

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



FROM: Transportation and Land Management Agency

SUBMITTAL DATE: February 01, 2006

SUBJECT: South Valley Parkway Implementation Program and Community Facilities Phasing and Funding Strategy

RECOMMENDED MOTION: That the Board of Supervisors:

1. Establish a policy that new development in the Eastern Coachella Valley shall fund all needed infrastructure and not be dependent on the County's General Fund;
2. Direct TLMA staff to identify the community facilities needed to serve new development in the South Valley Parkway Implementation Program boundary (Attachment A), and subsequently the Eastern Coachella Valley Area Plan;
3. Direct staff to develop a funding strategy that ensures phased funding and/or construction of community facilities (some of which may require at a minimum that contracts for construction be in place prior to the issuance of building permits);
4. Require that staff work with the major property owners and/or developers within the area to develop a Community Facilities Phasing and Funding Strategy that could be used for conditioning projects located within the South Valley Parkway Implementation Program boundary and as a foundation for negotiations for Development Agreements for additional or enhanced facilities;
5. Encourage development of thematic design guidelines that complements the existing equestrian/agricultural communities of the Eastern Coachella Valley;

(Continued on page 2)

Tony Carstens, Director
Transportation & Land Management Agency

FINANCIAL DATA:	N/A		
CURRENT YEAR COST:	\$	ANNUAL COST:	\$
NET COUNTY COST:	\$	IN CURRENT YEAR BUDGET:	\$
		BUDGET ADJUSTMENT FY:	

SOURCE OF FUNDS:

C.E.O. RECOMMENDATION: APPROVE.

County Executive Officer Signature

Consent Policy
 Consent Policy
 Department Recommendation:
 Per Executive Office:

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6. Direct staff to coordinate with the staffs of the Cities of Indio, Coachella and La Quinta, Economic Development Agency (EDA), Coachella Valley Association of Governments (CVAG), Local Agency Formation Commission (LAFCO), CalTrans, and other governmental entities to advance the construction of roads and other community facilities;
7. Direct TMLA and CEO staff, with assistance from other appropriate county departments, to identify and evaluate the feasibility of using special funding mechanisms [including, but not limited to, Road and Bridge Benefit District (RBBD), County Service Area (CSA), and Community Facility District (CFD)] to pay for ongoing maintenance, and extending urban-type services to new projects within the area; and
8. Direct TLMA staff to report back as necessary with refinements to this program, which may result from discussions with developers, major property owners, and input from the existing communities.

BACKGROUND:

The Eastern Coachella Valley Area Plan, updated as part of the County's General Plan in 2003, encompasses one of the most important agricultural lands in the county. The General Plan anticipates agricultural land uses on approximately 40,000 acres (of approximately 400,000 total acres of the Eastern Coachella Valley Area Plan), which are projected to accommodate a potential of over 2,000 dwelling units and over 6,000 residents at build out. However, agricultural lands in the Eastern Coachella Valley, are giving way to more urban types of development, which was not envisioned in the General Plan. In the absence of sensitive planning and project coordination, leapfrog development may occur, resulting in a patchwork of underserved and uncoordinated tract map and specific plan approvals without provision of adequate roads or other community facilities.

There are several large development proposals under consideration in the area. These developments have a potential to significantly alter the population, land use, and transportation projections of the General Plan. Therefore, the County is working with the development proponents to ensure that roads and other community facilities are provided in advance of, or as development occurs, and that these facilities are provided at no cost to the residents of the existing communities. It is also intended that the needed new community facilities be provided with no impact to the County's general fund. A comprehensive strategy is necessary to ensure that the area developers work together to identify, fund, and construct the needed facilities in a manner that meet the approval requirements of the County and the needs of the area.

Upon support and direction from the Fourth District Supervisor, staff has been working to implement a vision that ensures that development within the South Valley Parkway Implementation Program boundary pays its own way regarding new public facilities. In order to accomplish this vision, several things must be accomplished:

- a) The County's land use, circulation, recreation, and open space components of the Eastern Coachella Valley Area Plan must be updated;
- b) A community facilities phasing and funding program must be adopted to ensure that necessary community facilities are provided to keep pace with future development; and
- c) Design guidelines for new development that identify and protect the equestrian/agricultural lifestyles of the existing communities must be prepared.

To date, several actions have occurred to advance the vision into an effective implementation program. Under direction of county staff, a property owners/developers coalition called South Valley Parkway Committee has been formed through a memorandum of understanding (Attachment B) to address cumulative traffic impacts and transportation facility needs in the program boundary. The committee has hired a traffic consultant, Kimley-Horn, to prepare a roadway phasing and implementation plan. The same consultant was originally hired by the Coachella Valley Association of Governments (CVAG) for conducting a traffic study for the South Valley Parkway; their scope of work was expanded to accommodate additional traffic studies and regional roadway infrastructure

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improvements plan which will take into consideration the future developments envisioned in the South Valley Parkway Implementation Program. The consultant is currently operating under the guidance and direction of county staff and in coordination with the developer coalition.

A land use consultant, T&B Planning, has been hired by the South Valley Parkway Committee to assist the committee and staff in preparing community facilities phasing and funding strategy. The consultant is currently working with county staff in preparing a conceptual land use map, which will provide a balance and mixture of land uses and necessary community facilities to ensure a livable community around the South Valley Parkway. In addition, a landscape consultant, TKD, has been hired by the South Valley Parkway Committee to prepare the design guidelines for treatment of the rural/urban edges, public/private roadways, and open spaces that will enhance the equestrian/agricultural lifestyle of the existing communities.

