



STAFF REPORT

City Council

Meeting Date:

1/13/2026

Staff Report Number:

26-001-CC

Consent Calendar:

Transmittal of the annual report on the status of development impact fees and in-lieu fees collected as of June 30, 2025

Recommendation

Staff recommends the City Council review the City's Development Impact Fee Annual Report providing data on the revenues collected from the transportation impact, storm drainage impact, construction impact and water capacity fees. The recreation in-lieu fee, below market rate (BMR) housing in-lieu fee, heritage tree in-lieu fee and community amenity in-lieu payments are not impact fees under the Mitigation Fee Act but are required to be included in this report.

Policy Issues

This report does not change any existing City policy and affirms the City's intention to continue to charge these impact fees to fund projects and programs that mitigate the impact of development in the City.

Background

Cities and counties often charge fees on new development to fund public improvements to mitigate the impact of development activity. These fees are commonly known as development impact fees. In 1989, the state Legislature passed Assembly Bill 1600 (AB 1600), which added section 66000 et seq. to the California Government Code, commonly known as the Mitigation Fee Act. The City has implemented several in-lieu fees to address development impacts and support community needs. The recreation in-lieu fee, in place since before 1989, funds park and recreation improvements as an alternative to land dedication. The 1987 BMR housing program provides affordable housing for very low, low, and moderate-income households, allowing in-lieu payments in lieu of units. The heritage tree fee, effective July 2020, funds tree preservation and replacement when on-site planting isn't possible. Under the 2016 General Plan, bonus-level development in certain zones must provide community amenities or make an in-lieu payment to address increased development impacts.

Annual findings

As required by Government Code section 66006 (Attachment A), fees should be separated from the General Fund and recorded in various funds and accounts. Within 180 days after the last day of each fiscal year and for each separate account or fund, the City is required to make available to the public the following findings:

- A brief description of the type of fee in each account or fund.
- The amount of the fee.

- The beginning and ending balance of the account or fund.
- The amount of fees collected and interest earned.
- Identification of each public improvement on which impact fees were expended and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees.
- Identification of the approximate date by which construction of a public improvement would commence if the local agency determined that sufficient funds have been collected to complete financing on an incomplete public improvement.
 - Identification of each public improvement identified in a previous report and whether construction began on the approximate date noted in the previous report.
 - For a project identified for which construction did not commence by the approximate date provided in the previous report, the reason for the delay and a revised approximate date that construction will commence.
- A description of each interfund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and, in the case of an interfund loan, the date on which the loan will be repaid, and the rate of interest that the account or fund will receive on the loan.
- The amount of refunds made, the number of people or entities identified to receive those refunds, and any allocations as identified in the five-year findings section below.

Five-year findings

As required by Government Code section 66001 (Attachment B), every five years the City should review the unexpended fees, whether encumbered to a specific project or remaining unencumbered, and determine the following findings:

- Identify the purpose to which the fee is to be put.
- Demonstrate a reasonable relationship between the fee and the purpose for which it is charged.
- Identify all sources and amounts of funding anticipated to complete financing in incomplete improvements.
- Designate the approximate dates on which the funding is expected to be deposited into the appropriate account or fund.

Failure to determine and document whether these findings are still applicable, as required by section 66001, may require the City to initiate a refunding process for any unexpended fees.

Capacity fee findings

As required by Government Code section 66013 (Attachment C), the City is required to make available to the public, within 180 days after the last day of each fiscal year, the following information for that fiscal year:

- A description of the charges deposited in the fund.
- The beginning and ending balance of the fund and the interest earned from investment of moneys in the fund.
- The amount of charges collected in that fiscal year.
- An identification of all of the following:
 - Each public improvement on which charges were expended and the amount of the expenditure for

each improvement, including the percentage of the total cost of the public improvement that was funded with those charges if more than one source of funding was used.

- Each public improvement on which charges were expended that was completed during that fiscal year.
- Each public improvement that is anticipated to be undertaken in the following fiscal year.
- A description of each interfund transfer or loan made from the capital facilities fund. The information provided, in the case of an interfund transfer, shall identify the public improvements on which the transferred moneys are, or will be, expended. The information, in the case of an interfund loan, shall include the date on which the loan will be repaid, and the rate of interest that the fund will receive on the loan.

Timeline for report

The annual findings should be made available to the public at the next regularly scheduled City Council meeting, not less than 15 days after the information is made available to the public. This report was filed with the city clerk and available for public review on Dec. 19, 2025.

