over (under) expenditures	601,231
OTHER FINANCING SOURCES & (USES)	
Transfers in	
Transfers out	
Total other financing sources (uses)	0
Net Change in fund balance	601,231
Fund balance, July 1, 2005	7,631,504
Fund balance, June 30, 2006	\$ 8,232,735
 Fund balance, June 30, 2006 (per above)	
Unreserved:	
Designated for authorized projects outstanding - June 30, 2006	\$ 4,173,963
Undesignated and available for future operation	4,058,772
Fund balance unreserved - June 30, 2006	\$ 8,232,735

000037

**CITY OF OXNARD
CIRCULATION SYSTEM IMPROVEMENT FEE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR YEAR ENDED JUNE 30, 2006**

	AMOUNT
REVENUES	
Development and connection fees	\$ 2,897,507
Interest income	208,852
Miscellaneous Income	13,026
Total revenues	3,119,385
EXPENDITURES	
Circulation System capital improvement projects:	
Traffic signal - Rose	147,919
Hi-way 101/Del Norte interchange	380,460
Traffic signal - C street	940
Traffic signal - Gonzales/GAL	218,000
Traffic signal power back	193,917
Traffic signal - Fifth and Pacific	112,034
Traffic signal - Channel Island/Oxnard Blvd.	15,002
Median improvements - FY 2005/06	2,025
Median improvements - citywide	353,374
Capital improvement projects - non program	592,239
Hi-way 101 Rice interchange	2,398
Pleasant Valley widening project	835,139
Circulation sytem improvement study	23,283
Oxnard Blvd. medians	1,049
Citywide signal synchronization project	198,666
Five Points Oxnard Blvd and Wooley	4,467
School crossing flashers	3,750
Traffic calming cut-thrus	8,456
Hueneme Road improvements	28,707
Oxnard Blvd. corridor improvements	18,043
Saviers Road medians	169,993
Total expenditures	3,309,861
Excess of revenues over (under) expenditures	(190,476)
OTHER FINANCING SOURCES & (USES)	
Transfers in	
Transfers out	(210,104)
Total other financing sources (uses)	(210,104)
Net Change in fund balance	(400,580)
Fund balance, July 1, 2005	6,232,777
Fund balance, June 30, 2006	\$ 5,832,197
 Fund balance, June 30, 2006 (per above)	
Unreserved:	
Designated for authorized projects outstanding - June 30, 2006	\$ 3,886,797
Undesignated and available for future operation	1,945,400
Fund balance unreserved - June 30, 2006	\$ 5,832,197

000038

**CITY OF OXNARD
CAPITAL GROWTH FEE - RESIDENTIAL
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR YEAR ENDED JUNE 30, 2006**

	<u>AMOUNT</u>
REVENUES	
Development and connection fees	\$ 1,567,422
Interest income	<u>170,520</u>
Total revenues	<u>1,737,942</u>
EXPENDITURES	
Capital Growth - Residential improvements	
Public assembly and conference/civic center upgrade	<u>716,104</u>
Total expenditures	<u>716,104</u>
Excess of revenues over (under) expenditures	<u>1,021,838</u>
OTHER FINANCING SOURCES & (USES)	
Transfers in	
Transfers out	<u>(414,366)</u>
Total other financing sources (uses)	<u>(414,366)</u>
Net Change in fund balance	607,472
Fund balance, July 1, 2005	<u>4,745,561</u>
Fund balance, June 30, 2006	\$ <u><u>5,353,033</u></u>
 Fund balance, June 30, 2006 (per above)	
Unreserved:	
Designated for authorized projects outstanding - June 30, 2006	\$ 5,652,796
Undesignated	<u>(299,763) *</u>
Fund balance unreserved	\$ <u><u>5,353,033</u></u>

* Commitment of FY 2006-07 revenues

000039

**CITY OF OXNARD
 CAPITAL GROWTH FEE - NON RESIDENTIAL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 FOR THE YEAR YEAR ENDED JUNE 30, 2006**