Regarding future community facilities needs in the planning area, staff and the committee are using a draft comprehensive matrix that identifies sizing, siting and service standards to support development of a community facilities phasing and funding program for county-provided facilities. Because of the need to coordinate land use/community facility planning, and to focus on opportunities for joint facility usage, staff has also included non-county facilities, such as water and sewer facilities and schools. To further the objective of joint use, the county staff has worked with the Desert Area Utility Coordinating Committee, which works with the Coachella Valley Water District (CVWD). This committee will assist the South Valley Parkway Committee and county staff in planning and providing infrastructure and community facilities in a timely manner.

The South Valley Parkway community phasing and funding plan is expected to be completed within the next few months. When completed, staff will recommend to the Board that the plan be adopted. In the analysis of the development of community facilities, staff has referred to a number of sources, including County Ordinance No. 659 – the Development Impact Fee (DIF) ordinance. The facilities envisioned in this program for the South Valley Parkway may exceed those already addressed in Ordinance No. 659. Therefore, in conjunction with or following the adoption of the facility standards, staff may recommend to the Board of Supervisors that Ordinance No. 659 be amended to incorporate the new and/or revised facilities and fee changes as they pertain to the South Valley Parkway. In order to address phasing and funding of transportation facilities, staff recommends that a Road and Bridge Benefit District be formed and an Area of Benefit be established.

Some of the anticipated developments in the South Valley Parkway Implementation Program boundary are currently under review by county staff, and are likely to be heard before the Planning Commission and Board of Supervisors in the near future. Therefore, staff is proposing a multi-tiered strategy as a basis for conditioning new projects that come before the County for discretionary approval, including the use of development agreements with developers who are willing to provide facilities beyond those normally warranted by their projects. This multi-tiered approach is suggested in order to require participation by the properties that are in various stages of review or approval. One aspect of this strategy considers entering into development agreements, most practicably, with the larger developers in the program boundary. Another aspect of this strategy considers conditioning projects to pay for the Road and Bridge Construction Fees, most practicably, with the projects located within the area of benefit boundary (Attachment C). The potential use of development agreements and Road and Bridges Benefit District to support early funding or construction of public facilities will be further explored with the Board before implementation.

In addition to the above, staff has begun an early dialogue with LAFCO, CVAG, CVWD, Salton Sea Authority (SSA), and Cities of Indio, Coachella and La Quinta to ensure that the objectives of the South Valley Parkway Implementation Program are consistent with their future planning efforts. This is particularly important as funding and phasing plans for the roads and other community facilities serving the area are developed. The issue of how to pay for extended urban type services needs to be resolved and this program proposal will require county staff to work with area property owners

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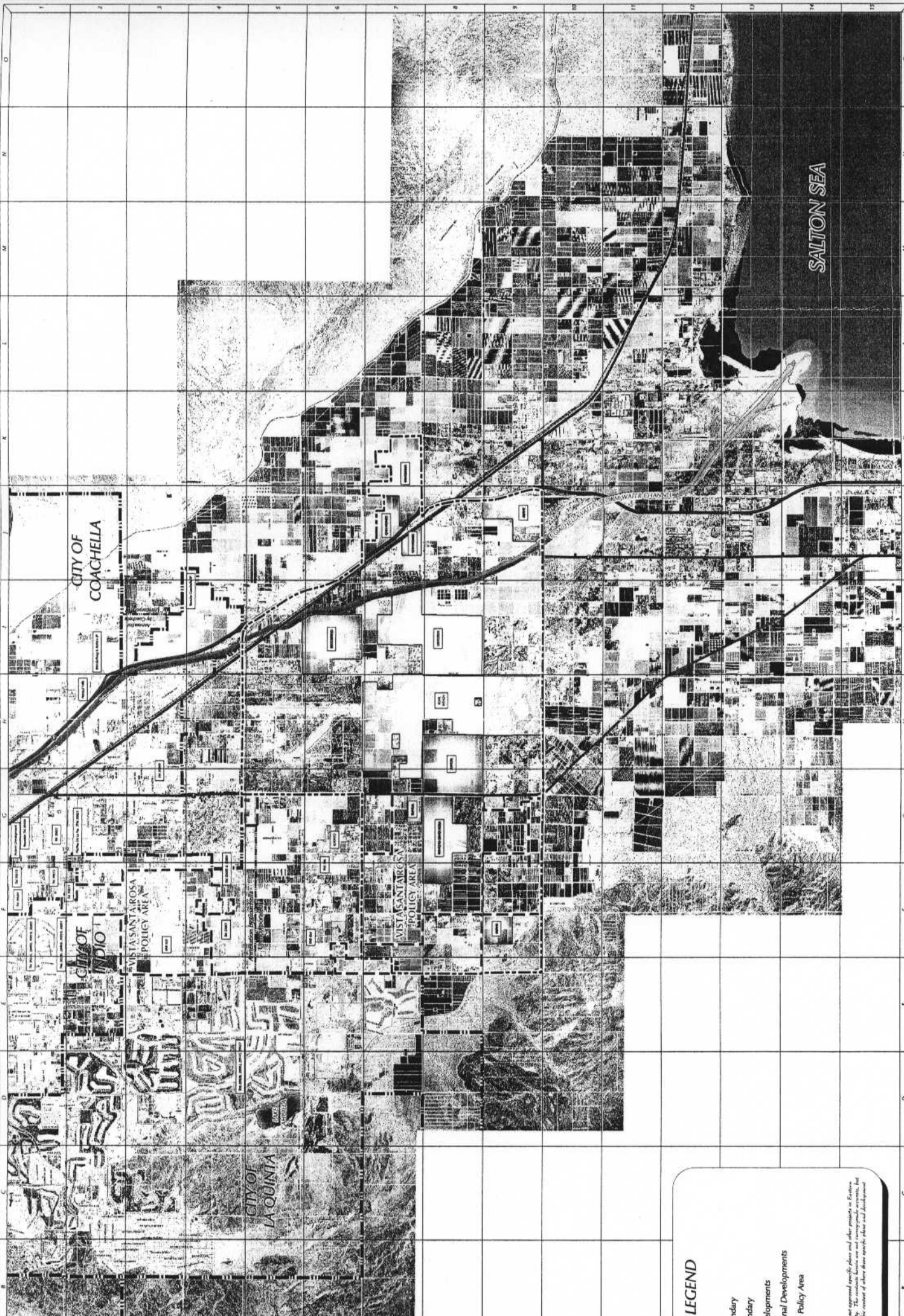
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and/or developers to determine the means by which new project approvals will participate in funding ongoing operations and extended county services.

