



DIF Annual Reports

Administrative Services

City Council Meeting

April 22, 2024

Stephen Parker,

Assistant City Manager

Background: Development Impact Fees (DIF)

- DIF assessed on the development of a parcel for impacts to City services
- DIF requirements listed under CA Gov't Code Section §66000-66025 "Mitigation Fee Act"
- Established in Upland in 1987
 - Park acquisition and development; street traffic facilities and development; and storm drain development
- Expanded in 2006
 - General, Fire, Police, Water and Sewer DIF added
 - Quimby Fees also authorized (collected under the 1975 Quimby Act – CA Gov't Code §66477)
- Annual report required under AB 1600 (Assembly Bill that established the Mitigation Fee Act)
- Annual report required under Quimby Act as well – provided 12/22 and regularly since

Reporting History

- 8 DIF accounts (and Quimby) were established in FY 06/07
- Only 4 DIF Funds were established
- No annual reporting of expenses has occurred to date
- Unwinding and reconciling accounts has taken over 4 years:
 - Commingled funds
 - Transactions without adequate documentation
 - Transactions recorded in incorrect accounts
- Annual reports for all fiscal years from 06/07 to 22/23 are being provided presented today

Adjustments for DIF Reconciliation

Net Adjustments to Funds (excluding establishing new DIF Funds)

Fund	Amount	Effect
General DIF (Fund 420)	(\$1,526,532.12)	Decrease in FB
Parks DIF/Quimby (Fund 421)	(\$436,0874.50)	Decrease in FB
Storm Drain DIF (Fund 422)	(\$2,274,600.57)	Decrease in FB
Traffic DIF (Fund 423)	(\$989,684.28)	Decrease in FB
Water Fund (Fund 640)	\$2,302.05	Increase in FB
Sewer Fund (Fund 645)	\$5,398.23	Increase in FB

New Development Impact Fee Funds

Established Fund	Amount	Contributing Fund
Police DIF	\$938,759.55	General DIF (Fund 420)
Park DIF	\$672,450.34	Parks/Quimby (Fund 421)
Water DIF	\$190,831.18	Water Fund (Fund 640)
Sewer DIF	\$517,077.90	Sewer Fund (Fund 645)

Development Impact Fees Payable

Receiving Fund	Amount	Contributing Fund
Fire DIF	\$318,428.69	General DIF (Fund 420)
Park DIF	\$73,456.00	Parks/Quimby (Fund 421)

Additions/(Charges) to other funds for corrections

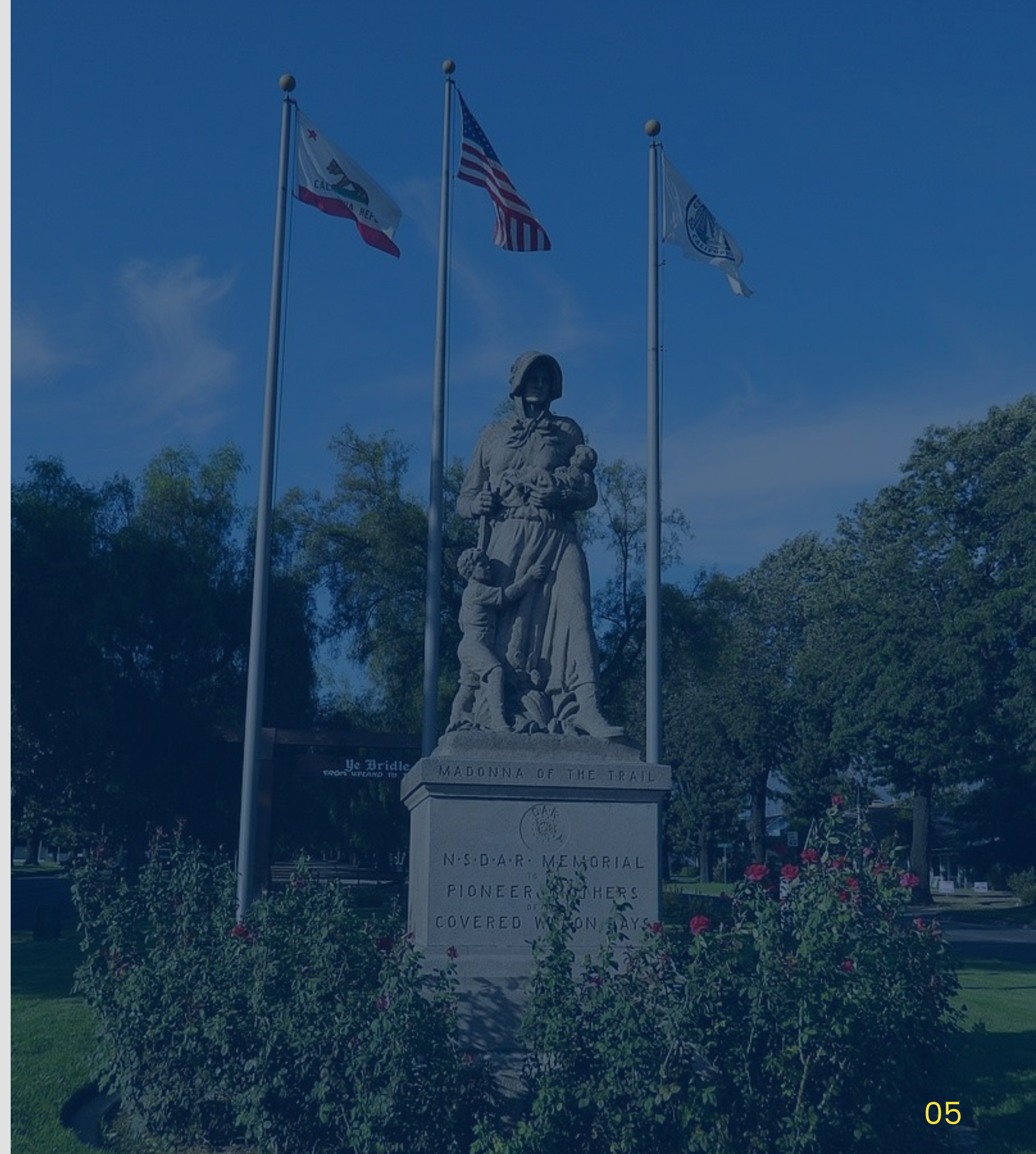
Receiving Fund	Amount	Contributing Fund
Fire DIF	\$318,428.69	General DIF (Fund 420)
Park DIF	\$73,456.00	Parks/Quimby (Fund 421)

Other proposed transfers in conjunction with this staff report

Receiving Fund	Amount	Contributing Fund
General Fund (Fund 101)	\$500,000	General Capital Projects (Fund 425)
UAL & Employee Benefits IS Fund (755)	\$825,000	General Capital Projects (Fund 425)

Net Fiscal Impact

- General Fund - \$15,795.14
- General Capital Projects Fund - \$3,423,615.96
- UAL & Employee Benefits Fund - \$825,000.00
- Water Fund - \$2,302.05
- Sewer Fund - \$5,398.23
- General DIF - (\$1,526,532.12)
- Fire DIF - \$562,905.31
- Police DIF - (\$935,759.55)
- Park DIF - (\$435,995.27)
- Traffic DIF - (\$989,684.28)
- Storm Drain DIF - (\$2,274,600.48)



RECOMMENDATIONS

That the City Council:

1. Receive and file the AB 1600 Development Impact Fee annual report
2. Approve the proposed transfers



QUESTIONS?
