



CITY OF SAN MATEO

City Hall
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Agenda Report

Agenda Number: 7

Section Name: CONSENT CALENDAR

File ID: 21-5494

TO: City Council
FROM: Drew Corbett, City Manager
PREPARED BY: Finance Department
MEETING DATE: January 3, 2022
SUBJECT:
Receipt and Use of Development Impact Fees and In-Lieu Fees – Annual Report

RECOMMENDATION:

Adopt a Resolution to make findings and accept the annual report on receipt and use of development impact fees and in-lieu fees for the year ended June 30, 2021.

BACKGROUND:

Development Impact Fees

The City of San Mateo assesses four development impact fees – Wastewater Treatment Plant Phase II Expansion Fee, Transportation Improvement Fee, South Trunk Area Sewer Improvement Fee, and Park Impact Fee.

Local governments often charge fees as a condition of approval for development projects to fund public improvements in order to compensate for the demands that the developments have on public resources. These fees are commonly known as development impact fees. In 1989, the State Legislature passed Assembly Bill 1600 (AB 1600), which added Sections 66000 et seq. to the California Government Code, commonly known as the Mitigation Fee Act. Government Code Section 66006 requires that the City make available to the public the following information regarding development impact fees within 180 days after the end of each fiscal year:

1. A brief description of the type of fee.
2. The amount of the fee.
3. The fee's beginning and ending balances for the fiscal year.
4. Total fees collected and the interest earned, if applicable.
5. Identification of each public improvement on which impact fees were expended and the amount of expenditure on each improvement, including the total percentage of the cost of the public improvement that was funded with impact fees.
6. Identification and timeline of public improvements any unexpended fees will be used for.
 - a. This information is listed in Exhibit A to the Resolution. Exhibit A shows the five-year plan for public improvement projects and their anticipated expenditures related to the Mitigation Fee Act and Quimby Act. Specific details on each of the projects listed in Exhibit A can be found in the five-year capital improvement program section in the City's 2021-22 Budget, which was adopted by City Council on June 21, 2021.
7. Description and uses for transfers or loans of fees, if applicable.
8. Amounts of any refunds and allocations.

Further, the Mitigation Fee Act requires that findings describing the continuing need for impact fees be made every five years specifying the intended use of any unexpended impact fees, regardless of whether the fees are committed or

uncommitted. If findings are not presented as scheduled, the City may be subjected to go through a refunding procedure. The City is opting to make such findings every year.

In-Lieu Fees

In-lieu fees are fees that are collected by the City instead of requiring developers to provide or construct specified improvements or amenities with their projects. The City of San Mateo assesses five in-lieu fees – Parking In-Lieu Fee, Art in Public Places Fee, Tree Replacement Fee, Below Market Rate Housing Fee, and Park In-Lieu Fee.

Park In-Lieu Fees are assessed pursuant to the Quimby Act under Government Code Section 66477. The other in-lieu fees do not have statutory reporting requirements but are included in this report for informational purposes. Under the Quimby Act, local governments may require the dedication of land for parks or the payment of fees in-lieu of land dedication as a condition of subdivision map approval. While park in-lieu fees are exempt from the reporting requirements included in the Mitigation Fee Act, these fees have separate Quimby Act reporting requirements, specifically:

1. The City must develop a schedule specifying the use of land or fees to develop park or recreational facilities to serve the residents of the subdivision.
2. Any Quimby fees collected must be committed within five years after the payment of the fees or the issuance of building permits on one-half of the lots created by the subdivision, whichever occurs later.
3. If not committed, the fees shall be distributed and paid to the record owners of the subdivision in the same proportion that the size of the lot bears to the total area of lots within the subdivision (Gov. Code section 66477(a)(6)).

Linkage Fees

Linkage fees are exactions for social needs indirectly related to development projects. The City of San Mateo assesses two linkage fees – Child Care Development Fee and Affordable Housing Commercial Linkage Fee. While these are linkage fees, they are included in this report with reporting requirements under the Mitigation Fee Act for informational purposes and to make sure that information is available in the event that a court rules in the future that linkage fees are subject to the reporting requirements of the Mitigation Fee Act.