Analysis

Transportation impact fees

Growth and development has placed increased pressure on the City's transportation system. The purpose of the transportation impact fee is to provide adequate transportation improvements to serve cumulative development within the city; however, the fee does not replace the need for site-specific transportation improvements that may be needed to mitigate the impact of specific projects upon the City's transportation system. There is a reasonable relationship between the amount of the fee and the purpose for which it is charged because the fee represents the City's proportionate costs of constructing transportation improvements to serve new development and the fee revenues will be used for the purpose of constructing transportation projects that will serve new development.

The transportation impact fee methodology was put in place effective Dec. 6, 2009, with the addition of section 13.26 to the municipal code. In 2019, the City prepared an updated transportation impact fee nexus study which demonstrates the reasonable relationship between the amount of the fees and the purpose for which they are charged. The current fee program became effective in February 2020 and is adjusted annually according to the Engineering News Record (ENR) construction cost index. Current fees are listed below in Table 1:

Table 1: Transportation impact fee		
Land use	Unit	2025 fee amount*
Office	Sq. ft.	\$21.91
Research and development	Sq. ft.	\$9.33
Manufacturing	Sq. ft.	\$12.77
Warehousing	Sq. ft.	\$3.62
Restaurant	Sq. ft.	\$12.77
Retail	Sq. ft.	\$12.77
Single-family	Dwelling units	\$18,864.43
Multifamily	Dwelling units	\$6,358.18
Hotel	Per room	\$11,432.98
Medical office	Sq. ft.	\$65.94
Childcare	Sq. ft.	\$0
Accessory dwelling unit	Units	\$0

*As of June 2025, ENR Construction Cost Index % Change for San Francisco = 0.0

If land use is not one of the above, use this formula: \$19,054.98 * Total PM Peak Hour Trips

For fiscal year 2024-25, the City received total revenue of \$945,871 (\$165,319 in fees, \$269,327 in grant reimbursements, \$277,476 in interest earnings, and \$233,750 due to unrealized gain adjustment on investments). The grant reimbursements were for the Haven Avenue Streetscape Improvement and Middle Avenue Complete Streets Project expenditures, which the City paid for up front and applied for reimbursement from the grantor. The unrealized gain/loss on investments is an accounting requirement to reflect the fair market value of investments at year-end and does not represent a cash gain or loss, provided investments are held until maturity. For the same period, the City expended a total of \$1,923,692 on projects eligible for funding under this revenue source. The ending balance as of June 30, 2025, is \$9,562,004. Of this amount, all funds are available for use to meet current or planned projects eligible for this funding source.

The Haven Avenue Streetscape Improvements, Middle Avenue Complete Streets and El Camino Real (ECR) Crossings Improvements Projects were in construction in fiscal year 2024-25. Over the next five fiscal years, the City estimates it will need \$52,067,536 of transportation impact fees to finance needed infrastructure projects. The City Council adopted the transportation master plan in November 2020, and staff has included new projects from the master plan in the future five-year capital improvement program. As such, there exists a continued need for this fee. Details for transportation impact fees can be found in Attachment D.

Storm drainage impact fees

The storm drainage impact fee commenced before 1989. The fee is levied to mitigate impacts on the storm drainage system either directly or indirectly resulting from development projects. The fee does not cover even a fraction of all the federally or regionally mandated stormwater permitting requirements imposed since 1990 under the National Pollutant Discharge Elimination System (NPDES) permits. There is a reasonable relationship between the fee and its use because the fee is calculated in proportion to a development's impact on storm drain infrastructure, as measured by the number of lots, units or square footage, depending on the type of development. Storm drainage impact fees are charged for property development as shown in the master fee schedule:

- Single-family: per lot \$450.00
- Multifamily: per unit \$150.00
- Industrial and commercial: per square foot of impervious area \$0.24

For fiscal year 2024-25, the City received total revenue of \$19,071 (\$10,650 in fees, \$4,520 in interest earnings, and \$3,901 due to unrealized gain adjustment on investments). The unrealized gain/loss on investments is an accounting requirement to reflect the fair market value of investments at year-end and does not represent a cash gain or loss, provided investments are held until maturity. For the same period, the City expended a total of \$0 on projects eligible for funding under this revenue source. The ending balance as of June 30, 2025, is \$186,410. Of this amount, all funds are available for use to meet planned projects eligible for this funding source.

The Trash Load Reduction Device Installation project began in fiscal year 2024-25. The City plans to use the remaining funds to partially support the storm drain improvements identified in the stormwater master plan adopted in October 2023, which identifies \$12 million in improvements for the two-year storm system. Currently, there still exists a continued need for this fee. Details for storm drainage impact fees can be found in Attachment E.

