

**City of Morgan Hill**  
**AB 1600 Development Impact Fee Report**  
**Fiscal Year 2019-20**

**Impact Fee Fund Descriptions**

**Park Impact** – This fund receives revenues from developers of properties and the fund may only be used for the design, development, maintenance, and construction of new parks within the City.

**Storm Drain** – This fund receives revenues from developers of properties to cover the costs of design and construction of new storm drain that benefit new customers residing within the City of Morgan Hill as a result of growth in population.

**Traffic Impact** – This fund receives revenues from developers when their projects have an adverse impact on traffic flows, etc. The funds collected may be expended on new streets, traffic signals and improvements of existing streets where they are impacted by new development.

**Police and Fire Impacts** – Revenues are collected to finance the expansion of police and fire facilities necessary to benefit, and to provide police services to new customers residing within the City of Morgan Hill as a result of growth in population.

**Public Safety Facilities Impact** – This fee was created as a result of combination of Police and Fire Impact Fees. Revenues are collected from developers to cover the costs required for police and fire capital expansion projects to assist in providing services to new developments.

**Community/Recreation Center Impact** – Revenues are collected to finance the expansion of existing and construction of new recreation and community center facilities demanded by new development.

**Public Facilities** – Revenues are collected to finance the expansion of public facilities necessary to benefit new customers residing within the City of Morgan Hill as a result of growth in population.

**Library Impact** – Revenues are collected to finance the provision of future library space and materials necessary to benefit, and necessary to provide library services to, new residents residing in the City of Morgan Hill as a result of population growth.

**Sewer Impact** – Revenues are collected to finance the expansion of wastewater facilities necessary to benefit, and necessary to provide wastewater services to new customers residing in the service area within the City of Morgan Hill as a result of growth in population.

**Water Impact** – Revenues are collected to finance the expansion of water facilities necessary to benefit, and necessary to provide water services to, new customers residing in the service area within the City of Morgan Hill as a result of growth in population.

**City of Morgan Hill**  
**Impact Fee Schedule Summary**  
**Fiscal Year 2019-20**

| <b>Description of Fee</b>           | <b>Unit of Measure</b>                | <b>Amount</b> |
|-------------------------------------|---------------------------------------|---------------|
| Water Impact Fee                    | Single Family Dwelling Unit           | 3,913.00      |
|                                     | Multi Family Dwelling Unit            | 3,531.00      |
|                                     | Commercial/Industrial/Office per acre | 11,109.00     |
| Sewer Impact Fee                    | Single Family Dwelling Unit           | 15,315.00     |
|                                     | Multi Family Dwelling Unit            | 12,962.00     |
|                                     | Commercial/Industrial/Office per GPD  | 50.43         |
| Storm Drain Impact Fee              | Single Family Dwelling Unit           | 1,941.00      |
|                                     | Multi Family Dwelling Unit (>1200SF)  | 1,105.00      |
|                                     | Multi Family Dwelling Unit (<1200SF)  | 514.00        |
|                                     | Commercial/Office per acre            | 21,018.00     |
|                                     | Industrial per acre                   | 15,475.00     |
|                                     | Auto Dealership per acre              | 21,018.00     |
| Park Impact Fee                     | Hotel per room                        | 311.00        |
|                                     | Single Family Dwelling Unit-Sub       | 5,807.00      |
|                                     | Single Family Dwelling Unit-No Sub    | 4,222.00      |
|                                     | Multi Family Dwelling Unit-Sub        | 5,595.00      |
|                                     | Multi Family Dwelling Unit-No Sub     | 4,072.00      |
|                                     | Single Family Dwelling Unit           | 3,373.00      |
| Traffic Impact Fee                  | Multi Family Dwelling Unit (>1200SF)  | 2,090.00      |
|                                     | Multi Family Dwelling Unit (<1200SF)  | 1,285.00      |
|                                     | Commercial/Industrial/Office per PHT  | 3,373.00      |
|                                     | Single Family Dwelling Unit           | 2,132.00      |
| Library Impact Fee                  | Multi Family Dwelling Unit            | 2,054.00      |
|                                     | Single Family Dwelling Unit           | 1,941.00      |
| Public Safety Facilities Impact Fee | Multi Family Dwelling Unit (>1200SF)  | 1,716.00      |
|                                     | Multi Family Dwelling Unit (<1200SF)  | 1,285.00      |
|                                     | Commercial per acre                   | 10,846.00     |
|                                     | Industrial per acre                   | 13,018.00     |
|                                     | Office per acre                       | 13,003.00     |
|                                     | Auto Dealership per acre              | 5,202.00      |
|                                     | Hotel per room                        | 60.00         |
|                                     | Single Family Dwelling Unit           | 553.00        |
|                                     | Multi Family Dwelling Unit            | 532.00        |
| Public Facilities                   | Commercial per acre                   | 1,218.00      |
|                                     | Office per acre                       | 1,447.00      |
|                                     | Industrial per acre                   | 1,705.00      |
|                                     | Auto Dealership per acre              | 488.00        |
|                                     | Hotel per room                        | 14.00         |

