

Resolution No. \_\_\_\_\_

Resolution of the Council of the City of Palo Alto Making Findings  
Regarding Continuing Need for Unexpended Development Fees

R E C I T A L S

A. Government Code Section 66001(d) requires the City to make certain findings with respect to fees that remain unexpended in the fifth fiscal year following the first deposit into the account or fund, and every five years thereafter; and

B. As authorized under Chapter 16.58 of the Palo Alto Municipal Code, the City has collected a fee known as the “Parks Impact Fee” for the purpose of funding acquisition of land and improvements for neighborhood and district parks; and

C. The sum of \$3,810,535 represents the most recent audited total of fees collected pursuant to the Parks Impact Fee that remain unexpended, together with accrued interest thereon (“unexpended Parks Impact Fee Funds”); and

D. As authorized under Chapter 16.58 of the Palo Alto Municipal Code, the City has collected a fee known as the “Community Center Impact Fee” for the purpose of funding development and improvements to community centers; and

E. The sum of \$739,193 represents the most recent audited total of fees collected pursuant to the Community Center Impact Fee that remain unexpended, together with accrued interest thereon (“unexpended Community Center Impact Fee Funds”); and

F. As authorized under Chapter 16.58 of the Palo Alto Municipal Code, the City has collected a fee known as the “Library Impact Fee” for the purpose of funding development and improvements to libraries; and

G. The sum of \$931,093 represents the most recent audited total of fees collected pursuant to the Library Impact Fee that remain unexpended, together with accrued interest thereon (“the unexpended Library Impact Fee funds”); and

H. As authorized under Chapter 16.60 of the Palo Alto Municipal Code, the City has collected a fee known as the “Charleston-Arastradero Corridor Pedestrian and Bicyclist Safety Fee” for the purpose of funding pedestrian and bicyclist safety improvements; and

I. The sum of \$34,904 represents the most recent audited total of fees collected pursuant to the Charleston-Arastradero Corridor Pedestrian and Bicyclist Safety

Fee that remain unexpended, together with accrued interest thereon (“unexpended Charleston-Arastradero Corridor Pedestrian and Bicyclist Safety Fee funds”).

The Council of the City of Palo Alto RESOLVES as follows:

SECTION 1. The Council makes the following findings:

Parks Impact Fee funds

1. The unexpended Parks Impact Fee funds were collected pursuant to Chapter 16.58 of the Palo Alto Municipal Code, to be used solely for the purpose of funding acquisition of land and improvements for neighborhood and district parks.

2. The City plans to spend the unexpended Parks Impact Fee funds in the amount of \$3,810,535 in part to complete several park improvements scheduled in the Fiscal Year 2023-2027 Five Year Capital Improvement Plan.

3. The unexpended Parks Impact Fee funds are anticipated to be transferred as provided in the Fiscal Year 2023-2027 Five Year Capital Improvement Plan. Other sources of funding for these projects include the City’s Capital Improvement Fund, Community Center Impact Fee Fund, Library Development Impact Fee Fund, Stanford University Medical Center Fund, revenue from other agencies or organizations, as specifically detailed in the FY 2023-2027 Five Year Capital Improvement Plan. Additional unexpended Parks Impact Fee funds are anticipated to be used to implement the Parks, Trails, Natural Open Space and Recreation Master Plan (adopted 2017), including to develop the empty 10-acre site adjacent to the Baylands into park uses.

4. The relationship between the fee collected and the purpose for which it is charged is demonstrated in the City of Palo Alto Park, Community Center, and Library Development Impact Fee Justification Study, dated January 15, 2021 and approved by the City Council on April 12, 2021.

Community Center Impact Fee funds

5. The unexpended Community Center Impact Fee funds were collected pursuant to Chapter 16.58 of the Palo Alto Municipal Code, to be used solely for the purpose of funding development and improvements to community centers.