Construction impact fees

The construction impact fee took effect in November 2005 and was adopted to recover the cost of repairing damage to streets caused by construction-related vehicle traffic. On Aug. 5, 2008, the City Council adopted a resolution extending this fee beyond the three-year sunset provision initially established. There is a reasonable relationship between the fee and its use because the fee is calculated in proportion to a development's impact on city rights-of-way, as measured by the market value of the project. The fee is charged on the value of the construction project as shown in the master fee schedule:

- 0.58% of a construction project's value
- Residential alteration and repairs, as well as all projects under \$10,000, are exempt from the fee

For fiscal year 2024-25, the City received total revenue of \$1,295,483 (\$905,659 in fees, \$209,073 in interest income and \$180,751 in unrealized gain adjustment on investments). The unrealized gain/loss on investments is an accounting requirement to reflect the fair market value of investments at year-end and does not represent a cash gain or loss, provided investments are held until maturity. For the same period, the City expended a total of \$1,484,667 on projects eligible for funding under this revenue source. The ending balance as of June 30, 2025, is \$7,626,911. Of this amount, all funds are available for use to meet current or planned projects eligible for this funding source.

During fiscal year 2024-25, the annual street resurfacing and maintenance project was completed. Over the next five fiscal years, the City estimates it will require \$7.7 million from construction impact fees to finance needed infrastructure projects. As such, there exists a continued need for this fee. Details for construction impact fees can be found in Attachment F.

Water capacity fees

The purpose of the water capacity fee is to fund a proportionate share of the costs of existing and future water system facilities that are necessary to meet increases in water demand. The fee is established to fund costs of capital infrastructure for the City's water system, proportionate to the increased demand generated by new development. The fees are published as part of the five-year water rate schedule that covers the period between July 1, 2021, through June 30, 2026. If a property proposes to upgrade an existing connection, a capacity credit is issued for the existing water meter size. The fees for 2025 are listed below in Table 3:

Table 3: Water capacity charges	
Meter size	2025 fee amount
5/8"	\$8,031
3/4"	\$8,031
1"	\$13,386
1-1/2"	\$26,771
2"	\$42,833
3"	\$85,668
4"	\$133,856
6"	\$267,712
8"	\$428,339
10"	\$615,737
12"	\$1,151,160

The City received \$241,047 in water capacity fees during fiscal year 2024-25. For the same period, the City expended a total of \$241,047 on projects eligible for funding under this revenue source. The ending balance as of June 30, 2025, is \$5,180. Over the next five fiscal years, the City estimates it will continue to need water capacity fees to partially finance needed infrastructure projects. Details for the water capacity fees can be found in Attachment G. In fiscal year 2024-25, the City completed the following projects that were funded either wholly or partially by water capacity fees: Continental Drive water main replacement project.

Recreation in-lieu fees

The recreation in-lieu fee commenced before 1989. The purpose of the fee is to provide improved and expanded recreation facilities to serve new residential uses. The fee is assessed as an option for

residential developments in-lieu of providing dedication of land for new facilities. There is a reasonable relationship between the fee and its use because the fee is calculated in proportion to a development's impact on parklands and recreational facilities, as measured by the number of units and the market value of the land. The fee is charged on new residential subdivisions as authorized under municipal code section 15.16.020 in accordance with the Quimby Act and summarized in the master fee schedule:

- Single-family (RE and R-1): \$127,400 per unit
- Multifamily development (R-2, R-3, RLU and PD): \$78,400 per unit

For fiscal year 2024-25, the City received total revenue of \$437,189 (\$411,600 in fees, \$15,385 in interest income and \$10,204 due to unrealized gain adjustment on investments). The unrealized gain/loss on investments is an accounting requirement to reflect the fair market value of investments at year-end and does not represent a cash gain or loss, provided investments are held until maturity. For the same period, the City expended a total of \$1,383,820 on projects eligible for funding under this revenue source. The ending balance as of June 30, 2025, is \$140,122. Of this amount, all funds are available for use to meet current or planned projects eligible for this funding source.

The Belle Haven Community Campus, Park Playground Equipment replacement and the Willow Oaks Park improvements projects were constructed in fiscal year 2024-25. Over the next five fiscal years, the City's total recreation infrastructure needs are expected to exceed \$150,071; however, only \$150,071 in funding is anticipated to come from recreation in-lieu fees. As such, there exists a continued need for this fee. Details for recreation in-lieu fees can be found in Attachment H.

BMR housing in-lieu fees

The BMR housing program was established in 1987 to increase the housing supply for households that have very low, low- and moderate-incomes as defined by income limits set by the California Department of Housing and Community Development for San Mateo County. The primary objective is to create actual housing units rather than equivalent cash. The BMR housing program is applicable to both residential and commercial development that meet certain criteria. There is a reasonable relationship between the fee and its use because the fee is generally equal to the cost of providing affordable housing units in-lieu of the units being provided by new development. The payment of an in-lieu fee is one way to meet the BMR requirements.

