



CITY COUNCIL STAFF REPORT

DATE: December 17, 2008 CONSENT CALENDAR
SUBJECT: CITY OF PALM SPRINGS DEVELOPMENT PROJECT FEE REPORT
FOR FISCAL YEAR 2007-08
FROM: David H. Ready, City Manager
BY: Department of Finance and Treasury

SUMMARY

The City is required by Government Code Section 66000 to annually prepare a report for the proceeding fiscal year concerning the activity of the City's development project fees. The report must be submitted to the City Council within 180 days of the end of the fiscal year.

RECOMMENDATION:

Receive and File the City's Development Project Fee Report for Fiscal Year 2007-08.

STAFF ANALYSIS:

In 1987, Government Code Section 66000 became effective with the passage of Assembly Bill 1600. AB 1600 was enacted to regulate the establishment of any new development fee or fee increase after January 1, 1989.

A key provision of the legislation, namely, Section 66006 (b) (1) of the Government Code requires that local agency shall, within 180 days of the close of each fiscal year, make available to the public the following information for each separate account or fund:

- (a) A brief description of the type of fee in the account.
- (b) The amount of the fee.
- (c) The beginning and ending balance of the account.
- (d) The amount of fees collected and interest earned.

- (e) An identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees.
- (f) An identification of an approximate date by which construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement, as identified in paragraph (2) of subdivision (a) of Section 66001, and the public improvement remains incomplete.
- (g) A description of each interfund transfer or loan made from the account, including the public improvement on which the transferred or loaned fees will be expended. In the case of an interfund loan, an identification of that date on which the loan will be repaid, and the rate of interest the account will receive on the loan.


In FY 2007-08, the City has four developer project fees subject to the requirements of Government Code Section 66000 -- Drainage Construction, Public Arts, Quimby Act Park and Sewer Connection Fees. Staff has prepared the reports that provide an analysis of each fee.

The attached reports have been submitted to the Building Industry Association (BIA) for their review.

No other action is required by Council except to receive and file the report.

FISCAL IMPACT:

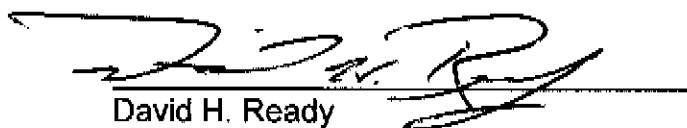
The City must expend or commit developer fees from Drainage Construction Fund, Sewer Fund, Quimby Act Park Fund and Public Arts Fund within five years of their receipt and these fees must be accounted for in a separate fund.



Geoffrey S. Kiehl,
Director of Finance and Treasurer



Thomas Wilson,
Assistant City Manager, Dev't Services



David H. Ready
City Manager

Attachments: Report

**City of Palm Springs
Government Code 66000 Calculation
Drainage Construction Fund - # 135
Fiscal Year 2007/08**

The Drainage Construction Fund is used to account for revenue received from fees assessed on new construction for the purpose of building and maintaining a drainage and flood control system within the City. Fee calculation - see attached fee structure.

Account Description	Beginning Fund Balance	FY 07/08 Transactions	Ending Fund Balance
Revenues & Other Sources			
Developer Fees		(22,572)	
Interest Income		302,190	
Other			
Total Sources		279,619	
Expenditures & Other Uses			
Capital Projects		92,151	
Total Uses		92,151	
Total Available	5,791,696	187,468	5,979,164

**Five Year Test
Using First In First Out Method**

	Collections	Interest	Total	Expenditures and Commitments	Net Not Spent or Committed
Revenues collected from FY 89	427,167	207,053	634,220	634,220	-
Revenues collected from FY 90	402,698	290,788	693,486	693,486	-
Revenues collected from FY 91	316,947	302,782	619,729	619,729	-
Revenues collected from FY 92	210,272	212,475	422,747	422,747	-
Revenues collected from FY 93	61,740	119,546	181,286	181,286	-
Revenues collected from FY 94	120,144	76,610	196,754	196,754	-
Revenues collected from FY 95	258,764	59,619	318,383	318,383	-
Revenues collected from FY 96	230,776	75,395	306,171	306,171	-
Revenues collected from FY 97	106,632	75,836	182,468	182,468	-
Revenues collected from FY 98	171,263	90,348	261,611	261,611	-
Revenues collected from FY 99	150,629	83,783	234,412	234,412	-
Revenues collected from FY 00	365,496	102,870	468,366	468,366	-
Revenues collected from FY 01	278,438	168,679	447,117	447,117	-
Revenues collected from FY 02	237,755	132,196	369,951	369,951	-
Revenues collected from FY 03	361,932	110,028	471,960	471,960	-
Revenues collected from FY 04	1,137,699	51,313	1,189,012	1,189,012	(0)
Revenues collected from FY 05	1,066,367	127,051	1,193,418	1,193,418	0
Revenues collected from FY 06	684,445	157,185	841,630	841,630	-
Revenues collected from FY 07	845,665	290,937	1,136,602	695,231	441,371
Revenues collected from FY 08	(22,572)	302,190	279,619	0	279,619