This report complies with requirements of the Mitigation Fee Act and the Quimby Act outlined above.

Analysis

Development Impact Fees

Wastewater Treatment Plant Phase II Expansion Fee

In April 2005, construction began to increase capacity of the wastewater treatment plant, and construction was substantially completed in the spring of 2009. Funds from the Sewer Enterprise Fund were used to pay for the expansion project. Under a Joint Powers Agreement (JPA), the treatment plant is partially owned by the Estero Municipal Improvement District (Foster City). Based on San Mateo's share of the treatment plant and based on the total projected cost attributable to development based on the 2005 expansion study, the amount that is to be recovered through development fees is \$3.52 million in total.

The Wastewater Treatment Plant Phase II Expansion Fee is imposed on all development that results in a change of use and that adds more sewage to the City's sewage treatment system. The fee took effect on July 1, 2006 and will continue to be charged until \$3.52 million is collected. Funds collected are transferred annually to the fund balance of the Sewer Enterprise Fund as a repayment to the Fund for the expansion cost. As shown in the 2020-21 Comprehensive Fee Schedule, the fee is \$2.34 per gallon of average daily flow, which is determined by reference to site sewer study or engineering standards.

The following table shows collections in 2020-21, as well as collections to date.

Wastewater Treatment Plant Expansion Impact Fee		2020-21
Beginning Balance		\$ -
Developer Fees		\$ 205,188
Interest Income / (Expense)		\$ -
Transfer to Sewer Enterprise Fund		\$ (205,188)
Ending Balance		\$ -
		Collections to Date
Total Developer Fees Collected as of 2020-21		\$ 2,772,394
Total Developer Fees Needed		\$ 3,520,000
% Collected		79%

Transportation Improvement Fee

San Mateo Municipal Code Chapter 27.13 establishes a transportation improvement fee for new development to fund City-wide traffic improvements to mitigate the cumulative impacts of new development and to accommodate future development. The fee is charged as shown in the 2020-21 Comprehensive Fee Schedule:

Residential		
• Single-family	Per dwelling unit	\$4,760.95
• Multi-family	Per dwelling unit	\$2,922.38
Commercial and Industrial		
• Retail	Per 1,000 sq. ft.	\$8,187.63
• Office	Per 1,000 sq. ft.	\$4,370.10
• Industrial	Per 1,000 sq. ft.	\$2,847.13

The following table shows activities in 2020-21.

Transportation Improvement Fee		2020-21
Beginning Balance		\$ 2,762,896
Developer Fees		\$ 533,793
Interest Income / (Expense)		\$ 3,071
Expenditures		\$ (2,456,405)
Ending Balance		\$ 843,355

2020-21	Transportation Improvement Fee	Total Expended	Impact Fees Used	% of Total
Project Expenditures:				
460037 El Camino at Highway 92 Landscape Improvements	\$ 140,926	\$ 140,926		100%
460049 Poplar/Humboldt Signal Modify-Left Turn	\$ 545	\$ 545		100%
462202 Rail Corridor Grade Separation	\$ 1,811,933	\$ 1,642,874		91%
465149 Bikeway Master Plan	\$ 3,723	\$ 3,723		100%
466600 Citywide Traffic Calming	\$ 130,346	\$ 99,736		77%
467007 San Mateo Dr. Sustainable Streets Project	\$ 3,259,003	\$ 568,600		17%
Total Expenditures:	\$ 5,346,477	\$ 2,456,405		46%

The total ending balance as of the end of fiscal year 2020-21 was \$843,355. The fund balance and continued collection of the Transportation Improvement Fee will be utilized to fund the project(s) listed in Exhibit A.

South Trunk Area Sewer Improvement Fee

San Mateo Municipal Code Chapter 3.54 establishes a development impact fee for the South Trunk area sewer improvements. The fee is imposed on all development and redevelopment served by the South Trunk line and became effective on March 1, 2008. The fee is charged as shown in the 2020-21 Comprehensive Fee Schedule:

Single-family dwelling	Per dwelling unit	\$ 5,009
Multi-family dwelling, 1 bedroom	Per dwelling unit	\$2,504
Multi-family dwelling, 2 bedroom	Per dwelling unit	\$3,756
Multi-family dwelling, 3 bedroom	Per dwelling unit	\$5,009
Hotels or motels	Per room	\$2,504
Non-residential	Per fixture unit	\$ 250

The following table shows activities in 2020-21.

