

City of Morgan Hill
AB 1600 Development Impact Fee
Report Fiscal Year 2024-25

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.

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.

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.

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.

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 Capacity (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.

Housing In-Lieu – Fees are collected pursuant to the Inclusionary Housing Ordinance, whereby housing developers contribute funds to support the City's provision of affordable housing. The fund supports acquisition, construction, development assistance, rehabilitation, financing, rent subsidies, or other efforts that support the administration of such programs.

City of Morgan Hill
Impact Fee Schedule Summary
Fiscal Year 2024-25

Description of Fee	Unit of Measure	Amount (\$)
Park Impact Fee	Single Family Dwelling Unit-Sub	7,444.00
	Single Family Dwelling Unit-No Sub	5,412.00
	Multi Family Dwelling Unit-Sub	7,172.00
	Multi Family Dwelling Unit-No Sub	5,219.00
	Senior/Downtown/Secondary Unit	4,912.00
Storm Drain Impact Fee	Single Family Dwelling Unit	2,488.00
	Multi Family Dwelling Unit (>1200SF)	1,416.00
	Multi Family Dwelling Unit (≤1200SF)	659.00
	Commercial/Office per acre	26,941.00
	Industrial per acre	19,836.00
	Auto Dealership per acre	26,941.00
	Hotel per room	398.00
Traffic Impact Fee	Single Family Dwelling Unit	4,324.00
	Multi Family Dwelling Unit (>1200SF)	2,679.00
	Multi Family Dwelling Unit (≤1200SF)	1,687.00
	Commercial/Industrial/Office per PHT	4,324.00
Public Safety Facilities Impact Fee	Single Family Dwelling Unit	2,488.00
	Multi Family Dwelling Unit (>1200SF)	2,200.00
	Multi Family Dwelling Unit (≤1200SF)	1,647.00
	Commercial per acre	13,903.00
	Industrial per acre	16,687.00
	Office per acre	16,667.00
	Auto Dealership per acre	6,668.00
	Hotel per room	77.00
Public Facilities	Single Family Dwelling Unit	709.00
	Multi Family Dwelling Unit	682.00
	Senior/Downtown/Secondary Unit	468.00
	Commercial per acre	1,561.00
	Office per acre	1,855.00
	Industrial per acre	2,185.00
	Auto Dealership per acre	626.00
	Hotel per room	18.40
Library Impact Fee	Single Family Dwelling Unit	2,733.00
	Multi Family Dwelling Unit	2,633.00
	Senior/Downtown/Secondary Unit	1,803.00
Community Recreation Centers	Single Family Dwelling Unit	5,070.00
	Multi Family Dwelling Unit	4,448.00
	Senior/Downtown/Secondary Unit	3,357.00
Sewer Impact Fee	Single Family Dwelling Unit	19,631.00
	Multi Family Dwelling Unit	16,615.00
	Commercial/Industrial/Office per GPD	64.64
Water Capacity (Impact) Fee	5/8-1 inch meter	11,762.00
	1.5-inch meter	23,525.00
	2-inch meter	37,639.00
	3-inch meter	75,279.00
	4-inch meter	117,625.00
	6-inch meter	235,248.00
	8-inch meter	376,397.00
Housing In-Lieu	For-Sale Projects (per sq feet)	
	Within Downtown	15.53
	Outside of Downtown	23.18
	Rental Projects (per sq feet)	
	Within Downtown	17.06
	Outside of Downtown	34.12

**City of Morgan Hill
Impact Fees Revenue and Expenditures
For Fiscal Year 2024-25**

FUND 301 - PARK IMPACT FEE	Project Number	FY 24-25 AB 1600
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Revenue

Interest	\$ 132,612
Development Impact Fees	1,685,506
Project Reimbursement/Others	531,059
Total Revenue	<u>\$ 2,349,177</u>

Revenue Expended For

	Project Number	Amount	% from this Fund	Total Project Expenditures
Parks Land	110097	\$ 9,101	100.00%	9,101
Madrone Channel	117022	473,290	100.00%	473,290
Monterey Road Ball Field Park	145023	382,908	100.00%	382,908
General Plan Update		7,700	7.00%	110,000
RCSD Services - Infrastructure Planning		100,000	37.74%	265,000
Banking Fees and Other		18,166	100.00%	18,166
Administration		33,046	1.95%	1,697,910
Total Expenditures		<u>\$ 1,024,211</u>		
Revenue Less Expenditures		<u>\$ 1,324,966</u>		
Balance as of July 1, 2024		<u>2,008,148</u>		
Balance as of June 30, 2025		<u>\$ 3,333,114</u>		