This work effort has just begun. It will proceed under the guidance and direction of county staff. However, staff recommends that the Board require that the major property owners and/or developers within the South Valley Parkway Implementation Program boundary continue participating with staff in preparing and implementing a Community Facilities Phasing and Funding Strategy (Attachment D) to comprehensively address the needs of this growing community.

In view of all the preceding information, county staff therefore recommends adoption of items 1 through 8 above related to the South Valley Parkway Implementation Program and Community Facilities Phasing and Funding Strategy.



LEGEND

- City
- Boundary
- Boundary
- Developments
- Regional Developments
- Base Policy Area

Map shows approved specific plans and other projects in Eastern Coachella Valley. Map is for informational purposes only. No warranty is made as to the accuracy or completeness of the information shown. For more information, contact the Planning Department at (760) 781-1000.

Memorandum of Understanding
South Valley Parkway (Avenue 62)

This Memorandum of Understanding (Agreement) is made this 7 day of Sept, 2005, by and among the following parties: SunCal, Royce International Investment Co., Brookfield California Land Holdings LLC, CNH Investments, Santa Rosa Investors, LLC and Buchanan Street Investments, LLC.

Recitals

- A. **Parties.** The parties to this Agreement are property owners and/or real estate developers with options on or acquisition rights in property adjacent or in the vicinity of property along the Avenue 62 Transportation Corridor from east of Highway 86 to the western most boundary, as set out on Exhibit A, attached hereto and incorporated herein by this reference (hereafter "Parkway").
- B. **Growth Mitigation.** Such parties as well as the County of Riverside ("County") are concerned about real estate development along and/or in the vicinity of such Parkway without mitigation of the traffic impacts created by such development.
- C. **Confirm Mitigation.** The goal of the parties is to provide County and CVAG staff with the ability to confirm for the County Supervisor that he may judiciously proceed with authorizing the County's processing and approving of development applications for property along the Parkway based upon the specific mitigation of traffic impacts developed as a result of this Agreement.
- D. **Cooperation.** The parties desire cooperatively to work together to improve the South Valley Parkway infrastructure for the benefit of all current and future residents of such area of the County as well as to facilitate orderly development.
- E. **Challenges.** The parties acknowledge that such Parkway infrastructure improvement involves engineering, environmental, and financial challenges requiring the cooperation of property owners, developers and governmental agencies.
- F. **Agreement Meets Challenges.** Therefore, the parties intend for this Agreement to be a framework for such cooperative efforts and to provide an orderly mechanism to work with the Coachella Valley Association of Governments ("CVAG") and County to identify, plan and facilitate such improvements in a manner which supports cooperative development along the Parkway.

NOW, THEREFORE, the parties agree as follows:

1. **Recitals.** The recitals set out above are true and correct.
2. **Parties' Representatives.** The parties have retained The South Valley Parkway Committee as their representative(s) to carry out the actions set out in this Agreement. After review and approval by a simple majority of the parties hereto, and in coordination with the County or CVAG, such representative(s) may retain the engineering, environmental, planning, landscaping, legal professionals and other professionals necessary to carry out the actions set out below.
3. **Specific Actions:** Through their representatives and consultants, the parties shall do the following:
 - A. **Coordinate Array of Agencies.** Meet and work with County and CVAG staff and their respective consulting firms to supplement or replace the current CVAG South Valley Parkway Study, and to determine and cause construction of specific improvements needed for Avenue 62 to accommodate proposed development and thus allow approval of development applications;
 - B. **Create Delta Statement.** The Delta Statement will describe the results that the South Valley Parkway Committee participants will produce to give the County of Riverside reasonable assurances that the roadway improvements required by real estate development along and near Avenue 62 will be properly provided. The word, "Delta", identifies that the statement describes what is needed in addition to what CVAG is already providing in its study;
 - C. **Technical Studies.** Based upon such Delta Statement, provide the necessary additional and more detailed traffic, planning and engineering studies needed for implementation of such highway infrastructure improvements;
 - D. **Design Drawings.** Develop the design plans and specifications which meet all County criteria to allow such Parkway infrastructure improvement project to proceed;
 - E. **Environmental Expediting.** In coordination with the County as lead agency, provide an initial study and appropriate environmental review (such as a mitigated negative declaration and mitigation and monitoring plan) for such Parkway infrastructure improvement project;
 - F. **Public Funding Mechanisms.** In coordination with the County and CVAG, provide for the funding of such Parkway infrastructure improvement project by the utilization of TUMF, Measure A and/or other public funding such as community facilities districts (CFDs) and assessment districts(A.D.s);

