COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 12/9/2025

To: Sonoma County Board of Supervisors
Department or Agency Name(s): County Administrator's Office
Staff Name and Phone Number: Christina Rivera, 707-565-2431, Bert Whitaker, 707-565-2041, Johannes Hoevertsz, 707-565-2550
Vote Requirement: Majority
Supervisorial District(s): Countywide

Title:
AB 1600 Development Fees Annual Reports for FY 2024-25

Recommended Action:
A) Receive the information contained in the AB 1600 Development Fees Annual Reports for FY 2024-2025 for the Regional Parks Department, the Sonoma County Public Infrastructure Department, the Sonoma Valley Fire District, the Sonoma County Fire District, and the Rancho Adobe Fire District.

B) Adopt a Resolution approving and making findings related to said Annual Reports.

Executive Summary:
AB 1600 established Government Codes Sections 66000-66008, which apply to all development impact fees that are established, increased, or imposed on or after January 1, 1989. AB 1600 requires local agencies to prepare an annual report on all such fees collected on new developments to finance construction costs associated with public facilities. Certain development impact fees collected by the Regional Parks Department and the Sonoma County Public Infrastructure Department are covered by AB 1600.

On March 23, 2021, the Board of Supervisors adopted an Ordinance establishing fire impact fees on behalf of the Sonoma Valley Fire District and the Sonoma County Fire District. On January 28, 2025, the Board adopted an Ordinance to establish development impact fees for the Rancho Adobe Fire Protection District service area. The fire districts are established in pursuant to the Mitigation Fee Act, which authorizes the collection of development impact fees on new residential and nonresidential developments within each of these Districts to fund the development-related costs of expanding the districts' facilities, apparatus, and equipment needed to maintain existing levels of service. Under the respective Ordinances, the fire districts are required to prepare annual reports to the Board of Supervisors, in compliance with Government Code section 66006 and 66001(d), on the development impact fees annually collected.

In August 2023, the Board of Supervisors adopted the sixth cycle General Plan Housing Element. As required by State law, the Housing Element analyzed government constraints to housing, including development fees and affordable housing fees, and concluded through adoption of the housing element that "when considered together, processing time and total fees are lower for multifamily development than single-family development and facilitate the development of housing at all income levels." The adopted Housing Element includes a program to ensure that new impact fee studies and resulting fees will meet the requirements of applicable impact fee laws, including transparency and proportionality requirements under AB 602 (Government Code section 66016.5).

Existing Parks and Transportation fees are based on nexus studies that predate AB 602 requirements and accordingly are not based on project square footage. To comply with AB 602, any new development impact fees on housing development projects must be calculated proportionately to the square footage of the units of the development. Further, AB 602 requires that nexus studies be updated at least every eight years, as of January 1, 2022.

Although AB 602 would not require an updated nexus study until the end of 2029, general industry best practice is to review nexus studies every three to five years. In July 2025, the Board awarded a contract with a consultant to conduct a Nexus Study for Parks and Transportation development impact fees. The study is currently underway and its results are expected to be presented in December of 2026.

On March 11, 2025, the Board of Supervisors created an Affordable Housing Impact Fee Elimination Program that eliminates park and traffic impact fees for very low, low, and moderate income housing through December 2026 or until a new nexus study is adopted. The Board programmed $3 million to backfill eliminated fee revenue, subject to County Executive review and approval. A more extensive update on the program will be presented during the December 16, 2025 Board of Supervisors Meeting.

The FY 2024-25 impact fees collected were $1,162,458 and $626,649 respectively for Roads and Parks. Fire districts collected impact fees as follows: $271,756, for Sonoma Valley Fire District; $375,753, for the Sonoma County Fire District; and $0 for Rancho Adobe.

Discussion:
Annually, the Regional Parks Department and the Public Infrastructure Department provide reports on fee programs under their jurisdictions in compliance with AB 1600 <https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=GOV&division=1.&title=7.&part=&chapter=5.&article=>, as well as applicable County Code sections. This is the third year that the Sonoma Valley Fire District and the Sonoma County Fire District will present annual reports on their respective fire impact fees programs.

