



CITY COUNCIL STAFF REPORT

ITEM NO. 6.10

DATE: December 8, 2025

TO: Honorable Mayor and City Council

FROM: Tina Olson, Administrative Services Director

SUBJECT: Resolution making findings regarding the continuing need for unexpended balances of Development Impact Fees as of June 30, 2025, and accepting the Annual Report of Development Fee and Connection Fee Revenues and Expenditures for Fiscal Year 2024-25.

RECOMMENDED ACTION

Staff recommends the City Council adopt a resolution making findings regarding the continuing need for unexpended balances of Development Impact Fees as of June 30, 2025 and accepting the Annual Report of Development Fee and Connection Fee Revenues and Expenditures for Fiscal Year 2024-25.

DECISION TYPE

Administrative

SUMMARY

California Government Code § 66000-66013 specifies accountability and annual reporting requirements pertaining to development fees. According to statute, the report must be reviewed at a public meeting. The report must include; (1) a description of the fee type in the account, (2) the amount of the fee, (3) beginning and ending balances, (4) fee and interest income, (5) expenditures by improvement, (6) the project cost funded by the fees, (7) loans or transfers, including purpose, interest rate, and term, and (8) any refunds. The report may make findings as necessary as to whether funds are available to complete projects.

DISCUSSION

California Government Code § 66000 (adopted as AB1600) discusses development fees, what they are, and how they are to be used. Development fees under AB1600 are not a tax or special assessment but a monetary exaction that is charged by a local agency to the applicant in connection with approval of a development project for the purpose of defraying all or a portion of the cost of public facilities related to the development project. Specifically, under California Government Code § 66006, the local agency that

receives the fee must deposit it in a separate capital facilities account or fund in a manner to avoid commingling of the fees with other revenues. The fees must then be expended solely for the purpose for which they were collected. For each account established for the fees, the local agency must make available to the public a report with a brief description of the fee within the fund, the amount of the fee along with the beginning and ending balances, and the total amount of the fees collected along with the interest earned. For each public improvement, the report should include the total expenditures as well as the total percentage of the cost of the public improvement that was funded with the fees. If the local agency determines that sufficient funds have been collected to fully fund a project, the report should identify an approximate date for commencing the project.

Government Code § 66013 requires a financial accounting of the transactions dealing with water and sewer capacity and connection fees and charges (development impact fees) shall be made available to the public and require a description of the charges/fees deposited in the fund, the beginning and ending balance of the fund and any interest earned from investment of moneys in the fund and the amount of charges/fees collected in the fiscal year. This code also requires a local agency to list the public improvements on which charges/fees were expended, the percentage of the total cost of the public improvements that were funded by these charges/fees, the completed public improvements on which charges/fees were expended, and each public improvement that is anticipated to be undertaken in the current fiscal year.

The Annual Report of Development Fee and Connection Fee Revenues and Expenditures for the year ended June 30, 2025, identifies the City's development fee funds.

The fees included in the report are:

- Storm Drainage Fees (Fund 612)
- Wastewater Connection Fees (Fund 623)
- Water Storage Fees (Fund 643)
- Traffic Impact Fees (Fund 510)
- Tri-Valley Transportation Development Fees – TVTC (Fund 511)
- Housing and Human Services Fee (Fund 290)
- Park and Trail Fee (Fund 512)
- Major Attraction Fee (Fund 583)
- Recycled Water Fee (Fund 642)
- Road Improvement Fee (Fund 583)
- Low Income Housing Impact Fees (Fund 200)

FISCAL AND ADMINISTRATIVE IMPACTS

There is no direct fiscal impact in accepting the Annual Report of Development Fee and Connection Fee Revenues and Expenditures for the year ended June 30, 2025. This report is required by the State of California and has been produced in house.

COMMUNITY PILLAR

5: A City That Works

GOAL

17: Ensure effective use of public resources

ATTACHMENTS

1. Resolution

2. Exhibit A - City of Livermore AB1600 report FY 2024-25

Prepared by: Erik Peterson
Finance Manager

Approved by:



Marianna A. Burch
City Manager

Fiscal Review by:



Tina Olson
Administrative Services Director