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**SUBJECT:** 2023/24 Development Impact Fee Report

**DEPARTMENT:** Finance & Information Systems

**STAFF:** Kerry Breen, Director of Finance & Information Systems  
Rachel Corona, Accountant II

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### **TITLE/RECOMMENDATION**

The Development Impact Fee Report ensures compliance with California Government Code Section 66006(b) and 66001(d), which requires an annual report providing specific information about those fees be prepared and made available to the public. Staff recommends that the City Council receive and file the 2023/24 Development Impact Fee Report.

### **FISCAL IMPACT**

There is no fiscal impact associated with this action.

### **BACKGROUND**

The City has imposed and collected Development Impact Fees (DIFs) on new development since 1979. The fees are used to address the impacts on the City's infrastructure and facilities caused by this new development. DIF's provide financing for the acquisition, construction, and improvement of public facilities and infrastructure to mitigate the impacts.

Historically, DIFs have been collected at the time building permits were issued for new single-family, multi-family, commercial, office and industrial development. However, earlier this year, the Governor signed [Senate Bill 937](#) into law. Starting January 1st, this new law prohibits local agencies that imposes fees or charges on residential developments for the construction of public improvements or facilities from requiring the payment of those fees or charges until the earlier of the date of either (1) the final inspection, or (2) issuance of the certificate of occupancy. There are exceptions to this new rule – for example, local agencies may collect utility service fees at the time an application for utility service is received. In addition, local agencies may require earlier payment for reimbursement of expenditures previously made. Staff is currently assessing how this new law will be implemented.



**CITY COUNCIL AGENDA ITEM NO. F.11**  
**12/10/2024**

In 1989, the City prepared the first “Capital Improvements Costs and Basis of Development Fees” report, which was a detailed study of the impacts of future growth on local City facilities and infrastructure. This report provided the analysis and support for DIFs collected by the City and has been updated from time to time in subsequent fiscal years. In 1999, the report was renamed the City of Brentwood Development Fee Program and the most recent update was adopted by the City Council on February 9, 2021. The report can be found on the City’s website: [Development Fee Program](#).

Separate funds have been established to account for the DIFs collected for each of the following types of public facilities and infrastructure: Water, Roadway, Parks and Trails, Wastewater, Community Facilities and Fire.<sup>1</sup>

State law requires that any local agency imposing DIFs must prepare an annual report providing specific information about those fees as defined in California Government Code Sections [66006\(b\)](#) and [66001\(d\)](#). The 2023/24 DIF Report, included as Attachment 2, meets all the requirements these Government Code Sections. Specifics about the information required to be included in the report can be found on page six of the 2023/24 DIF Report.

California Government Code also requires the DIF Report be made available to the public within 180 days after the last day of the fiscal year. The City Council must review the annual report at a regularly scheduled public meeting not less than fifteen days after the report was made available to the public. The 2023/24 DIF Report was filed with the City Clerk’s office and made available for public review on November 25, 2024.

**CITY COUNCIL STRATEGIC INITIATIVE**

Not applicable.

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<sup>1</sup> On July 1, 2022 East Contra Costa Fire Protection District (ECCFPD) merged with Contra Costa County Fire Protection District (ConFire). All Fire DIF funds and assets were transferred to ECCFPD prior to the merger. After the merger, the City ceased collecting the City Fire DIF. Although technically the City still has a Fire DIF in effect, payment of the ConFire DIF fully satisfies the City’s Fire DIF requirement. The City has not collected any Fire DIF funds subsequent to the merger and does not expect to collect Fire DIF fees in the future.



### **PREVIOUS ACTION**

Previous Action by the City Council is included on Attachment 1.

### **DATE OF NOTICE**

The California Government Code requires this report be reviewed by the City at a regularly scheduled public meeting not less than 15 days after the 2023/24 DIF Report is made available to the public. In addition, notice of the time and place of the meeting shall be mailed at least 15 days prior to the meeting to any interested party who files a written request with the local agency for such a mailed notice. This report was filed with the City Clerk's office and made available for public review on November 25, 2024.

### **ENVIRONMENTAL DETERMINATION**

Not applicable.

### **ALTERNATIVE OPTION(S)**

Not applicable.

### **ATTACHMENT(S)**

1. Previous Action
2. 2023/24 Development Impact Fee Report