



TOWN OF TIBURON
1505 Tiburon Boulevard
Tiburon, CA 94920

Town Council Meeting
January 7, 2026
Agenda Item: **CC-3**

STAFF REPORT

To: Mayor and Members of the Town Council
From: Community Development Department
Subject: Recommendation to Accept the Fiscal Year 2024-2025 Development Impact Fee Report Pursuant to California Government Code

SUMMARY

The Town of Tiburon assesses three types of development impact fees: traffic mitigation, street impact, and stormwater runoff. California Government Code requires that specific data on development impact fees be made publicly available within 180 days after the close of each fiscal year and that a public meeting be held at the next regularly scheduled meeting following the release of this data.

RECOMMENDED ACTION

1. Staff recommends that the Town Council accept the Fiscal Year 2024-2025 Development Impact Fee Report and find this action exempt from the California Environmental Quality Act as part of the Consent Calendar.

BACKGROUND

Like most cities and counties in California, the Town of Tiburon assesses public facilities fees on development projects. Certain fees are classified as “development impact fees” under the Mitigation Fee Act (California Government Code Section 66000 et seq.). Section 66006 of the Act requires that specific data on development impact fees be made publicly available within 180 days after the close of each fiscal year (by December 27) and that a public meeting be held at the next regularly scheduled meeting following the release of this information.

California Government Code Section 66001 also requires the Town to publish a more comprehensive development impact fee report every five years. The Town satisfied this requirement with its fiscal year (FY) 2023–2024 report. This current report provides the annual data for FY 2024–2025, which ended on June 30, 2025.

ANALYSIS

The Town of Tiburon assesses three categories of development impact fees: traffic mitigation, street impact, and stormwater runoff. Information about each of the Town’s three development impact fees is detailed below. It is important to note that some fund beginning balances differ from ending balances in the FY 2023-2024 Development Impact Fee Report due to finance staff updating entries as the Town closes previous years’ records. The primary changes relate to how

investment earnings are calculated – a Fair Market Value adjustment was made to FY 2021-2022 and FY 2022-2023.

Traffic Mitigation Fee

Traffic mitigation fees help fund the Town’s proportionate share of improvements needed to increase street capacity within the Tiburon Planning Area, accommodating traffic generated by new development. These improvements may include widening major intersections, installing traffic signals, and other types of mitigation measures. The Traffic Mitigation Fund consists of newly collected fees as well as fees assessed prior to October 2017 under the former Circulation System Improvement Fund (for incorporated Tiburon) and Planning Area Mitigation Fund (for areas outside town limits but within the Tiburon Planning Area). Accumulated funds may also be used for periodic updates to the General Plan’s Traffic and Circulation Element and for traffic studies contracted by the Town.

In FY 2024-2025 no monies were expended from this fund, however the Town anticipates utilizing these funds over the next several years for the following projects:

- Bike and pedestrian safety improvements along Tiburon Boulevard
- Improvements at the Highway 101 interchange with Tiburon Boulevard
- Contributions to planned Caltrans improvements to Tiburon Boulevard
- Contributions to bike and pedestrian studies and/or improvements along Paradise Drive

TIBURON TRAFFIC MITIGATION FUND (Includes Funds 389 and 393)

Starting Fund Balance, July 01, 2024	\$ 271,432.97
Revenues:	
Fees Collected	\$ 0
Interest Earnings	\$ 17,873.41
TOTAL REVENUES	\$ 17,873.41
Expenditures:	
Project Expenditures	\$ 0
Refund/Reimbursement	\$ 0
TOTAL EXPENDITURES	\$ 0
ENDING FUND BALANCE, JUNE 30, 2025	\$ 289,306.38

Street Impact Fee

The Street Impact Fee became effective in July 1999. This fee partially offsets the Town’s costs of public roadway maintenance by assessing a fee of 1.0% (.01) on the valuation of all Town-issued building permits. As an example, a project with a \$100,000 building permit valuation would be assessed a \$1,000 Street Impact Fee.

TIBURON STREET IMPACT FUND

Starting Fund Balance, July 01, 2024	\$ 1,916,437.75
Revenues:	
Fees Collected	\$ 993,740.24
Interest Earnings	\$ 140,929.65
TOTAL REVENUES	\$ 1,134,669.89
Expenditures:	
Pavement Refurbishing	\$ (765,357.52)
Refund/Reimbursement	\$ 0
TOTAL EXPENDITURES	\$ (765,357.52)
ENDING FUND BALANCE, JUNE 30, 2025	\$ 2,285,750.12

In FY 2024-2025, the Town had approximately \$1,870,427.59 of Street-related expenditures (Projects 810285 and 810287), approximately 40% of which were funded using Street Impact Fees. No refunds or transfers were issued from this account in Fiscal Year 2024-25. All funds collected through Street Impact Fees are used to fund annual, on-going pavement refurbishing to maintain the existing level of service, in conjunction with State and County funding committed to Streets Maintenance.

Stormwater Runoff Impact Fee

The Town implemented the Stormwater Runoff Impact Fee in 2005. The Stormwater Runoff Impact Fee helps fund design and construction improvements to the public storm drain system to ensure it can manage increased runoff generated by new development. Impervious surfaces such as roofs, driveways, and paved areas prevent water from soaking into the ground, increasing stormwater runoff. The Stormwater Runoff Impact Fee is assessed at \$1.00 per square foot of new impervious surface created by construction projects. The amount charged is reasonably related to the Town’s proportionate cost of providing storm drain system improvements. Revenue collected is dedicated to stormwater infrastructure projects that serve the developments generating the runoff.

STORMWATER RUNOFF IMPACT FUND

Starting Fund Balance, July 01, 2024	\$ 234,544.19
Revenues:	
Fees Collected	\$ 45,942.00
Interest Earnings	\$ 19,751.52
TOTAL REVENUES	\$ 65,693.52
Expenditures:	
Project Expenditures	\$ (40,000)
Refund/Reimbursement	\$ 0
TOTAL EXPENDITURES	\$ (40,000)
ENDING FUND BALANCE, JUNE 30, 2025	\$ 260,237.71

Stormwater Runoff projects in FY 2024-2025 were funded using Stormwater Runoff Impact Fees and General Fund Reserves. No inter-fund loans, transfers, or refunds were issued to or from this account in FY 2024-2025.

Over the next several years, Stormwater Runoff Impact Fee funds and General Fund Reserves will be used for storm drain maintenance projects. The Town completed design work in FY 2024-2025 for a significant storm drain project for which construction will begin in 2026.

FINANCIAL IMPACT

Staff time to prepare the FY 2024-2025 Development Impact Fee Report is included in the Town of Tiburon General Operating budget and Town Council acceptance of the report has no financial impact.

ENVIRONMENTAL REVIEW

Acceptance of the FY 2024-2025 Development Impact Fee Report is statutorily exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15378 of the CEQA Guidelines in that it does not constitute a project under CEQA, and if it were found to constitute a project, it would be exempt pursuant to the general rule set forth in CEQA Guidelines Section 15061 (b)(3).

RECOMMENDATION

Staff recommends that the Town Council accept the FY 2024-2025 Development Impact Fee Report and find this action exempt from the California Environmental Quality Act as part of the Consent Calendar.

Prepared By: Shari Meads, Director of Community Development with input from other Town staff.