**City of Morgan Hill  
Impact Fees Revenue and Expenditures  
For Fiscal Year 2019-20**

| <b>FUND 301 - PARKS IMPACT FEE</b>           | <b>Project<br/>Number</b> | <b>FY 19-20</b>            |         |           |
|----------------------------------------------|---------------------------|----------------------------|---------|-----------|
|                                              |                           | <b>AB 1600</b>             |         |           |
| <b><u>Revenue</u></b>                        |                           |                            |         |           |
| Interest                                     |                           | \$ 75,468                  |         |           |
| Development Impact Fees                      |                           | <u>1,560,560</u>           |         |           |
| <b>Total Revenue</b>                         |                           | <b><u>\$ 1,636,028</u></b> |         |           |
| <b><u>Revenue Expended For</u></b>           |                           |                            |         |           |
| Parks Land                                   | 110097                    | \$ 1,232,134               | 100.00% | 1,232,134 |
| Inclusive Playground                         | 137015                    | 181,479                    | 100.00% | 181,479   |
| Madrone Channel                              | 141A16                    | 15,133                     | 2.82%   | 535,866   |
| Community Garden                             | 142017                    | 96,223                     | 100.00% | 96,223    |
| Tree Planting/Urban Forest Mgmt              | 143017                    | 16,335                     | 100.00% | 16,335    |
| Butterfield Blvd Connector Path Project      | 148017                    | 142,677                    | 100.00% | 142,677   |
| W. Little Llagas Creek Trail Phase           | 117001                    | 70,844                     | 100.00% | 70,844    |
| Park Enhancements-Shade Additions & Park Res | 149018                    | 127,209                    | 100.00% | 127,209   |
| Sports Facility Development                  | 148018                    | 154,887                    | 100.00% | 154,887   |
| General Plan Update                          |                           | 7,704                      | 7.00%   | 110,000   |
| RCSD Services - Infrastructure Planning      |                           | 75,000                     | 24.59%  | 305,000   |
| Banking and Merchant Service Fees            |                           | 4,300                      | 100.00% | 4,300     |
| Taxes                                        |                           | 17,747                     | 100.00% | 17,747    |
| Impact Fee Study                             |                           | 314                        | 11.11%  | 2,826     |
| Administration                               |                           | 40,956                     | 2.29%   | 1,791,416 |
| <b>Total Expenditures</b>                    |                           | <b><u>\$ 2,182,942</u></b> |         |           |
| <b>Revenue Less Expenditures</b>             |                           | <b><u>\$ (546,914)</u></b> |         |           |
| Balance as of July 1, 2019                   |                           | <u>4,116,066</u>           |         |           |
| <b>Balance as of June 30, 2020</b>           |                           | <b><u>\$ 3,569,152</u></b> |         |           |