Result: Five Year Spent or Committed Test Met					
Total	7,412,258	3,036,684	10,448,942	9,727,952	720,990
Breakdown of Improvements	Commitments FY 07/08	% Completed	% Funded With Fee		
Vista Chino/Fairrell Basin LDSC	8,030	70.00%	100.00%		
Palm Canyon & Tahquitz Creek	388,142	12.78%	100.00%		
North Zone Projects	211,755	0.00%	100.00%		
Central Zone Projects	27,422	0.00%	100.00%		
South Zone Projects	98,121	0.00%	100.00%		
East Zone Projects	106,301	0.00%	100.00%		
Southeast Zone Projects	33,186	0.00%	100.00%		
Storm Drain Line 23	400,000	0.00%	100.00%		
Line 41	1,131,548	0.00%	100.00%		
Storm Drain Line 20	970,241	0.00%	100.00%		
Storm Drain Line 22	13,525	0.00%	100.00%		
Amado/Alvarado	1,037	0.00%	100.00%		
Eagle Canyon Drainage	10,000	0.00%	100.00%		
South Palm Canyon Drainage	40,000	0.00%	100.00%		
Storm Drain Line 6A	184,622	0.00%	100.00%		
Storm Drain Line 8	1,634,243	0.00%	100.00%		
Total	5,258,173				

Public Arts Fund is used to account for development fees paid in lieu of placement of an approved artwork at approved sites and in a manner consistent with Chapter 3.37 of the Municipal Code. The funds are used solely for the acquisition, installation, improvement, maintenance and insurance of artwork to be displayed in the city and the administration of the arts program as defined in the Code. Fee calculation - see attached fee structure.

Account Description	Beginning Fund Balance	FY 07/08 Transactions	Ending Fund Balance
Revenues & Other Sources			
Public Arts Fee		424,956	
Interest Income		41,361	
Miscellaneous		20,193	
Total Sources		486,510	
Expenditures & Other Uses			
Capital Projects & Maintenance			
Operating Expenses		522,408	
Total Uses		522,408	
Total Available	958,540	(35,898)	922,642

Five Year Test
 Using First In First Out Method

	Collections	Interest	Total	Expenditures	Amount Not Spent
Revenues collected from FY 89	17,010	179	17,189	17,189	-
Revenues collected from FY 90	249,109	16,741	265,850	265,850	-
Revenues collected from FY 91	183,954	33,293	217,247	217,247	-
Revenues collected from FY 92	89,829	34,487	124,326	124,326	-
Revenues collected from FY 93	249,063	27,580	276,663	276,663	-
Revenues collected from FY 94	95,704	26,130	121,834	121,834	-
Revenues collected from FY 95	93,157	30,270	123,427	123,427	-
Revenues collected from FY 96	91,941	31,285	123,206	123,206	-
Revenues collected from FY 97	78,862	34,390	113,252	113,252	-
Revenues collected from FY 98	67,501	25,098	92,599	92,599	-
Revenues collected from FY 99	96,521	19,684	116,205	116,205	-
Revenues collected from FY 00	189,761	19,183	208,944	208,944	-
Revenues collected from FY 01	142,924	19,784	162,708	162,708	-
Revenues collected from FY 02	247,707	12,321	260,028	260,028	-
Revenues collected from FY 03	359,655	7,558	367,213	367,213	-
Revenues collected from FY 04	520,336	9,335	529,670	529,670	0
Revenues collected from FY 05	566,410	20,073	586,483	586,483	(0)
Revenues collected from FY 06	447,444	24,360	471,804	401,782	70,022
Revenues collected from FY 07	315,722	50,389	366,111	-	366,111
Revenues collected from FY 08	445,149	41,361	486,510	-	486,510
Total	4,547,778	483,491	5,031,269	4,108,628	922,643

