



Development Impact Fee Annual Report

Fiscal Year 2016-17

November 21, 2017

City of Corning
Annual Development Impact Fee Report
Fiscal Year 2016-17

Background

The Mitigation Fee Act, Government Code §66000 et seq., (the "Act") governs the establishment and administration of development impact fees paid by new development projects for public facilities needed to serve new development. Fees must be separately accounted for and used for the specific purpose for which the fee was imposed. The City's adopted development impact fees are listed in the attached exhibits. Expenditures are authorized through the annual Capital and Operating Budgets and the City's Capital Improvement Program. The annual adopted City Budget is on file with the City Clerk.

Annual Development Fee Reporting

The Act requires that the City prepare an annual review of all development impact fees as defined in the Act and make a public report on the fees available to the public after the end of each fiscal year. Government Code §66006(b)(2) requires the report to be placed on an agenda for review at a public meeting not less than 15 days after the report is made available to the public. The Fiscal Year 2016/2017 report was made available to the public on the City of Corning website and at City Hall on November 28, 2017; no members of the public have requested a mailed notice relating to City fees.

Pursuant to Government Code §66006(b), excluded from this report are developer fees which are not subject to the reporting requirements of the Act such as, fees for processing applications for governmental regulatory actions or approvals, fees collected under development agreements adopted pursuant to Article 2.5 (commencing with Section 65864) of Chapter 4, or fees collected pursuant to agreements with redevelopment agencies that provide for the redevelopment of property in furtherance or for the benefit of a redevelopment project for which a redevelopment plan has been adopted pursuant to the Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the Health and Safety Code). For example, fees collected pursuant to the City's zoning powers, wastewater capacity fees, and The Quimby Act parkland acquisition fee for residential subdivisions (imposed pursuant to the Subdivision Map Act (Gov't. Code §66477), are not included in the Section 66001 reporting requirement.

Development Impact Fees were last updated on December 10, 2013.

The City is also required to adopt by resolution certain findings for any fund accounts which contain unexpended funds as of the fifth fiscal year following the first deposit into those funds and every five years thereafter. (Gov't. Code §66001(d).) This will be required in FY 2017-18.

The report is organized as follows:

Exhibit A: A brief description of the purposes of each development impact fee and its authorizing legislation (Gov't. Code §66006(b)(1)(A).)

Exhibit B: Summary of the July 1, 2016 beginning balance, annual fee revenue collected, interest earned, returned unused funds from projects, identification of public improvements on which fees were expended and the ending balance as of June 30, 2017 for each fee (Gov't. Code §66006(b)(1)(C)-(E).)

Excess funds from capital project funds were returned to the originating revenue funds. The annual expenditures on each specific public improvement are listed, including the total percentage of the cost of the public improvement that was funded with development impact fees. In addition to public improvement project costs, the City incurs costs to administer each mitigation fee program and to prepare the annual reports and the five-year compliance analysis also required by the Act. As shown in the 2013 Development Impact Fee Update (nexus studies), the actual dollar cost for each expenditure is listed for each fee. No individual development impact fee fund has collected sufficient funds to construct all improvements covered by that fund as described in the nexus studies (Gov't. Code §66006(b)(1)(F).)

Exhibit C: Identifies the amount of each development impact fee, including the modifications which became effective December 10, 2013.

Exhibit D: Identifies interfund loans, transfers, refunds or reallocation of funds in lieu of refunds in Fiscal Year 2016-2017 (Gov't. Code §66006(b)(1)(G)-(H)).

