

**CITY OF SAN MATEO  
RESOLUTION NO. \_\_\_\_\_(2024)**

**ACCEPTING THE ANNUAL REPORT ON RECEIPT AND USE OF DEVELOPMENT IMPACT FEES, IN-LIEU FEES, LINKAGE FEES AND CAPACITY CHARGES FOR THE YEAR ENDED JUNE 30, 2024, AND MAKING FINDINGS REGARDING DEVELOPMENT IMPACT FEES AND IN-LIEU 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 three development impact fees – Wastewater Treatment Plant Phase II Expansion Fee, Transportation Improvement Fee, and Park Impact Fee; and

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

WHEREAS, Government Code Section 66013(d) requires for the City, within 180 days of after the last day of each fiscal year, to make certain public information available relating to the wastewater capacity charge; 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 based on recent case law, in-lieu 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, 2024, 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 an administrative activity that will not impact the environment and is therefore exempt from CEQA review in accordance with CEQA Guidelines section 15378(b)(5).
2. The City Council accepts the Development Impact Fees, In-Lieu Fees, Linkage Fees, and Wastewater Capacity Charges Annual Report (Report) for the Fiscal Year Ended June 30, 2024, 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, in-lieu fees, and linkage fees collected but not expended in Fiscal Year 2023-2024 and listed below:

a. 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.

b. 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.

c. 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.

d. 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.

e. Parking In-Lieu Fee

- (1) This fee will be used to support for new development to fund for additional parking in downtown San Mateo.
- (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 additional parking that will be generated by new 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. Art in Public Places Fee

- (1) This fee will be used to support placing approved artwork at the development sites to balance the community's physical growth and revitalization with its cultural and artistic resources.
- (2) There is a reasonable relationship between the fee and its purpose, because the amount of the fee is determined based upon the anticipated cost of future artwork related to future 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.

g. Tree Replacement Fee

- (1) This fee will be used for plantings on public land where applicants remove existing trees on development sites.
- (2) There is a reasonable relationship between the fee and its purpose, because the amount of the fee is determined based upon the value of each tree that is to be removed relative to the tree that is to be replaced.
- (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.

h. Below Market Rate Housing Fee

- (1) This fee will be used to support affordable housing that is 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 development.
- (3) 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.

i. Park In-Lieu Fee

- (1) This fee will be used for park and recreation facilities to serve the subdivision.

(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 park and recreation facilities that will be generated by new subdivisions.

(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.

## 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 Timeline						Total
		Carryforward Budget Remaining	2024-25	2025-26	2026-27	2027-28	2028-29	
310330 Art In Public Places	Art in Public Places	1,281,589	-	-	-	-	-	1,281,589
310600 Child Care Facilities	Childcare Development Fee	3,387,840	-	-	-	-	-	3,387,840
310416 Housing Land Purchase New	Below Market Rate Housing Fee	2,560,924	-	-	-	-	-	2,560,924
310416 Housing Land Purchase New	Commercial Linkage Fee	4,000,000	-	-	-	-	-	4,000,000
610027 Central Park	Park Impact / Park In-Lieu Fees	9,245,989	3,700,000	2,900,000	-	-	-	15,845,989
610017 Citywide Park Play Area Upgrade - Historic	Park Impact / Park In-Lieu Fees	5,512,976	(3,700,000)	-	-	-	-	1,812,976
610035 Citywide Park Special Facilities Upgrade	Park Impact / Park In-Lieu Fees	8,189	-	-	-	-	-	8,189
618278 Golf Course - Well Drilling	Park Impact / Park In-Lieu Fees	450,919	53,000	250,000	-	-	-	753,919
618280 Golf Course Upgrades 2018-19	Park Impact / Park In-Lieu Fees	-	-	85,000	-	-	-	85,000
TBD Japanese Garden Repairs	Park Impact / Park In-Lieu Fees	-	-	250,000	-	-	-	250,000
46F037 Joinville Pool Assessment & Improvements	Park Impact / Park In-Lieu Fees	54,189	-	-	-	-	-	54,189
46F036 King Pool Assessment & Improvements	Park Impact / Park In-Lieu Fees	33,153	-	3,000,000	3,000,000	-	-	6,033,153
TBD Lakeshore Childcare	Park Impact / Park In-Lieu Fees	-	-	2,500,000	-	-	-	2,500,000
TBD Laurelwood Park	Park Impact / Park In-Lieu Fees	-	-	775,000	-	-	-	775,000
TBD Laurelwood Park Playground	Park Impact / Park In-Lieu Fees	-	-	1,610,000	-	-	-	1,610,000
610012 Laurelwood/Sugarloaf Open Space	Park Impact / Park In-Lieu Fees	57,685	-	-	-	-	-	57,685
612917 Park Ren Shoreview Park Mp & Imp	Park Impact / Park In-Lieu Fees	42,845	-	-	-	-	-	42,845
610060 Parks Irrigation Controller Upgrade	Park Impact / Park In-Lieu Fees	55,495	100,000	100,000	-	-	-	255,495
TBD Parkside Aquatic Play Area	Park Impact / Park In-Lieu Fees	-	400,000	-	-	-	-	400,000
610036 Recreation Facilities Strategic Plan	Park Impact / Park In-Lieu Fees	74,173	-	-	-	-	-	74,173
46F019 Shoreview Pickleball Courts	Park Impact / Park In-Lieu Fees	-	300,000	-	-	-	-	300,000
610038 Skate Plaza Updates	Park Impact / Park In-Lieu Fees	355,767	85,000	-	-	-	-	440,767
610023 Sports Fields Conversion: Synthetic Turf	Park Impact / Park In-Lieu Fees	356,793	-	-	500,000	1,000,000	500,000	2,356,793
461007 New Downtown Parking Garage	Parking In-Lieu Fee	200,000	-	-	-	-	-	200,000
46F025 Parking Facility Structural Repairs	Parking In-Lieu Fee	1,358,892	-	-	-	-	-	1,358,892
46S003 Basins 2 and 3 Collection System Improvements	Sewer Fund / Public Financing / Wastewater Capacity Charge	50,891,535	855,000	-	-	-	-	51,746,535
467005 20th Ave/El Camino Real Southbound Right Turn Lane	Transportation Impact Fee	280,872	-	-	-	-	-	280,872
460049 Poplar Avenue / Humboldt Street Signal Modify - Left Turn	Transportation Impact Fee	753,588	-	-	-	-	-	753,588
466600 Citywide Traffic Calming	Transportation Impact Fee	-	150,000	150,000	150,000	150,000	150,000	750,000
460037 El Camino At Highway 92 Landscape Improv	Transportation Impact Fee	650,014	1,650,000	-	-	-	-	2,300,014
465157 Hillsdale/US 101 Bridge Overcrossing	Transportation Impact Fee	90,000	-	-	-	-	-	90,000
46R008 Railroad Ave Wall Enhancement	Transportation Impact Fee	1,527,341	-	-	-	-	-	1,527,341
466601 Traffic Model Update	Transportation Impact Fee	202,210	-	-	-	-	-	202,210
46R024 Bike San Mateo Program	Transportation Impact Fee	-	-	700,000	700,000	700,000	-	2,100,000
610008 Tree Planting - Parks Division	Tree Replacement Fee	255,803	350,000	175,000	175,000	175,000	175,000	1,305,803

\* Specific details on each of these projects can be found in the five-year capital improvement program section in the City's 2024-25 Budget, which was adopted by City Council on June 17, 2024.