
REQUESTED BOARD ACTION:
Adopt a Resolution of the Sonoma Valley County Sanitation District making findings related to the A.B. 1600 Development Fees Annual Reports for Fiscal Year 2010/11.

CURRENT FISCAL YEAR FINANCIAL IMPACT - None.

Explanation (if required): None.

Prior Board Action:
12/07/10: Board approved F.Y. 09-10 A.B. 1600 Development Fees Annual Reports
12/08/09: Board approved F.Y. 08-09 A.B. 1600 Development Fees Annual Reports
12/09/08: Board approved F.Y. 07-08 A.B. 1600 Development Fees Annual Reports
11/27/07: Board approved F.Y. 06-07 A.B. 1600 Development Fees Annual Reports
12/05/06: Board approved F.Y. 05-06 A.B. 1600 Development Fees Annual Reports
11/01/05: Board approved F.Y. 04-05 A.B. 1600 Development Fees Annual Reports

Alternatives – Results of Non-Approval: If not approved, the County would not be in compliance with Government Code Section 66006(b)(1).
Background:
A.B. 1600 enacted Government Codes Sections 66000-66008, requiring that local agencies prepare annual reports on all development fees collected in the development process to finance "public facilities," if those fees were established, increased, or imposed on or after January 1, 1989. It does not include fees charged for processing development applications, development agreements, or reimbursement agreements. The report is due 180 days after the close of each fiscal year and requires that a report concerning each fee fund be made available to the public. Among other fee and project information, balances of any fee deposits that are five or more years old are required to be reported.

Reporting is applicable to the fees collected by the Regional Parks Department, Department of Transportation and Public Works, and the Water Agency. Annually, each agency provides reports on fee programs under its jurisdiction in compliance with A.B.1600, as well as applicable County Code sections. For example, the Transportation and Public Works Department reports on road mitigation funds and funds collected under C.S.A. #41 (Multi-Services). Each agency’s report includes the following components:
1. A narrative summary of the financial statement.
2. A brief project status statement for each capital project referenced in the financial statement.
3. The financial statement, in a format developed by the Auditor-Controller-Treasurer-Tax Collector.

The Regional Parks Department’s report covers Park Mitigation fees under Chapter 25, Article VI. – Public Improvements, Sections 25-58 of the Sonoma County Code, requiring the dedication of park land and/or payment of in lieu fees from developers and home builders. First established in 1986, the purpose of the Ordinance is to assist the County in acquiring and developing parks to meet the growing population as a direct correlation to the development and construction of new homes. Park mitigation fees are set during the annual consolidated fee hearings.

The F.Y. 2010/11 beginning fund balance in the Park Mitigation Fund (7 areas) was $730,789.80. Total fees collected were $306,887.75. In addition, $51,286.52 in Russian River Gravel Mitigation-Recreation Enhancement funds, and $211,220.64 in Park Mitigation fees in the Tolay Lake Regional Park capital project were transferred to the Fund. The transferred Tolay funds were returned to Areas 5 & 6 and will be used for Tolay Lake Regional Park development and to open the park fully to the public. Interest earned was $5,714.25. Thus, the total fees, miscellaneous revenue collected and credited plus interest earned in the Park Mitigation Fee Trust Fund in F.Y. 2010/11 was $569,394.91. A total of $198,839.00 was transferred to 10 Capital Projects for the planning, design and construction of new and expanded park facilities. The year’s ending fund balance was $1,107,059.96. No fees were refunded to individuals cancelling building permits. Park Mitigation Fees were used to leverage grants and other matching contributions at an approximate ratio of 3 to 1.

Under A.B. 1600 and the Sonoma County Code, Transportation and Public Works (T.P.W.) reports on the following traffic mitigation fee programs:

1. Countywide Traffic Mitigation- In May 1990, the Board established the Countywide Development Fees. In subsequent years, the Board has adopted revisions to the ordinance, which include modifying the Road Improvement Summary, modifying the boundaries, increasing the fees, modifying the language in the ordinance, changing how the fees are calculated, and making the ordinance consistent with others in the County. The fund received $736,769 in deposits, and after interest and withdrawals the ending fund balance for this program was $11,507,666.

2. Sonoma Valley Traffic Mitigation- In 1989, the Board adopted Ordinance No. 4073 establishing development fees to finance the improvements of certain public facilities and services within the Sonoma Valley area. These fees are kept in a separate fund account. In subsequent years, the Board has adopted revisions to the ordinance, which include modifying the Road Improvement Summary, modifying the boundaries, increasing the fees, modifying the language in the ordinance, changing how the fees are calculated, and making the ordinance consistent with others in the County. The fund received $87,959 in
deposits, and after interest and withdrawals the ending fund balance for this program was $1,095,746.

