

**TOWN OF LOS GATOS  
ANNUAL STATUS REPORT ON RECEIPT AND USE OF DEVELOPMENT IMPACT FEES  
JUNE 30, 2024**

**Traffic Impact Mitigation Fee:**

The Traffic Impact Mitigation Fee assures that each new development or expansion of use pays its fair share of the transportation improvements needed to accommodate the cumulative traffic impacts. The fee, \$1,104 per new average daily trip generated, is paid in full to the Town Building Department prior to issuance of the building permit for new development or expansion of use. The collected fee is held in the Traffic Mitigation Fee Fund. The Traffic Mitigation Fund should be used solely to fund transportation improvement projects related to mitigating the impacts of new development. The funds cannot be used for routine repair or maintenance.

**TRAFFIC IMPACT MITIGATION FEES FUND (Fund 471)**

<b>Beginning Cash Balance (07/01/2023)</b>	<b>1,242,957</b>
<b>Source of Funds</b>	
Fees Collected FY 2023/24	2,726,394
Interest Earned FY 2023/24	78,413
<b>Total Source of Funds</b>	<b>\$4,047,763</b>
<b>Use of Funds</b>	
Capital Outlay:	
Developer Reimbursement for Transportation Related Improvements (100% of FY 2023/24 Expenditures)	47,977
Traffic Signal Modernization (14% of the Project's Estimated Life-Time Cost) <i>Completed - August 2024</i>	157,832
Traffic Signal Modernization - Admin Support (100% of FY 2023/24 Expenditures)	12,499
<b>Total Use of Funds</b>	<b>\$218,308</b>
Expenses Incurred in FY 2022/23, Paid in July of FY 2023/24	(6,521)
Expenses Incurred in FY 2023/24, Paid in July of FY 2024/25	29,571
<b>Ending Cash Balance (6/30/2024)</b>	<b>\$3,852,505</b>
<b>Designated Future Projects:</b>	
<b>Per FY 2024/25 through 2028/29 Capital Improvement Plan:</b>	
Shannon Road Pedestrian and Bikeway Improvements (100% of Total Project Costs) <i>Start Date - September 2024 - Projected Completion Date - April 2025</i>	\$133,380
Traffic Signal Modernization (3% of the Project Estimated Life-Time Cost) <i>Completed - August 2024</i>	31,884
<b>Total CIP and Operating Budget Commitments</b>	<b>\$165,264</b>
<b>Potential Project Listed in CIP Plan (The Town has collected sufficient design funding but construction has not begun yet because sufficient funding for construction has not yet been collected. No start date have been identified because sufficient funds have not yet been collected.):</b>	
Highway 17 Bicycle & Pedestrian Bridge – Design (75% of Collections)	\$2,765,431
Kennedy Sidewalk & Bike Lanes - LGB to Englewood (25% of Collections)	\$921,810
<b>Total Potential Project List</b>	<b>\$3,687,241</b>
<b>Total Designated and Unfunded Projects</b>	<b>\$3,852,505</b>
<b>Current Funding Shortfall</b>	<b>\$0</b>

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**Construction Impact Activity Fee:**

Construction Impact Activity Fee is assessed on construction projects based on the square foot size of the project at a rate of \$1.48 per square foot. These fees are intended to recover the damage caused to Town streets by construction traffic. The collected fee is held in the General Fund Appropriated Reserves.

**CONSTRUCTION IMPACT ACTIVITY FEE (411-42531/42532/42533)**

<b>Beginning Cash Balance (07/01/2023)</b>	<b>\$0</b>
<b>Source of Funds</b>	
Fees Collected FY 2023/24	157,535
Interest Earned FY 2023/24 (Funds expended upon receipt)	-
<b>Total Source of Funds</b>	<b>\$157,535</b>
<b>Use of Funds</b>	
Business Services Charge	
Capital Outlay:	
Street Repair and Resurfacing Project FY 23/24 (FY 2023/24 Fees Collected Cover 7.2% of FY 2023/24 Expenditures)	2,185,299
<b>Total Use of Funds</b>	<b>2,185,299</b>
<b>Ending Cash Balance (6/30/2024)</b>	<b>(\$2,027,764)</b>
<b>Designated Future Projects</b>	
<b>Per FY 2024/25 through 2028/29 Capital Improvement Plan:</b>	
Street Repair and Resurfacing Project (Ongoing)	\$9,657,919
<b>Total Designated Future Projects</b>	<b>\$9,657,919</b>
<b>Current Funding Shortfall</b>	<b>(\$11,685,682)</b>