South Trunk Area Sewer Improvement Fee	2020-21
Beginning Balance	\$ 644,470
Developer Fees	\$ 40,766
Interest Income / (Expense)	\$ 6,708
Expenditures	\$ (100,000)
Ending Balance	\$ 591,944

2020-21	South Trunk Area Sewer Improvement Fee	Total Expended	Impact Fees Used	% of Total
Project Expenditures:				
46S003 Basins 2&3 Collection System Improvements	\$ 38,675,931	\$ 100,000		0.3%
Total Expenditures:	\$ 38,675,931	\$ 100,000		0.3%

The total ending balance as of the end of fiscal year 2020-21 was \$591,944. The fund balance and continued collection of the South Trunk Area Sewer Impact Fee will be utilized to fund the project(s) listed in Exhibit A.

Park Impact Fee

Under San Mateo Municipal Code Chapter 13.05, a park impact fee is imposed on the construction of new residential units to accommodate the increased demand on park and recreation facilities. The fee is charged as shown in the 2020-21 Comprehensive Fee Schedule:

Per residential unit type:	
Single family	\$26,973 per unit
Multi-family 2-4 units	\$16,906 per unit
Multi-family 5+ units	\$19,470 per unit
Mobile homes	\$18,995 per unit

The following table shows activities in 2020-21.

Park Impact Fee	2020-21
Beginning Balance	\$ 3,256,542
Developer Fees	\$ 177,266
Interest Income / (Expense)	\$ 3,179
Expenditures	\$ -
Ending Balance	\$ 3,436,986

The total ending balance as of the end of the fiscal year 2020-21 was \$3,436,986. The fund balance and continued collection of the Park Impact Fee will be utilized to fund the project(s) listed in Exhibit A.

The Council is asked to make the following findings regarding development impact fees collected but not expended – these findings are detailed in the proposed resolution:

1. Development impact fees are collected to mitigate direct and indirect impacts from development.
2. These funds are expended in a timely manner to fund continued improvements to public facilities related to the increased demand on the facilities resulting from development.
3. There is a reasonable relationship between these impact fees and their purpose.
4. These impact fees continue to be required to fund applicable improvements, and as such, these fees will continue to be collected for utilization solely for their intended purpose.

In-Lieu Fees

Parking In-Lieu Fee

San Mateo Municipal Code Chapter 11.62 establishes a parking in-lieu fee for new development to fund for additional parking in downtown San Mateo. Applicants for planning approval within the Central Parking Improvement District may pay a fee in lieu of providing required parking on the property site in accordance with Title 27 of the municipal code. As shown in the 2020-21 Comprehensive Fee Schedule, the fee is \$50,000 per space.

The following table shows activities in 2020-21.

Parking In-Lieu Fee	2020-21
Beginning Balance	\$ 9,282,614
Developer Fees	\$ -
Interest Income / (Expense)	\$ 104,898
Expenditures	\$ (625,000)
Ending Balance	\$ 8,762,512

The total ending balance as of the end of the fiscal year was \$8,762,512. The fund balance and continued collection of the Parking In-Lieu Fee will be utilized to fund the project(s) listed in Exhibit A.

Art in Public Places Fee

San Mateo Municipal Code Chapter 23.60 establishes a fee on developers in lieu of placing approved artwork at the development sites to balance the community's physical growth and revitalization with its cultural and artistic resources. The fee is applicable to commercial and multi-family residential projects exceeding three million dollars in building permit valuation, which is computed using the latest building valuation data as set forth by the International Conference of Building Officials (ICBO) unless, in the opinion of the Building Official, a different valuation measure should be used. As shown in the 2020-21 Comprehensive Fee Schedule, the fee is charged 0.5% of total building valuation.

The following table shows activities in 2020-21.