**Exhibit A
City of Corning
Development Impact Fee Summary**

Fund	Development Impact Fee	Fee	Fee Authority	Details of Fee
346	Water and Wells Fee	\$499	Resolution 05-24-05-03 Revised by Res. 10-11-2011-01	Includes 2 new water wells and the refurbishment of one well for a total of \$1.2M. Resolution includes fee based on meter size.
347	Sewer Capital Connection Fee	\$936	Resolution 05-24-05-04 Revised by Res. 12-10-2013-03	Includes \$2.27M for sewer line & replace lift station based on anticipated growth of 2,426 EDU's. Commercial-Industrial includes fees for differing uses based on EDUs.
348	Sewer Plant Expansion Fee	\$4,784	Resolution 05-24-05-04 Revised by Res. 12-10-2013-02	Includes \$30.4M based on anticipated growth of 6,364 EDU's. Commercial-Industrial includes fees for differing uses based on EDU's.
345	Drainage Facility Fee	\$1,165 per 1/4 ac.	Resolution 05-24-05-05 Revised by Res. 12-10-2013-05	The Drainage Facility fee funds the construction of storm drainage improvements needed to control increase in run-off created by new development projects. Based on \$4,660 per acre developed.
116	Traffic Mitigation Fee	\$3,701	Resolution 08-09-05-05 Revised by Res. 12-10-2013-01	Funds Construction and implementation of improvements to key elements of the citywide transportation system sufficient to accommodate future traffic demand generated by new development based on 2,426 EDU's. Includes 3 traffic signals, \$5.5M streets, \$2.68 M bridges. Commercial and Industrial based on 5 EDU/acre

Exhibit B
Development Impact Fee Annual Report
For the year ended June 30, 2017

Fund	Impact Fee Name	Fund Balance July 1, 2016	Fee Revenue	Interest Revenue	Transfers In	Return of Unused Funds	Expenditures	Transfers Out	Estimated Percentage Funded by Impact Fees	Fund Balance June 30, 2017
346	Water and Wells Fee	\$32,723	\$10,978	\$89	\$0	\$0	(\$10,617)	\$0	100%	\$33,173
347	Sewer Capital Connection Fee	(\$1,018)	\$3,744	\$0	\$0	\$0	(\$424)	\$0	100%	\$2,302
348	Sewer Plant Expansion Fee	(\$139,504)	\$19,136	\$350	\$240,000	\$0	(\$250,660)	\$0		(\$130,678)
345	Drainage Facility Fee	\$93,780	\$3,642	\$257	\$0	\$0	(\$6,630)	\$0	100%	\$91,049
116	Traffic Mitigation Fee	\$140,537	\$15,729	\$424	\$0	\$0	(\$864)	\$0	100%	\$155,826

**Exhibit C
RESIDENTIAL PROJECT FEES WORKSHEET**

PROJECT INFO.	Applicant:		APN:	
	Project:		Date:	
	Site Address:		Site Area:	
			Subdivision	
			Lot No.	

TYPE ONLY IN GRAY SHADED CELLS-SAVE BY ADDRESS TO N:/DEVIMPFEES/DIFWORKS

DEVELOPMENT IMPACT FEES	SEWER FEES				
		USE	FEE PER EDU	NUMBER OF DWELLINGS	TOTAL FEE
	SEWER CAPITAL CONNECTION FEES	Residential, Multifamily & Mobile Home Parks	\$936		
	SEWER PLANT EXPANSION FEE		\$4,784		
	WATER CAPITAL IMPROVEMENT FEE				
		USE	FEE PER EDU	NUMBER OF DWELLINGS	TOTAL FEE
	WATER & WELL FEE	Residential, Multifamily & Mobile Home Parks	\$499		
	DRAINAGE FACILITY FEE				
		USE	FEE PER ACRE	LOT AREA (SQ. FT.)	TOTAL FEE
	DRAINAGE FACILITY FEE	Residential, Multifamily & Mobile Home Parks	\$4,660		
	BEDROOM TAX FOR PARKS & RECREATION				
		USE	NUMBER	FEE	TOTAL FEE
	BEDROOM TAX =\$200/DWELLING PLUS \$100/BEDROOM OVER 1	DWELLINGS			
		BEDROOMS			