**City of Morgan Hill  
Impact Fees Revenue and Expenditures  
For Fiscal Year 2019-20**

| <b>FUND 303 - STORM DRAIN IMPACT FEE</b> | <b>Project<br/>Number</b> | <b>FY 19-20</b>             |                   |           |
|------------------------------------------|---------------------------|-----------------------------|-------------------|-----------|
|                                          |                           | <b>AB 1600</b>              |                   |           |
| <b>Revenue</b>                           |                           |                             |                   |           |
| Interest                                 |                           | \$ 184,113                  |                   |           |
| Development Impact Fees                  |                           | 79,372                      |                   |           |
| <b>Total Revenue</b>                     |                           | <b>\$ 263,485</b>           |                   |           |
| <b>Revenue Expended For</b>              |                           |                             |                   |           |
| Storm System Expansion                   | 415020                    | \$ 1,625                    | 100.00%           | 1,625     |
| Llagas Flood Control                     | 417099                    | 344,802                     | 100.00%           | 344,802   |
| Impact Fee Study                         |                           | 314                         | 11.11%            | 2,826     |
| General Plan Update                      |                           | 7,704                       | 7.00%             | 110,000   |
| RCSD Services - Infrastructure Planning  |                           | 15,000                      | 4.92%             | 305,000   |
| Administration                           |                           | 6,948                       | 0.39%             | 1,791,416 |
| <b>Total Expenditures</b>                |                           | <b>\$ 376,393</b>           |                   |           |
| <b>Revenue Less Expenditures</b>         |                           | <b>\$ (112,908)</b>         |                   |           |
| Balance as of July 1, 2019               |                           |                             | <u>12,117,049</u> |           |
| <b>Balance as of June 30, 2020</b>       |                           | <b><u>\$ 12,004,141</u></b> |                   |           |

**City of Morgan Hill**  
**Impact Fees Revenue and Expenditures**  
**For Fiscal Year 2019-20**

| <b>FUND 309 - TRAFFIC IMPACT FEE</b>    | <b>Project<br/>Number</b> | <b>FY 19-20</b>            |         |           |
|-----------------------------------------|---------------------------|----------------------------|---------|-----------|
|                                         |                           | <b>AB 1600</b>             |         |           |
| <b><u>REVENUE</u></b>                   |                           |                            |         |           |
| Interest                                |                           | \$ 30,823                  |         |           |
| Traffic Impact Fees                     |                           | <u>1,293,108</u>           |         |           |
| <b>TOTAL REVENUE</b>                    |                           | <b><u>\$ 1,323,931</u></b> |         |           |
| <b><u>Revenue Expended For</u></b>      |                           |                            |         |           |
| Hale Avenue Extension                   | 546007                    | \$ 459,733                 | 100.00% | 459,733   |
| General Plan Update                     |                           | 31,896                     | 29.00%  | 110,000   |
| RCSD Services - Infrastructure Planning |                           | 75,000                     | 24.59%  | 305,000   |
| Impact Fee Study                        |                           | 314                        | 11.11%  | 2,826     |
| Banking and Merchant Service Fees       |                           | 1,406                      | 100.00% | 1,406     |
| Interest Expense                        |                           | 57,824                     | 100.00% | 57,824    |
| Administration                          |                           | 12,036                     | 0.67%   | 1,791,416 |
| <b>Total Expenditures</b>               |                           | <b><u>\$ 638,209</u></b>   |         |           |
| <b>Revenue Less Expenditures</b>        |                           | <b><u>\$ 685,722</u></b>   |         |           |
| Balance as of July 1, 2019              |                           | <u>(1,115,811)</u>         |         |           |
| <b>Balance as of June 30, 2020</b>      |                           | <b><u>\$ (430,089)</u></b> |         |           |

**City of Morgan Hill  
Impact Fees Revenue and Expenditures  
For Fiscal Year 2019-20**

| <b>FUND 311 - POLICE IMPACT FEE</b>                 | <b>FY 19-20</b>          |
|-----------------------------------------------------|--------------------------|
|                                                     | <b>AB 1600</b>           |
| <b><u>REVENUE</u></b>                               |                          |
| Transfer In From Public Safety Facilities Fund      | \$ 640,897               |
| <b>TOTAL REVENUE</b>                                | <b><u>\$ 640,897</u></b> |
| <b><u>Revenue Expended For</u></b>                  |                          |
| Transfer Out to Public Safety Facilities Impact Fee | \$ -                     |
| <b>Total Expenditures</b>                           | <b><u>\$ -</u></b>       |
| <b>Revenue Less Expenditures</b>                    | <b><u>\$ 640,897</u></b> |
| Balance as of July 1, 2019                          | <u>(640,897)</u>         |
| <b>Balance as of June 30, 2020</b>                  | <b><u>\$ -</u></b>       |

