

RESOLUTION NO. 22-053

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VICTORVILLE, CALIFORNIA, APPROVING THE ANNUAL REPORTS FOR FISCAL YEARS 2016-2017 THROUGH 2020-2021 AND MAKING CERTAIN FINDINGS RELATED TO THE DEVELOPMENT IMPACT FEE PROGRAM PURSUANT TO THE MITIGATION FEE ACT (AB1600)

WHEREAS, in 1987 the California State Legislature adopted AB 1600 which established Government Code § 66000-66025 (the “**Mitigation Fee Act**”, which has been subsequently amended) establishing a process by which local agencies may impose development impact fees and capacity charges on new development to finance various public improvements to mitigate the impacts of new development; and

WHEREAS, pursuant to the Mitigation Fee Act the City Council of the City of Victorville (“**City Council**”) adopted Ordinance No. 1031 (as subsequently amended and currently codified in Victorville Municipal Code Section 16-5.01.080) which established the authority to impose Development Impact Fees (“**DIF**”) and Capacity Charges for Sewer and Water Improvements (“**Capacity Charge(s)**”) on new developments within the City to mitigate the impacts of development upon public infrastructure and various public facilities; and

WHEREAS, Government Code Sections 66006(a) and 66013(c) require all local agencies that collect DIF and Capacity Charges to deposit the fees into separate capital facility accounts in a manner that avoids commingling of DIF and Capacity Charges collected with other funds of the local agency; and

WHEREAS, Government Code Sections 66006(b)(1) and 66013(d) require all local agencies that collect DIF and Capacity Charges to make available for public review a report specifying information about the DIF and Capacity Charge accounts, including but not limited to the amount of fees/charges, the amount collected each year, a list of expenditures from the account, and the beginning and ending balances in each account, within 180 days after the last day of each fiscal year (the “**AB 1600 Report**”); and

WHEREAS, Government Code Section 66001(d) requires local agencies to make certain findings every five years with respect to unexpended funds contained in any development impact fee accounts, whether committed or uncommitted; and

WHEREAS, the City of Victorville (“**City**”) prepared an AB 1600 Report for Fiscal Years 2016-2017 through 2020-2021, attached hereto as Exhibit A, which substantially contains the information required by Government Code § 66006(b)(1) and 66013(d) and has been made available for public review; and

WHEREAS, Government Code Section 66001(d)(1) stipulates that if DIF or Capacity Charges remain unexpended or uncommitted five years after being collected,

the local agency must make the findings specified in subsections (A) through (D) thereof, which include:

- The purpose to which the fees are to be put;
- A demonstration of a reasonable relationship between the fee and the purpose for which it is charged;
- All sources and amounts of funding anticipated to complete financing in incomplete improvements; and
- Approximate dates on which the funding is expected to be deposited into the appropriate account or fund; and

WHEREAS, the following DIF accounts have existing balances for each fiscal year that may have unexpended or uncommitted funds collected in the last five years:

- Public Buildings Development Impact Fee
- Fire Development Impact Fee
- Road Development Impact Fee
- Public Safety Development Impact Fee
- Recreation Development Impact Fee
- Storm Drain Development Impact Fee; and

WHEREAS, for each of the above DIF accounts with existing balances, the City has ongoing or future projects that require funding from said DIF and a reasonable relationship exists between the current need for the DIF and the purposes for which they were originally collected.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF VICTORVILLE DOES HEREBY RESOLVE AS FOLLOWS.

SECTION 1. The recitals set forth above are true and correct and are incorporated into this Resolution by reference together with any definitions set forth therein.

SECTION 2. The City Council has conducted a public meeting, pursuant to Government Code Section 66006(b)(2), to review the AB 1600 Report for Fiscal Years 2016-2017 through 2020-2021, attached hereto as Exhibit A, and incorporated herein by this reference.

SECTION 3. That the following DIF accounts have existing balances for each fiscal year that may include unexpended or uncommitted funds collected in the last five years:

- Public Buildings Development Impact Fee
- Fire Development Impact Fee
- Road Development Impact Fee
- Public Safety Development Impact Fee
- Recreation Development Impact Fee

- Storm Drain Development Impact Fee

SECTION 4. Upon review of the AB 1600 Report for Fiscal Years 2016-2017 through 2020-2021, the City Council finds that the report contains sufficient information and outlines the required findings relative to Government Code Section 66001(d)(1), which are incorporated herein by this reference.

SECTION 5. That this Resolution shall take effect immediately upon its adoption.

SECTION 6. The City Clerk shall certify to the passage and adoption of this Resolution; shall enter the same in the book of original resolutions; and shall make a minute of passage and adoption thereof in the records of the proceedings, in the minutes of the meeting at which this Resolution is passed and adopted.

