

CITY OF ONTARIO

Agenda Report
January 15, 2019

SECTION:
CONSENT CALENDAR

SUBJECT: AB 1600 DEVELOPMENT IMPACT FEE ANNUAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2018

RECOMMENDATION: That the City Council accept the City of Ontario's AB 1600 Development Impact Fee Annual Report for Fiscal Year Ended June 30, 2018.


COUNCIL GOALS: Operate in a Businesslike Manner

FISCAL IMPACT: City Council acceptance of the AB 1600 Development Impact Fee Annual Report for Fiscal Year Ended June 30, 2018 will have no impact on the General Fund. This is an informational report only.

BACKGROUND: On July 1, 2003, the City Council adopted Ordinance Nos. 2779 and 2780 approving the collection of Development Impact Fees in the City of Ontario to mitigate the impacts of future development. In accordance with the provisions of Ordinance Nos. 2779 and 2780, the City began collecting Development Impact Fees on September 1, 2003. Pursuant to Ordinance 2779, the impact fees have been updated periodically since that time by resolutions of the City Council. The last Development Impact Fee update was authorized by the City Council on August 15, 2017 by Resolution No. 2017-102. This update, as well as the previous update, incorporates the results of the City's 2012 Water, Sewer, Storm Drain and Circulation Master Plan updates, along with the land use assumptions underlying the City's most recently updated General Plan, adopted by the City Council in 2010.

California Government Code sections §66001 and §66006 require making available to the public certain Development Impact Fee information. The City of Ontario addresses these reporting requirements through issuance of the AB 1600 Development Impact Fee Annual Report, heretofore incorporated in the City's Comprehensive Annual Financial Report (CAFR), along with the release of periodic updates to the City's development impact fee calculation and nexus schedules. The AB 1600 Development Impact Fee Annual Report for Fiscal Year Ended June 30, 2018 consists of three schedules. The first

STAFF MEMBER PRESENTING: Mark Alvarado, Interim Executive Director, Finance

Prepared by: Bob Chandler
Department: Management Services
City Manager Approval: 

Submitted to Council/O.H.A. 01/15/2019
Approved: 01/15/2019
Continued to: _____
Denied: _____

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schedule reports each development impact fee category's beginning and ending fund balances, its annual revenue and earnings, and its expenditures for the fiscal year. The second schedule provides a summary listing of development impact fee expenditure amounts by individual public improvement project, and the third provides the five-year findings with regards to unexpended funds, whether committed or uncommitted, from FY 2013-2014 through FY 2017-2018. Currently all unexpended funds are committed to future projects which are detailed in the April 2017 *Master Facilities Plan*. The most recently adopted update of the City's development impact fee calculation and nexus schedules - *Development Impact Fee Calculation and Nexus Report (April 2017)* - contains the amount and purpose of each development impact fee, the public improvements the fees will fund, and the reasonable relationship between the fees and the purposes for which they are being assessed.

The City of Ontario's AB 1600 Development Impact Fee Annual Report for Fiscal Year Ended June 30, 2018 was provided to the City Council on December 19, 2018. This report, as well as the April 2017 Development Impact Fee Calculation & Nexus Report, and the April 2017 Master Facilities Plan, are made available for review and reference at the City Clerk's Office.



City of Ontario, California

**AB 1600 DEVELOPMENT IMPACT FEE
ANNUAL REPORT**

For Fiscal Year Ended June 30, 2018

Prepared By:

Management Services Department

CITY OF ONTARIO

**AB 1600 DEVELOPMENT IMPACT FEE ANNUAL REPORT
FOR FISCAL YEAR ENDED JUNE 30, 2018**

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CITY OF ONTARIO
AB 1600 DEVELOPMENT IMPACT FEE ANNUAL REPORT
PURSUANT TO GOVERNMENT CODE SECTION 66006
FOR FISCAL YEAR ENDED JUNE 30, 2018