Residential developers are subject to the following requirements, but may be permitted to pay an in-lieu payment for a fractional unit in certain situations:

- Residential developments of five or more units are strongly encouraged to provide a BMR unit.
- Residential developments of 10 to 19 units are required to provide 10% of the housing at BMRs.
- Residential developments of 20 units or more are required to provide 15% of the housing at BMRs.

For new commercial developments equal to or greater than 10,000 square feet that generate employment opportunities, the commercial linkage fee for fiscal year 2024-25 was established as follows:

- Group A: \$22.21 per square foot of net new gross floor area for most commercial uses.
- Group B: \$12.05 per square foot of net new gross floor area for defined uses that generate fewer employees.

For fiscal year 2024-25, the City received total revenue of \$2,216,297, including \$709,051 of in-lieu

payments collected. For the same period, the City expended a total of \$5,663,097 on costs eligible for funding under this revenue source. The ending balance as of June 30, 2025, is \$9,729,388 and is available to meet current or planned projects eligible for this funding source. The City Council has committed use of BMR funds over the past several years, primarily through the City's notice of funding availability (NOFA) process that would reduce the available BMR fund balance once the funds are encumbered. Over the next five fiscal years, the City estimates it will need \$13,196,335 from BMR housing fees. Currently, there still exists a continued need for this fee. It is anticipated that approved non-residential development projects will make in-lieu payments in the next few years to help replenish the BMR housing fund to assist future affordable housing projects. Details for the BMR housing in-lieu fees can be found in Attachment I.

Heritage tree in-lieu fees

The heritage tree in-lieu fee commenced July 1, 2020. The City desires to protect and preserve the scenic beauty and natural environment, prevent erosion of topsoil and sedimentation in waterways, encourage quality development, provide shade and wildlife habitat, counteract pollutants in the air and decrease wind velocities and noise. The overall goal of the heritage tree ordinance is to ensure continued canopy cover is maintained or increased. The City prefers the planting of replacement trees on-site, but if the property does not have space to plant replacement trees, there is an option to pay an in-lieu fee. There is a reasonable relationship between the fee and its use because the fee is equal to the City's costs to provide trees in-lieu of those trees being provided by the fee payor. The fee is based on the value of the tree container size as listed below in Table 2 and helps support maintaining and planting public trees.

Table 2: Heritage tree in-lieu fees	
Replacement tree requirement	In-lieu value
One #5 container	\$100
One #15 container	\$200
One 24-inch tree box	\$400
One 36-inch tree box	\$1,200
One 48-inch tree box	\$5,000
One 60-inch tree box	\$7,000

For fiscal year 2024-25, the City received total revenue of \$124,431 (\$85,234 in fees, \$20,719 in interest income and \$18,478 due to unrealized gain adjustment on investments). The unrealized gain/loss on investments is an accounting requirement to reflect the fair market value of investments at year-end and does not represent a cash gain or loss, provided investments are held until maturity. For the same period, the City expended a total of \$0 on projects eligible for funding under this revenue source. The ending balance as of June 30, 2025, is \$818,470. Of this amount, all funds are available for use to meet planned projects eligible for this funding source, including tree planting.

Development of the urban forest management plan began in fiscal year 2024-25. The request for proposal to create an urban forest management plan is tentatively scheduled to be released in fiscal year 2025-26. The City plans to use the remaining funds to support improvements and planting priorities to be identified

in the urban forest management plan as it is developed and adopted. Currently, there exists a continued need for this fee to support these improvements as well as to help preserve and maintain a healthy urban canopy. Details for the heritage tree in-lieu fees can be found in Attachment J.

Community amenities in-lieu payments

As a part of the approval of the 2016 General Plan update, the City created the following zoning districts: Office (O), Life Sciences (LS) and Residential Mixed-Use (R-MU.) Regulations for bonus level development and community amenities were established in these zoning districts. In exchange for bonus level development (increased floor area ratio, density (dwelling units per acre) and/or height), an applicant is required to provide community amenities from a City Council-adopted list of community amenities in the area between Highway 101 and the San Francisco Bay. The required community amenity value is 50% of the fair market value of the additional (bonus) gross floor area above the base allowable gross floor area for a parcel or project site. In lieu of providing and constructing a community amenity from the adopted list of community amenities, applicants may choose to provide a payment in the amount of 110% of the community amenities value. There is a reasonable relationship between the increased intensity and/or density of bonus level development and the increased effects on the surrounding community. There is also a reasonable relationship between the community amenities in-lieu payment and its use because the required community amenities in exchange for bonus level development are intended to address identified community needs that result from the effect of increased development in the surrounding community. The adopted community amenity list includes projects that exceed the current fund balance.

