

**CITY OF SANTA CRUZ**  
**FY 2024 Development Impact Fee Annual Report for**  
**Childcare Impact Fee Fund**

Government Code Sec. 66006(a) requires local agencies to produce an annual report, within 180 days of the fiscal year end. The annual report must be made available to the public at the Planning and Community Development Department at least 15 days prior to the City Council meeting.

This report summarizes the following information for each of the development fee programs:

1. Description of fee
2. Amount of fee
3. Beginning and ending fund balances
4. Amount of fees collected and interest earned
5. The amount of refunds paid
6. Identification of projects on which fees were expended and the amount for each improvement that was expended
7. The total percentage of the cost of the public improvement that was funded with fees
8. The approximate date by which construction of the improvements will commence for any incomplete improvements for which sufficient funds to complete financing for the improvements have been collected
9. Description of each interfund transfer or loan made from the fund, if any

## Citywide Childcare Impact Fee for Fiscal Year Ending June 30, 2024

**1 – Description:** A Childcare Impact Fee is assessed in connection with the issuance of certain development permits in the City designated by City Council Resolution NS-29,812. This fee was effective on June 26, 2021. While the education of children has been acknowledged as a public responsibility, the pre-school and after-school care of children traditionally has been seen as a private issue for families, especially women, and not of public concern; however, consideration for the needs of children is a critical part of community planning and is part of an integrated system that supports human development, labor force participation, and job opportunities. The benefits of early childcare development and care in the community speak to the labor market, business recruitment, and retention; improved school readiness and success; and reduced public cost for remediation, prison, and welfare. As such, the City’s General Plan calls for accessible, high-quality childcare facilities and services and includes objectives and policies to encourage an adequate and diverse supply of childcare facilities and services citywide and includes a Childcare Impact fee on new residential and nonresidential development due to its impacts on childcare needs.

**2 – Fee Amount: The Childcare Impact Fee in FY 2024 was defined as:**

### Childcare Impact Fee (Fund 218)

<i>Residential Use</i>	Cost Per Ft <sup>2</sup>		
	Maximum Per Dwelling Unit	July 1, 2023	January 1, 2024, with CCI Increase
Single-Family	\$373.00 614 ft <sup>2</sup> max	\$0.592	\$0.607
Multi-Family	-	\$0.444	\$0.455

<i>Commercial Use</i>	Cost Per Ft <sup>2</sup>		
	Cost Per 1,000 ft <sup>2</sup>	July 1, 2023	January 1, 2024, with CCI Increase
Retail	-	\$1.617	\$1.657
Office	-	\$1.881	\$1.928
Industrial	-	\$0.750	\$0.769
Hotel	-	\$0.571	\$0.585

**3 & 4 – Fund Balances, Fees Collected, & Interest Earned:**

The total fees collected in FY 2024 for Child Impact Fee was \$21,031.31.

### Childcare Impact Fee (Fund 218) – FY24 Account Balance

Collections from 7/1/2023 to 6/30/2024	Accounts	FY24 Account Balance
Impact Fees	218-50-72-1303-46347	\$20,716.30
Interest	218-00-00-0000-46110	\$2,795.45
Unrealized Loss/Gain	218-00-00-0000-46115	\$170.40
Administrative Fee (Excluded from total due to General Fund allocation)	101-00-00-0000-46906	\$315.01
<b>Total</b>		<b>\$23,682.15</b>

**Childcare Impact Fee (Fund 218) – Disbursements**

<b>Disbursements</b>	
<b>Administrative</b>	<b>\$0.00</b>
<b>Total Disbursements</b>	<b>\$0.00</b>
<b>% of Cost Funded</b>	
	<b>0%</b>

**Childcare Impact Fee (Fund 218) – Ending Balances by Fiscal Year\*, \*\***

<b>Collections</b>	<b>FY21 Ending 6/30/21</b>	<b>FY22 Ending 6/30/22</b>	<b>FY23 Ending 6/30/23</b>	<b>FY24 Ending 6/30/24</b>
<b>Impact Fees</b> 218-50-72-1303-46347	\$1,459.97	\$19,496.46	\$51,014.42	\$20,716.30
<b>Interest</b> 218-00-00-0000-46110	\$0.01	\$40.40	\$676.25	\$2,795.45
<b>Unrealized Loss/Gain</b> 218-00-00-0000-46115	\$0.18	\$(273.76)	\$(868.99)	\$170.40
<b>Administrative Fee</b> 101-00-00-0000-46906	\$19.08	\$387.58	\$1,003.90	\$315.01
<b>Ending Available Balance</b>	<b>\$1,460.16</b>	<b>\$20,723.26</b>	<b>\$71,544.94</b>	<b>\$95,227.09</b>

\* Ending Available Fund Balance is unaudited and is before consideration of remaining interest accrual.

\*\*Ending Balances were updated from last report to account for interest earned/loss after the reporting date.

**5 – Refund:** The refund amount in FY 2024 for Child Impact Fee was \$0.00.

**6 – Identification of Project on Which Fees Were Expended & Amount for Each Improvement Expended:** Not applicable for FY 2024.

**7 – Total Percentage of The Costs of The Public Improvement Funded with Fees:** Not applicable for FY 2024.

**8 – Approximate Date by Which Construction of Improvements Will Commence:** Not applicable for FY 2024.

**9 – Interfund Transfer or Loan Made from Fund:** Not applicable for FY 2024.