	AMOUNT
REVENUES	
Development and connection fees	\$ 207,825
Interest income	46,917
Miscellaneous	1,509
	256,251
EXPENDITURES	
Capital Growth - Residential improvements	
	0
Excess of revenues over (under) expenditures	256,251
OTHER FINANCING SOURCES & (USES)	
Transfers in	
Transfers out	(46,500)
Total other financing sources (uses)	(46,500)
Net Change in fund balance	209,751
Fund balance, July 1, 2005	1,276,240
Fund balance, June 30, 2006	\$ 1,485,991
 Fund balance, June 30, 2006 (per above)	
Unreserved:	
Designated for authorized projects outstanding - June 30, 2006	\$ 1,642,229
Undesignated	(156,238) *
Fund balance unreserved - June 30, 2006	\$ 1,485,991

* Commitment of FY 2006-07 revenues

000040

**CITY OF OXNARD
WATER SYSTEM CONNECTION FEE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR YEAR ENDED JUNE 30, 2006**

	<u>AMOUNT</u>
REVENUES	
Development and connection fees	\$ <u>3,141,605</u>
Total revenues	<u>3,141,605</u>
EXPENDITURES	
Water System connection improvement projects:	
Blending station improvements	341,349
Great recycled water district	806,432
Digital topo mapping	587
Blending station No. 3	<u>1,883,622</u>
Total expenditures	<u>3,031,990</u>
Excess of revenues over (under) expenditures	<u>109,615</u>
OTHER FINANCING SOURCES & (USES)	
Transfers in	141,349
Transfers out	<u>141,349</u>
Total other financing sources (uses)	<u>141,349</u>
Net Change in fund balance	250,964
Fund balance, July 1, 2005	<u>5,925,243</u>
Fund balance, June 30, 2006	\$ <u>6,176,207</u>
 Fund balance, June 30, 2006 (per above)	
Unreserved:	
Designated for authorized projects outstanding - June 30, 2006	\$ 293,568
Designated for debt service payment	<u>5,882,639</u>
Fund balance unreserved - June 30, 2006	\$ <u>6,176,207</u>

000041

**CITY OF OXNARD
WASTEWATER COLLECTION CONNECTION FEE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR YEAR ENDED JUNE 30, 2006**

	AMOUNT
REVENUES	
Development and connection fees	\$ <u>1,086,944</u>
Total revenues	<u>1,086,944</u>
EXPENDITURES	
Wastewater Collection connection improvement project:	
Developer's reimbursement	129,508
Redwood trunk - phase II	<u>233,049</u>
Total expenditures	<u>362,557</u>
Excess of revenues over (under) expenditures	<u>724,387</u>
OTHER FINANCING SOURCES & (USES)	
Transfers in	
Transfers out	<u>(2,867,517)</u>
Total other financing sources (uses)	<u>(2,867,517)</u>
Net Change in fund balance	(2,143,130)
Fund balance, July 1, 2005	<u>12,759,478</u>
Fund balance, June 30, 2006	\$ <u><u>10,616,348</u></u>
 Fund balance, June 30, 2006 (per above)	
Unreserved:	
Designated for authorized projects outstanding - June 30, 2006	\$ 1,976,678
Designated for debt service payment	<u>8,639,670</u>
Fund balance unreserved - June 30, 2006	\$ <u><u>10,616,348</u></u>

000042

**CITY OF OXNARD
WASTEWATER TREATMENT CONNECTION FEE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR YEAR ENDED JUNE 30, 2006**

	<u>AMOUNT</u>
REVENUES	
Development and connection fees	\$ <u>2,888,423</u>
Total revenues	<u>2,888,423</u>
EXPENDITURES	
Wastewater Collection connection improvement project: WWTP electric/fire system upgrade	<u>18,757</u>
Total expenditures	<u>18,757</u>
Excess of revenues over (under) expenditures	<u>2,869,666</u>
OTHER FINANCING SOURCES & (USES)	
Transfers in	
Transfers out	<u>(1,800,000)</u>
Total other financing sources (uses)	<u>(1,800,000)</u>
Net Change in fund balance	1,069,666
Fund balance, July 1, 2005	<u>9,857,847</u>
Fund balance, June 30, 2006	\$ <u><u>10,927,513</u></u>
 Fund balance, June 30, 2006 (per above)	
Unreserved:	
Designated for authorized projects outstanding - June 30, 2006	\$ 457,159
Designated for debt service payment	<u>10,470,354</u>
Fund balance unreserved - June 30, 2006	\$ <u><u>10,927,513</u></u>

000043