Fund	Development Impact Fee Purpose	Fund Balance July 1, 2017	Revenues			DIF Refunds	Projects Expenditures	Fund Balance June 30, 2018
			DIF Fees	Interest/ Gains/Losses	Other Sources/(Uses)			
007	Parkland Facilities Development	\$ (5,281,737)	\$ 10,713,706	\$ 2,768	\$ -	\$ -	\$ -	\$ 5,434,737
101	Law Enforcement Facilities	(1,032,588)	557,624	16,318	-	-	-	(458,646)
106	Refuse Collection Equipment	2,942,141	762,693	26,361	-	-	98,890	3,632,305
107	General Government Facilities	2,680,680	626,960	24,168	-	-	-	3,331,809
108	Library Expansion Facilities	2,744,956	1,213,545	26,504	-	-	-	3,985,005
109	Public Meeting Facilities	3,738,916	1,358,132	35,297	-	-	-	5,132,345
110	Aquatics Center Facilities	316,618	88,832	2,912	-	-	-	408,362
112	NMC Open Space Agreement	2,120,313	1,479,859	22,295	-	-	-	3,622,468
170	OMC Regional Streets, Signals and Bridges	8,791,273	1,037,249	75,208	(5,000,000) ¹	-	439,591	4,464,139
171	OMC Local Adjacent Streets, Signals and Bridges	10,540,373	594,499	71,389	-	-	3,508,146	7,698,115
172	OMC Regional Storm Drainage Facilities	1,349,867	51,746	11,453	-	-	-	1,413,066
173	OMC Local Adjacent Storm Drainage Facilities	16,116,885	2,582,579	145,109	-	313,387	1,095,854	17,435,332
174	OMC Regional Water Distribution Facilities	13,398,149	577,827	113,955	-	-	-	14,089,931
175	OMC Local Adjacent Water Distribution Facilities	1,685,884	144,219	13,451	-	-	345,321	1,498,234
176	OMC Regional Sewer Collection Facilities	2,422,471	103,327	20,596	-	-	-	2,546,394
177	OMC Local Adjacent Sewer Collection Facilities	4,027,843	154,802	34,193	-	-	5,708	4,211,131
178	OMC Fire Protection Facilities	(135,621)	150,308	1	-	-	156,920	(142,232)
180	NMC Regional Streets, Signals and Bridges	1,517,783	1,907,633	17,707	-	-	531,606	2,911,517
181	NMC Local Adjacent Streets, Signals and Bridges	2,178,991	1,902,444	19,028	-	1,862,601	-	2,237,863
182	NMC Regional Storm Drainage Facilities	844,931	1,265,012	11,010	-	-	-	2,120,953
183	NMC Local Adjacent Storm Drainage Facilities	3,255,279	1,796,490	30,642	-	1,444,055	-	3,638,355
184	NMC Regional Water Distribution Facilities	(12,681,792)	4,778,743	-	-	880,496	-	(8,783,545)
185	NMC Local Adjacent Water Distribution Facilities	14,476,840	2,722,929	20,487	-	1,468,456	-	15,751,800
186	NMC Regional Sewer Collection Facilities	274,348	326,740	3,143	-	-	163,370	440,861
187	NMC Local Adjacent Sewer Collection Facilities	248,172	300,747	2,365	-	214,464	43,141	293,679
188	NMC Regional Fiber Optic System	(2,943,595)	284,562	-	-	77,671	-	(2,736,704)
189	NMC Local Adjacent Fiber Optic System	3,312,379	743,536	5,503	-	-	-	4,061,417
190	NMC Fire Protection Facilities	8,098,877	221,854	67,891	-	98,226	41,086	8,249,310
		<u>\$ 85,008,636</u>	<u>\$ 38,448,597</u>	<u>\$ 819,753</u>	<u>\$ (5,000,000)</u>	<u>\$ 6,359,356</u>	<u>\$ 6,429,632</u>	<u>\$106,487,998</u>

¹ Transfer out grant monies from State of CA Department of Transportation for City Project ST0711.

**CITY OF ONTARIO
DEVELOPMENT IMPACT FEE PROJECTS WORKED ON
FISCAL YEAR ENDED JUNE 30, 2018**

City Project	DIF Project	Description	Annual Expenditure
N/A	RC-003	Refuse Containers	\$ 98,890
		Fund 106 Subtotal	<u>98,890</u>
ST0302	ST-111	Grove/I-10 Interchange-Corridor	22,809
ST0308	ST-094	S. Milliken Grade Separation	205,767
ST0711	ST-093	N. Vineyard Ave Grade Separation	20,387
ST1711	ST-116	I-10 Vineyard Interchange	137,139
ST1712	ST-114	I-10 Euclid Interchange	53,489
		Fund 170 Subtotal	<u>439,591</u>
ST1510	ST-036	Mountain & Holt Intersection Widening	141,313
ST1511	ST-042	Grove & Holt Intersection Widening	31,390
ST1710	ST-111	Fourth St Bridge Undercrossing	3,194,632
TR0402	ST-047	Etiwanda/Airport Intersection	81,970
TR1203	ST-112	Traffic Signal: Baker/Sixth	46,719
TR1204	ST-112	Traffic Signal: Campus/Philadelphia	12,121
		Fund 171 Subtotal	<u>3,508,146</u>
SM1002	SD-056	6th Street Storm Drain	468,679
SM1701	SD-065	Bon View Avenue Storm Drain	17,728
SM1702	SD-055	Parco Avenue Storm Drain	28,178
SM9902	SD-053	Francis Storm Drain & Ely Basin	573,572
ST1710	SD-063	Fourth St Bridge Undercrossing	7,697
		Fund 173 Subtotal	<u>1,095,854</u>
ST1101	WT-022	Melrose Plaza Public St Improvement	281,904
ST1718	WT-022	QVC Way Public Improvements	63,417
		Fund 175 Subtotal	<u>345,321</u>
SE1501	SW-022	Inland Empire Blvd Sewer Improvements	5,708
		Fund 177 Subtotal	<u>5,708</u>
PF1101	FS-016	Fire Training Center Expansion	156,920
		Fund 178 Subtotal	<u>156,920</u>
ST0308	ST-094	S. Milliken Grade Separation	68,143
ST1411	ST-106	SR60 @ Archibald Interchange	463,463
		Fund 180 Subtotal	<u>531,606</u>
SE1801	SW-001	Payment to IEUA for Eastern Trunk Sewer ¹	163,370
		Fund 186 Subtotal	<u>163,370</u>
SE1801	SW-001	Payment to IEUA for Eastern Trunk Sewer ¹	43,141
		Fund 187 Subtotal	<u>43,141</u>
PF0506	FS-001	Fire Station 9	41,086
		Fund 190 Subtotal	<u>41,086</u>
			<u>\$ 6,429,632</u>