Result: Five Year Spent or Committed Test Met

Expenditures & Commitments	Spent FY07-08	Future Commitments	Past Payments	Total Expenditures & Commitments	Year Revenue Spent	Year Revenue Applied	Amount Applied	% Complete	% funded with Fees

**City of Palm Springs
Government Code 66000 Calculation
Wastewater Treatment Fund - # 420
Fiscal Year 2007/08**

The Wastewater Treatment Fund is used to account for revenue received from sewer connection fees. Fee calculation - see attached fee structure.

Account Description	Beginning Fund Balance	FY 07/08 Transactions	Ending Fund Balance
Revenues & Other Sources			
Sewer Connection Fees		937,268	
Total Sources		937,268	
Expenditures & Other Uses			
		-	
Total Uses		-	
Total Available	(7,105,467)	937,268	(6,168,199)

Five Year Test Using First In First Out Method				
	Collections	Expenditures and Commitments	Net Spent or Committed	
Revenues collected from FY 90	1,499,505	336,261	1,163,244	
Revenues collected from FY 91	948,013	665,989	282,024	
Revenues collected from FY 92	1,036,148	652,458	383,690	
Revenues collected from FY 93	268,821	637,986	(369,165)	
Revenues collected from FY 94	163,751	622,457	(458,706)	
Revenues collected from FY 95	896,218	2,138,856	(1,242,638)	
Revenues collected from FY 96	494,370	2,112,791	(1,618,421)	
Revenues collected from FY 97	446,938	2,163,155	(1,716,217)	
Revenues collected from FY 98	583,414	2,227,765	(1,644,351)	
Revenues collected from FY 99	606,435	2,155,890	(1,549,455)	
Revenues collected from FY 00	628,288	2,235,000	(1,606,712)	
Revenues collected from FY 01	621,709	2,225,000	(1,603,291)	
Revenues collected from FY 02	585,998	2,215,000	(1,629,002)	
Revenues collected from FY 03	1,131,034	2,235,000	(1,103,966)	
Revenues collected from FY 04	1,881,734	2,220,000	(338,267)	
Revenues collected from FY 05	1,981,440	-	1,981,440	
Revenues collected from FY 06	1,702,118	-	1,702,118	
Revenues collected from FY 07	2,262,208	-	2,262,208	

Revenues collected from FY 08	937,268	-	937,268
Total	18,675,410	24,843,608	(6,168,199)
Result: Five Year Spent or Committed Test Met			
Breakdown of Improvements	Expenditures FY 07/08		% Funded With Fee
			100.00%
Total			

12/9/2008

City of Palm Springs
Government Code 66000 Calculation
Quimby Act Fees Fund - #152
Fiscal Year 2007/08

The Quimby Act Fees Fund is used to account for revenue received from fees assessed on new construction for the purpose of public improvement.

Account Description	Beginning Fund Balance	FY 07/08 Transactions	Ending Fund Balance
Revenues & Other Sources			
Developer Fees		39,765	
Interest Income		160,655	
Total Sources		200,420	
Expenditures & Other Uses			
Capital Projects & Maintenance		95,659	
Total Uses		95,659	
Total Available	3,119,358	104,760	3,224,118

Five Year Test Using First In First Out Method					
	Collections	Interest	Total	Expenditures and Commitments	Net Not Spent or Committed
Revenues collected from FY 05	645,050	10,930	655,980	655,980	0
Revenues collected from FY 06	992,550	33,533	1,026,083	669,020	357,063
Revenues collected from FY 07	1,360,844	130,075	1,490,919	-	1,490,919
Revenues collected from FY 08	39,765	160,655	200,420	-	200,420
Total	3,038,209	335,193	3,373,402	1,325,000	2,048,402

Result: Five Year Spent or Committed Test Met

Breakdown of Improvements	Commitments FY 07/08	% Completed	% Funded With Fee
Landscape Gene Autry Vista Chino	750,717		100.00%
Landscape Gene Autry Trail Vista Chino TE Matc	425,000		100.00%
Total	1,175,717		