Since they are outside the purview of AB1600, the reports do not include discussion of fees charged for processing development applications, development agreements, or reimbursement agreements. The report is due 180 days (6 months) after the close of each fiscal year and report concerning each fee fund must be made available to the public.
Each report includes the following components:

1. A narrative summary of the financial statement.
2. A brief project status statement for each capital project referenced in the financial statement.
3. The financial statement.

Among other fee and project information, balances of any fee deposits that are five or more years old are required to be reported in the fifth fiscal year following their first deposit into the account or fund, and every five years thereafter if still unexpended.

Regional Parks

The Regional Parks Department's report covers Park Mitigation fees under Chapter 20, Article X - Development Fees for Parks of the Sonoma County Code <http://library.municode.com/index.aspx?clientId=16331>. First established in 1986, the purpose of the ordinance is to assist the County in acquiring and developing parks to meet the growing population as a direct correlation to the development and construction of new homes. There is a reasonable relationship between the fee and the purpose for which it is charged in that park mitigation fees provide funds needed to acquire and develop park facilities, in conformance with Sonoma County General and Specific Plan requirements, to meet the demands caused by the increasing urbanization of Sonoma County's unincorporated areas. The fee is based on estimated cost of developing regional and community park facilities to service the county.

The Sonoma County Code and Government Code Section 66006 requires the Director of Regional Parks to report to the Board annually on the mitigation fee revenue and appropriations in each of the seven areas covered by the Park Mitigation Fee Ordinances. This information is contained in the attached report. In addition, Government Code Sections 66006 requires an annual report be made available to the public with specific information about the fee - the amount of the fee, the purpose of the fee, the projects that were funded by the fee, etc. Moreover, Government Code section 66001(d) requires that all agencies imposing development impact fees make specific findings regarding the balances of any fees deposits that are five or more years old. Fees which remain unexpended for five years or more total $49,773.57 and have been committed to the following capital projects in FY 2025-26: Schopflin Fields and Maddux Park Phase 4. The required findings for the unexpended funds are also contained in the report.

The Regional Park Mitigation rate for FY 2024-2025 was $3,678 per developed unit. The FY 2024-25 beginning fund balance in the Park Mitigation Fund (seven areas) was $1,493,411. Total fees collected and miscellaneous revenue were $626,649. Interest earned was $63,680. Refunds were $7,356. Thus, the total fees, less refund, plus interest earned in the Park Mitigation Fee Fund in FY 2024-25 was $682,973.

A total of $576,676 was transferred to 13 Capital Projects for the planning, acquisition, design, and construction of new and expanded park facilities. The year's ending fund balance was $1,599,708. The attached report includes a full breakdown of fees collected and funds appropriated for each of the seven areas.

Park Mitigation Fees were used to leverage grants and other matching contributions at an approximate ratio of over 8 to 1. This means that each dollar generated by mitigation fees helps generate about $8 in additional funding for Park acquisitions and development, which was primarily from State and Federal sources. In FY 2024-25 there was $49,773 in the Area 7 Park Mitigation Trust Account that were collected in or before FY 2019-20 and remain unspent. No funding collected on or before FY 2019-20 remains unspent in any of the remaining six Park Mitigation Fee Trust Accounts as of June 30, 2025.

Public Infrastructure Department

In order to implement the goals and objectives of the General Plan, including the Circulation and Transit Element of the General Plan, and to mitigate the traffic impacts caused by new development in Sonoma County, certain public roadway improvements must be constructed to ensure a safe and efficient level of service. The purpose of the traffic mitigation fees (see Sonoma County Code Section 26-98-010, available at <http://library.municode.com/HTML/16331/level2/CH26SOCOZORE_ART98DEFE.html>, and Section 26-98-600, available at <https://library.municode.com/ca/sonoma_county/codes/code_of_ordinances?nodeId=CH26SOCOZORE_ART98DEFE_S26-98-600PUCOTRDEFE>)is to pay the costs of roadway facilities and improvements in accordance with the provisions of the General Plan. Under AB 1600 and the Sonoma County Code, the Sonoma Public Infrastructure Department reports on the following traffic mitigation fee programs:

Countywide Traffic Mitigation - In May 1990, the Board established the Countywide Development Fees (currently, Sonoma County Code Sec. 26-98-600) which apply to all unincorporated lands within the county except for those lying within the boundaries of the Sonoma Valley development fee impact area. The FY 2024-25 beginning balance was $12,750,898. Collected fees total $1,151,408 and interest earned was $523,489. Funds expended total $854,608, and refunds were $16,454. The total ending balance, as of June 30, 2025, was $13,554,732.