Exhibit A

City of Victorville



Annual Report on
Development Impact Fees & Capacity Charges
(Government Code Sections 66006 and 66013)

Fiscal Year 2016-2017

Fiscal Year 2017-2018

Fiscal Year 2018-2019

Fiscal Year 2019-2020

Fiscal Year 2020-2021*

(*Includes 5-Year Report per Government Code Section 66001)

Background

The Mitigation Fee Act, Government Code Section 66000 et seq., (the "Act") governs the establishment and administration of development impact fees and capacity charges paid by new development projects for public facilities needed to serve new development. Fees/charges must be separately accounted for and used for the specific purpose for which the fee/charge was imposed. The City's adopted development impact fees and capacity charges are listed in the attached exhibits. Expenditures are authorized through the annual Operating Budget and the City's Capital Improvement Program.

Sections 66001 and 66006 of the Government Code provide that the City of Victorville ("City") shall make available to the public certain information and adopt described findings relative to development impact fees ("Impact Fees") collected pursuant to Section 66000 et seq. of the Government Code. The described information and findings relate to Impact Fees received, expended or to be expended in connection with public facilities to accommodate new development. Section 66013 of the Government Code provides that the City make available to the public certain information relative to capacity charges.

Annual Development Fee Reporting

The Act requires that the City prepare an annual review of all development impact fees and capacity fees as defined in the Act and make a public report on the fees available to the public after the end of each fiscal year. Section 66006(b) of the Government Code requires that for each Impact Fee the City shall, within 180 days after the last day of each Fiscal Year, make available to the public the following information for the Fiscal Year:

- A brief description of the type of fee in the account or fund;
- The amount of the fee;
- The beginning and ending fund balance of the account or fund;
- The amount of the fees collected, and interest earned;
- An identification of each public improvement on which fees were expended and the amount of expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees;
- An identification of an approximate date by which the 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;
- A description of each interfund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and, in the case of an interfund loan, the date on which the loan will be repaid and the rate of interest that the account or fund will receive on the loan; and
- The amount of refunds made due to sufficient funds being collected to complete financing on incomplete public improvements and volume of reallocation of funds made due to administrative costs of refunding unexpended revenues exceeding the amount to be refunded.

Sections 66013(d) has very similar requirements in that, within 180 days after the last day of each Fiscal Year, the City must make available to the public the following information for the Fiscal Year:

- A description of the charges deposited in the fund;
- The beginning and ending balance of the fund and the interest earned from investment of moneys in the fund;
- The amount of charges collected in that fiscal year;
- An identification of:
 - Each public improvement on which charges were expended and the amount of expenditure for each improvement, including the percentage of the total cost of the public improvement that was funded with those charges if more than one source of funding was used;
 - Each public improvement on which charges were expended that was completed during that fiscal year;
 - Each public improvement that is anticipated to be undertaken in the following fiscal year;
- A description of each interfund transfer or loan made from the capital facilities fund, including the public improvement on which the transferred or loaned charges are or will be expended, and, in the case of an interfund loan, the date on which the loan will be repaid and the rate of interest that the fund will receive on the loan.

Government Code Section 66013(e) allows for the required information on capacity charges to be included in the local agency's annual financial report. However, Government Code Section 66006(b)(2) requires that the Impact Fee report be placed on an agenda for review at a public meeting not less than 15 days after the report is made available to the public. Additionally, Section 66001(d) of the Government Code requires that for each Impact Fee, the City shall make all of the following findings every fifth year with respect to that portion of the account remaining unexpended, whether committed or uncommitted:

- Identify the purpose to which the fee is to be put;
- Demonstrate a reasonable relationship between the fee and purpose for which it is charged;
- Identify all sources and amounts of funding anticipated to complete financing in incomplete improvements; and
- Designate the approximate dates on which the funding is expected to be deposited into the appropriate account or fund.

Annual Reports

Brief Description and Amount of Fees
Government Code Sections
66006(b)(1)(A) and (B); 66013(d)(1)

Fund #	Fund Description	Fee Description	Last Updated	Residential Fees per Dwelling Unit		Non-Residential Fees per Building SF		
				Single Family	Multi-Family	Commercial	Industrial	Industrial High Cube
350	Public Buildings	Construction of Public Buildings, Facilities	06-151	1,334.35	716.95	1.34	0.44	0.25
351	Fire	Construction of Fire Service Buildings, Equipment	06-151	328.81	232.13	0.17	0.01	0.02
352	Road	Construction of Public Roads	08-064	4,469.90	2,744.62	7.60	2.98	1.58
353	Public Safety	Construction of Public Safety Buildings, Facilities	06-151	139.07	98.18	0.17	0.01	0.02
354	Recreation	Construction of Parks, Recreational Amenities	06-151	5,045.87	3,847.12	0.00	0.00	0.00
357	Storm Drain	Construction of Drainage Facilities	90-158	*	*	*	*	*
410	Water Capacity Charge	Connection to Water District Pipelines/Capacity and Infrastructure	13-003	5,142 ¹	Fee Varies ²	Fee Varies ²	Fee Varies ²	Fee Varies ²
425	Sewer Capacity Charge	Connection to Victorville Sewer Infrastructure	91-219	350.00 ³	350.00 ³	350.00 ³	350.00 ³	350.00 ³

* Collected at a rate of \$2,585 per acre on all new development types.