City of Morgan Hill
Impact Fees Revenue and Expenditures
For Fiscal Year 2024-25

FUND 303 - STORM DRAIN IMPACT FEE	Project Number	FY 24-25		
		AB 1600		
Revenue				
Interest		\$ 563,054		
Development Impact Fees		519,271		
Total Revenue		<u>\$ 1,082,325</u>		
Revenue Expended For				
Fisher/Butterfield	SD4006	\$ 60,520	100.00%	60,520
Llagas Flood Control	417099	93,693	100.00%	93,693
General Plan Update		7,700	7.00%	110,000
RCSD Services - Infrastructure Planning		15,000	5.66%	265,000
Administration		10,123	0.60%	1,697,910
Total Expenditures		<u>\$ 187,036</u>		
Revenue Less Expenditures		<u>\$ 895,289</u>		
Balance as of July 1, 2024		<u>9,621,788</u>		
Balance as of June 30, 2025		<u>\$ 10,517,077</u>		

**City of Morgan Hill
Impact Fees Revenue and Expenditures
For Fiscal Year 2024-25**

FUND 309 - TRAFFIC IMPACT FEE	Project Number	FY 24-25 AB 1600	% from this Fund	Total Project Expenditures
<u>REVENUE</u>				
Interest		\$ 250,513		
Traffic Impact Fees		1,998,390		
Project Reimbursement/Others		281,812		
TOTAL REVENUE		<u>\$ 2,530,715</u>		
<u>Revenue Expended For</u>				
Hale Avenue Extension	546007	\$ 3,043,952	100.00%	3,043,952
Infrastructure Planning	110023	67,518	100.00%	67,518
Traffic Signal & Intersection Improvements	503023	194,092	100.00%	194,092
Comprehensive Safety Action Plan	SR5013	46,035	100.00%	46,035
General Plan Update		31,900	29.00%	110,000
RCSD Services - Infrastructure Planning		75,000	28.30%	265,000
Administration		24,497	1.44%	1,697,910
Total Expenditures		<u>\$ 3,482,994</u>		
Revenue Less Expenditures		<u>\$ (952,279)</u>		
Balance as of July 1, 2024		<u>3,808,198</u>		
Balance as of June 30, 2025		<u>\$ 2,855,919</u>		

**City of Morgan Hill
Impact Fees Revenue and Expenditures
For Fiscal Year 2024-25**

FUND 315 - PUBLIC SAFETY FACILITIES	Project Number	FY 24-25 AB 1600		
<u>REVENUE</u>				
Interest		\$ 15,875		
Public Safety Facilities Impact Fees		<u>882,298</u>		
TOTAL REVENUE		<u>\$ 898,173</u>		
<u>Revenue Expended For</u>				
New Fire Station	231018	\$ 5,397,847	100.00%	5,397,847
Police Facility Expansion	228020	305,422	100.00%	305,422
Software and Equipment		324,935	100.00%	324,935
Debt Service		204,099	53.00%	385,093
Administration		6,675	0.39%	1,697,910
Total Expenditures		<u>\$ 6,238,978</u>		
Revenue Less Expenditures		<u>\$(5,340,805)</u>		
Balance as of July 1, 2024		<u>(1,553,435)</u>		
Balance as of June 30, 2025		<u>\$(6,894,240)</u>		

**City of Morgan Hill
Impact Fees Revenue and Expenditures
For Fiscal Year 2024-25**

FUND 347 - PUBLIC FACILITIES IMPACT FEE	Project Number	FY 24-25 AB 1600
<u>REVENUE</u>		
Interest/Other	\$ 74,607	
Public Facilities Impact Fees	<u>328,377</u>	
TOTAL REVENUE	<u>\$ 402,984</u>	
<u>Revenue Expended For</u>		
Civic Center Solar Project	\$ 376,249	100.00%
Civic Center AV Project	75,000	16.13%
RCSD Services - Infrastructure Planning	25,000	9.43%
Administration	<u>4,492</u>	0.26%
Total Expenditures	<u>\$ 480,741</u>	
Revenue Less Expenditures	<u>\$ (77,757)</u>	
Balance as of July 1, 2024	<u>1,328,671</u>	
Balance as of June 30, 2025	<u>\$ 1,250,914</u>	