A total of $825,290 was transferred from the Countywide Traffic Mitigation fund (11054) to the Roads Fund. This transfer to the Roads Capital Improvements fund (11051) was for expenses associated with Mirabel Bike/Pedestrian and Left Turn Lane Improvement Project (C24206), Airport Complete Streets Project (C24207), Todd Rd and Standish Ave Signalization Project (C19002), Airport Blvd at N. Laughlin Rd Project (C24301), and $29,318 to the Roads Administration fund (11051-34010101) for expenses associated with the Cooperative Agreement with Caltrans for the Signalization of Highway 116 at the Llano Road Intersection Project (G23019).

California Government Code Section 66001 requires that a local agency make certain findings for funds remaining unexpended in the fifth fiscal year following the first deposit into the fund, and every five years thereafter if still unexpended. Such ‘five-year findings’ were last made in conjunction with the FY 2023-24 Development Fees Annual report presented to the Board on December 10, 2024.

Sonoma Valley Traffic Mitigation - In 1989, the Board established development fees (currently, Sonoma County Code Sec. 26-98-010) to finance the improvements of certain public facilities and services within the Sonoma Valley area. The FY 2024-25 beginning balance was $271,488. Collected fees were $11,050, interest earnings total $10,754 and no expenditures were incurred during the reporting period. The FY 2024-25 ending balance, as of June 30, 2025, was $293,292.

California Government Code Section 66001 requires that a local agency make certain findings for funds remaining unexpended in the fifth fiscal year following the first deposit into the fund, and every five years thereafter if still unexpended. Such ‘five-year findings’ were last made in conjunction with the FY 2023-24 Development Fees Annual report presented to the Board on December 10, 2024.

Sonoma Valley Fire District

In 2021, the Sonoma Valley Fire District Board of Directors requested the County of Sonoma adopt an ordinance to establish development impact fees for Sonoma Valley Fire's service areas. On March 23, 2021, the County adopted an ordinance <https://sonoma-county.legistar.com/LegislationDetail.aspx?ID=4853125&GUID=F04591C0-7768-434B-B6AD-3770E6841155> authorizing the collection of the impact fees outlined in the Sonoma Valley Fires District's Nexus Study, beginning on July 1, 2021. The Nexus Study established the legal and policy basis for the imposition of fire impact fees on new residential and non-residential development to fund the development-related costs of expanding facilities, apparatus, and equipment needed to maintain existing service levels. The Board also approved a collection agreement which enables Permit Sonoma to collect and pass-through fees collected on behalf of the Sonoma Valley Fire District.

Pursuant to Government Codes Sections 66000-66008, the Sonoma Valley Fire District prepared a FY 2024-25 AB 1600 report, which indicates that $271,756 was collected in the reporting period. $266,321 was used to support the purchase of a new Type 3 engine purchased on July 20, 2021. The report further indicates that no refunds were remitted from Permit Sonoma during the applicable time period. The AB 1600 report was approved by the Sonoma Valley Fire District Board on August 12, 2025 and was made available to the public as required by law.

California Government Code 66001 requires that a local agency shall make findings for funds remaining unexpended, whether committed or uncommitted in the fifth fiscal year following the first deposit into the fund, and every five years thereafter. As FY 2024-25 is the fourth year of collection, no fees remain unexpended for five years within the Sonoma Valley Fire Mitigation fund.

Sonoma County Fire District

In 2021, the Sonoma County Fire District Board of Directors requested the County of Sonoma adopt an ordinance to establish development impact fees for Sonoma County Fire District's service areas on February 16, 2021. On March 23, 2021, the County adopted an ordinance <https://sonoma-county.legistar.com/LegislationDetail.aspx?ID=4853125&GUID=F04591C0-7768-434B-B6AD-3770E6841155> authorizing the collection of the impact fees outlined the in Sonoma County Fires District's Nexus Study beginning on July 1, 2021. The Nexus Study established the legal and policy basis for the imposition of fire impact fees on new residential and non-residential development to fund the development-related costs of expanding facilities, apparatus, and equipment needed to maintain existing service levels. The Board also approved a collection agreement which enables Permit Sonoma to collect and pass-through fees collected on behalf of the Sonoma County Fire District.