¹ Meter Size ¾". Fee will increase based on meter size.

² Fees can be located on City of Victorville Engineering Fee schedule

³ The local connection fee is three hundred fifty dollars (\$350.00) per house, habitation or structure, or number of equivalent dwelling units ("EDUs")

Fund Balances, Fees Collected, Interest Earned, and Project Expenditures - Five Year History
 Government Code Section 66006(b)(1)(C)(D) and (G); Government Code Section 66013(d)(2) and (3)

Fee Type	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
Public Buildings – 350					
Beginning Balance	-7,672	4,185	2,728	144,468	32,478
Revenue	251,560	217,778	538,092	534,354	907,929
Interest	297	765	3,648	5,615	436
Other Revenue	0	0	0	0	0
Capital	0	0	0	-1,959	-1,103
Interfund Loan Payment	-240,000	-220,000	-400,000	-650,000	-900,000
Ending Balance	4,185	2,728	144,468	32,478	39,740
Fire – 351					
Beginning Balance	-3,169	900	3,269	29,809	12,602
Revenue	46,017	74,213	100,840	132,445	206,835
Interest	52	156	700	1,328	109
Other Revenue	0	0	0	0	0
Capital	0	0	0	-980	-152
Interfund Loan Payment	-42,000	-72,000	-75,000	-150,000	-200,000
Ending Balance	900	3,269	29,809	12,602	19,394
Road – 352					
Beginning Balance	1,126,996	1,339,801	1,753,975	1,625,745	6,605,713
Revenue	1,450,754	1,268,195	2,164,676	6,443,752	3,332,605
Interest	3,586	12,451	21,582	34,369	13,975
Other Revenue	0	0	0	0	588,345
Capital	-1,367,075	-1,015,050	-2,528,721	-1,498,153	-277,038
Interfund Loan Payment	125,540	148,578	214,233	0	200,000
Ending Balance	1,339,801	1,753,975	1,625,745	6,605,713	10,463,600
Public Safety – 353					
Beginning Balance	161,868	197,764	247,244	326,067	419,798
Revenue	22,786	36,235	53,679	56,800	92,237
Interest	674	1,845	4,417	4,229	885
Other Revenue	0	0	0	0	84,811
Capital	0	0	0	-980	-152
Interfund Loan Payment	12,436	11,400	20,727	33,682	0
Ending Balance	197,764	247,244	326,067	419,798	597,579

*Fund balances reflected are listed on a cash basis

Fund Balances, Fees Collected, Interest Earned, and Project Expenditures - Five Year History
 Government Code Section 66006(b)(1)(C)(D) and (G); Government Code Section 66013(d)(2) and (3)
 “(continued)”

Fee Type	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
Recreation - 354					
Beginning Balance	2,184,344	2,751,583	3,796,444	5,366,217	7,286,107
Revenue	516,451	1,001,977	1,473,393	2,020,214	3,059,753
Interest	9,476	26,967	72,093	77,137	12,619
Other Revenue	0	0	0	0	0
Capital	-6,000	-27,453	-54,567	-305,598	-1,621,014
Interfund Loan Payment	47,312	43,370	78,854	128,137	0
Ending Balance	2,751,583	3,796,444	5,366,217	7,286,107	8,737,465
Storm Drain - 357					
Beginning Balance	241,294	334,576	490,939	752,393	1,079,365
Revenue	57,513	119,187	185,642	210,884	304,776
Interest	1,091	3,434	9,575	10,412	2,159
Other Revenue	0	0	0	0	0
Capital	-5,064	-2,688	0	-1,959	-304
Interfund Loan Payment	39,742	36,430	66,237	107,635	0
Ending Balance	334,576	490,939	752,393	1,079,365	1,385,996
Water Capacity Charge - 410*					
Beginning Balance	56,748,579	54,279,678	44,616,190	39,678,327	39,589,393
Revenue from Capacity Fee	747,931	1,022,749	1,467,137	2,052,597	3,078,389
Interest	259,499	925,245	1,722,906	1,491,694	218,596
Other Revenue	28,056,794	26,518,477	26,294,673	23,196,791	32,972,348
Capital and Operating Expenditures	-31,533,125	-38,129,959	-34,422,579	-26,830,016	-34,590,454
Interfund Loan Payment	0	0	0	0	0
Ending Balance	54,279,678	44,616,190	39,678,327	39,589,393	41,268,272
Sewer Capacity Charge - 425*					
Beginning Balance	24,600,698	23,585,819	16,887,417	14,759,360	12,265,973
Revenue from Capacity Fee	59,569	85,601	137,613	205,907	292,828
Interest	93,922	162,022	212,208	157,312	20,002
Other Revenue	11,349,757	10,683,549	13,419,540	14,457,148	17,049,360
Capital and Operating Expenditures	-12,518,127	-17,629,574	-15,897,418	-17,313,754	-16,551,589
Interfund Loan Payment	0	0	0	0	0
Ending Balance	23,585,819	16,887,417	14,759,360	12,265,973	13,076,574

