



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Public Works



Date: April 17, 2013
Board Meeting Date: May 21, 2013
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors
From: James C. Porter, Director of Public Works
Subject: Mitigation Fees for County Mid-Coast Parks Development Fund and Adjustment of Fees for Fiscal Year 2013-14

RECOMMENDATION:

Adopt Resolutions:

- A) Accepting the report on the County Mid-Coast Parks Development Fund for the period of January 1, 2012 through December 31, 2012; and
- B) Determining for calendar year 2013 that the rates for County Mid-Coast Parks mitigation fees for new development authorized by Chapter 2.64 of the San Mateo County Ordinance Code shall be computed on the base rates specified in Section 2.64.030 as adjusted in 2012.

BACKGROUND:

On January 28, 2003, your Board approved County Ordinance No. 04155, which established a development mitigation fee for the mid-coast area of San Mateo County as a means of having developers of property contribute funds towards the acquisition of park lands and/or the development of park facilities. The Ordinance adopted by your Board established a fee schedule for assessable space in all building permits for all new residential development as well as residential reconstruction and remodeling projects in the unincorporated mid-coast area of the County, and:

1. requires that a report on the status of the mitigation fees be prepared each year;
2. requires a report on the status of any improvement projects financed in full or in part by these funds; and
3. allows for adjustments in the mitigation fees based on the change on the Construction Cost Index as published by the Engineering News Record.

DISCUSSION:

The following provides an overview of the projects completed using mitigation fees since the inception of the fee in January 2003.

For the period 2003 through 2007, \$5,848.13 was expended to update and retrofit picnic and recreational sites in County mid-coast parks. From 2008 through 2010, \$136,561.22 was expended to replace the El Granada Elementary School Field. During calendar years 2011 and 2012, \$83,724.76 was expended to retrofit and open Quarry Park in El Granada and \$13,390.40 was expended for the final plans and specifications for the Fitzgerald Marine Reserve Coastal Trail. In 2012, \$3,378.96 was expended for plans and specifications for the Moss Beach playground, and \$14,750.00 was expended for permitting for the Mirada Surf Coastal Trail. The balance of this fund totaling \$500,959.71 continues to be committed to the implementation of the Mid-Coast Action Plan, which was approved by the Board of Supervisors on May 20, 2008.

The fee as established uses the residential fee only as the base. The Ordinance provides for adjusting the mitigation fee based on changes in the Engineering News Record Construction Cost Index, which has increased 31% since inception of the fee in 2003 through 2011. In 2012, the Construction Cost Index increased by 1.5%. We are recommending that the base residential fee be adjusted to \$1.55 per square foot of assessable space, which is a 1.5% increase to the 2012 fee of \$1.53 per square foot.

The following is a summary of the recommended fees:

	Initial Fee*	Total Change 2003-2011	2012 Fee	Proposed 2013 Fee	Percent Increase
Residential	\$1.17	+31.1%	\$1.53	\$1.55	1.5%

Attached is Exhibit "A" which shows the total amount of funds collected and interest applied from January 2003 through December 31, 2012.

County Counsel has reviewed and approved the Resolutions as to form.

Approval of this action contributes to the Shared Vision 2025 outcome of a Livable Community by collecting mitigation fees to aid in funding the acquisition and development of Mid-Coast parklands benefitting residents and the general public.

FISCAL IMPACT:

Specific projects to be financed with County Mid-Coast Parks Development Funds will be recommended for budgeting through the normal budget process.

There is no impact to the General Fund.

Exhibit "A"

**SAN MATEO COUNTY - DEPARTMENT OF PUBLIC WORKS
MITIGATION FEES - SMC MID-COAST PARK DEVELOPMENT FUND (04090)
AS OF DECEMBER 31, 2012**

TRANS TYPE	PERIOD ENDING							
	Dec-03	Dec-04	Dec-05	Dec-06	Dec-07	Dec-08	Dec-09	Dec-10
Collections	62,378.84	137,155.76	144,667.87	89,968.51	100,520.67	64,640.77	24,904.69	36,911.82
Interest	204.45	2,740.21	7,257.10	13,990.51	22,530.07	(12,328.09)	9,820.17	5,807.38
Expenditures	0.00	0.00	0.00	0.00	(5,848.13)	(112,750.04)	(19,639.55)	(4,171.63)
YTD Actual	62,583.29	139,895.97	151,924.97	103,959.02	117,202.61	(60,437.36)	15,085.31	38,547.57
LTD Fund Balance	62,583.29	202,479.26	354,404.23	458,363.25	575,565.86	515,128.50	530,213.81	568,761.38
	Dec-11	Dec-12						
Collections	21,484.83	15,108.83						
Interest	6,288.88	4,559.91						
Expenditures	(84,113.67)	(31,130.45)						
YTD Actual	(56,339.96)	(11,461.71)						
LTD Fund Balance	512,421.42	500,959.71						