- G. **Public/Private Funding Mechanisms.** In coordination with the County, and upon petition of the property owner parties (including parties with options or acquisition rights), analyze and implement additional funding mechanisms for such Parkway infrastructure improvement project through formation of a Mello-Roos Community Facilities District, 1913 Municipal Improvement District and 1915 Act bonds, Major Bridge and Thoroughfare Financing District, or combination thereof. Such funding mechanisms may be utilized to reimburse the parties for all or part of the contributions made under this Agreement. In structuring such reimbursement, the parties shall consider reallocation of such costs on a pro-rata basis determined by the number of dwelling units approved by the County for each Party's tentative map or maps for real property within the Corridor or the equivalent for commercial development.
- H. **Higher Agency Coordination.** Work with state, regional, and federal agencies (including but not limited to CalTrans for an interchange at the intersection of Expressway 86-S and Avenue 62 and CVWD for a bridge at the Coachella Valley Stormwater Channel) as necessary to carry out the Parkway infrastructure improvement project.
- I. **As-Needed Actions.** Take any and all other necessary steps to implement the actions set out here.

4. **Initial and Monthly Funding**

- A. **Initial Funding.** In order to provide for the initial funding of the specific actions set out in Section 3, above, the parties shall make the following contributions upon execution of this Agreement to pay for the technical work necessary to develop the Delta Statement and show the County their serious commitment to making Parkway infrastructure improvement projects. Such amounts are based upon the amount of acreage each has along, or in the general area of, the Corridor. Such amounts shall be credited to the account of each party and utilized to implement this Agreement. Total funding to implement this agreement shall not exceed \$100 per acre without prior approval from the MOU participants, and initial funding shall be \$40 per acre.

1)	SunCal	\$ 28,400
2)	Royce International Investment Co.	22,000
3)	Brookfield California Land Holdings LLC	22,400
4)	CNH Investments	10,920
5)	Buchanan Street	13,240
6)	<u>Santa Rosa</u>	<u>6,400</u>

Total First Funding

\$ 103,360

The above initial funding shall be paid to "South Valley Parkway Committee" and is due upon signing of this MOU and shall be disbursed pursuant to a budget or schedule to be agreed to by the parties.

- B. **Monthly Funding.** Thereafter, the representatives shall develop and submit to the parties for approval by a simple majority of the parties a budget to carry out the provisions of this Agreement as necessary to manage the contract. Pursuant to such approved budget, each party hereto will be billed monthly on a per-acre basis for ongoing management costs. The allocation of costs on a per acre basis shall be periodically adjusted to reflect changes in land ownership within the boundaries of the Parkway area.
5. **Funding of Construction Costs.** As would occur under normal circumstances, specific developers will underwrite construction costs to the extent that Riverside County's standard offsite frontage improvement guidelines apply. Above and beyond standard offsite frontage improvement guidelines, the responsibility of the parties to this MOU will be to determine a framework under which all additional construction costs can be paid through a combination of public financing mechanisms. The responsibilities of the parties to this Agreement are to participate in the formation of a group to cause, through planning and the obtaining of public financing, the parkway to be built. Notwithstanding any provision to the contrary contained in this Agreement except as mentioned in the first sentence of this paragraph the parties to this Agreement do not have any responsibility under this agreement to actually construct (or pay the cost of constructing) the parkway or any other improvement themselves.
6. **Participant Coordination.** On a regular and continuing basis, Committee representatives will be coordinating and disseminating information among the various consultants, participating developers and government agencies including the County of Riverside, the California Department of Transportation (CalTrans), and CVAG. Due to the dynamic interrelationships that exist between the participating developments and their related roadways and utilities, participating developers and their consultants shall keep Committee representatives informed in advance of teleconferences and personal meetings between themselves and CalTrans, the County of Riverside and CVAG.
7. **Termination.** After receipt of all initial contributions, this Agreement may be terminated only upon the written agreement of all those contributing and return of any outstanding funds. At the time of termination of this Agreement, any balance of remaining Committee funds (whether from initial contributions or subsequent additional contributions) shall be returned to the Parties on a pro-rata basis. Upon such termination, the parties shall be provided with copies of any and all studies or

other documents prepared prior to the "date of termination.