*Fund balances reflected are listed on a cash basis

**City of Victorville
Annual Report
Development Impact Fees
Fiscal Year Ended June 30, 2017**

Projects by Fund FY17
Government Code Section 66006(b)(1)(E); Government Code Section 66013(d)(4)(A)

Project #	Project	Project Completion	Annual Budgeted Project Cost	Budgeted Development Impact Fees	Expended Development Impact Fees	Remaining DIF Expenditures	% From Development Impact Fees
Public Buildings (350)							
Fire (351)							
Road (352)							
	City Engineer Project Review	FY17	13,196	13,196	13,770	0	100
	Cost Allocation	FY17	4,876,148	4,508	4,508	0	>1
60087	Bear Valley – Mariposa to Amargosa Pavement	FY17	2,131,054	371,900	377,671	0	17
60005	Nisqualli Interchange (Loan Repayment with SBCTA)	FY20	42,821,785	6,403,168	1,000,000	5,403,168	15
Public Safety (353)							
Recreation (354)							
80029	Skate Park at Doris Davies	FY21	20,000	20,000	10,888	9,112	100
Storm Drain (357)							
Water Capacity Charge (410)							
74310	Schmidt Park Reclaimed Pipeline	FY17	334,000	334,000	79,955	254,045	100
74311	Schmidt Park Ball Field Reclaimed Pipeline	FY17	66,000	66,000	55,104	10,896	100
74242	Booster Pumping Station WID 1 to WID 2	FY19	970,800	970,800	133,294	837,506	100
Sewer Capacity Charge (425)							
77423	Joshua Street/S. Culver Rd Sewer Project	FY17	2,619,500	2,619,500	1,825,013	794,487	100

* Project Expenditures and Budgets are listed on a budgetary basis whereas fund balances on prior pages are listed on a cash basis.

**City of Victorville
Annual Report
Development Impact Fees
Fiscal Year Ended June 30, 2018**

Projects by Fund FY18
Government Code Section 66006(b)(1)(E); Government Code Section 66013(d)(4)(A)

Project #	Project	Project Completion	Annual Budgeted Project Cost	Budgeted Development Impact Fees	Expended Development Impact Fees	Remaining DIF Expenditures	% From Development Impact Fees
Public Buildings (350)							
Fire (351)							
Road (352)							
60005	City Engineer Project Review	FY18	9,821	9,821	9,567	254	100
	Nisqualli Interchange (Loan Repayment with SBCTA)	FY20	2,030,000	2,000,000	2,000,000	0	98
Public Safety (353)							
Recreation (354)							
80029	Skate Park at Doris Davies	FY21	604,150	604,150	22,565	581,585	100
Storm Drain (357)							
Water Capacity Charge (410)							
74312	Pipeline Connection -Schmidt Park	FY18	20,000	20,000	14,461	5,539	100
74242	Booster Pumping Station WID 1 to WID 2	FY19	597,614	597,614	118,006	479,608	100
74345	Pipeline Replacement SD 01	FY19	517,000	517,000	44,313	472,687	100
Sewer Capacity Charge (425)							

**City of Victorville
Annual Report
Development Impact Fees
Fiscal Year Ended June 30, 2019**

Projects by Fund FY19
Government Code Section 66006(b)(1)(E); Government Code Section 66013(d)(4)(A)

Project #	Project	Project Completion	Annual Budgeted Project Cost	Budgeted Development Impact Fees	Expended Development Impact Fees	Remaining DIF Expenditures	% From Development Impact Fees
Public Buildings (350)							
Fire (351)							
Road (352)							
60005	City Engineer Project Review	FY19	10,286	10,286	10,200	86	100
	Nisqualli Interchange (Loan Repayment with SBCTA)	FY20	1,512,173	1,500,000	1,500,000	0	99
Public Safety (353)							
Recreation (354)							
80029	Skate Park at Doris Davies	FY21	1,379,138	1,310,483	54,905	1,255,578	95
Storm Drain (357)							
Water Capacity Charge (410)							
74242	Booster Pumping Station WID 1 to WID 2	FY19	597,614	597,614	479,608	118,006	100
74345	Pipeline Replacement SCLA West Feed	FY19	505,000	505,000	505,000	0	100
74355	Pipeline Replacement SD 01	FY20	427,688	427,688	156,199	271,568	100
60013	Green Tree Extension - Water	FY22	2,072,273	2,072,273	59,697	2,012,576	100
74373	One Million Gallon Water Tank	FY23	2,025,539	2,025,539	15,688	2,009,851	100
Sewer Capacity Charge (425)							