¹ Pursuant to Cooperative Agreement For The Sewer Conveyance Facilities Of The Eastern Trunk Sewer, Kimball Interceptor Sewer Extension, And RP-1 Outfall, Dated June 4, 2004.

CITY OF ONTARIO
FIVE-YEAR REVENUE TEST USING FIRST IN FIRST OUT METHOD
FISCAL YEAR ENDED JUNE 30, 2018

Fund	Development Impact Fee Purpose	Fund Balance June 30, 2013	Project Expenditures					Total	Unexpended Funds (Note 1)	Note
			2014	2015	2016	2017	2018			
007	Parkland Acquisition and Facilities Development	\$ 7,964,747	\$ 4,251,227	\$ 1,019,143	\$ -	\$ -	\$ -	\$ 5,270,370	\$ 2,694,377	2
101	Law Enforcement Facilities, Vehicles and Equipment	(2,375,995)	-	-	-	-	-	-	-	
102	Fire Facilities, Vehicles and Equipment	441,266	199,658	228,005	-	-	-	427,663	13,603	
103	OMC Circulation (Streets, Bridges and Signals) System	14,869,007	3,528,371	6,520,424	-	-	-	10,048,795	4,820,212	3
104	OMC Water System Source, Storage and Distribution System	7,879,133	-	-	-	-	-	-	7,879,133	4
105	OMC Sewer Collection System	3,109,520	-	-	-	-	-	-	3,109,520	5
106	Solid Waste Collection Equipment	975,754	-	63,488	98,250	99,561	98,890	360,189	615,565	6
107	General Facilities, Vehicles and Equipment	889,118	-	-	-	-	-	-	889,118	7
108	Library Facilities and Collection	109,058	-	-	-	-	-	-	109,058	8
109	Public Use Facilities	816,035	-	-	114,817	49,604	-	164,421	651,614	9
110	Aquatics Centers	108,139	-	-	-	-	-	-	108,139	10
111	OMC Storm Drainage System	14,481,769	(186,112)	99,883	-	-	-	(86,229)	14,567,998	11
112	NMC Open Space Land Acquisition	207,703	-	-	-	-	-	-	207,703	12
113	Fiber Optic Communication System	16,218	-	-	-	-	-	-	16,218	13
115	NMC Circulation (Streets, Bridges and Signals) System	1,561,906	277,527	900,638	-	-	-	1,178,165	383,741	14
116	NMC Water System Source, Storage and Distribution System	(302,792)	-	-	-	-	-	-	-	
117	NMC Sewer Collection System	204,754	-	-	-	-	-	-	204,754	15
118	NMC Storm Drainage System	1,388,179	-	-	-	-	-	-	1,388,179	16
170	OMC Regional Circulation (Streets, Bridges and Signals) System	198,309	-	-	7,751,834	1,108,947	439,591	9,300,372	-	
171	OMC Local Adjacent Circulation (Streets, Bridges and Signals) System	84,982	-	-	24,048	317,169	3,508,146	3,849,363	-	
172	OMC Regional Storm Drainage System	3,234	-	-	-	-	-	-	3,234	17
173	OMC Local Adjacent Storm Drainage System	61,447	-	-	1,506,095	6,156,603	1,095,854	8,758,552	-	
174	OMC Regional Water System	69,636	-	-	-	-	-	-	69,636	18
175	OMC Local Adjacent Water System	17,412	-	-	-	-	345,321	345,321	-	
176	OMC Regional Sewer Collection System	9,876	-	-	-	-	-	-	9,876	19
177	OMC Local Adjacent Sewer Collection System	14,767	-	-	916,433	126,166	5,708	1,048,307	-	
178	OMC Fire Facilities, Vehicles and Equipment	-	-	-	98,294	-	156,920	255,214	-	
180	NMC Regional Circulation (Streets, Bridges and Signals) System	-	-	-	1,495,409	1,204,120	531,606	3,231,135	-	
181	NMC Local Adjacent Circulation (Streets, Bridges and Signals) System	-	-	-	-	-	-	-	-	
182	NMC Regional Storm Drainage System	-	-	-	-	-	-	-	-	
183	NMC Local Adjacent Storm Drainage System	-	-	-	-	-	-	-	-	
184	NMC Regional Water System	-	-	-	-	-	-	-	-	
185	NMC Local Adjacent Water System	-	-	-	-	-	-	-	-	
186	NMC Regional Sewer Collection System	-	-	-	-	87,529	163,370	250,899	-	
187	NMC Local Adjacent Sewer Collection System	-	-	-	-	25,201	43,141	68,342	-	
188	NMC Regional Fiber Optic Communication System	-	-	-	-	-	-	-	-	
189	NMC Local Adjacent Fiber Optic Communication System	-	-	-	-	-	-	-	-	
190	NMC Fire Facilities, Vehicles and Equipment	-	-	-	-	-	41,086	41,086	-	