Art in Public Places Fee	2020-21
Beginning Balance	\$ 205,918
Developer Fees	\$ 398,866
Interest Income / (Expense)	\$ 3,107
Expenditures	\$ -
Ending Balance	\$ 607,891

The total ending balance as of the end of fiscal year 2020-21 was \$607,891. The fund balance and continued collection of the Art in Public Places Fee will be utilized to fund the project(s) listed in Exhibit A.

Tree Replacement Fee

San Mateo Municipal Code Chapter 27.71 establishes a fee on all development requiring approval of a planning application, except for single-family dwelling design review applications, for the removal of existing trees on development sites. The fee is imposed if the trees to be removed are not made up with replacement trees on-site. As shown in the 2020-21 Comprehensive Fee Schedule, the fee is charged \$475 per landscape unit, which is a unit of measurement that indicates the value of each tree that is to be removed relative to the tree that is to be replaced.

Under San Mateo Municipal Code Chapter 13.35, the City may also impose a fee on any person or entity for removing trees that encroach on City streets. The fee is imposed if the tree to be removed is not replanted with a like tree satisfying City requirements. The fee is to be used by the City for plantings on public land. As shown in the 2020-21 Comprehensive Fee Schedule, the tree replacement cost is \$475 per tree.

The following table shows activities in 2020-21.

Tree Replacement Fee	2020-21
Beginning Balance	\$ 881,768
Developer Fees	\$ 375,222
Interest Income / (Expense)	\$ 11,544
Expenditures	\$ (200,616)
Ending Balance	\$ 1,067,919

2020-21				
Tree Replacement Fee		Total Expended	In-Lieu Fees Used	% of Total
Project Expenditures:				
610008 Tree Planting - Parks Division	\$ 200,616	\$ 200,616	\$ 200,616	100%
Total Expenditures:	\$ 200,616	\$ 200,616	\$ 200,616	100%

The total ending balance as of the end of fiscal year 2020-21 was \$1,067,919. The fund balance and continued collection of the Tree Replacement Fee will be utilized to fund the project(s) listed in Exhibit A.

Below Market Rate Housing Fee

The Below Market Rate Housing Fee, which became effective January 1, 2010 pursuant to City Council Resolution No. 121 (2008), is collected from developers in lieu of constructing affordable housing units onsite as required under the City's Below Market Rate program. The fee applies to developments that contain fewer than 11 residential units, and to fractional unit requirements of less than .5 for developments that contain 11 or more units. The fee is charged as shown in the 2020-21 Comprehensive Fee Schedule:

A. Fractional required units for projects consisting of 11 or more residential units			
1. Rental	0.1 housing unit	\$25,962	
	0.2 housing unit	\$51,924	
	0.3 housing unit	\$77,887	
	0.4 housing unit	\$103,849	
2. Owner	0.1 housing unit	\$22,478	
	0.2 housing unit	\$44,956	
	0.3 housing unit	\$67,434	
	0.4 housing unit	\$89,912	
B. Requirement for projects less than 11 units			
1. Rental	5 unit project	\$129,811	
	6 unit project	\$155,773	
	7 unit project	\$181,735	
	8 unit project	\$207,698	
	9 unit project	\$233,660	
	10 unit project	\$259,622	
2. Owner	5 unit project	\$112,390	
	6 unit project	\$134,868	
	7 unit project	\$157,346	
	8 unit project	\$179,824	
	9 unit project	\$202,302	
	10 unit project	\$224,780	

The following table shows activities in 2020-21.

Below Market Rate Housing Fee	2020-21
Beginning Balance	\$ 253,820
Developer Fees	\$ -
Interest Income / (Expense)	\$ -
Expenditures	\$ -
Ending Balance	\$ 253,820

No fees were collected or expended in 2020-21, and the total ending balance as of the end of the fiscal year was \$253,820. A public improvement project is not currently identified in the five-year plan. The Below Market Rate Housing Fee will continue to be collected to build its fund balance, and potential housing related projects will be identified as the fund balance reaches to an appropriate level.

