

**FIVE YEAR COMPLIANCE REPORT
FOR GROWTH MITIGATION FEES**

Pursuant to Government Code Section 66001(d)(1) local agencies shall make all of the following findings with respect to that portion of the account or fund remaining unexpended, whether committed or uncommitted the fifth fiscal year following the first deposit into the account or fund, and every five years thereafter:

A) Identify the purpose to which the fee is to be put.

Within the Growth Mitigation Fee Program, the following accounts have unexpended funds:

Traffic Improvement Fee	\$36,393,478.63
City Hall	\$1,358,551.40
Buildings/ Corporation Yard	\$1,841,560.58
Recreation and Parks	\$2,199,815.98
Police	\$(4,628,556.16)
Library	\$(4,277,571.00)
Fire	\$520,433.46
Water	\$4,252,617.19
Wastewater	\$9,265,819.42

Traffic Improvement Fee – said fee shall be utilized to construct transportation facilities and right-of-way acquisition required at the build-out of the City of Santa Maria. Transportation projects are proposed for the remaining unexpended funds as identified as “Open Projects” per the City of Santa Maria Traffic Capital Improvement Project (CIP) List. Within the near future (5 years) and in an effort to accommodate growth within the development community, the City has earmarked the following projects and associated costs utilizing Traffic Improvement Fee funds;

US 101/Betteravia Road Interchange	\$4,301,256
US 101/Broadway SR 135 Interchange	\$34,432,000
Drainage Improvement Projects	\$2,764,253
Depot/Cook Intersection Control Feature	\$245,786
Morrison/Depot Intersection Control Feature	\$276,509
College/Alvin Intersection Control Feature	\$276,509
	\$38,432,313

City Hall - said fee shall be utilized to construct the City Hall complex remodel. Project shall consist of design and construction site work. The overall cost of the project is proposed to be is approximately \$14 million. Because insufficient fees have been collected, the City has not earmarked these projects for construction in the next five years.

Buildings/Corporation Yard – said fee shall be used to enlarge the corporation yard and facilities. This project will headquarter the Public Works Streets and Facilities Department. The overall cost for the project is approximately \$13.5 million. Because insufficient corporation yard mitigation fees have been collected, the City has not earmarked the corporation yard for construction in the next five years.

Recreation and Parks – said fee shall be utilized to construct recreation facilities and parks as identified in the Growth Mitigation Recreation and Parks project list, specifically the Sports Complex and Enos Ranch House and Japanese Community Center. Recreation and Parks projects are proposed for the remaining unexpended funds and with overall project costs of approximately \$41.2 million. However, because of recent expenditures for the previously mention projects, the City has not earmarked any future projects for construction in the next five years.

\$3,383,145

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Water - said fee shall be used for construction of a transmission line and two wells. The overall project costs are over \$13.2 million. Because insufficient fees have been collected for all proposed projects, the City has initiated the construction of Well 15S. It has also proposed to identify the location of Well 16S and initiate design and construction within the next five years.

Wastewater - said fee shall be utilized to construct capital projects as identified in the Growth Mitigation Wastewater project list. Wastewater projects are proposed for the remaining unexpended funds and with overall project costs of approximately \$60.9 million. Within the near future (five years), the City has earmarked the following project and associated costs utilizing Wastewater Mitigation Fee funds;

Dejoy Sewer Line Upgrade	\$1,059,000
Waste Water Treatment Plant Phase II	\$18,508,000
	<hr/> \$19,567,000

B) Demonstrate a reasonable relationship between the fee and the purpose for which it is charged.

Fees identified for the various segments of the Growth Mitigation Program identify proposed projects and infrastructure required to facilitate the operation of the City of Santa Maria at build-out. Calculation of the fee is determined by evaluating the needs (facilities and infrastructure) of the City at build-out; determining the existing and proposed population as well as the land available for residential, commercial and industrial land uses at build-out. Capital improvement project costs are determined and identified for the commercial, industrial and residential component of the Growth Mitigation Program. Those components include city hall, consolidate corporation yard, recreation and parks, police, fire, library, traffic, water and wastewater. The CIP identifies build-out projects to accommodate the need of a growing community.

C) Identify all sources and amounts of funding anticipated to complete financing in incomplete improvements identified in paragraph (2) of subdivision (a).

In addition to growth mitigation fees, sources of funding vary between the City's General fund, state and federal grants funds, Measure A, Gas Tax and local grant funds.

D) Designate the approximate dates on which the funding referred to in subparagraph (C) is expected to be deposited into the appropriate account or fund.

The deposit of growth mitigation fees into the appropriate component of the program is conducted as the fees are collected. These funds are utilized for projects identified on the Growth Mitigation Capital Improvement Program and further designated in the City's budget. In addition to these funds, other funding sources such as General Fund, Gas Tax, Measure A, Community Development Block Grants (CDBG) and State and Federal funding are utilized to support funding of projects on the CIP. These funding sources are deposited into the appropriate account or fund when collected.

Projects identified in the CIP are generally authorized for funding within approximately five years. The City of Santa Maria's budget is established every two years. Funding for projects deemed necessary to accommodate growth is authorized in the two-year budget. Projects identified in the two-year budget are generally funded, at least partially, during a two-year cycle beginning July 1st of even-numbered years.