**City of Victorville
Annual Report
Development Impact Fees
Fiscal Year Ended June 30, 2020**

Projects by Fund FY20
Government Code Section 66006(b)(1)(E); Government Code Section 66013(d)(4)(A)

Project #	Project	Project Completion	Annual Budgeted Project Cost	Budgeted Development Impact Fees	Expended Development Impact Fees	Remaining DIF Expenditures	% From Development Impact Fees
Public Buildings (350)							
	Impact Fee Study	FY22	76,770	7,677	1,959	5,718	10
Fire (351)							
	Impact Fee Study	FY22	76,770	3,839	980	2,859	5
Road (352)							
	City Engineer Project Review	FY20	10,420	10,420	10,468	0	100
60005	Nisqualli Interchange (Loan Repayment with SBCTA)	FY20	2,061,000	2,000,000	1,903,188	96,812	97
	Impact Fee Study	FY22	76,770	11,516	2,939	8,577	15
Public Safety (353)							
	Impact Fee Study	FY22	76,770	3,839	980	2,859	5
Recreation (354)							
80029	Skate Park at Doris Davies	FY21	1,272,359	1,260,359	493,299	666,903	100
80046	Parks Master Plan	FY21	150,000	150,000	57,810	92,190	100
80061	Doris Davies Park Amenities	FY21	652,467	652,467	12,659	639,807	100
	Impact Fee Study	FY22	76,770	34,547	8,817	25,730	45
Storm Drain (357)							
	Impact Fee Study	FY22	76,770	7,677	1,959	5,718	10
Water Capacity Charge (410)							
74345	Pipeline Replacement SD 01	FY20	2,086,444	2,086,444	116,502	1,969,942	100
60013	Green Tree Pipeline Extension	FY22	4,023,127	996,576	13,684	982,892	100
74373	One Million Gallon Water Tank	FY23	2,109,851	2,109,851	29,425	2,080,426	100
Sewer Capacity Charge (425)							
77436	Green Tree Sewer Extension	FY23	3,219,766	3,219,766	227,446	2,992,320	100

**City of Victorville
Annual Report
Development Impact Fees
Fiscal Year Ended June 30, 2021**

Projects by Fund FY21
Government Code Section 66006(b)(1)(E); Government Code Section 66013(d)(4)(A)

Project #	Project	Project Completion	Annual Budgeted Project Cost	Budgeted Development Impact Fees	Expended Development Impact Fees	Remaining DIF Expenditures	% From Development Impact Fees
Public Buildings (350)							
	Impact Fee Study	FY22	57,177	5,718	1,103	4,615	10
Fire (351)							
	Impact Fee Study	FY22	57,177	2,859	552	2,307	5
Road (352)							
	City Engineer Project Review	FY21	12,397	12,397	12,763	0	100
	Impact Fee Study	FY22	57,177	8,577	1,654	6,923	15
60014	Bear Valley Rd-Bridge over BNSF	FY23	470,821	190,448	208,812	0	40
60013	Green Tree Extension	FY24	16,530,203	5,768,180	697,143	5,071,037	35
Public Safety (353)							
	Impact Fee Study	FY22	57,177	2,858	551	1,172	5
Recreation (354)							
80029	Skate Park at Doris Davies	FY21	791,735	779,735	656,903	122,832	98
80046	Parks Master Plan	FY21	92,190	92,190	82,360	9,830	100
80061	Doris Davies Park Amenities	FY21	639,807	639,807	613,057	26,750	100
42001	SBC Flood District/Wellness Center	FY21	42,000	42,000	42,000	0	100
	Impact Fee Study	FY22	57,177	25,730	4,964	20,766	45
Storm Drain (357)							
	Impact Fee Study	FY22	57,177	5,718	1,103	4,615	10
Water Capacity Charge (410)							
60013	Green Tree Pipeline Extension	FY22	16,530,203	2,082,892	974,483	1,024,409	47
74373	One Million Gallon Water Tank	FY23	2,080,426	2,080,426	2,457	2,077,969	100
Sewer Capacity Charge (425)							
77436	Green Tree Sewer Extension	FY23	3,219,766	3,219,766	2,297,006	922,760	100

Government Code Section 66006(b)(1)(F), (G) and (H)
Government Code Section 66013(d)(1), (4)(B) and (C)
Annual Reporting for FYE 2017 through 2021

Public Buildings – Fund 350

Funding collected is to be used for new facilities, capital equipment, or improvements of existing city facilities to aid in the services of future population. Due to an existing interfund loan payable and minimal fund balance, the construction of eligible improvements for City buildings is not expected to begin until sufficient funds are accumulated.

