



AB 1600 ANNUAL REPORT CHAPTER 927, STATUTE OF 1987

CITY COUNCIL MEETING
DECEMBER 15, 2025

PURPOSE OF AB 1600



Continued need for
Public Improvements



Substantiates the
collection of future
development fees

BACKGROUND

In 1988, the City Council adopted Resolution #88-72.

In 1998, the “Public Facilities Impact Fee” was added.

In 2002, 20-year time frame (2000 to 2020) for projects was included.

June 2003

- Amended the Public Facilities Impact Fees
- Re-examined the fees for High Turnover Retail uses

August 2003

- Increased based on Engineering Construction Cost Index.

Fee Modifications/Updates in:

- Mar. 2006, Sept. 2009, Dec. 2012, Feb. 2022

REQUIREMENTS OF GOVERNMENT CODE SECTION 66006

- Brief description of the type of fee in the fund
- The amount of the fee
- The beginning and ending balance of the fund
- The amount of fees collected, and the interest earned
- An amount identification for each public improvement
- Identification of construction timeframe for the public improvement, and any reasons for delays
- A description of each interfund transfer or loan made from the fund; and,
- The amount of refunds made.

ADDITIONAL REQUIREMENTS OF GOVERNMENT CODE SECTION 66006

- The City must make the following required findings
 - Funds are committed or uncommitted
 - Identify the purpose to which the fee is to be put
 - Demonstrate a reasonable relationship for the purpose of the fee
 - Identify all sources and amounts of funding anticipated
 - When sufficient funds have been collected
 - The agency is required to identify a timeframe for completion
 - Or shall refund to the then current owner(s) of record

COMPONENTS OF THE COMPLIANCE REPORT

Information was provided
on the following funds

❖ Public Facility Impact Fees

- Roadway Facilities

- Traffic Signal Facilities

- Fire Facilities

- Police Facilities

- Parks Facilities

- PW Corp Yard Facilities

- Info Tech Facilities

- Transportation Facilities

❖ Park Reserve – Capital Project Fund

❖ Refuse Capital Equipment Charge

❖ Wastewater Facility Charge

❖ Water Facility Charge



IDENTIFIED PROJECTS

Water Well Site 22

Expand Capacity for Future Development



Yosemite Ave Sewer Main



IDENTIFIED PROJECTS CONTINUED

- ❖ Fire Station #56
 - Located in North Merced
 - Conceptual Design at M Circle
- ❖ General Vang Pao Park
 - Currently in Design
- ❖ Police Station – Land Acquisition, Location TBD



CITYWIDE CAPITAL IMPROVEMENT PROJECTS

PHASE	NO. OF PROJECTS	ESTIMATED VALUE
DESIGN	25	\$50,917,795
CONSTRUCTION OR NEARING CONSTRUCTION	14	\$49,071,404
CLOSEOUT	12	\$10,561,516
TOTALS	51	\$110,550,715

STAFF RECOMMENDATIONS

- Accept the Compliance Report for ABI 600 Development Fees for FY 24/25 and make findings related to unexpended balances as required by California Government Code Section 66001; and,
- Adopt a Resolution entitled: “A Resolution of the City Council of the City of Merced, California, Accepting the Development Impact Fees fiscal year 2024/2025 annual report and making findings related to unexpended developer deposits for public improvements as required by California Government Code Section 66001”.

COUNCIL ACTION

POSSIBLE CITY COUNCIL ACTIONS:

- Approve as recommended by staff;
- Refer back to staff for consideration of specific items;
- Deny.