**City of Morgan Hill  
Impact Fees Revenue and Expenditures  
For Fiscal Year 2019-20**

| <b>FUND 313 - FIRE IMPACT FEE</b>                   | <b>Project #</b>    | <b>FY 19-20</b>  |
|-----------------------------------------------------|---------------------|------------------|
|                                                     |                     | <b>AB 1600</b>   |
| <b><u>REVENUE</u></b>                               |                     |                  |
| Fire Impact Fees                                    |                     | \$ -             |
| <b>TOTAL REVENUE</b>                                |                     | <u>\$ -</u>      |
| <b><u>Revenue Expended For</u></b>                  |                     |                  |
| Transfer Out to Public Safety Facilities Impact Fee | \$ 3,873,198        | 100.00%          |
| <b>Total Expenditures</b>                           | <u>\$ 3,873,198</u> |                  |
| <b>Revenue Less Expenditures</b>                    | \$ (3,873,198)      |                  |
| Balance as of July 1, 2019                          |                     | <u>3,873,198</u> |
| <b>Balance as of June 30, 2020</b>                  | <u>\$ -</u>         |                  |

# **City of Morgan Hill Impact Fees Revenue and Expenditures For Fiscal Year 2019-20**

**FUND 315 - PUBLIC SAFETY FACILITIES**      **Project #**      **FY 19-20**  
**AB 1600**

## **REVENUE**

|                                      |                     |
|--------------------------------------|---------------------|
| Interest                             | \$ 75,239           |
| Public Safety Facilities Impact Fees | 375,084             |
| Transfer In                          | <u>3,232,301</u>    |
| <b>TOTAL REVENUE</b>                 | <b>\$ 3,682,624</b> |

**TOTAL REVENUE** **\$ 3,682,624**

### Revenue Expended For

|                                         |                   |        |           |
|-----------------------------------------|-------------------|--------|-----------|
| RCSD Services - Infrastructure Planning | \$ 25,000         | 8.20%  | 305,000   |
| Debt Service                            | 197,696           | 53.39% | 370,284   |
| Administration                          | 7,541             | 0.42%  | 1,791,416 |
| <b>Total Expenditures</b>               | <b>\$ 230,237</b> |        |           |

**Total Expenditures** \$ 230,231

**Revenue Less Expenditures** **\$ 3,452,387**

**Balance as of June 30, 2020** **\$ 3,452,387**

**City of Morgan Hill  
Impact Fees Revenue and Expenditures  
For Fiscal Year 2019-20**

| <b>FUND 347 - PUBLIC FACILITIES IMPACT FEE</b> | <b>Project<br/>Number</b> | <b>FY 19-20</b> |
|------------------------------------------------|---------------------------|-----------------|
|                                                |                           | <b>AB 1600</b>  |
| <b><u>REVENUE</u></b>                          |                           |                 |
| Interest/Other                                 | \$ 14,121                 |                 |
| Public Facilities Impact Fees                  | 178,149                   |                 |
| Project Reimbursement/Others                   | 51,829                    |                 |
| <b>TOTAL REVENUE</b>                           | <b><u>\$ 244,099</u></b>  |                 |
| <b><u>Revenue Expended For</u></b>             |                           |                 |
| Corporation Yard Long Term Plan Study          | \$ 74,925                 | 100.00%         |
| RCSD Services - Infrastructure Planning        | 25,000                    | 8.20%           |
| Impact Fee Study                               | 314                       | 11.11%          |
| Banking and Merchant Service Fees              | 409                       | 100.00%         |
| Administration                                 | 2,208                     | 0.12%           |
| <b>Total Expenditures</b>                      | <b><u>\$ 102,856</u></b>  | 1,791,416       |
| <b>Revenue Less Expenditures</b>               | <b><u>\$ 141,243</u></b>  |                 |
| Balance as of July 1, 2019                     | <u>668,851</u>            |                 |
| <b>Balance as of June 30, 2020</b>             | <b><u>\$ 810,094</u></b>  |                 |