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**Below-Market Priced (BMP) Housing Program In-Lieu Fee:**

BMP In-Lieu Fees are collected from residential development projects with five (5) or more units when the construction of the BMP unit is impractical or there are unusual circumstances that make the construction of the unit inconsistent with Town policy. The required in-lieu fee is to be paid to the Town prior to issuance of the certificate of occupancy. The BMP In-Lieu Fee is equal to the amount of six (6) percent of the building permit valuation for the entire project. The collected fees are held in the General Fund BMP Housing liability account and are restricted to be used solely for BMP Housing Program activities.

**BELOW-MARKET PRICED HOUSING PROGRAM IN-LIEU FEES (111-23521)**

<b>Beginning Cash Balance (07/01/2023)</b>	<b>4,021,281</b>
<b>Source of Funds</b>	
Fees Collected FY 2023/24	-
Interest Earned FY 2023/24	140,150
<b>Total Source of Funds</b>	<b>4,161,431</b>
<b>Use of Funds</b>	
Program Operating Expense (100% of FY 2023/24 Expenditures)	215,088
Staff Administration (100% of FY 2023/24 Expenditures)	23,000
<b>Total Use of Funds</b>	<b>238,088</b>
<b>Ending Cash Balance (6/30/2024)</b>	<b>3,923,343</b>
<b>Unavailable Source</b>	
Land Held for Resale	344,338
<b>Total Cash Balance and Unavailable Source</b>	<b>4,267,681</b>
<b>Potential Future Projects</b>	
Low and Moderate Income Housing (Future Project - Pending Funding)	3,000,000
Reacquisition of Distressed/Foreclosed Properties (Future Project - Pending Funding)	700,000
Hello Housing and House Keys Program Services (Future Project - Pending Funding - 5 Year Total)	600,000
<b>Total Potential Future Projects</b>	<b>4,300,000</b>
<b>Current Funding Shortfall</b>	<b>(32,319)</b>

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**Public Art In-Lieu Fee:**

Los Gatos Public Art In-Lieu Fees are collected In lieu of installation of on-site public art, the developer may elect to make a monetary contribution to the Los Gatos Public Arts Fund. The Public In-Lieu Fee is equal to the amount of one (1) percent of the construction valuation for the entire project. Public Art In-Lieu Fee app to all new commercial developments (including mixed use projects), including new construction, and additions and remodels that add more than fifty (50) percent square footage; and all new residential projects of three (3) or more units, including new construction, and additions and remodels that add more than fifty (50) percent square footage. A developer who elects to satisfy the requirements of this Chapter through a contribution to the Fund must complete the payment in-lieu prior to the issuance of any building permit for the development project. The Los Gatos Public Art Funds may be used for the following purposes, including: acquisition, placement, maintenance, and promotion of temporary and permanent art and art programs, including visual or performing arts, as approved by the Arts and Culture Commission, on or in Town owned, public property throughout the Town. Art works acquired through the Public Art Fund shall be owned by the Town of Los Gatos and generally made accessible to the public.

**PUBLIC ART FEE (111-23514)**

<b>Beginning Cash Balance (07/01/2023)</b>	-
<b>Source of Funds</b>	
Fees Collected FY 2023/24	23,509
Interest Earned FY 2023/24	819
<b>Total Source of Funds</b>	<b>24,328</b>
<b>Use of Funds</b>	
	-
<b>Total Use of Funds</b>	-
<b>Ending Cash Balance (6/30/2024)</b>	<b>24,328</b>
<b>Designated Future Projects:</b>	
<i>None</i>	-
<b>Total Designated Future Projects</b>	-
<b>Potential Future Projects</b>	
<i>Not Identified Yet- Anticipate to Evaluate Potential Projects with FY 2024/25 Budget Process</i>	-
<b>Total Potential Future Projects</b>	-
<b>Current Funding</b>	<b>24,328</b>

**Other Required Disclosures:**

As required by law, no inter-fund (loans/transfers) were made during the reporting period and no refund were necessary as all fees collected have a current funding short fall status as presented in the Annual Status Report.