8. **Withdrawal.** Any party hereto shall have the right to withdraw from this Agreement at any time. A withdrawing party shall not have any right to return of any funding paid prior to the date of withdrawal. Notwithstanding, if a party to this Agreement holds only an option to purchase property, and such purchase does not occur, that party may withdraw. Contributions made by such option holder before the date of withdrawal may be refunded in whole or in part as determined by the other parties to this Agreement. Basically, all monies paid or obligations incurred are owed and need to be paid by those who are parties to this Agreement at the time the monies are paid or obligations are incurred.
9. **Miscellaneous.** This Agreement may be amended only in writing and represents the entire agreement of the parties as of the date of its execution. This Agreement does not create any third party rights, any joint venture hereto or any employment relationship of any kind between the parties. No waiver of any term or condition of this Agreement shall be a continuing waiver thereof.
10. **Binding Agreement.** This Agreement shall bind the parties, their heirs, assigns and successors.
11. **Captions.** Captions in this Agreement are inserted for convenience of reference and do not describe or limit the scope or intent of this Agreement or its terms.
12. **Counterparts and Facsimile Signatures.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall together constitute one and the same instrument. A signature of a Party transmitted by facsimile shall be as valid and as binding on the signer as an original signature.
13. **Authority.** Each person signing this Agreement on behalf of an entity warrants that he or she has the authority to sign on behalf of said entity and, if requested, shall deliver a resolution or other written authorization evidencing such authority and consent by the partnership, corporation or limited liability company to be bound by this Agreement.
14. **Dispute Resolution.**
 - A. **Negotiation.** The parties shall act toward each other in good faith, and shall deal fairly with each other, in all matters relating to this Agreement. In order to make specific and definite, and/or to eliminate, if possible, any controversy or dispute which may arise between them relating to this Agreement, if any party at any time forms an opinion that one or more other party has violated any of the provisions of this Agreement ("Event of Default"), then the party reaching such a conclusion will notify the other party in writing of the specific

nature of any claim, non-performance or malfeasance, and shall allow such other fifteen (15) days to commence a cure of the default or otherwise respond in writing. For a period of at least thirty (30) days after the notice of an Event of Default, the parties shall negotiate with each other in good faith and shall use their best efforts to resolve the controversy or dispute without resort to arbitration or litigation. Each party to this Agreement agrees that no breach will be construed as incurable prior to the results of such informal negotiation. In the event that informal discussions do not result in an agreement, the aggrieved party may determine to proceed utilizing mediation and arbitration, which shall be binding, or may file a case in the Superior Court of the State of California, Desert Division, Indio Branch.

- B. **Mediation:** After the thirty day period and upon the written request of any party, a dispute under this Agreement may be submitted to mediation and arbitration in lieu of litigation. Such mediation shall utilize the mediation services of Desert Alternative Dispute Resolution, Rancho Mirage, California, or such other mediation service as the parties involved in the dispute may agree. The cost of the mediation shall be shared equally between the mediating parties.
- C. **Arbitration.** No arbitration proceedings may commence prior to the conclusion of a mediation process. Thereafter, such dispute may be resolved by arbitration before an arbitrator affiliated with JAMS, under its then current commercial law procedures. A similar neutral entity or provider of alternative dispute resolution services may be selected by agreement of all the parties involved in the arbitration.

At the hearing before the arbitrator, the parties shall have the right to present evidence, examine and cross-examine lay and expert witnesses, submit briefs and have arguments of counsel heard, all in accordance with a briefing and hearing schedule reasonably established by the referee. The arbitrator shall be required to follow and adhere to all laws, rules and regulations of the State of California in the hearing of testimony, admission of evidence, conduct of discovery, issuance of a judgment and fashioning of a remedy. The cost of any proceeding held pursuant to this paragraph shall initially be borne equally by the parties involved in the dispute, and each party shall bear its own attorney's fees. The statute of limitations, estoppel, waiver, laches and similar doctrines which would otherwise be applicable in an action brought by a party shall be applicable in any arbitration proceeding, and the commencement of an arbitration proceeding shall be deemed the commencement of an action for these purposes.

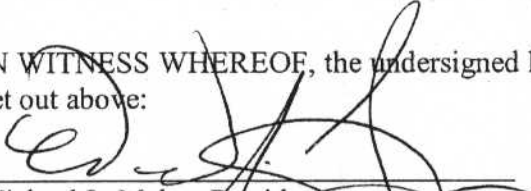
If any party to the dispute fails to timely pay its fees or costs, or fails to cooperate in the administration of the hearing and decision process as determined by the ar-

bitrator, the arbitrator shall, upon the written request of any party to the dispute, be required to issue a written notice of breach of the defaulting party and, if the defaulting party fails to timely respond or cooperate within the period of time set forth in the notice of default (which in any event may not exceed thirty (30) calendar days), then the arbitrator shall, upon the request of any non-defaulting party, render a default judgment against the defaulting party.

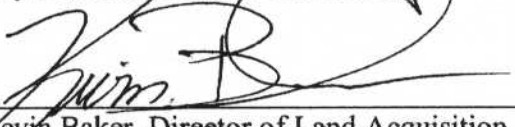
When all hearings have been concluded, the arbitrator shall issue a written judgment (which may include an award of attorneys' fees and costs, including the cost of expert witnesses), which judgment shall be final and binding between the parties and may be entered as a final judgment in a California Superior Court or in a United States District Court, as appropriate. The arbitrator shall use his/her best efforts to finally resolve the dispute and issue a final judgment within sixty (60) calendar days from his/her appointment.

C. Court Proceedings. Notwithstanding the foregoing, nothing in this Section shall preclude either party from seeking equitable or legal relief from a court of competent jurisdiction for a violation of Sections. In any such proceeding to enforce this Agreement, the prevailing party in such litigation shall be entitled to attorney's fees and costs as determined by the Court.

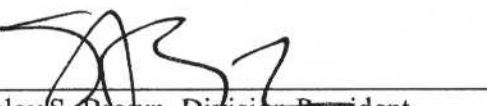
IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date set out above:


Michael LaMelza, President
Royce International Investment Co.