Park In-Lieu Fee

San Mateo Municipal Code Chapter 26.64 establishes a park in-lieu fee on subdivisions in residential planning application projects. Pursuant to the authority of the Subdivision Map Act, and in conformity with the parks and recreation element of the General Plan, the fee is imposed as a condition of final approval of a subdivision or parcel map for park and recreation facilities to serve the subdivision. The fee is charged as shown in the 2020-21 Comprehensive Fee Schedule:

Per residential unit type:	
Single family	\$26,973 per unit
Multi-family 2-4 units	\$16,906 per unit
Multi-family 5+ units	\$19,470 per unit
Mobile homes	\$18,995 per unit

The following table shows activities in 2020-21.

Park In-Lieu Fee	2020-21
Beginning Balance	\$ 4,985,067
Developer Fees	\$ 4,186,738
Interest Income / (Expense)	\$ 8,438
Expenditures	\$ (57,196)
Ending Balance	\$ 9,123,047

2020-21

Park In-Lieu Fee	Total Expended	In-Lieu Fees Used	% of Total
Project Expenditures:			
610030 Park Site Amenities	\$ 67,551	\$ 35,248	52%
610036 Recreation Facilities Strategic Plan	\$ 21,948	\$ 21,948	100%
Total Expenditures:	\$ 89,499	\$ 57,196	64%

The total ending balance as of the end of fiscal year 2020-21 was \$9,123,047. The fund balance and continued collection of the Park In-Lieu Fee will be utilized to fund the project(s) listed in Exhibit A.

Linkage Fees

Child Care Development Fee

The Child Care Development Fee, which became effective on July 1, 2004 pursuant to City Council Resolution No. 34 (2004), is collected to mitigate the impact of commercial development on the need for child care facilities. The fee is imposed on commercial projects over 10,000 sq. ft. and is charged \$1.08 per sq. ft. as shown in the 2020-21 Comprehensive Fee Schedule.

The following table shows activities in 2020-21.

Child Care Development Fee	2020-21
Beginning Balance	\$ 1,612,174
Developer Fees	\$ 586,742
Interest Income / (Expense)	\$ 22,518
Expenditures	\$ (91,779)
Ending Balance	\$ 2,129,656

2020-21

Child Care Development Fee	Total Expended	In-Lieu Fees Used	% of Total
Project Expenditures:			
310600 Child Care Facilities	\$ 91,779	\$ 91,779	100%
Total Expenditures:	\$ 91,779	\$ 91,779	100%

The total ending balance as of the end of fiscal year 2020-21 was \$2,129,656. A public improvement project is not currently identified with funding commitment in the five-year plan; however, a budget commitment was made during 2018-19 to fund the Child Care Facilities project in the amount of \$2,100,000. The fund balance and continued collection of the Child Care Development Fee will be utilized to fund this project.

Affordable Housing Commercial Linkage Fee

San Mateo Municipal Code Chapter 23.61 establishes an Affordable Housing Commercial Linkage Fee to mitigate the impact that developments have on the demand for affordable housing in the City. The fee is imposed on commercial projects over 5,000 sq. ft. and is charged as shown in the 2020-21 Comprehensive Fee Schedule:

Hotels	Per square foot	\$10.79
Retail, restaurants, and services	Per square foot	\$ 5.40
Office, research & development uses, and medical offices	Per square foot	\$26.99

The fee does not apply to public use developments such as hospitals, nonprofit and government facilities, as well as churches, schools, and child care centers. Developers who enter written agreements to pay area standard wages to all construction workers on the project are entitled to a 25% reduction of the fee. Additionally, developers may provide construction of affordable housing units in lieu of the fee payment.

The following table shows activities in 2020-21.

Affordable Housing Commercial Linkage Fee	2020-21
Beginning Balance	\$ 5,296,063
Developer Fees	\$ 1,854,301
Interest Income / (Expense)	\$ 6,819
Expenditures	\$ -
Ending Balance	\$ 7,157,183

The total ending balance as of the end of fiscal year 2020-21 was \$7,157,183. The fund balance and continued collection of the Affordable Housing Commercial Linkage Fee will be utilized to fund the project(s) listed in Exhibit A.

BUDGET IMPACT:

There is no budget impact resulting from this report.

ENVIRONMENTAL DETERMINATION:

This report is not a project subject to CEQA, because it is an organizational or administrative activity that will not result in direct or indirect physical changes in the environment. (CEQA Guidelines Section 15378(b)(5).)