PARKLAND DEVELOPMENT FEES				
	USE	FEE PER EDU	NUMBER OF DWELLINGS	TOTAL FEE
DEVELOPMENT IMPACT FEES (Continued)	PARK DEVELOPMENT FEE	Residential, Multifamily & Mobile Home Parks	\$555	
	TRAFFIC MITIGATION FEES			
	USE	FEE PER EDU	NUMBER OF DWELLINGS	TOTAL FEE
	TRAFFIC MITIGATION FEES	Residential, Multifamily & Mobile Home Parks	\$3,701	
TOTAL DEV. IMPACT FEES:				\$0

UTIL. INSTALLATION FEES				
	USE	FEE PER SERVICE	NUMBER OF SERVICES	TOTAL FEE
UTIL. INSTALLATION FEES	WATER SERVICE-3/4" SERVICE WITH METER	Residential, Multifamily & Mobile Home Parks	\$546	
	WATER SERVICE-1" SERVICE WITH METER	Residential, Multifamily & Mobile Home Parks	\$650	
	SEWER SERVICE-4" SERVICE	Residential, Multifamily & Mobile Home Parks	\$655	
	ENCROACHMENT **PERMIT		\$15	

**Exhibit C
CITY OF CORNING-DEPT. OF PUBLIC WORKS**

**NON-RESIDENTIAL PROJECT FEES WORKSHEET
DEVELOPMENT IMPACT FEES-UPDATED FEBRUARY 2014-RES. 12-10-13 (01-05)**

Applicant		APN:		SPECIFIC PLAN AREA? Y
Site Address		Date:		
Project		Site Area		

TYPE IN GRAY SHADED CELLS-SAVE BY ADDRESS TO P:/DEVIMPFEES/DIFWORKSHEETS/YEAR

1. SEWER FEES				
A. SEWER CAPITAL IMPROVEMENT FEE				
USE	METER SIZE	EDU'S	SCIF	TOTAL FEE
Commercial, Churches & Schools	3/4" - 1"	2	\$1,872	
Commercial	1 1/2"	2.5	\$2,340	
Commercial	2"	3	\$2,808	
Commercial	3"	6	\$5,616	
Commercial	4"	10	\$9,360	
Commercial	6"	36	\$33,696	
Truck/Car Wash	N/A	72	\$67,392	
All Restaurants	N/A	3	\$2,808	
	NUMBER OF SEATS/STOOLS			
Bar/ per 10 seats/stools		1	\$936	
	NUMBER OF ROOMS			
Hotels/Motels 1 EDU for each 3 rooms w/o kitchen		1	\$936	
Hotels/Motels 1 EDU for each 2 rooms w/kitchen		1	\$936	
Extended Stay Motels or Hotels 1 EDU per room		1	\$936	
SUM OF SEWER CAPITAL IMP. FEES:				
B. SEWER PLANT EXPANSION FEE				
USE	METER SIZE	EDU'S	SPEF FEE	TOTAL FEE
Commercial, Churches & Schools	3/4" - 1"	2	\$9,568	

DEVELOPMENT IMPACT FEES

SWR 02

DEVELOPMENT IMPACT FEES (Continued)

Commercial	1 1/2"	2.5	\$11,960	
Commercial	2"	3	\$14,352	
Commercial	3"	6	\$28,704	
Commercial	4"	10	\$47,840	
Commercial	6"	36	\$172,224	
Truck/Car Wash	N/A	72	\$344,448	
All Restaurants	N/A	3	\$14,352	
	NUMBER OF SEATS/STOOLS			
Bar/ per 10 seats/stools		1	\$4,784	
	NUMBER OF ROOMS			
Hotels/Motels 1 EDU for each 3 rooms w/o kitchen		1	\$4,784	
Hotels/Motels 1 EDU for each 2 rooms w/kitchen		1	\$4,784	
Extended Stay Motels or Hotels 1 EDU per room		1	\$4,784	
SUM OF SEWER PLANT EXPANSION FEES:				