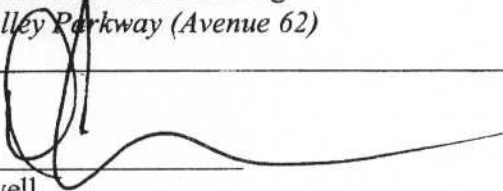
7 Sept 05
Date


Kevin Baker, Director of Land Acquisition
Brookfield California Land Holdings LLC

10/6/05
Date



Stanley S. Brown, Division President
SunCal Companies

9.27.05
Date



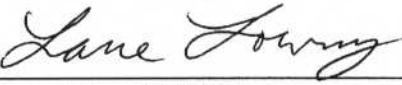
Don Newell
CNH Investments

10/5/05
Date



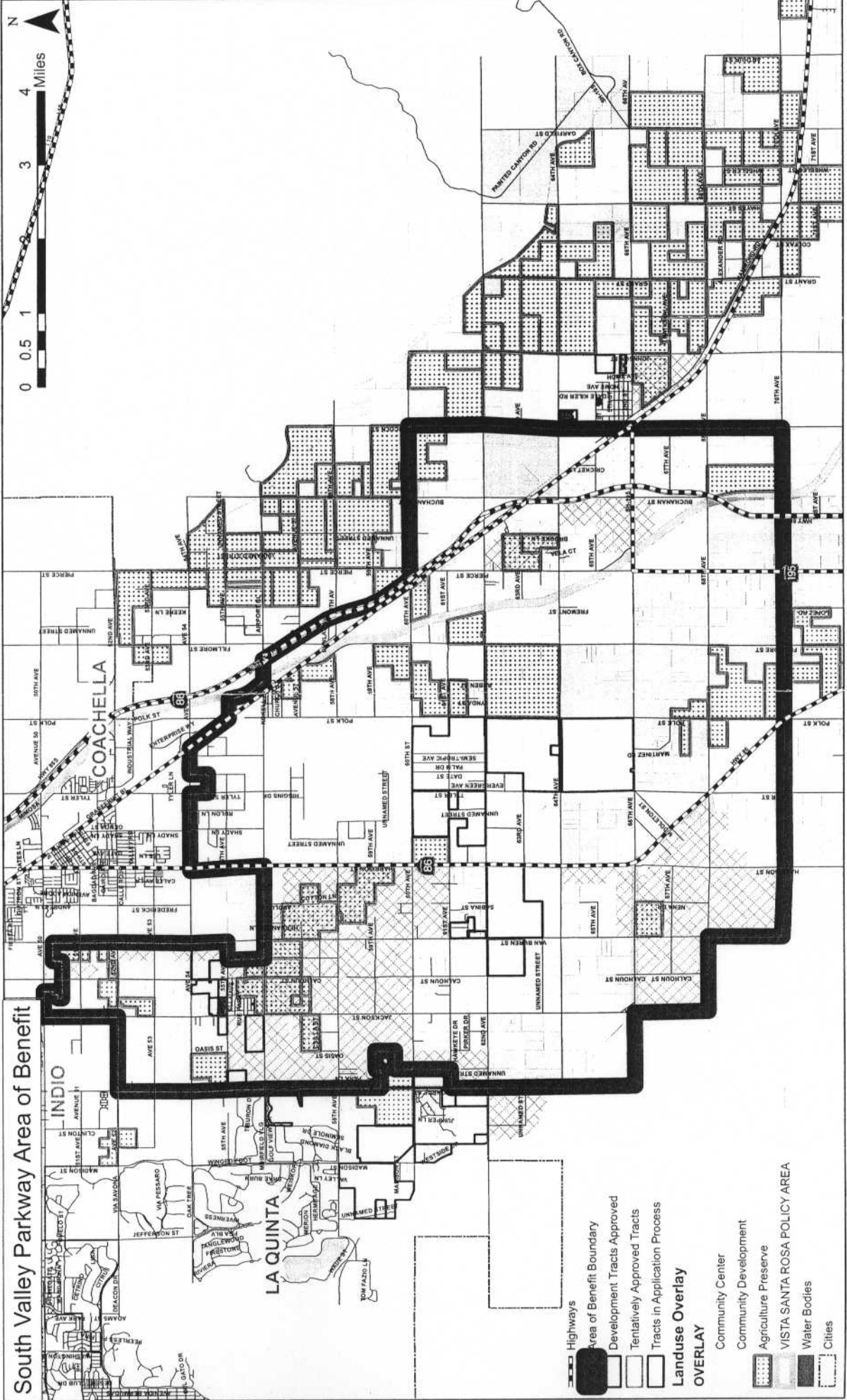
Buchanan Street Investments, LLC,
A Delaware Limited Liability Company

9/27/05
Date



Santa Rosa Investors, LLC,
A Delaware Limited Liability Company

9/27/05
Date



South Valley Parkway Area of Benefit

- Highways
- Area of Benefit Boundary
- Development Tracts Approved
- Tentatively Approved Tracts
- Tracts in Application Process
- Landuse Overlay
- OVERLAY
- Community Center
- Community Development
- Agriculture Preserve
- VISTA SANTA ROSA POLICY AREA
- Water Bodies
- Cities



INDIO

COACHELLA

LA QUINTA

VISTA SANTA ROSA POLICY AREA

PROPOSED SOUTH VALLEY PARKWAY COMMUNITY FACILITIES PHASING AND FUNDING STRATEGY (Revised: 01/31/2006)

1. Objective of Strategy:

The objective of this strategy is to establish a comprehensive approach toward the provision of a full range of community facilities, to be phased in as development occurs in the Eastern Coachella Valley. It is the intent of this strategy that new development will fund all needed new community facilities, for capital construction as well as for on-going operations and maintenance within the South Valley Parkway Implementation Program boundary. In order to ensure that the community facilities provided through this strategy are relevant, fees and revenues generated in the South Valley Parkway Implementation Program should be applied to the program boundary, to the maximum feasible extent.