For fiscal year 2024-25, the City received total revenue of \$6.7 million (\$4.9 million in community amenity in-lieu payments, \$957,984 in interest income and \$871,202 due to unrealized gain adjustment on investments). The unrealized gain/loss on investments is an accounting requirement to reflect the fair market value of investments at year-end and does not represent a cash gain or loss, provided investments are held until maturity. For the same period, the City expended a total of \$0 on projects eligible for funding under this revenue source. The ending balance as of June 30, 2025, is \$37,139,185. Of this amount, all funds are available for use to meet planned projects eligible for this funding source. The City's fiscal year 2025-26 adopted capital improvement plan identifies \$1.3 million for park improvements in the Belle Haven neighborhood, which would be funded by the community amenities fund. In addition, it is planned that the City will require \$35,739,185 in community amenity in-lieu payments to fund future projects. Details for community amenities in-lieu payments can be found in Attachment K.

Impact on City Resources

There is no impact on City resources resulting from this annual report. This report meets the compliance requirements of the Mitigation Fee Act. The figures presented in the Development Impact Fee Annual Report are preliminary and unaudited and are therefore subject to change upon completion of the final audit and publication of the Annual Comprehensive Financial Report (ACFR).

Environmental Review

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §§15378 and 15061(b)(3) as it will not result in any direct or indirect physical change in the environment.

Public Notice

Public notification to comply with the Mitigation Fee Act is achieved by posting the annual report at least 15 days before the meeting at which the City Council is anticipated to make required findings as outlined in the recommendation.

Attachments

- A. Hyperlink – Government Code section 66006:
[leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV§ionNum=66006](https://leginfo.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV§ionNum=66006). Transportation impact fee financial report
- B. Hyperlink – Government Code section 66001:
[leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV§ionNum=66001](https://leginfo.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV§ionNum=66001).
- C. Hyperlink – Government Code section 66013:
[leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV§ionNum=66013](https://leginfo.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV§ionNum=66013).
- D. Transportation impact fee financial report
- E. Storm drainage impact fee financial report
- F. Construction impact fee financial report
- G. Water capacity fee financial report
- H. Recreation in-lieu fee financial report
- I. BMR housing in-lieu fee financial report
- J. Heritage tree in-lieu fee financial report
- K. Community amenities fund financial report

Report prepared by:

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City of Menlo Park
Transportation Impact Fee (TIF) Financial Report (Fund 351)

Transportation Impact Fees	2024-25
Beginning balance	\$ 10,539,825
Developer Fees	165,319
Grant reimbursement*	269,327
Interest income	277,476
Unrealized gain/(loss) on investment**	233,750
Expenditures	(1,923,692)
Ending Balance	\$ 9,562,004

There were no interfund loans nor interfund transfers from impact fee to other funds this year. No refunds have been paid out of this fund.

*Haven Avenue Streetscape Improvement (51 percent); Middle Avenue Complete Streets (49 percent) projects

**The unrealized gain/loss on investments is an accounting requirement to reflect the year-end fair market value of the fund's allocation of the City investment portfolio and does not represent a cash gain or loss, provided investments are held until maturity.

***The figures presented in the AB1600 report are preliminary and unaudited, and are therefore subject to change upon completion of the final audit.

2024-25 Project Expenditures	FY 24/25 TIF expended	Fee % share	Construction start date ¹
Haven Avenue Streetscape Improvement	512,266	39%	10/2023
Middle Avenue Caltrain Crossing Study Design and Construction	587,610	100%	Tent. 2026
ECR Crossings Improvements	48,234	100%	08/2025
Transportation projects (minor)*	-	100%	Ongoing
Middle Avenue Complete Streets	156,858	47%	8/2023
Willow Rd & Newbridge St Bicycle and Pedestrian Improvement	618,724	100%	Tent. 2027
Total	\$ 1,923,692		

Future Projects	Construction start date ¹	TIF funding 2025-26	Other funding sources 2025-26	Funding source	TIF funding 2026-30	Total TIF future needs
Caltrain Grade Separation	Tent. 2028- On Hold	2,000,000	130,376	SMCTA Grade Separation**	19,000,000	21,000,000
ECR Crossings Improvements*	08/2025	510,685	-	Grant	-	510,685
Middle Avenue Caltrain Crossing Study Design and Construction*	Tent. 2026	7,307,439	-	Grants	10,000,000	17,307,439
Middle Avenue Complete Streets*	8/2023	89,248	57,521	Grant	1,100,000	1,189,248
Santa Cruz and Sand Hill Corridor Safety	2027	73,000	88,000	Measure A	1,259,780	1,332,780
Sharon/Eastridge Oak/Oak Knoll Safety	08/2026	350,000	180,000	Measure A	350,000	700,000
Traffic Signal Modifications	Ongoing	3,617,804	-	Grants	1,500,000	5,117,804
Transportation Projects (minor)	Ongoing	587,175	-	Measure A, General Fund	800,000	1,387,175
Willow Rd & Newbridge St Bicycle and Pedestrian Improvement*	Tent. 2027	1,872,405	-	Grant	1,650,000	3,522,405
Total		\$ 16,407,756	\$ 455,897		\$ 35,659,780	\$52,067,536

