

RESOLUTION NO. _____
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA
ACCEPTING AND ADOPTING THE DEVELOPMENT FEE IMPACT REPORT PURSUANT
TO GOVERNMENT CODE SECTIONS 66001 AND 66006

WHEREAS, the City of Capitola imposes development fees that are subject to the Mitigation Fee Act (Gov. Code §§ 66000 *et seq.*): the Housing Impact Fee, the Housing In-Lieu Fee, the Tree Replanting In-Lieu Fee, Bike In-Lieu Fee, and Public Art Fee (collectively, Impact Fees); and

WHEREAS, pursuant to Government Code Section 66006, the City is required to prepare an annual report regarding the collection and use of the Impact Fees within one hundred eighty (180) days after the close of each fiscal year; and

WHEREAS, pursuant to Government Code Section 66001, the City is required to make findings with respect to any unexpended Impact Fees funds every fifth fiscal year following the first deposit into the Impact Fee accounts; and

WHEREAS, Staff has prepared the *City of Capitola Annual and Five-Year Impact Fee Report* also known as the Development Impact Fee Annual Report (Exhibit A), and incorporated by reference; and

WHEREAS, the Development Impact Fee Annual Report satisfies the reporting requirements stated in Government Code sections 66001 and 66006; and

WHEREAS, notice was provided to the extent required by Government Code section 66006; and

WHEREAS, pursuant to Government Code section 66006, subdivision (b)(2), the Development Impact Fee Annual Report has been made available to the public not less than fifteen (15) days from the date of the next regularly scheduled public meeting. The report has been available for public review at the Clerk's office and on the City's website since December 12, 2025.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Capitola that the forgoing recitals are true and correct.

BE IT FURTHER RESOLVED that the City Council does hereby find and adopt as follows:

1. In accordance with Government Code Section 66000 *et seq.*, the City has conducted an annual and five-year review of its Impact Fees and capital infrastructure programs and the Council has reviewed the Development Impact Fee Annual Report for the Fiscal Year 2024-25 attached hereto as Exhibit A, which is hereby accepted and adopted as the report required pursuant to Government Code sections 66001 and 66006.
2. The funds have been used for the purposes stated in said report and are necessary to mitigate impacts resulting from development in the City and there is a reasonable relationship between the use of the fees and the type of development project upon which the fee is imposed.
3. Effective Date. This resolution shall take effect immediately upon its adoption.
4. The City Clerk shall certify the adoption of this Resolution and shall cause a certified Resolution to be filed in the Office of the City Clerk.

I HEREBY CERTIFY that the foregoing Resolution was passed and adopted by the City Council of the City of Capitola on the 8th day of January 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Margaux Morgan, Mayor

ATTEST:

Julia Gautho, City Clerk