**City of Morgan Hill  
Impact Fees Revenue and Expenditures  
For Fiscal Year 2019-20**

|                                      |                           |                 |
|--------------------------------------|---------------------------|-----------------|
| <b>FUND 348 - LIBRARY IMPACT FEE</b> | <b>Project<br/>Number</b> | <b>FY 19-20</b> |
|                                      | <b>AB 1600</b>            |                 |

**REVENUE**

|                      |                   |
|----------------------|-------------------|
| Interest             | \$ 49,056         |
| Library Impact Fees  | 585,729           |
| Library Lease        | 174,142           |
| <b>TOTAL REVENUE</b> | <b>\$ 808,927</b> |

**Revenue Expended For**

|                                    | Project<br>Number | % from this<br>Fund        | Total Project<br>Expenditures |
|------------------------------------|-------------------|----------------------------|-------------------------------|
| Library Expansion                  | 251015            | 100.00%                    | 1,893,329                     |
| Civic Center Debt Service          |                   | 67.53%                     | 318,861                       |
| Impact Fee Study                   |                   | 0.10%                      | 305,000                       |
| Banking and Merchant Service Fees  |                   | 100.00%                    | 1,580                         |
| Administration                     |                   | 0.30%                      | 1,791,416                     |
| <b>Total Expenditures</b>          |                   | <b>\$ 2,115,951</b>        |                               |
| <b>Revenue Less Expenditures</b>   |                   | <b>\$ (1,307,024)</b>      |                               |
| Balance as of July 1, 2019         |                   | <u>2,987,436</u>           |                               |
| <b>Balance as of June 30, 2020</b> |                   | <b><u>\$ 1,680,412</u></b> |                               |

**City of Morgan Hill**  
**Impact Fees Revenue and Expenditures**  
**For Fiscal Year 2019-20**

|                                                    |                           |                 |
|----------------------------------------------------|---------------------------|-----------------|
| <b>FUND 360 - COMMUNITY/REC CENTERS IMPACT FEE</b> | <b>Project<br/>Number</b> | <b>FY 19-20</b> |
|                                                    | <b>AB 1600</b>            |                 |

**REVENUE**

|                             |                            |
|-----------------------------|----------------------------|
| Interest/Others             | \$ 41,738                  |
| Com/Rec Centers Impact Fees | 1,084,003                  |
| <b>TOTAL REVENUE</b>        | <b><u>\$ 1,125,741</u></b> |

**Revenue Expended For**

|                                        | Project<br>Number | Amount                     | <b>% from this<br/>Fund</b> | <b>Total Project<br/>Expenditures</b> |
|----------------------------------------|-------------------|----------------------------|-----------------------------|---------------------------------------|
| Centennial Recreation Center Expansion | 138016            | \$ 1,058,957               | 100.00%                     | 1,058,957                             |
| CRC Backup Generator                   | 299018            | 19,574                     | 100.00%                     | 19,574                                |
| Villa Mira Monte Enhancements          | 144017            | 8,923                      | 100.00%                     | 8,923                                 |
| Sports Facility Improvements           | 148018            | 31,136                     | 100.00%                     | 31,136                                |
| Minature Golf                          | 149019            | 75,267                     | 100.00%                     | 75,267                                |
| Banking and Merchant Service Fees      |                   | 2,930                      | 100.00%                     | 2,930                                 |
| Administration                         |                   | 492                        | 0.03%                       | 1,791,416                             |
| <b>Total Expenditures</b>              |                   | <b><u>\$ 1,197,279</u></b> |                             |                                       |
| <b>Revenue Less Expenditures</b>       |                   | <b><u>\$ (71,538)</u></b>  |                             |                                       |
| Balance as of July 1, 2019             |                   | <u>2,122,228</u>           |                             |                                       |
| <b>Balance as of June 30, 2020</b>     |                   | <b><u>\$ 2,050,690</u></b> |                             |                                       |