NOTICE PROVIDED

In accordance with Government Code Section 66006, this information was made available to the public 15 days before the public meeting.

ATTACHMENTS

Att 1 - Proposed Resolution

Exhibit A: Public Improvement Project Expenditures Related to the Mitigation Fee Act and Quimby Act Five-Year Plan

STAFF CONTACT

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**CITY OF SAN MATEO
RESOLUTION NO. 3 (2022)**

**ACCEPTING THE ANNUAL REPORT ON RECEIPT AND USE OF DEVELOPMENT IMPACT FEES, IN-LIEU FEES,
AND LINKAGE FEES FOR THE YEAR ENDED JUNE 30, 2021 AND MAKING FINDINGS REGARDING
DEVELOPMENT IMPACT FEES COLLECTED BUT NOT EXPENDED**

WHEREAS, Government Code Sections 66000 et seq., commonly known as the Mitigation Fee Act, regulate the imposition, collections, expenditure, and reporting of development impact fees; and

WHEREAS, Government Code Section 66001 requires that certain information be made available to the public regarding development impact fees on an annual basis; and

WHEREAS, Government Code Section 66001 requires the City Council to make findings describing the continuing need for impact fees every five years specifying the intended use of any unexpended impact fees; and

WHEREAS, the City of San Mateo assesses four development impact fees – Wastewater Treatment Plant Phase II Expansion Fee, Transportation Improvement Fee, South Trunk Area Sewer Improvement Fee, and Park Impact Fee; and

WHEREAS, the City of San Mateo also collects in-lieu fees and linkage fees; and

WHEREAS, even though a court has not yet ruled that linkage fees are subject to the state Mitigation Fee reporting requirements, the City of San Mateo adheres to those requirements for linkage fees in addition to development impact fees; and

WHEREAS, the City Council of the City of San Mateo has read and considered the Development Impact Fees, In-Lieu Fees, and Linkage Fees Annual Report for the Year Ended June 30, 2021, and all accompanying attachments.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN MATEO, CALIFORNIA,
FINDS AND RESOLVES, that:

1. Acceptance of this report is not a project subject to CEQA review because it is an organizational or administrative activity that will not result in direct or indirect physical changes to the environment pursuant to CEQA Guidelines section 15378(b)(5).
2. The City Council accepts the Development Impact Fees, In-Lieu Fees, and Linkage Fees Annual Report (Report) for the Year Ended June 30, 2021, with attachments, and a copy is on file in the City Clerk's Office.
3. Based on the Report and the schedule for expenditure of improvements attached as Exhibit A to this resolution, the City Council makes the following findings with regard to the development impact fees and linkage fees collected but not expended in Fiscal Year 2020-

2021 and listed below:

a. Wastewater Treatment Plant Phase II Expansion Fee:

- (1) This fee is used to build wastewater treatment plant infrastructure that is necessary to serve new development.
- (2) There is a reasonable relationship between the fee and its purpose, because the amount of the fee is determined based on the anticipated amount of wastewater that will be generated by new development.
- (3) The sources and amounts of funding anticipated to complete the financing of the incomplete public improvements are shown in Exhibit A.
- (4) The approximate dates on which the necessary funding is expected to be deposited are shown in Exhibit A.

b. Transportation Improvement Fee

- (1) This fee is used to build transportation infrastructure that is necessary to serve new development.
- (2) There is a reasonable relationship between the fee and its purpose, because the amount of the fee is determined based on the anticipated amount of traffic that will be generated by new development.
- (3) The sources and amounts of funding anticipated to complete the financing of the incomplete public improvements are shown in Exhibit A.
- (4) The approximate dates on which the necessary funding is expected to be deposited are shown in Exhibit A.

c. South Trunk Area Sewer Improvement Fee

- (1) This fee is used to build sewer infrastructure that is necessary to serve new development.
- (2) There is a reasonable relationship between the fee and its purpose, because the amount of the fee is determined based on the anticipated amount of sewage that will be generated by new development.
- (3) The sources and amounts of funding anticipated to complete the financing of the incomplete public improvements are shown in Exhibit A.
- (4) The approximate dates on which the necessary funding is expected to be deposited are shown in Exhibit A.

d. Park Impact Fee

- (1) This fee is used to develop parkland and parkland improvements that are

necessary to serve new development.