Pursuant to Government Codes Sections 66000-66008, the Sonoma County Fire District prepared a FY 2024-25 AB 1600 report, which indicates that $375,753 collected in the reporting period was remitted to the Sonoma County Fire District Impact Fund and will remain in the dedicated fund until a compliant project is approved by the Sonoma County Fire District Board of Directors. The report further indicates that no refunds were issued and $21,374 was accrued since the funds were remitted from Permit Sonoma. The AB 1600 report was approved by the Sonoma County Fire District Board on September 16, 2025 and was made available to the public as required by law.

California Government Code 66001 requires that a local agency shall make findings for funds remaining unexpended, whether committed or uncommitted in the fifth fiscal year following the first deposit into the fund, and every five years thereafter. As FY 2024-25 is the fourth year of collection, no fees remain unexpended for five years within the Sonoma County Fire Mitigation fund.

Rancho Adobe Fire District

In June of 2024, the Rancho Adobe Fire Protection District Board of Directors requested the County of Sonoma adopt an ordinance to establish development impact fees for Rancho Adobe Fire District's service areas on March 14, 2025. On January 28, 2025, the County adopted an ordinance <https://sonoma-county.legistar.com/LegislationDetail.aspx?ID=7101802&GUID=DC4AAA30-FBD3-4546-8DF2-4DD4141A58BF&Options=&Search=> authorizing the collection of the impact fees outlined the in Nexus Study. The Nexus Study established the legal and policy basis for the imposition of fire impact fees on new residential and non-residential development to fund the development-related costs of expanding facilities, apparatus, and equipment needed to maintain existing service levels. The Board also approved a collection agreement which enables Permit Sonoma to collect and pass-through fees collected on behalf of the Rancho Adobe Fire Protection District.

Pursuant to Government Codes Sections 66000-66008, the Sonoma County Fire District prepared a FY 2024-25 AB 1600 report, this is the first year of reporting for the district and no fees were collected. The AB 1600 report was approved by the Rancho Adobe Fire Protection District Board on October 15, 2025 and was made available to the public as required by law.

California Government Code 66001 requires that a local agency shall make findings for funds remaining unexpended, whether committed or uncommitted in the fifth fiscal year following the first deposit into the fund, and every five years thereafter. As FY 2024-25 is the first year of collection and no fees were collected there are no unexpended fees for five years within the fund.

The requested Board action includes the adoption of the attached resolution approving and making findings related to the AB 1600 Development Fees Annual Reports for the Regional Parks Department, Department of Public Infrastructure, Sonoma Valley Fire District, Sonoma County Fire District, and Rancho Adobe Fire Protection District.

Strategic Plan:
N/A

Racial Equity:

Was this item identified as an opportunity to apply the Racial Equity Toolkit?
No

Agenda Date: 12/9/2025

Prior Board Actions:
December 10, 2024: AB 1600 Development Fees Annual Reports for FY 2023-24
December 5, 2023: AB 1600 Development Fees Annual Reports for FY 2022-23

FISCAL SUMMARY

Expenditures	FY23-24 Adopted	FY24-25 Projected	FY25-26 Projected
Budgeted Expenses			
Additional Appropriation Requested			
Total Expenditures			
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
General Fund Contingencies			
Total Sources			

Narrative Explanation of Fiscal Impacts:
There is no impact to the FY 2025-26 budget associated with the AB 1600 Development Fees Annual Report. This report is administrative and intended to document development impact fees accumulated and investment activities completed in FY 2024-25.

Staffing Impacts:			
Position Title (Payroll Classification)	**Monthly Salary Range (A-I Step)**	**Additions (Number)**	**Deletions (Number)**

Narrative Explanation of Staffing Impacts (If Required):
None

Attachments:
1. Resolution
2. AB 1600 Development Fees Annual Report

Related Items "On File" with the Clerk of the Board:
N/A