



ANNUAL DEVELOPMENT IMPACT FEE REPORT FOR FISCAL YEAR 2024

BACKGROUND

The California Permit Streamlining Act requires local agencies to provide applicants of a development project with information listing all the requirements for their project, including fees imposed. Additionally, the California Mitigation Fee Act addresses the fees collected for “Development Projects.” This Act requires cities to identify and determine the applicability of development impact fees and find a reasonable relationship between the fee’s use and the type of development project on which the fee is imposed.

DISCUSSION

Assembly Bill (AB) 602 was approved and signed into law on September 21, 2021. AB 602 aims for transparency when it comes to local development impact fees for development projects by amending current code text. AB 602 requires local agencies to provide a public report on the fees available, make their annual and five-year reports available for review, and are now required to post the reports.

The City imposes and collects Public Art Fee, Park Development Fee, Sewer Reconstruction Fee, and Water Capital Improvement Fee on new development projects as applicable. Chapter 17.112 (Art in Public Places) Chapter 17.112 (Art in Public Places) authorizes the City to collect a Public Art Fee. Section 16.24.060 (Regulations for payment of park fees for new residential dwelling units) authorizes the collection of a Park Development Fee. Chapter 13.08 (Sewers and Sewage Disposal) authorizes the collection of a Sewer Reconstruction Fee. Lastly, the Water Capital Improvement Fee is authorized by Section 13.04.470 (Water capital improvement charges).

The annal report has been prepared pursuant to the requirements of Government Code Section 66006.

ATTACHMENT A

FY 2023-24 DEVELOPMENT IMPACT FEE REPORT

Development Impact Fee Report – Sewer Reconstruction Fee

City of Paramount Fund Balances, Fees Collected Government Code Section AB 602	
Fee Type	2023/2024
Sewer Reconstruction Fees - 291	
Revenue	
Interest and use of Property	7,166.46
Charges for Service	360.00
Capital	
Interfund Loan Payment	
Total Revenue	\$ 7,526.46
Industrial Waste	
Sewer Reconstruction Fee Beg. Balance	(64,801.44)
Industrial Waste	31,456.57
Sewer Mntc Svcs	1,111.00
Ending Sewer Reconstruction Bal.	\$ (97,369.01)

Fund 291- Sewer Reconstruction Fee

In accordance with the City sewer reconstruction plan which is on file in the office of the City Engineer, monies collected from all properties that propose to discharge, to the public sewer. Quantities of sewage in excess of the quantity for which the existing sewage system was designed, and to establish a fund into which these charges may be deposited and from which money will be available for the sewer reconstruction program. Recent expenditures include services/repairs to industrial waste throughout the city to maintain the City's current level of service.

Development Impact Fee Report – Public Art Fee

City of Paramount Fund Balances, Fees Collected Government Code Section AB 602	
Fee Type	2023/2024
Public Art Fees - 292	
Beginning Balance	660,304.00
Revenue	
Interest and use of property	32,047.00
Charges of Service	230,510.00
Total Revenue	262,557.00
Expenditures	
Current:	
Community Services and Recreation	
General Government	8,708.00
Capital Outlay:	
Parks	
Other	167,842.00
Total Expenditures	176,550.00
Ending Balance	\$ 746,311.00

Fund 292- Public Art Fee

As part of the City's Capital Improvements, funds collected from these fees are segregated specifically to conduct a Public Art Program. Recent expenditures include the Paramount Paints Program (installation of murals and utility box painting citywide). The Paramount Paints Program remains ongoing. There are a handful of projects scheduled for Fiscal Year 2024-25 that will be funded by the Public Art Fee Fund. Additionally, the City hired a consultant to develop the City's first Paramount Public Art Master Plan.

Development Impact Fee Report – Park Development Fee

City of Paramount Fund Balances, Fees Collected Government Code Section AB 602	
Fee Type	2023/2024
Park Development Fee - 111	
Revenue	
Interest Revenue	
Charges of Service	12,500.00
Total Revenue	12,500.00
Expenditures	
Capital Outlay	
Parks	12,500.00
Total Expenditures	12,500.00
Ending Balance	\$ -
Park Expenditures - 111	
Park Projects	658,062.67
Total Park Expenditures	\$ 658,062.67

Fund 111- Park Development Fee

The fees collected as a condition of approval of a building permit for a new residential dwelling unit in an R-M (Multiple-Family Residential) zone or a PD-PS (Planned Development with Performance Standards) zone for multiple-family dwellings shall be used exclusively for the purpose of developing new or rehabilitating existing neighborhood or community park or recreational facilities. The interest earned on the accumulated in-lieu fees shall be used for the same purpose. Recent expenditures include but not limited to; Paramount Park Playground replacement, All-American Park Playground replacement, Progress Park Playground replacement, Paramount Park Outdoor Restroom Renovation, Paramount Park Roof replacement, and Mariposa A/V replacement. Historically, expenditure has exceeded revenues collected from Park Development Fees and are generally absorbed by the City's General Fund unless otherwise stated in the approved budget.

Development Impact Fee Report – Water Capital Improvement Fee

City of Paramount Fund Balances, Fees Collected Government Code Section AB 602	
Fee Type	2023/2024
Water Enterprise Capital improvements - 511	
Revenue	
Sale of Water	9,082,958.21
Other Fines and Penalties	44,011.00
Investment Earnings	251,897.03
Water Capital Fee	1,200.00
Other Revenue	4,750.44
Construction / Installation Fees	147,011.77
Return Item Charge	800.00
Total Revenue	9,532,628.45
Capital Improvement	
Installation of Serv./Hydrants	94,600.00
Annual Valve Replacement	-
Total Capital Improvement	94,600.00
Ending Balance	\$ 9,438,028.45

Fund 511- Water Capital Improvement Fee

Fees are collected from each subscriber which are connecting to the water systems for the first time, where construction of additional dwelling units or change in land use intensity is proposed, or an existing connection from an industrial, commercial, or institutional parcel where proposed modifications will either increase water consumption by more than 25 percent or will increase the existing fire flow requirements. The fees are intended to fund water system improvements to serve future development in accordance with the City's Water Main Reconstruction Plan. Recent expenditures include water improvements (installation of services & hydrants, and annual valve replacement).