2. Community Facilities to be considered:

A summary of community facilities to be considered in accordance with this phasing and funding strategy may include, but are not limited to:

- a) Transportation facilities: General Plan Circulation Element roadways, the South Valley Parkway, improvements to Highway 111 and I-10 interchanges, and other road facilities, bridges, and traffic signals, as needed;
- b) Community activity centers: Recreation centers, civic centers, senior citizen centers, child care centers, museums and interpretive centers, auditoriums, libraries, and facilities of other governmental units, such as post offices;
- c) Parks and recreation facilities: Regional parks, sports parks, including pools and water parks, trails for pedestrians, joggers, bicyclists and equestrians, equestrian centers, paseos, regional and local parks, neighborhood parks, pocket parks/tot lots/playgrounds, urban plazas, community separators, and areas for the protection and conservation of wildlife;
- d) Public health and safety facilities: Health clinics, sheriff facilities, fire protection facilities, and flood control facilities;
- e) Schools: Elementary, middle and high schools, and participation in the provision of full time community colleges and other higher education facilities, and other specialized institutions for learning - public and private;
- f) Community identity facilities: Landscaped medians, improvements of irrigation pipes, protection and enhancement of historical and scenic features, and public art;
- g) Public Facilities: Water and sewer infrastructure, electrical transmission and distribution and natural gas facilities, and telecommunications facilities, including fiber optic and cable.

3. Facility Standards:

All facilities will be sited and built in accordance with the standards set forth in the revised area plan text of the Eastern Coachella Valley. It is recognized that the provider of many of

these services described herein are jurisdictional entities other than the County, including school districts, special districts, and other entities. Other jurisdictional standards will be identified, in addition to the county standards, to provide reference benchmarks for evaluation and planning of joint use facilities. Community facility planning for the South Valley Parkway shall be in accordance with the following principles, wherever practicable:

- a) Joint usage: Joint usage of facilities, such as between County service providers and between County and non-County service providers, will be encouraged.
- b) Optimal facility sizing: Optimal facility sizing will be encouraged, considering that the types and scales of the services provided from a particular facility may change from time to time in response to community growth, demographic changes, or changes in demand of the services. Construction of undersized facilities or facilities, that are not adaptable to anticipated or unanticipated variables, will be discouraged.
- c) Facility Flexibility: Multi-use or potential multi-use facilities such as community centers will be located, sited, and designed to ensure a high degree of flexibility in the type and size of uses in future, as the community grows and undergoes demographic changes.

4. Prioritization of Methodologies of Funding:

It is the intent of the County that community facilities needed to support development in the South Valley Parkway Implementation Program boundary be funded or constructed concurrent with, or in advance of, the demand for them. Some facilities may require actual construction and some may require that contracts for construction or funding be in place prior to the issuance of building permits, while others may require that funding be identified and reserved and an implementation schedule be adopted. A mechanism will be established whereby developers who elect, or are required to, provide public infrastructure or community facilities that benefit others will be entitled to fee credits or reimbursements from those benefited.

Accordingly, the following mechanisms may be implemented through any one or combination of the following: project feature and design requirements and negotiation, conditions of project approval, County providing developers with long-term County commitments to project approval through development agreements, and potentially other mechanisms.

- a) Developer constructs a facility, no reimbursement warranted or requested. A developer may build a facility, prior to the issuance of building or occupancy permits, or construct the facility in a phased-in manner as development occurs. Credits against appropriate Transportation Uniform Mitigation Fee (TUMF), Development Impact Fee (DIF) or Road and Bridge Benefit Fee (RBBF) will be given, to the extent applicable. Where facility type, size, features, or other factors are beyond those normally accommodated in facilities typically funded through TUMF or DIF fees, additional County consideration, including the use of DA's, will be considered.

- b) Developer constructs a facility, reimbursement expected. This differs from above in that reimbursement from other developers or the County would occur for a facility sized beyond the nexus requirements of the project. Reimbursement would be based on equivalent dwelling units (EDUs). A reimbursement agreement would be executed between the developers or between the county and developers. This mechanism may be used by either large or mid-sized projects, typically specific plans, or large residential tracts or commercial or industrial projects. C.
- c) Payment of Fees. This may be the only practical mechanism for small projects, such as small tracts, parcel maps, and small commercial or industrial projects. Rather than allowing the payment of funds at the time of building permits, or at the time of the issuance of certificates of occupancy, full payment of all DIF fees would be required prior to map recordation. These fees shall be applied to pay for reimbursement agreements provided under "4b" above.

5. Application:

This phasing and funding strategy is intended to apply to all projects that generate vehicular trips. However, projects that provide job creation to support the residential development (such as commercial and industrial uses) may be exempted by the Board on an individual basis.