3. Moorland Avenue Drainage Mitigation- In 1988, the Board of Supervisors adopted Ordinance No. 3841 establishing development fees to finance the cost of improving certain public facilities within the Moorland Avenue Plan Area. These fees are kept in a separate fund account and paid to South Park Sanitation District in repayment of the cost of those improvements. The fund received no deposits this fiscal year, resulting in a beginning and ending fund balance of $70.

In January, the fees for the above three programs are adjusted annually by Consumer Price Index per the ordinance. Fees are collected by Permit Resource Management Department as part of the permitting process.

4. County Service Area (C.S.A.) #41, Freestone Water Capital Improvement Fund (formally C.S.A. #33) - This fund was established in 1988-89 for the purpose of providing water service to the community of Freestone. The C.S.A. replaced a mutual benefit corporation (Freestone Water Users, Inc.) as the purveyor of water in Freestone. The fund received no deposits this fiscal year and minimal interest, resulting in an ending fund balance of $7.

5. C.S.A. #41, Fitch Mountain Water Capital Improvement Fund (formally C.S.A. #24) - This fund was formed in 1976 to provide fire, water and sewer services in the Fitch Mountain area. C.S.A. No. 24 took possession of the Fitch Mountain Water Company in February of 1989. The fund received $3,600 in deposits, and after interest the ending fund balance for this program was $7,130.

6. C.S.A. #41, Salmon Creek Water Capital Improvement Fund (formerly C.S.A. #32) - This fund was formed in 1987-88 for the purpose of providing water service to the community of Salmon Creek. The fund received $24,262 in deposits, and after interest and withdrawals the ending fund balance for this program was ($28,477).

7. C.S.A. #41, Jenner Water Capital Improvement Fund (formerly C.S.A. #34) - This fund was established in 1988-89 for the purpose of providing water service to the community of Jenner. The fund received no deposits this fiscal year, and after interest the ending fund balance for this program was $10,827.

The fees for the above four programs related to C.S.A.#41 are collected when a new connection is made to the system and are restricted for use on capital improvements to the system. The total fund balance of all seven funds reported under T.P.W. was, as of June 30, 2011, $12,592,969.

The Water Agency provides the annual reports for the Sanitation Zones of Benefit (Airport-Larkfield-Wikiup, Geyserville, Penngrove, and Sea Ranch) and the County Sanitation Districts (Occidental, Russian River, Sonoma Valley, and South Park). These fees are collected fees for all new connections to the sewer system or when existing users expand their use of the sewer. Connection fees have been established for each Zone and District based on reasonable estimated capital costs of serving new customers.

The Airport-Larkfield-Wikiup Sanitation Zone fund received $324,201 in deposits, and after interest and withdrawals the ending fund balance for this program was $332,264.
The Geyserville Sanitation Zone fund received no deposits, and after interest the ending fund balance for this program was $310,273.
The Penngrove Sanitation Zone fund received $7,102 in deposits, and after interest and withdrawals the ending fund balance for this program was $515,173.
The Sea Ranch Sanitation Zone fund received no deposits, and after interest and withdrawals the ending fund balance for this program was $141,781.
The Occidental County Sanitation District fund received no deposits, and after interest and withdrawals the ending fund balance for this program was $116,105.
The Russian River County Sanitation District fund received $812,157 in deposits, and after interest and withdrawals the ending fund balance for this program was $128,477.
withdrawals the ending fund balance for this program was $1,024,333.
The Sonoma Valley County Sanitation District fund received $2,740,052 in deposits, and after interest and withdrawals the ending fund balance for this program was $1,535,942.
The South Park County Sanitation District fund received $2,360 in deposits, and after interest and withdrawals the ending fund balance for this program was $2,398,960.
The total fund balance of all funds reported under the Water Agency was, as of June 30, 2011, $6,374,836. There are no Water Agency or Regional Parks collected fees that are unexpended for a period of five years or more in all the reported funds. Transportation and Public Works’ Countywide Mitigation Fee Fund has a balance of $3,350,000 under spent. The sources and amounts of funding anticipated to complete or pay for the County-Wide mitigation ordinance's share of the projects in F.Y. 2011/12, related to the unexpended funds, are as follows:

1.) Airport Blvd @ Hwy 101 Interchange ($2,000,000)
2.) Highway 116 @ Stage Gulch Left Turn ($100,000)
3.) Highway 116 @ Mirabel Roundabout ($890,000)
4.) Western Avenue Shoulder Widening ($250,000)
5.) Adobe Road @ East Washington ($75,000)
6.) Stony Point @ Roblar ($35,000)

The AB 1600 Development Fees Annual Reports for the Sonoma County Water Agency, Transportation and Public Works, and Regional Parks and affected agencies under each of the department's control were made available for public review on November 18, 2011, and are on file with the Clerk.

Requested Board action includes the adoption of the attached concurrent resolution and resolution approving and making findings related to the A.B. 1600 Development Fees Annual Reports for the Regional Parks, Transportation and Public Works, and Sonoma County Water Agency and affected agencies under each of the department's control.

Attachments: Resolution.