6. The City plans to spend the unexpended Community Center Impact Fee funds in the amount of \$739,193 to complete community center improvements scheduled in the Fiscal Year 2023-2027 Five Year Capital Improvement Plan; namely the Roth Building Rehabilitation Phase I.

7. The unexpended Community Center Impact Fee funds are anticipated to be transferred as provided in the Fiscal Year 2023-2027 Five Year Capital Improvement Plan. Other sources of funding for this project include the City's Capital Improvement Fund, Parks Impact Fee Fund, Library Development Impact Fee Fund, Stanford University Medical Center Fund, and revenue from other agencies or organizations, as specifically detailed in the FY 2023-2027 Five Year Capital Improvement Plan.

8. The relationship between the fee collected and the purpose for which it is charged is demonstrated in the City of Palo Alto Park, Community Center, and Library Development Impact Fee Justification Study, dated January 15, 2021 and approved by the City Council on April 12, 2021.

#### Library Impact Fee funds

9. The unexpended Library Impact Fee funds were collected pursuant to Chapter 16.58 of the Palo Alto Municipal Code, to be used solely for the purpose of funding development and improvements to libraries.

10. The City plans to spend the unexpended Library Impact Fee funds in the amount of \$931,093 to (1) fund purchase and installation of higher-capacity book processing machines (Automated Materials Handling machines) to facilitate expanded book returns and sorting at additional library branches; (2) fund the Roth Building Rehabilitation Phase 1 to support library archives; and (3) fund purchase and installation of vending machines to dispense Library volumes to patrons.

11. The unexpended Library Impact Fee funds are anticipated to be transferred as provided in the Fiscal Year 2023-2027 Five Year Capital Improvement Plan. Additional allocations are expected in FY24 and FY25 as the library is in the process of designing the deployment of AMH machines at its Children's Library as well as analyzing the use of AMH machines across the rest of the Library system. The balance of funds is expected to be used to install vending machines to dispense Library volumes to patrons. The other sources of funding for these projects are the City's Capital Improvement Fund.

12. The relationship between the fee collected and the purpose for which it is charged is demonstrated in the City of Palo Alto Park, Community Center, and Library Development Impact Fee Justification Study, dated January 15, 2021 and approved by the City Council on April 12, 2021.

#### Charleston-Arastradero Corridor Pedestrian and Bicyclist Safety Fee funds

13. The unexpended Charleston-Arastradero Corridor Pedestrian and Bicyclist Safety Fee funds were collected pursuant to Chapter 16.60 of the Palo Alto Municipal Code, to be used solely for the purpose of funding pedestrian and bicyclist safety improvements, as defined in Section 16. of the Palo Alto Municipal Code.

14. The City plans to spend the unexpended Charleston-Arastradero Corridor Pedestrian and Bicyclist Safety Fee funds in the amount of \$34,904 on the Charleston/Arastradero Corridor Project.

15. The unexpended Charleston-Arastradero Corridor Pedestrian and Bicyclist Safety Fee funds are anticipated to be transferred in FY23 or FY24. Other funding sources for this project include the Capital Improvement Fund, Stanford University Medical Center Fund, Gas Tax Fund, and grants from the State of California, as detailed in the FY23, FY22, and prior years' Capital Improvement Budgets.

16. The relationship between the fee collected and the purpose for which it is charged is demonstrated in the City of Palo Alto Charleston-Arastradero Corridor Pedestrian and Bicyclist Safety Impact fee Nexus Study of 2005.

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SECTION 2. The Council finds that this is not a project under the California Environmental Quality Act and, therefore, no environmental impact assessment is necessary.

INTRODUCED AND PASSED:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

ATTEST:

APPROVED:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor

APPROVED AS TO FORM:

\_\_\_\_\_  
Assistant City Attorney

\_\_\_\_\_  
City Manager

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Director of Administrative Services

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Director of Community Services

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Director of Libraries

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Director of Public Works