¹ Construction start dates are shown as month and year of construction contract authorization for projects that have commenced construction. For future projects, the year construction is expected to commence is noted.

* Grant funding will be received as reimbursement. City pays for project up front with TIF funds

** Costs for next scope of work in development. SMCTA Grade Separation program will pay for 90% of Preliminary Engineering.

Collected Developer Payments	2024-25
2900 Sand Hill Rd	165,319
Total	\$ 165,319

City of Menlo Park
Storm Drainage Impact Fee Financial Report (Fund 354)

Storm Drainage Impact Fees	2024-25
Beginning balance	\$ 167,339
Developer fees	10,650
Interest income	4,520
Unrealized gain/(loss) on investment*	3,901
Expenditures	-
Ending Balance	\$ 186,410

There were no interfund loans nor interfund transfers from impact fee to other funds this year. No refunds have been paid out of this fund.

*The unrealized gain/loss on investments is an accounting requirement to reflect the year-end fair market value of the fund's allocation of the City investment portfolio and does not represent a cash gain or loss, provided investments are held until maturity.

**The figures presented in the AB1600 report are preliminary and unaudited, and are therefore subject to change upon completion of the final audit.

2024-25 Project Expenditures	FY 24/25 SDIF expended	Fee % share	Construction start date ¹
None	-		
Total	\$ -		

Future Projects	Construction start date	SDIF funding 2025-26	Other future funding sources	Funding source	SDIF funding 2026-30	Total SDIF future needs
Two-year Storm System Capital Improvements (per 2023 Stormwater Master Plan)	Tent 2026	-	11,500,000	General fund, grants	500,000	500,000
Total		\$ -	\$ 11,500,000		\$ 500,000	\$ 500,000

¹ Construction start dates are shown as month and year of construction contract authorization for projects that have commenced construction. For future projects, the year construction is expected to commence is noted.

Collected Developer Payments	2024-25
795 Willow Rd	9,300
940 Altschul Ave	450
451 O'Connor St	450
801 Hermosa Way	450
Total	\$ 10,650

City of Menlo Park
Construction Impact Fee Financial Report (Fund 362)

Construction Impact Fees	2024-25
Beginning balance	\$ 7,816,095
Developer Fees	905,659
Interest income	209,073
Unrealized gain/(loss) on investment*	180,751
Expenditures	(1,484,667)
Ending balance	\$ 7,626,911

There were no interfund loans nor interfund transfers from impact fee to other funds this year. No refunds have been paid out of this fund.

*The unrealized gain/loss on investments is an accounting requirement to reflect the year-end fair market value of the fund's allocation of the City investment portfolio and does not represent a cash gain or loss, provided investments are held until maturity.

**The figures presented in the AB1600 report are preliminary and unaudited, and are therefore subject to change upon completion of the final audit.

2024-25 Project Expenditures	FY 24/25 CIF expended	Fee % share	Construction start date ¹
Pavement Slurry Project Project - Marmona Dr, East Creek Dr, May Brown Ave, Valparaiso Ave	1,413,163	47%	7/2024
Street Maintenance	71,505	100%	7/2024
Total Expenditures:	\$ 1,484,667	100%	

¹ Construction start dates are shown as month and year of construction contract authorization for projects that have commenced construction. For future projects, the year construction is expected to commence is noted.

Future Projects	Start date	CIF funding 2025-26	Other funding sources 2025-26	Funding source	CIF funding 2026-30	Total CIF future needs
Street Resurfacing	6/2025	2,100,000	4,669,800	Highway users tax, SB1 funds, Measure W	5,600,000	7,700,000
Total		\$ 2,100,000	\$ 4,669,800		\$ 5,600,000	\$ 7,700,000

Collected Developer Payments	2024-25
1140 Bay Laurel Dr	82,360
64 Willow Pl	57,334
2800 Sand Hill Rd	40,658
2550 Sand Hill Dr	38,448
2882 Sand Hill Rd	37,004
2900 Sand Hill Rd	33,640
8 Homewood Pl	32,161
1460 Bay Laurel Dr	30,160
2884 Sand Hill Rd	29,309
595 Hobart St	20,428
400 permits less than \$20,300 each	504,158
Total	\$ 905,659

City of Menlo Park
Water Capacity Fee Financial Report (Fund 602)

Water Capacity Fees	2024-25
Beginning balance	\$ -
Capacity fees	241,047
Interest income	2,685
Unrealized gain/(loss) on investment*	2,495
Expenditures	(241,047)
Ending Balance	\$ 5,180

There were no interfund loans nor interfund transfers from impact fee to other funds this year. No refunds have been paid out of this fund.

