

RESOLUTION NO. 2011-33

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ALTOS,
CALIFORNIA, MAKING FINDINGS REGARDING THE CONTINUING NEED
FOR UNEXPENDED BALANCES OF IMPACT FEES AS OF JUNE 30, 2011**

BE IT RESOLVED BY THE CITY OF LOS ALTOS AS FOLLOWS:

WHEREAS, Government Code Sections 66000 and following (commonly known as and referenced to herein as "AB1600") regulate the imposition, collections, maintenance, expenditure and reporting of impact fees imposed on developers for the purpose of defraying costs of public facilities; and

WHEREAS, the City of Los Altos ("City") has identified two (2) impact fees collected from developers that are subject to AB1600's requirements. Those funds are the Traffic Impact Fee (Fund 26), and the In-Lieu Park Land Fee (Fund 27); and

WHEREAS, in accordance with the provisions of AB1600, the City has set up separate special revenue funds for each type of fee, crediting earned interest to those funds, and spending the accumulated fees and related interest on appropriate expenditures; and

WHEREAS, The City has prepared an annual report for FY2009-2010 in accordance with AB1600, "AB1600 Report on Development Impact Fees for Fiscal Year ended June 30, 2010" reflecting the beginning and ending balances of each separate fund containing impact fees; the amount of fees collected and the interest earned for the year; the amount of expenditures and refunds made in the year and a description of the type of fees. The amount of each of these development impact fees for FY2009-2010 is reflected in the City's Municipal Fee Schedule, previously adopted by the Council; and

WHEREAS, a copy of the annual report has been on file and available for review in the City Clerk's Office and Council Offices at Los Altos City Hall, and the Los Altos Main Library since before March 8, 2010; and

WHEREAS, AB1600 requires the City to make specific findings every five (5) years with respect to any portion of the fees remaining unexpended or uncommitted after a period of five (5) years to: 1) identify the purpose to which the fee is to be put, 2) demonstrate a relationship between the fee and the purpose for which it was charged, 3) identify all sources and amounts of funding anticipated to complete financing of the improvement, and 4) designate the approximate date on which such funding will be available; and

WHEREAS, the Traffic Impact Fee, which was established for the purpose of providing a source of funding for traffic improvements, contains some fee revenues which were received five (5) years ago. The sum of \$85,756 representing fees and accrued interest collected for traffic impact remains unexpended five (5) or more years after deposit of the fees; and

WHEREAS, the City desires to make the findings required by law, with respect to, these unexpended fees.

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Los Altos accepted the attached AB1600 Report on Development Impact Fees for Fiscal Year ended June 30, 2010 ("Report") on March 22, 2011, and makes the following findings:

1. The Traffic Impact Fee revenues are to be used to construct traffic improvements needed by new development. The amount of the fee for different land use types is proportionate to the need for traffic improvements generated by such land use types.

2. The portions of the \$574,858 fund balance in the Traffic Impact Fund that are approaching five (5) years in the June 30, 2010 report totals \$85,756. The City plans to use the entire fund balance for the projects identified within the related June 28, 2011 staff report which are programmed in the Adopted Five (5) Year Capital Improvement Plan. The Traffic Impact Fund has projects scheduled in the current Capital Improvement Plan for the next five (5) years, and is projecting additional fees and interest each year.

3. Constitutionality, severability. If any section, subsection, sentence, clause, phrase, or work of this resolution is for any reason held by a court of competent jurisdiction to be unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of the resolutions. The City of Los Altos hereby declares that it would have passed this resolution and each section, subsection, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more section(s), subsection(s), sentence(s), clause(s), phrase(s), or word(s) be declared invalid.

I HEREBY CERTIFY that the foregoing is a true and correct copy of a Resolution passed and adopted by the City Council of the City of Los Altos at a meeting thereof on the 28th day of June 2011, by the following vote:

AYES: CARPENTER, CASAS, FISHPAW, SATTERLEE, PACKARD
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE



Ronald D. Packard, MAYOR

Attest:



Lee Price, MMC
CITY CLERK