

TOWN OF LOS GATOS
ANNUAL STATUS REPORT ON RECEIPT AND USE OF DEVELOPMENT IMPACT FEES
JUNE 30, 2023

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

Beginning Cash Balance (07/01/2022)	2,094,740
Source of Funds	
Fees Collected FY 22/23	9,582
Interest Earned FY 22/23	25,509
Total Source of Funds	\$2,129,831
Use of Funds	
Capital Outlay:	
Traffic Signal Modernization (42% of the Project's Estimated Life-Time Cost)	90,088.34
Hwy 17 Capacity Improvement (41% of the Project's Estimated Life-Time Cost)	600,000.00
Traffic Mitigation - Admin Support (100% of FY 2022/23 Expenditures)	10,000
Total Use of Funds	\$700,088
Expenses Incurred in FY 2021/22 , Paid in July of FY 2022/23	(193,307)
Expenses Incurred in FY 2022/23, Paid in July of FY 2023/24	6,521
Ending Cash Balance (6/30/2023) Pre-Final Audit	\$1,242,956
Designated Future Projects:	
Per FY 23/24 through 27/28 Capital Improvement Plan:	
Shannon Road Pedestrian and Bikeway Improvements (6% of Total Project Costs)	\$133,380
Traffic Signal Modernization (42% of the Project Estimated Life-Time Cost)	196,238
Town-wide Speed Study	80,000
Total CIP and Operating Budget Commitments	\$196,238
Potential Project List (Estimates Only)	
Shannon Road Stabilization Project (Future Project - Pending Funding)	\$2,900,000
Kennedy Road Sidewalk and Bikelanes (Future Project- Pending Funding)	\$1,300,000
Total Potential Project List	\$4,200,000
Total Designated and Unfunded Projects	\$4,396,238
Current Funding Shortfall	(\$3,153,282)

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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 \$1.43 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

Beginning Cash Balance (07/01/2022)	\$0
Source of Funds	
Fees Collected FY 22/23	181,533
Interest Earned FY 22/23 (Funds expended upon receipt)	-
Total Source of Funds	\$181,533
Use of Funds	
Business Services Charge	
Capital Outlay:	
Street Repair and Resurfacing Project FY 22/23 (FY 2022/23 Fees Collected Cover 6.0% of FY 2022/23 Expenditures)	3,028,769
Total Use of Funds	3,028,769
Ending Cash Balance (6/30/2023) Pre-Final Audit	(\$2,847,236)
Designated Future Projects	
Per FY 23/24 through 27/28 Capital Improvement Plan:	
Street Repair and Resurfacing Project	\$7,583,197
Total Designated Future Projects	\$7,583,197
Current Funding Shortfall	(\$10,430,433)

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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

Beginning Cash Balance (07/01/2022)	3,698,538
Source of Funds	
Fees Collected FY 22/23	186,634
Interest Earned FY 22/23	41,276
Total Source of Funds	3,926,448
Use of Funds	
Program Operating Expense (100% of FY 2022/23 Expenditures)	182,168
Staff Administration (100% of FY 2022/23 Expenditures)	23,000
Total Use of Funds	205,168
Ending Cash Balance (6/30/2023) Pre-Final Audit	3,721,280
Unavailable Source	
Land Held for Resale	344,338
Total Cash Balance and Unavailable Source	4,065,618
Potential Future Projects	
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
Total Potential Future Projects	4,300,000
Current Funding Shortfall	(234,382)

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Public Art Fee:

Los Gatos Public Art 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 amount of the contribution shall be the cost of the public art. 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. As of to date there is no Public Art fee collected yet.

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.