*The unrealized gain/loss on investments is an accounting requirement to reflect the year-end fair market value of the fund's allocation of the City investment portfolio and does not represent a cash gain or loss, provided investments are held until maturity.

**The figures presented in the AB1600 report are preliminary and unaudited, and are therefore subject to change upon completion of the final audit.

2024-25 Project Expenditures	FY 24/25 Capacity fee expended	Fee % share	Construction start date	Total Project Expense
Water Main Replacement - Continental Drive	241,047	16%	4/2024	1,541,431
Total	\$ 241,047			

¹ Construction start dates are shown as month and year of construction contract authorization for projects that have commenced construction.

Future Projects	Start date	Capacity fee funding 2025-26	Other funding sources 2025-26	Funding source	Capacity Fee funding 2026-30
Water Main Replacement at Sand Hill Rd. and Monte Rosa Dr.	6/2026	250,000	4,910,767	Menlo Park Municipal Water Capital fund	-
Total		\$ 250,000	\$ 4,910,767		\$ -

Collected Developer Payments	2024-25
795 Willow Rd	150,696
811 Bay Rd	18,741
1049 Woodland Ave	18,740
127 Laurel Ave	18,740
1025 Oakland Ave	5,355
167 Mckendry Dr	5,355
225 Lexington Dr	5,355
341 Terminal Ave	5,355
711 Central Ave	5,355
955 Monte Rosa Dr	5,355
415 Ivy Dr	2,000
Total	\$ 241,047

Total capacity fee future needs
250,000
\$ 250,000

City of Menlo Park
Recreation In-Lieu Fee Financial Report (Fund 256)

Recreation In-Lieu Fees	2024-25
Beginning balance	\$ 1,086,753
Developer Fees	411,600
Interest income	15,385
Unrealized gain/(loss) on investment*	10,204
Expenditures	(1,383,820)
Ending balance	\$ 140,122

There were no interfund loans nor interfund transfers from impact fee to other funds this year. No refunds have been paid out of this fund.

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2024-25 Project Expenditures	FY 24/25 RIL expended	Fee % share	Construction start date ¹
Belle Haven Community Campus ²	1,228,567	31%	2021
Park Playground Equipment - Willow Oaks	129,117	100%	2023
Willow Oaks Park Improvements	26,137	100%	2023
Total*	\$ 1,383,820	100%	

¹ Construction start dates are shown as month and year of construction contract authorization for projects that have commenced construction. For future projects, the year construction is expected to commence is noted.

² The Belle Haven Community Campus was funded by multiple funding sources

*Rounded to the nearest dollar

Future Projects	Start date	RIL funding 2025-26	Other funding sources 2025-26	Funding source	RIL funding 2026-30	Total RIL future needs
Park Playground Equipment - Karl E Clark*	Est. 2027	150,071	550,000	General Capital Improvements	-	150,071
Total		\$ 150,071	\$ 550,000		\$ -	\$ 150,071

*Based on the 2015 Playground Safety Report, the next 3 playgrounds to be replaced are Karl E Clark Park, Sharon Park, and Jack Lyle Park.

Collected Developer Payments	2024-25
451 O'Connor St	254,800
811 Bay Rd	156,800
940 Altschul Ave	127,400
Total	\$ 411,600

City of Menlo Park
Below Market Rate (BMR) Housing In-Lieu Fee Financial Report (Fund 222)

Below Market Rate (BMR) Housing In-Lieu Fee	2024-25
Beginning balance	\$ 13,176,189
BMR Fees collected per City Ordinance	709,051
Interest Income	1,101,353
Unrealized gain/(loss) on investment*	390,954
Rental Income	14,938
Proceeds from the Sale of Assets	-
Expenditures	(5,663,097)
Ending balance	\$ 9,729,388

There were no interfund loans nor interfund transfers from impact fee to other funds this year. No refunds have been paid out of this fund.