6. Tiering:

A tiered approach is proposed to provide flexibility in generating needed facility development/funding, in recognition that a significant amount of proposed growth in the area will be generated in large master-planned communities that are being comprehensively developed through specific plans and tract maps. This approach organizes development into groupings that lend themselves to similar funding methodologies, generally due either to the size or timing of the developments, and whether they are located within adjacent cities. There are four tiers, as follows:

- a) Tier I. Tier I includes participants of South Valley Parkway Implementation Program (SunCal Developments, Royce International Investment Co., Brookfield California Landholdings LLC, CNH Investments, Santa Rosa Investors LLC, and Buchanan Street Investments LLC).
- b) Tier II. Tier II includes all projects other than those listed as being in Tier I and are located within the South Valley Parkway Area of Benefit boundary, and have been accepted for processing prior to February 07, 2006.
- c) Tier III. Tier III includes all projects within the area of benefit boundary that are accepted for processing on or after February 07, 2006.
- d) Tier IV. Tier IV would pertain to projects located within the Cities of Indio, Coachella, and La Quinta.

7. Project Funding Requirements:

a) Tier I Projects:

I. Projects will be required to:

1. Participate in funding or construction of interim transportation system improvements as identified by the Transportation Department to mitigate short-term impacts identified in their traffic studies (such as improvements to the South Valley Parkway).
2. Have the Circulation Phasing Plan substantially completed or approved before maps are approved as determined by the Transportation Department.
3. Have a Road and Bridge Benefit District (RBBD) or other funding mechanism acceptable to the Transportation Department, formed and ready to fund for certain improvements identified as TUMF Backbone Facilities and other key road projects identified in the Circulation Phasing Plan, before maps are recorded.
4. Construct or fund certain road improvement and interchange projects as identified in the Circulation Phasing Plan and/or Road and Bridge Benefit District. The Circulation Phasing Plan and/or Road and Bridge Benefit District will also identify certain projects that may be constructed by the County and other public agencies.

II. The County will require the construction of major and minor community facilities by various mechanisms, including development mitigations, the use of public or private reimbursement agreements, DIF fee credits where applicable, development agreements, or other considerations subject to negotiation. The County encourages developers to work together toward common construction/financing of facilities.

III. The County would consider entering into Developer Agreements (DA's) with Tier I projects in order to provide certainty over the long-term development window.

IV. The Transportation Department would assist the Tier I developers in establishing a Road and Bridge Benefit District (RBBD) for the South Valley Parkway Implementation Program to ensure construction of transportation facilities in a timely manner.

V. The Transportation Department would advocate with Tier I developers to secure reimbursement from CVAG for TUMF facilities where the construction of such facilities exceeds the developer's normal TUMF contribution.

VI. Joint Use Opportunities/Requirements: The County and project proponents will approach school districts, special districts, and other governmental entities where there is a potential for joint usage of facilities. For example, the County will work with local school districts to determine whether schools and neighborhood parks, paseo accesses, sports parks, and libraries could be either co-located on super sites, or otherwise connected in some way to impart public benefits from their geographical or operational associations. Also, the County will work with CVWD to determine which streets would be optimal for the emplacement of a recycled water delivery system that is efficiently oriented toward future

high water consuming users (such as schools, parks, and commercial areas).

b) Tier II Projects:

- I. Tier II projects will be required to participate in funding or construction of interim improvements as required to mitigate their projects' impacts identified in their traffic studies as identified by the Transportation Department.
- II. The County would adopt a policy requiring Tier II projects to either join or form the RBBB identified in Tier I and pre-pay their TUMF and DIF fees in full at the time of map recordation.
- III. Joint Use Opportunities/Requirements: (will be pursued as described above under Tier I, Item No. VI)

c) Tier III Projects:

- I. Projects processed in Tier III will be required to participate in funding or construction of interim improvements as required to mitigate short-term impacts identified in their traffic studies as identified by the County Transportation Department.
- II. Projects in Tier III can either:
 1. Wait until the Circulation Phasing Plan is completed and participate in the proportional funding contribution identified in the Plan, or
 2. Join or form a RBBB identified in Tier I, or pre-pay the funding amounts identified in the RBBB on a prorated basis in full at the time that maps are recorded, which may include, but are not limited to, the TUMF and DIF amounts.
- III. The County will require the funding and/or construction of major or minor community facilities by individual or multiple developers. Reimbursement agreements and DIF fee credits will be utilized to facilitate early construction of facilities that serve the subject project plus other areas.
- IV. The County may also consider entering into Development Agreements with Tier III projects of significant size.
- V. Joint Use Opportunities/Requirements: (will be pursued as described above under Tier I, Item No. VI)

d) Tier IV Projects:

- I. The County will advocate with and strongly encourage the Cities of Coachella, Indio and La Quinta to participate in this program by adopting a policy that certain development in the Cities would be required to pre-pay their TUMF Fee as specified under Tier II and Tier III.
- II. The County's intent is to enter into Memorandum of Understandings with the Cities to implement this.
- III. The County will continue to work with the Cities of Coachella, Indio, La Quinta and other cities in the Coachella Valley TUMF Zones, to review

and prioritize TUMF projects throughout the Zone Transportation Improvement Plan (TIP) development process.

IV. Joint Use Opportunities/Requirements: (will be pursued as described under Tier 1, Item No. VI)

8. Funding of Ongoing Maintenance and Paying for Extended Urban Type Services:

The County staff will work with South Valley Parkway Committee and property owners to establish the appropriate mechanisms such as County Service Area (CSA), or Community Facilities District (CFD) that provide for ongoing maintenance and extended urban services.