**City of Morgan Hill
Impact Fees Revenue and Expenditures
For Fiscal Year 2024-25**

FUND 348 - LIBRARY IMPACT FEE	Project Number	FY 24-25 AB 1600	
<u>REVENUE</u>			
Interest		\$ 121,304	
Library Impact Fees		<u>1,378,226</u>	
TOTAL REVENUE		<u>\$ 1,499,530</u>	
<u>Revenue Expended For</u>			
Civic Center Debt Service		\$ 207,017	71.88%
Administration		<u>6,596</u>	0.39%
Total Expenditures		<u>\$ 213,613</u>	
Revenue Less Expenditures		<u>\$ 1,285,917</u>	
Balance as of July 1, 2024		<u>2,254,116</u>	
Balance as of June 30, 2025		<u>\$ 3,540,033</u>	

**City of Morgan Hill
Impact Fees Revenue and Expenditures
For Fiscal Year 2024-25**

FUND 360 - COMMUNITY/REC CENTERS IMPACT FEE	Project Number	FY 24-25 AB 1600
<u>REVENUE</u>		
Interest/Others	\$ 149,539	
Com/Rec Centers Impact Fees	<u>2,578,851</u>	
TOTAL REVENUE	<u>\$ 2,728,390</u>	
<u>Revenue Expended For</u>		
Villa Mira Monte	144017	\$ 239,985
CRC Battery Storage System	229018	246,364
Administration		16,775
Total Expenditures		<u>\$ 503,124</u>
Revenue Less Expenditures		<u>\$ 2,225,266</u>
Balance as of July 1, 2024		<u>2,297,534</u>
Balance as of June 30, 2025		<u>\$ 4,522,800</u>
% from this Fund		
Total Project Expenditures		

**City of Morgan Hill
Impact Fees Revenue and Expenditures
For Fiscal Year 2024-25**

FUND 641 - SEWER IMPACT FEE	Project Number	FY 24-25 AB 1600	
REVENUE			
Interest		\$ 1,118,815	
Sewer Impact Fees		9,813,356	
TOTAL REVENUE		<u>\$ 10,932,171</u>	
Revenue Expended For			
Sewer Plant Expansion	303093	\$ 3,233,921	100.00%
Sewer Plant Improvements	303a11	177,239	100.00%
Trunk Line - Phase I & II	308a08	77,305	100.00%
New Sewer Lines	315006	2,174,042	100.00%
General Plan Update		7,700	7.00%
RCSD Services - Infrastructure Planning		25,000	9.43%
Debt Service		682,145	61.10%
Administration		57,159	3.37%
Total Expenditures		<u>\$ 6,434,511</u>	
Revenue Less Expenditures		<u>\$ 4,497,660</u>	
Balance as of July 1, 2024		<u>17,584,998</u>	
Balance as of June 30, 2025		<u>\$ 22,082,658</u>	

**City of Morgan Hill
Impact Fees Revenue and Expenditures
For Fiscal Year 2024-25**

FUND 651 - WATER IMPACT FEE	Project Number	FY 24-25	
		AB 1600	
<u>REVENUE</u>			
Interest		\$ 250,699	
Water Impact Fees		<u>3,369,166</u>	
TOTAL REVENUE		<u>\$ 3,619,865</u>	
<u>Revenue Expended For</u>			
Reservoir Capacity Improvements	WA6008	\$ 5,236	100.000%
Holiday Lake Improvements	WA6007	1,033,434	100.000%
Groundwater Wells	WA60001	2,874	100.000%
General Plan Update		7,700	7.000%
RCSD Services - Infrastructure Planning		25,000	9.43%
Debt Service		643,526	41.000%
Administration		18,862	1.111%
Total Expenditures		<u>\$ 1,736,632</u>	
Revenue Less Expenditures		<u>\$ 1,883,233</u>	
Balance as of July 1, 2024		<u>3,864,308</u>	
Balance as of June 30, 2025		<u>\$ 5,747,541</u>	

**City of Morgan Hill
Impact Fees Revenue and Expenditures
For Fiscal Year 2024-25**

FUND 236 - HOUSING IN-LIEU FEE	Project Number	FY 24-25
		AB 1600
<u>REVENUE</u>		
Interest	\$ 573,458	
Housing in-lieu fee	1,789,703	
Project Reimbursement/Others	550,379	
TOTAL REVENUE	<u>\$ 2,913,540</u>	
<u>Revenue Expended For</u>		
Housing services	\$ 959,044	% from this Fund
General Plan Update	7,700	100.00%
Administration	89,841	7.00%
Total Expenditures	<u>\$ 1,056,585</u>	5.29%
Revenue Less Expenditures	<u>\$ 1,856,955</u>	1,697,910
Balance as of July 1, 2024	<u>7,606,128</u>	
Balance as of June 30, 2025	<u>\$ 9,463,083</u>	