Funds previously collected were used to expand City Hall facilities. Due to a population growth spurt in the early 2000's, more room was needed to expand services and to house additional staffing. Additional funding was needed for this project, so an interfund loan payable was established. Such loan had a balance of \$18,840,197 as of June 30, 2021, which is payable to various other DIF funds. The annual payments made from Fund 350 in connection with the interfund loan are included on the five-year history chart earlier in this report.

Additionally, a loan payable was established from Fund 350 to the Southern California Logistics Airport Authority in connection with the acquisition of land for a City library. Such loan had a balance of \$ 1,940,094.54 as of June 30, 2021. Subsequent to this reporting period, on May 17, 2022, the City Council approved the termination of the loan agreement which was payable from the Public Buildings DIF to the Southern California Logistics Airport Authority.

During each reporting annual period listed above, no refunds were made from this fund pursuant to Government Code Section 6600.1

Fire – Fund 351

Funding collected is to be used for building and equipping of new fire stations to aid in the service of future population. Due to an existing interfund loan payable and minimal fund balance, the construction of eligible improvements for City building is not expected to begin until sufficient funds are accumulated.

Funds collected were used to build two new fire stations – Station 312 at 15182 El Evado Road and Station 315 at 12820 Eucalyptus Street. Due to a population growth spurt in the early 2000's, more stations were needed to support the additional growth. Additional funding was needed for this project so an interfund loan payable was established. Such loan had a balance of \$2,286,536 as of June 30, 2021, which is payable to the Roads DIF. The payments made from Fund 351 in connection with the interfund loan are detailed annually on the five-year history chart earlier in this report. Subsequent to this reporting period, on May 17, 2022, repayment to the Road DIF in the amount of \$2,286,536.07 by the General Fund, on behalf of the Fire DIF, was approved by the City Council.

During each reporting annual period listed above, no refunds were made from this fund pursuant to Government Code Section 6600.1

Roads – Fund 352

Funding collected is to be used for building new roads to expand the city as new development occurs in previously undeveloped areas. This funding is currently supporting the projects for the Green Tree Extension to connect to Yucca Loma and the Bear Valley Bridge Widening project over the BNSF Railroad Bridge west of Industrial Blvd. The City of Victorville has established an

agreement with San Bernardino County Transportation Authority to borrow funding to complete the Green Tree Extension in exchange for repayment from future DIF funding received by the City. Future financing will continue the use of this funding for the above listed projects.

As mentioned previously, an interfund loan was made from Roads Fund 352 to Fire Fund 351. Additionally, an interfund loan was made from Road Fund 352 to the Public Building Fund 350 as described above.

During each reporting annual period listed above, no refunds were made from this fund pursuant to Government Code Section 6600.1

Public Safety – Fund 353

Funding collected is to be used for facilities and equipment in connection with the expansion of police services as new development occurs. The majority of the funds are currently tied into an interfund loan receivable, and the focus of this fund is toward a new larger police facility. That project is not expected to commence until sufficient funds have been collected.

An interfund loan was made from Public Safety Fund 353 to the Public Building Fund 350 as described above.

During each reporting annual period listed above, no refunds were made from this fund pursuant to Government Code Section 6600.1

Recreation – Fund 354

Funding collected is to be used for new or expanded parks, park amenities, recreational facilities, or expansions of services as new development occurs in the area. Certain City parks and community centers were pledged as security for a 2007 bond, so the city must seek approval prior to modifying or taking any action on these properties outside of routine maintenance. The encumbrance on these City facilities has made it difficult and cost prohibitive to utilize much of the existing fund balance for park and recreational amenities. However, subsequent to this reporting period, on May 19, 2022, such bonds were refinanced, and the encumbrance of such properties will be lifted. This will facilitate the ability to spend the existing fund balance.

Recent expenditures include the completion of a skate park, new restrooms, and additional park amenities at Doris Davies Park as well as the completion of a new Parks and Recreation Master Plan.

An interfund loan was made from Recreation Fund 354 to the Public Building Fund 350 as described above.

During each reporting annual period listed above, no refunds were made from this fund pursuant to Government Code Section 6600.1

Storm Drain – Fund 357

Funding collected is to be used for the building of storm drain infrastructure as new development occurs in previously undeveloped areas or in areas with deficiencies as a result of new growth.

An interfund loan was made from the Storm Drain Fund 357 to the Public Building Fund 350 as described above.