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2024-25 Project Expenditures	FY 24/25 BMR expended	Fee % share	Construction start date ¹
BMR Housing program - Administrative Costs	493,298	100%	N/A
Rebuilding Together Peninsula Rehab Program	69,754	100%	N/A
Homeownership Preservation Program	126,633	100%	N/A
335 Pierce Road	2,973,411	100%	N/A
MidPen Housing Veteran Housing	2,000,000	100%	N/A
Total	\$ 5,663,097		

¹ Construction start dates are shown as month and year of construction contract authorization for projects that have commenced construction. For future projects, the year construction is expected to commence is noted.

Future Projects	Start date	BMR funding 2025-26	Other funding sources 2025-26	Funding source	BMR 2026-30 funding	Total
2026 NOFA Issuance	TBD	4,000,000				4,000,000
320 Sheridan Dr	1/2026	1,000,000	-			1,000,000
335 Pierce Road (Committed*)	FY24-25	626,589	-		-	626,589
509 Sandlewood	TBD	300,000				300,000
975 Florence	TBD	-	-		408,949	408,949
BMR Housing program - Administrative Costs	Annual	600,000	-		2,524,000	3,124,000
Habitat for Humanity Homeownership (123 Independence)	FY24-25	2,000,000	-		-	2,000,000
Homeownership Preservation Program (Committed*)	5/2023	1,073,367	-		-	1,073,367
Legal Assistance Program - MTC Grant Commitment	TBD				300,000	300,000
Rebuilding Together Peninsula Rehab Program (Committed*)	11/2023	63,431	-		-	63,431
Rental Assistance Program - MTC Grant Commitment	TBD				300,000	300,000
Total		\$ 9,663,386	\$ -		\$ 3,532,949	\$13,196,335

*Committed projects were approved by Council and funds are not available for any other use; however, these have not been fully expended.

Collected Developer Payments	2024-25
305 Constitution Dr	709,051
Total	\$ 709,051

City of Menlo Park
Heritage Tree In-Lieu Fee Financial Report (Fund 211)

Heritage Tree In-Lieu Fees	2024-25
Beginning balance	\$ 694,039
Fees	85,234
Interest Income	20,719
Unrealized gain/(loss) on investment*	18,478
Expenditures	-
Ending Balance	\$ 818,470

There were no interfund loans nor interfund transfers from impact fee to other funds this year. No refunds have been paid out of this fund.

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2024-25 Project Expenditures	Total expended	Fee % share	Construction start date ¹
None	-		
Total	\$ -		

¹ Construction start dates are shown as month and year of construction contract authorization for projects that have commenced construction.

Future Projects	Start date	HT funding 2025-26	Other funding sources 2025-26	Funding source	HT funding 2026-30	Total
Urban Forest Management Plan and Implementation	11/2025	250,000	250,000	Environmental Justice Program	320,000	820,000
Total		\$ 250,000	\$ 250,000		\$ 320,000	\$ 820,000

Collected Developer Payments	2024-25
540 Glenwood Ave	21,500
1485 Laurel St	14,000
785 Partridge Ave	6,000
940 Altschul Ave	5,120
755 Oak Knoll Ln	5,000
291 Oakhurst Pl	4,254
1000 Hermosa Way	3,150
670 Cambridge Ave	3,100
3 Brent Ct	2,800
1401 Santa Cruz Ave	2,400
30 projects less than \$2,200 each	17,910
Total	\$ 85,234

City of Menlo Park
Community Amenities In-Lieu Payments Financial Report (Fund 369)

Community Amenities In-Lieu Payments	2024-25
Beginning balance	\$ 30,415,000
Developer Payments	4,895,000
Interest Income	957,984
Unrealized gain/(loss) on investment*	871,202
Expenditures	-
Ending Balance	\$ 37,139,185

There were no interfund loans nor interfund transfers from impact fee to other funds this year. No refunds have been paid out of this fund.

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2024-25 Project Expenditures	Total expended	Fee % share	Construction start date ¹
	-		
Total	\$ -		

Future Projects	Start date	Community Amenities funding (2025 - 2026)	Other funding Sources 2025-26	Funding source	Community Amenities funding (2026-2030)	Total
Belle Haven Park Improvements	2027	1,300,000	-		4,000,000	5,300,000
Community amenity list implementation (Carbon-free transit and enhanced transportation; community-serving retail; Energy, technology, utilities, and communication infrastructure in the Belle Haven and Bayfront neighborhoods; Enhanced quality of life)	TBD	-	-		31,739,185	31,739,185
Consultant support for community amenity project scoping and identification	2026	100,000				100,000
Total		\$ 1,400,000	\$ -		\$ 35,739,185	\$ 37,139,185

Collected Developer Payments	2024-25
141 Jefferson Dr & 180-186 Constitution Dr	4,895,000
Total	\$ 4,895,000