

**TOWN OF LOS GATOS  
ANNUAL STATUS REPORT ON RECEIPT AND USE OF DEVELOPMENT IMPACT FEES  
JUNE 30, 2021**

**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, \$958 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**

<b>Beginning Cash Balance (07/01/2020)</b>	<b>2,636,215</b>
<b>Source of Funds</b>	
Fees Collected FY 20/21	18,087
Interest Earned FY 20/21	32,658
<b>Total Source of Funds</b>	<b>\$2,686,961</b>
<b>Use of Funds</b>	
Capital Outlay:	
Traffic Signal Modernization	\$207,240
Highway 17 Bicycle & Pedestrian Bridge-Design	147,195
Traffic Mitigation (Admin Support)	10,000
<b>Total Use of Funds</b>	<b>\$364,435</b>
Expenses Occurred in FY 2020/21, Paid in July of FY 2021/22	122,158
<b>Ending Cash Balance (6/30/2021) Pre-Final Audit</b>	<b>\$2,444,683</b>
<b>Designated Future Projects:</b>	
<b>Per FY 21/22 through 25/26 Capital Improvement Plan:</b>	
Traffic Signal Modernization	\$870,949
Bicycle & Pedestrian Improvements	33,650
<b>Total CIP and Operating Budget Commitments</b>	<b>\$904,599</b>
<b>Potential Project List (Estimates Only)</b>	
Transportation Impact Fee Nexus Study (Future Project - Pending Funding)	\$400,000
Highway 9 – N. Santa Cruz Intersection Improvements (Future Project - Pending Funding)	1,260,000
Highway 17 at Highway 9 Interchange (Future Project - Pending Funding)	2,000,000
Complete Streets Improvements Pollard Ave (Future Project - Pending Funding)	1,000,000
<b>Total Potential Project List</b>	<b>\$4,660,000</b>
<b>Total Designated and Unfunded Projects</b>	<b>5,564,599</b>
<b>Current Funding Shortfall</b>	<b>(\$3,119,916)</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 \$1.17 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**

<b>Beginning Cash Balance (07/01/2020)</b>	<b>\$0</b>
<b>Source of Funds</b>	
Fees Collected FY 20/21	425,170
Interest Earned FY 20/21 (Funds expended upon receipt)	-
<b>Total Source of Funds</b>	<b>\$425,170</b>
<b>Use of Funds</b>	
Business Services Charge	
Capital Outlay:	
Street Repair and Resurfacing Project FY 20/21	234,246
<b>Total Use of Funds</b>	<b>234,246</b>
<b>Ending Cash Balance (6/30/2021) Pre-Final Audit</b>	
	<b>\$190,924</b>
<b>Designated Future Projects</b>	
Per FY 21/22 through FY 25/26 Capital Improvement Plan:	
Street Repair and Resurfacing Project	\$7,725,803
<b>Total Designated Future Projects</b>	<b>\$7,725,803</b>
<b>Current Funding Shortfall</b>	<b>(\$7,534,879)</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**

<b>Beginning Cash Balance (07/01/2020)</b>	<b>\$3,795,807</b>
<b>Source of Funds</b>	
Fees Collected FY 20/21	-
Interest Earned FY 20/21	52,362
<b>Total Source of Funds</b>	<b>\$3,848,168</b>
<b>Use of Funds</b>	
Program Operating Expense	249,016
Staff Administration	23,000
<b>Total Use of Funds</b>	<b>\$272,016</b>
<b>Ending Cash Balance (6/30/2021) Pre-Final Audit</b>	<b>\$3,576,152</b>
<b>Designated Future Projects:</b>	
Affordable Housing Loans - Dittos Lane (11/3/2020 Council Meeting)	\$1,200,000
Anticipated Construction Permit Support	\$50,000
<b>Total Designated Future Projects</b>	<b>\$1,250,000</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>(\$1,973,848)</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.