



Legislation Text

File #: 21-0938, **Version:** 2

Chief Administrative Office recommending the Board order the Auditor-Controller to disburse \$3,785,392.25 to the El Dorado Hills Community Services District from its park and recreation development impact mitigation fee account for fee program administration and expenditures related to the Bass Lake Community Park and Valley View Village Park. (Cont. 6/22/2021, Item 2)

FUNDING: Development Impact Fees.

Staff recommending this matter be Continued off calendar.

DISCUSSION / BACKGROUND

The California Mitigation Fee Act (Cal. Gov. §66000 et seq.) provides for the establishment of fees to mitigate the impacts of new development on public facilities in order to maintain the established level of service. Individual Special Districts do not have the authority to establish these fees; as a result, the County establishes fees on behalf of the districts. In accordance with the Mitigation Fee Act, these revenues are segregated and deposited into a separate account for each district.

Parks and recreation development impact mitigation fees were first collected on the District's behalf in 1998. The current fees are based on a 2018 Fee Nexus Study and Report ("Report") detailing the legal and policy basis justifying the development impact mitigation fee within the District (Resolution 135-2018, Legistar File 18-1034).

In addition to the purchase of facilities and equipment necessary to mitigate the effects of new development on the districts' ability to provide services, the Mitigation Fee Act provides for use of the fee revenue to fund administration of the fee program. The EDHCSD charges 2% of revenue collected to fund its fee program administration. The District's current request includes \$10,447.95 for administration costs from the period from February - March 2021. It also includes reimbursement for permitting and project costs incurred through April 15, 2021 in the amount of \$7,970.08 for Bass Lake Park, and \$22,695.03 for Valley View Park. Finally, the District is requesting \$3,744,279.19 in funds for the construction of Valley View Village Park South. The total construction contract for this project is \$4,992,372.25. Because this portion of the request is for advance funds, County staff has recommended and the District has agreed to a disbursement equal to 75% of the costs of the construction contract. At the time that the District is in need of the remaining 25% of the funds to complete the project, as is expected based on the contractor's estimate, a new request for disbursement will be prepared for the Board's consideration. Each of these expenses are for capital projects that are being undertaken in order to expand services based on the demand created by new development. The District's request is attached.

The County has entered into an agreement with EDHCSD, whereby the district agrees to "hold County harmless and defend County and its employees, officers, and agents from any claim, liability, or action" resulting from the County's calculation, imposition, and collection of impact fees on the District's behalf.

The Chief Administrative Office recommends the disbursement of funds for the above-described uses because they are consistent with the purpose for which the fee was collected, the District and County are currently in compliance with the Mitigation Fee Act, and the indemnity agreement between EDHCSD and the County sufficiently protect the County from potential liability related to the disbursement.

ALTERNATIVES

N/A

PRIOR BOARD ACTION

N/A

OTHER DEPARTMENT / AGENCY INVOLVEMENT

N/A

FINANCIAL IMPACT

There is no fiscal impact to the County. Impact mitigation fees are collected by the County on behalf of the district and held in a separate account.

CLERK OF THE BOARD FOLLOW UP ACTIONS

N/A

STRATEGIC PLAN COMPONENT

N/A

CONTACT

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