During each reporting annual period listed above, no refunds were made from this fund pursuant to Government Code Section 6600.1

Water Capacity Charge – Fund 410

Water Capacity Fees are one-time charges to new development connecting to the City of Victorville/Victorville Water District's water system. Listed projects include the expansion of the water line connections for the extension of Green Tree Boulevard to Yucca Loma as well as the building of a one-million-gallon underground water storage tank at SCLA.

Sewer Capacity Charge – Fund 425

Sewer Capacity fees are one-time charges to new development or existing development first connecting to the City of Victorville's sewer system. Listed projects in FY22 include continuing work on the expansion of the sewer line connections for the extension of the Green Tree Boulevard to Yucca Loma.

Five-Year Report

This Five-Year Report provides information and findings on unexpended funds in the various DIF accounts as of June 30, 2021, pursuant to Government Code Section 66001(d). It also provides supplemental information for Government Code Section 66013(d)(4) and information specific to Government Code Section 66013(d)(5), if applicable.

Public Buildings – Fund 350

Purpose: Funding collected is to be used for new facilities, capital equipment, or improvements of existing city facilities to aid in the services of future population. As outlined in the Development Impact Fee & Capacity Fee Capital Improvement Plan FY 2023, the Central Facilities Yard and Central Household Hazardous Waste/Consolidated Recycling Facility will help to serve a future population. The City Hall facility, which houses the majority of the city’s workforce, has existing capacity to serve new development, but may be further expanded, or otherwise improved in the future.

Unexpended Fees: This Fund has a balance of \$39,740 of unexpended fees as of June 30, 2021.

Relationship between fee and purpose: There is a reasonable relationship between the unexpended fee and the purpose for which it was charged because it will continue to fund the expansion of city facilities or equipment as the population grows.

Sources and Amounts of funding anticipated: A Potential funding sources other than DIF for the Central Facilities Yard is the City’s general fund at 50%. The solid waste fund and landfill mitigation funds may provide funding for the Central Household Hazardous Waste/Consolidated Recycling Facility at 50%. The exact amounts potentially needed from these sources is undetermined.

Approximate dates funding expected: The fees will be collected from developers prior to final inspection of the project. The exact dates for which future fees are collected is unknown.

Fire – Fund 351

Purpose: Funding collected is to be used for building and equipping of new fire stations to aid in the service of future population. As outlined in the Development Impact Fee & Capacity Fee Capital Improvement Plan FY 2023, the construction of Fire Station 316 will help to serve a future population. The unexpended fees could also be used to help fund facility improvements as outlined in the City’s Public Safety Plan.

Unexpended Fees: This Fund has a balance of \$19,394 of unexpended fees as of June 30, 2021.

Relationship between fee and purpose: There is a reasonable relationship between the unexpended fee and the purpose for which it was charged because it will continue to fund the expansion of fire services as the population grows.

Sources and Amounts of funding anticipated: Potential funding sources other than DIF for the fire station include Measure P and the City’s general fund at 50%. The exact amounts potentially needed from these sources is undetermined.

Approximate dates funding expected: The fees will be collected from developers prior to final inspection of the project. The exact dates for which future fees are collected is unknown.

Roads – Fund 352

Purpose: Funding collected is to be used for building new roads to expand the city as new development occurs in previously undeveloped areas. This funding is currently supporting the projects for the Green Tree Extension to connect to Yucca Loma and the Bear Valley Bridge Widening project over the BNSF Railroad Bridge west of Industrial Boulevard. As outlined in the Development Impact Fee & Capacity Fee Capital Improvement Plan FY 2023, the unexpended fees may be used for numerous projects throughout the City. Please see the 2023 Plan for details of the projects.

Unexpended Fees: This Fund has a balance of \$10,463,600 in unexpended fees as of June 30, 2021.

Relationship between fee and purpose: There is a reasonable relationship between the unexpended fee and the purpose for which it was charged because it will continue to fund the expansion of roadway and related projects as the population grows.

Sources and Amounts of funding anticipated: Potential funding sources other than DIF for the roadway and related projects include Measure I and the City's general fund at varying percentages per project. The exact amounts potentially needed from these sources is undetermined. The City of Victorville has established an agreement with San Bernardino County Transportation Authority to borrow funding to complete the Green Tree Extension in exchange for repayment from future DIF funding received by the City.

Approximate dates funding expected: The fees will be collected from developers prior to final inspection of the project. The exact dates for which future fees are collected is unknown.

Public Safety – Fund 353

Purpose: Funding collected is to be used for the expansion of police services to the area as new development occurs. As outlined in the Development Impact Fee & Capacity Fee Capital Improvement Plan FY 2023, the construction of a Central Police Department Building will help to serve a future population. The unexpended fees could be used to help fund this police station.

Unexpended Fees: This Fund has a balance of \$597,579 of unexpended fees as of June 30, 2021.