**City of Morgan Hill  
Impact Fees Revenue and Expenditures  
For Fiscal Year 2019-20**

| <b>FUND 641 - SEWER IMPACT FEE</b>      | <b>Project<br/>Number</b> | <b>FY 19-20<br/>AB 1600</b> | <b>% from this<br/>Fund</b> | <b>Total Project<br/>Expenditures</b> |
|-----------------------------------------|---------------------------|-----------------------------|-----------------------------|---------------------------------------|
| <b>REVENUE</b>                          |                           |                             |                             |                                       |
| Interest                                |                           | \$ 386,676                  |                             |                                       |
| Sewer Impact Fees                       |                           | <u>4,990,132</u>            |                             |                                       |
| <b>TOTAL REVENUE</b>                    |                           | <b><u>\$ 5,376,808</u></b>  |                             |                                       |
| <b>Revenue Expended For</b>             |                           |                             |                             |                                       |
| Sewer Plant Expansion                   | 303093                    | \$ 185,503                  | 100.00%                     | 185,503                               |
| Sewer Plant Improvements                | 303a11                    | 1,115,918                   | 100.00%                     | 1,115,918                             |
| Sewer Main Upgrades                     | 302t17                    | 24,396                      | 26.90%                      | 90,698                                |
| Trunk Line - Phase I & II               | 308a08                    | 465,052                     | 101.37%                     | 458,767                               |
| General Plan Update                     |                           | 7,704                       | 7.00%                       | 110,000                               |
| RCSD Services - Infrastructure Planning |                           | 25,000                      | 8.20%                       | 305,000                               |
| Debt Service                            |                           | 791,743                     | 40.81%                      | 1,940,125                             |
| Impact Fee Study                        |                           | 314                         | 11.11%                      | 2,826                                 |
| Banking and Merchant Service Fees       |                           | 10,317                      | 100.00%                     | 10,317                                |
| Administration                          |                           | 57,192                      | 3.19%                       | 1,791,416                             |
| <b>Total Expenditures</b>               |                           | <b><u>\$ 2,683,139</u></b>  |                             |                                       |
| <b>Revenue Less Expenditures</b>        |                           | <b><u>\$ 2,693,669</u></b>  |                             |                                       |
| Balance as of July 1, 2019              |                           | <u>18,103,114</u>           |                             |                                       |
| <b>Balance as of June 30, 2020</b>      |                           | <b><u>\$ 20,796,783</u></b> |                             |                                       |

**City of Morgan Hill  
Impact Fees Revenue and Expenditures  
For Fiscal Year 2019-20**

| <b>FUND 651 - WATER IMPACT FEE</b>      | <b>Project<br/>Number</b> | <b>FY 19-20</b>            |          |
|-----------------------------------------|---------------------------|----------------------------|----------|
|                                         |                           | <b>AB 1600</b>             |          |
| <b><u>REVENUE</u></b>                   |                           |                            |          |
| Interest                                |                           | \$ 49,841                  |          |
| Water Impact Fees                       |                           | <u>1,411,404</u>           |          |
| <b>TOTAL REVENUE</b>                    |                           | <b><u>\$ 1,461,245</u></b> |          |
| <b><u>Revenue Expended For</u></b>      |                           |                            |          |
| Main Ave Well #3                        | 601u15                    | \$ 456,379                 | 364.884% |
| General Plan Update                     |                           | 7,704                      | 7.004%   |
| RCSD Services - Infrastructure Planning |                           | 25,000                     | 8.20%    |
| Debt Service                            |                           | 656,122                    | 41.000%  |
| Impact Fee Study                        |                           | 314                        | 11.11%   |
| Banking and Merchant Service Fees       |                           | 2,900                      | 100.000% |
| Administration                          |                           | 18,120                     | 1.011%   |
| <b>Total Expenditures</b>               |                           | <b><u>\$ 1,166,539</u></b> |          |
| <b>Revenue Less Expenditures</b>        |                           | <b><u>\$ 294,706</u></b>   |          |
| Balance as of July 1, 2019              |                           | <u>2,140,457</u>           |          |
| <b>Balance as of June 30, 2020</b>      |                           | <b><u>\$ 2,435,163</u></b> |          |