CITY OF ONTARIO
FIVE-YEAR REVENUE TEST USING FIRST IN FIRST OUT METHOD
FISCAL YEAR ENDED JUNE 30, 2018

Notes:

1. All unexpended funds indicate the amount being held beyond the five year limit as described by AB1600.
2. The unexpended Parkland Acquisition and Facilities Development funds will be expended on the Parkland projects detailed in the 2017 Master Facilities Plan on pages 427-429.
3. The unexpended OMC Circulation (Streets, Bridges and Signals) System funds will be expended on the General City Street projects detailed in the 2017 Master Facilities Plan on pages 65-192.
4. The unexpended OMC Water System Source, Storage and Distribution System funds will be expended on the General City Water projects detailed in the 2017 Master Facilities Plan on pages 308-345.
5. The unexpended OMC Sewer Collection System funds will be expended on the General City Sewer projects detailed in the 2017 Master Facilities Plan on pages 350-398.
6. The unexpended Solid Waste Collection Equipment funds will be expended on the Solid Waste projects detailed in the 2017 Master Facilities Plan on pages 401-407.
7. The unexpended General Facilities, Vehicles and Equipment funds will be expended on the General Facilities projects detailed in the 2017 Master Facilities Plan on pages 410-414.
8. The unexpended Library Facilities and Collection funds will be expended on the Library projects detailed in the 2017 Master Facilities Plan on pages 417-418.
9. The unexpended Public Use Facilities funds will be expended on the Public Use Facilities projects detailed in the 2017 Master Facilities Plan on page 421.
10. The unexpended Aquatics Centers funds will be expended on the Aquatics Centers projects detailed in the 2017 Master Facilities Plan on page 424.
11. The unexpended OMC Storm Drainage System funds will be expended on the General City Storm Drainage projects detailed in the 2017 Master Facilities Plan on pages 200-303.
12. The NMC Open Space Land Acquisition Development Impact Fee amount is based on a lawsuit settlement. The unexpended funds will be expended on one of the seven scenarios that were contemplated to determine the amount needed to be collected to meet the settlement agreement funding requirement. These scenarios are outlined in the 2017 Development Impact Fee Calculation and Nexus Report on pages 173-174.
13. The unexpended Fiber Optic Communication System funds will be expended on the Fiber Optic projects detailed in the 2017 Master Facilities Plan on pages 432-439.
14. The unexpended NMC Circulation (Streets, Bridges and Signals) System funds will be expended on the Ontario Ranch Street projects detailed in the 2017 Master Facilities Plan on pages 65-192.
15. The unexpended NMC Sewer Collection System funds will be expended on the Ontario Ranch Sewer projects detailed in the 2017 Master Facilities Plan on pages 350-398.
16. The unexpended NMC Storm Drainage System funds will be expended on the Ontario Ranch Storm Drainage projects detailed in the 2017 Master Facilities Plan on pages 200-303.
17. The unexpended OMC Regional Storm Drainage System funds will be expended on the General City Regional Storm Drainage projects identified in the 2017 Development Impact Fee Calculation and Nexus Report on page 202 and detailed in the 2017 Master Facilities Plan on pages 200-303.
18. The unexpended OMC Regional Water System funds will be expended on the General City Regional Water projects identified in the 2017 Development Impact Fee Calculation and Nexus Report on page 204 and detailed in the 2017 Master Facilities Plan on pages 308-345.
19. The unexpended OMC Regional Sewer Collection System funds will be expended on the General City Sewer projects identified in the 2017 Development Impact Fee Calculation and Nexus Report on page 206 and detailed in the 2017 Master Facilities Plan on pages 200-303.