Relationship between fee and purpose: There is a reasonable relationship between the unexpended fee and the purpose for which it was charged because it will continue to fund the expansion of police services as the population grows.

Sources and Amounts of funding anticipated: Potential funding sources other than DIF for the police station include American Rescue Plan Act funding (ARPA) at 78%. The exact amounts potentially needed from alternate sources is undetermined.

Approximate dates funding expected: The fees will be collected from developers prior to final inspection of the project. The exact dates for which future fees are collected is unknown.

Recreation – Fund 354

Purpose: Funding collected is to be used for new or expanded parks, park amenities, recreational facilities, or expansions of services as new development occurs in the area. As outlined in the Development Impact Fee & Capacity Fee Capital Improvement Plan FY 2023, the unexpended fees may be used for numerous projects throughout the City. The projects include a sports complex, dog parks, shade structures, track lighting, a pool complex and splash pad, recreational walking paths or loops, and developing a Trails Master Plan to address the need for additional trails and connectivity throughout the City. Please see the 2023 Plan for more details of the projects.

Unexpended Fees: This Fund has a balance of \$8,737,465 in unexpended fees as of June 30, 2021.

Relationship between fee and purpose: There is a reasonable relationship between the unexpended fee and the purpose for which it was charged because it will fund new park and recreation amenities for the future population.

Sources and Amounts of funding anticipated: Potential funding sources other than DIF for the parks and recreation projects include Measure P, the City's general fund, and state and federal grants at varying percentages per project. The exact amounts potentially needed from these sources is undetermined.

Approximate dates funding expected: The fees will be collected from developers prior to final inspection of the project. The exact dates for which future fees are collected is unknown.

Storm Drain – Fund 357

Purpose: Funding collected is to be used for the building of storm drain infrastructure as new development occurs in previously undeveloped areas or in areas with deficiencies as a result of new growth. As outlined in the Development Impact Fee & Capacity Fee Capital Improvement Plan FY 2023, the unexpended fees may be used for numerous projects throughout the City. Please see the 2023 Plan for details of the projects.

Unexpended Fees: This Fund has a balance of \$1,385,996 in unexpended fees as of June 30, 2021.

Relationship between fee and purpose: There is a reasonable relationship between the unexpended fee and the purpose for which it was charged because it will continue to fund the expansion of regional drainage projects and storm drain infrastructure as the population grows.

Sources and Amounts of funding anticipated: A potential funding source other than DIF for the storm drain projects is the City's general fund at varying percentages per project. The exact amount potentially needed from other sources is undetermined.

Approximate dates funding expected: The fees will be collected from developers prior to final inspection of the project. The exact dates for which future fees are collected is unknown.

Water Capacity Charge – Fund 410

Purpose: Water Capacity Fees are one-time charges to new development connecting to the City of Victorville/Victorville Water District's water system. FY22 projects include the expansion of the water line connections for the extension of Green Tree Boulevard to Yucca Loma as well as the building of a one-million-gallon underground water storage tank at SCLA. As outlined in the Development Impact Fee & Capacity Fee Capital Improvement Plan FY 2023, the unexpended fees may be used for numerous projects throughout the City. Please see the 2023 Plan for details of the projects.

Unexpended Fees: This Fund has a balance of \$41,268,272 in unexpended fees as of June 30, 2021.

Relationship between fee and purpose: There is a reasonable relationship between the unexpended fee and the purpose for which it was charged because it will continue to fund the expansion of water infrastructure projects that improve the water system as the population grows.

Sources and Amounts of funding anticipated: Funding sources other than DIF for the water system improvements listed in the 2023 Capital Plan are not anticipated.

Approximate dates funding expected: The fees will be collected from developers prior to final inspection of the project. The exact dates for which future fees are collected is unknown.

Sewer Capacity Charge – Fund 425

Purpose: Sewer Capacity fees are one-time charges to new development or existing development first connecting to the City of Victorville's sewer system. FY22 projects included continuing work on the expansion of the sewer line connections for the extension of the Green Tree Boulevard to Yucca Loma. As outlined in the Development Impact Fee & Capacity Fee Capital Improvement Plan FY 2023, the unexpended fees may be used for numerous projects throughout the City. Please see the 2023 Plan for details of the projects.

Unexpended Fees: This Fund has a balance of \$13,076,574 in unexpended fees as of June 30, 2021.

Relationship between fee and purpose: There is a reasonable relationship between the unexpended fee and the purpose for which it was charged because it will continue to fund the expansion of sewer projects and infrastructure as the population grows.

Sources and Amounts of funding anticipated: A potential funding source other than DIF for the storm drain projects is the City's general fund at varying percentages per project. The exact amount potentially needed from other sources is undetermined.

Approximate dates funding expected: The fees will be collected from developers prior to final inspection of the project. The exact dates for which future fees are collected is unknown.