SWR 06

2. WATER CAPITAL IMPROVEMENT FEE

USE	METER SIZE	EDU'S	FEE/EDU	FEE FOR USE	TOTAL FEE
Commercial, Churches & Schools	3/4" - 1"	2	\$998	\$1,996	
Commercial	1 1/2"	2.5	\$1,247.50	\$3,118.75	
Commercial	2"	3	\$1,497	\$4,491	
Commercial	3"	6	\$2,994	\$17,964	
Commercial	4"	10	\$4,990	\$49,900	
Commercial	6"	36	\$17,964	\$646,704	
Commercial Fire Connection	4"-6"	4	\$1,996	\$7,984	
SUM OF WATER FEES:					

WTR 07

3. DRAINAGE FACILITY FEE

	ACREAGE	TOTAL FEE
Fee based on \$4,660 per acre		

DRA 01

4. PARK LAND DEVELOPMENT FEE

	ACREAGE	FEE PER EDU	TOTAL FEE
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LA 08

IMPACT FEES (Continued)

DEVELOPMENT (Contir)	Fee based on 5 EDUs/acre		\$555		P
	5. TRAFFIC MITIGATION FEE'S FOR BRIDGES, STREETS AND TRAFFIC SIGNALS				
		ACREAGE	FEE PER EDU	TOTAL FEE	TRA 04
	Fee based on 5 EDUs/acre		\$3,701		
	TOTAL DEVELOPMENT IMPACT FEES:				

HWY. 99-W SPECIFIC PLAN FEES	HWY. 99-W ZONE OF BENEFIT FEES			
		FEE	ACREAGE	TOTAL FEE
	Water System Fees based on acreage and foot frontage on Hwy. 99-W & South Ave.	\$1484/Acre & \$3/Foot		
TOTAL HWY. 99-W SPECIFIC PLAN FEES				\$ -

OTHER FEES	OTHER FEES				ENC01
		FEE/PARCEL	PARCELS	TOTAL FEE	
	Encroachment Permit	\$15			
SUM OF ALL FEES:				\$ -	

AMT. PAID
BY:
DATE PAID:
CHECK NO.

FEES SUMMARY BY FUND		
FUND NO.	DESCRIPTION	AMOUNT
SWR 02	SEWER CAP IMP	\$ -
SWR 06	SEWER PLANT EXP	\$ -
WTR 07	WATER CAP IMP	\$ -
DRA 01	DRAINAGE	\$ -
FUND 341	PARKLAND DEV	\$ -
TRA 04	TRAFFIC MITIGATION	\$ -
	99-W SPEC PLAN	\$ -
ENC 01	ENC. PERMIT	\$ -
	Total:	\$ -

Updated: February 2014 per Resolution 12-10-2013(01-05)

Exhibit D

City of Corning

Status of Interfund Loans, Transfers, Refunds or Reallocation of Funds

For the year ended June 30, 2017

Interfund Loans:

During the 1996-1997 fiscal year, the City sold certificates of participation notes in order to finance its sewer and water rehabilitation project. One of the requirements of the certificate of participation was the establishment of water and sewer stabilization funds totaling \$310,000. The sewer and water stabilization funds borrowed the monies from the waste water treatment plant expansion fund. During 2004-2005, the City refinanced the certificates of participation and also expanded its wastewater treatment plant. As part of the refinance, the water stabilization fund loan was repaid and immediately added to the sewer stabilization fund loan from the waste water treatment plant. The June 30, 2017 balance, which does not include accrued interest due from the sewer stabilization fund is \$381,370.27.

During the 2016-17 fiscal year, the City refinanced all water and sewer debt. The new debt was allocated to the Water Enterprise, Sewer Enterprise and Waste Water Sewer Expansion funds. It is anticipated that the interfund loan will be eliminated during the 2017-2018 fiscal year.