(2) There is a reasonable relationship between the fee and its purpose, because the amount of the fee is determined based on the need for parkland and parkland improvements that will be generated by new development.

(3) The sources and amounts of funding anticipated to complete the planned projects are shown in Exhibit A.

(4) The approximate dates on which the necessary funding is expected to be deposited are shown in Exhibit A.

e. Child Care Development Fee

(1) This fee will be used to support child care facilities that are necessary in order to serve new development.

(2) There is a reasonable relationship between the fee and its purpose, because the amount of the fee is determined based upon the anticipated need for child care that will be generated by new commercial development.

(3) The sources and amounts of funding expected to complete the anticipated projects are shown in Exhibit A.

(4) The approximate dates on which the necessary funding is expected to be deposited are shown in Exhibit A.

f. Affordable Housing Commercial Linkage Fee

(1) This fee will be used to support affordable housing that are necessary in order to serve new development.

(2) There is a reasonable relationship between the fee and its purpose, because the amount of the fee is determined based upon the anticipated need for affordable housing that will be generated by new commercial development.

(3) The sources and amounts of funding expected to complete the anticipated projects are shown in Exhibit A.

(4) The approximate dates on which the necessary funding is expected to be deposited are shown in Exhibit A.

RESOLUTION NO. 3 (2022) adopted by the City Council of the City of San Mateo, California, at a regular meeting held on January 3, 2022, by the following vote of the City Council:

AYES: Council Members Bonilla, Papan, Goethals, Lee and Rodriguez

NOES: None

ABSENT: None

ATTEST:



Patrice M. Olds, City Clerk



Rick Bonilla, Mayor

Exhibit A

City of San Mateo**Public Improvement Project Expenditures Related to the Mitigation Fee Act and Quimby Act****Five-Year Plan**

Projects *	Funding Source	Anticipated Expenditure Timeframe					Total
		2021-22	2022-23	2023-24	2024-25	2025-26	
466600 Citywide Traffic Calming	Transportation Improvement Fee	\$ 50,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 650,000
466601 Traffic Model Update	Transportation Improvement Fee	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ 200,000
46S003 Basins 2 and 3 Collection System Improvements	South Trunk Area Sewer Improvement Fee	\$ 1,550,000	\$ 1,250,000	\$ -	\$ -	\$ -	\$ 2,800,000
610017 Citywide Park Play Area Upgrade	Park Impact / In-Lieu Fee	\$ 3,400,000	\$ 2,000,000	\$ 3,000,000	\$ 2,250,000	\$ 2,500,000	\$ 13,150,000
610023 Sports Fields Conversion – Synthetic Turf	Park Impact / In-Lieu Fee	\$ -	\$ -	\$ 500,000	\$ 1,000,000	\$ 500,000	\$ 2,000,000
610027 Central Park	Park Impact / In-Lieu Fee	\$ 1,000,000	\$ 2,000,000	\$ 2,000,000	\$ 3,000,000	\$ 3,000,000	\$ 11,000,000
610035 Citywide Park Special Facilities Upgrade	Park Impact / In-Lieu Fee	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ 250,000
610036 Recreation Facilities Strategic Plan	Park Impact / In-Lieu Fee	\$ -	\$ -	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 6,000,000
610038 Skate Plaza Upgrades	Park Impact / In-Lieu Fee	\$ -	\$ 400,000	\$ -	\$ -	\$ -	\$ 400,000
461007 New Downtown Parking Garage	Parking In-Lieu Fee	\$ -	\$ -	\$ 1,000,000	\$ -	\$ -	\$ 1,000,000
610008 Tree Planting - Parks Division	Tree Replacement Fee	\$ 200,000	\$ 200,000	\$ 200,000	\$ 100,000	\$ 100,000	\$ 800,000
310600 Child Care Facilities	Child Care Development Fee	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ 500,000

* Specific details on each of these projects can be found in the five-year capital improvement program section in the City's 2021-22 Budget, which is adopted by City Council on June 21, 2021.