

301



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

FROM: TLMA - Transportation Department

SUBMITTAL DATE:
June 14, 2012

SUBJECT: Ordinance No. 824.13, Ending the Temporary Fee Reduction for the Western Riverside County Transportation Uniform Mitigation Fee (TUMF) Program and Reinstating the full TUMF

RECOMMENDED MOTION: That the Board of Supervisors:

1. Introduce Ordinance No. 824.13, schedule a public hearing for July 3, 2012, have the Clerk of the Board give notice of the public hearing pursuant to Government Code Section 6062a, and at the conclusion of the public hearing adopt the ordinance amendment, ending the temporary fee reduction for the Western Riverside County TUMF Program and phase-in the full TUMF; and
2. Find the adoption of Ordinance No. 824.13 is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) in that it can be seen with certainty there is no

Juan C. Perez
Director of Transportation and Land Management

JCP:gh
(Continued On Attached Page)

| | | | | |
|-----------------------|-------------------------------|------|-------------------------|-----|
| FINANCIAL DATA | Current F.Y. Total Cost: | \$ 0 | In Current Year Budget: | N/A |
| | Current F.Y. Net County Cost: | \$ 0 | Budget Adjustment: | N/A |
| | Annual Net County Cost: | \$ 0 | For Fiscal Year: | N/A |

| | | |
|---|---|--------------------------|
| SOURCE OF FUNDS: N/A There are no General Funds used in this project. | Positions To Be Deleted Per A-30 | <input type="checkbox"/> |
| | Requires 4/5 Vote | <input type="checkbox"/> |

C.E.O. RECOMMENDATION: APPROVE

BY:
Tina Grande

County Executive Office Signature

FORM APPROVED COUNTY COUNSEL
BY: Dale A. Gardner
DATE: 6/13/12
Departmental Concurrence

Dep't Recomm.: Consent Policy

Per Exec. Ofc.: Consent Policy

| | | | |
|------------------------|--|------------------|-----------------|
| Prev. Agn. Ref. | 12/14/10 3.70 1/11/ 3.81 2/8/11 3.42 11/15/11 3.15 | District: | 1/1,2/2,3/3,5/5 |
|------------------------|--|------------------|-----------------|

Agenda Number:

3.34

The Honorable Board of Supervisors

RE: Ordinance No. 824.13, Ending the Temporary Fee Reduction for the Western Riverside County Transportation Uniform Mitigation Fee (TUMF) Program and Reinstating the full TUMF
June 14, 2012

Page 2 of 2

possibility the ordinance may have a significant effect on the environment.

BACKGROUND: Ordinance No. 824.13 is an amendment that would end the temporary 50% reduction in Transportation Uniform Mitigation Fee (TUMF) on December 31, 2012, and to phase-in the full TUMF over a three-month period, beginning January 1, 2013, so that the TUMF will resume at 100% on April 1, 2013.

On April 2, 2012 the Western Riverside Council of Governments (WRCOG) Executive Committee took action to definitively end the temporary 50% reduction in Transportation Uniform Mitigation Fee (TUMF) and to phase-in the full TUMF over a three-month period, beginning January 1, 2013, so that the full TUMF will resume on April 1, 2013. This action also allowed the jurisdictions that choose to add the three-month phase in period to exceed the previously established \$20 million uncollected revenue cap.

The information gathered by WRCOG indicates that the amount of additional funds that would have been collected, had the 50% reduction not been adopted, is estimated to be roughly \$18.8 million through March 2012 for the entire Western County area and is expected to exceed \$20 million before December 31, 2012. It is unknown if this is truly lost revenue, or if some development projects would not have moved forward without the fee reduction, thereby creating even less revenue for the program. The County understands it will need to demonstrate that any loss of fees that would have been collected will be made up through recommended specific, effective costs savings, repayment methods or alternative funding sources. A reduction in project costs and cost saving measures is the County's preferred choice. The \$20 plus million is a small percentage of the overall TUMF Program, which is expected to generate over \$3.7 billion over the next 25 years. Over \$547 million has been collected since the inception of the program in February 2003.

Temporary fee reductions, while they serve as an important economic stimulus mechanism, must be balanced with limiting such reductions for a restricted time period so as to not jeopardize the applicability of the Nexus Study, the integrity of the TUMF Program, and the ability to deliver currently programmed and future planned projects.

County Counsel has approved as to form.

1 ORDINANCE NO. 824.13

2 AN ORDINANCE OF THE COUNTY OF RIVERSIDE

3 AMENDING ORDINANCE NO. 824

4 AUTHORIZING PARTICIPATION IN THE WESTERN RIVERSIDE COUNTY

5 TRANSPORTATION UNIFORM MITIGATION FEE PROGRAM

6
7 The Board of Supervisors of the County of Riverside ordains as follows:

8 Section 1. A new subsection l. is added to Section 2. of Ordinance No. 824 to read as
9 follows:

10 "l. On April 2, 2012 the WRCOG Executive Committee took action to end
11 the 50% reduction in TUMF on December 31, 2012 and to increase the
12 TUMF in phases over a three month period, beginning January 1, 2013, so
13 that the TUMF will be imposed at one hundred (100%) on April 1, 2013."

14 Section 2. A new subsection m. is added to Section 2. of Ordinance No. 824 to read
15 as follows:

16 "m. The Board of Supervisors of the County desires to amend Ordinance No.
17 824 in order to reflect the end of the 50% reduction in TUMF and the
18 three-month period in which TUMF will be increased to one hundred
19 percent (100%)."

20 Section 3. A new subsection n. is added to Section 2. of Ordinance No. 824 to read as
21 follows:

22 "n. The levying of TUMF has been reviewed by the County and staff in
23 accordance with the California Environmental Quality Act ("CEQA") and
24 the CEQA Guidelines and it has been determined that the adoption of this
25 ordinance is exempt from CEQA pursuant to Section 15061(b)(3) of the
26 CEQA Guidelines."

27 Section 4. Subparagraph a. of Section 7. of Ordinance No. 824 is amended to read as
28 follows:

FORM APPROVED COUNTY COUNSEL
BY: *Ally A. [Signature]* 6/13/12
DATE: 6/13/12

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“a. Temporary Fee Schedule – Applicable Until December 31, 2012:

- 1) \$4,437.00 per single-family residential unit
- 2) \$3,115.00 per multi-family residential unit
- 3) \$ 0.86 per square foot of an industrial project
- 4) \$ 5.24 per square foot of a retail commercial project
- 5) \$ 2.10 per square foot of a service commercial project
- 6) \$ 1.10 per square foot of a service Class A and B Office

Temporary Fee Schedule – January 1, 2013 to January 31, 2013:

- 1) \$5,633.00 per single-family residential unit
- 2) \$3,955.00 per multi-family residential unit
- 3) \$ 1.10 per square foot of an industrial project
- 4) \$ 6.66 per square foot of a retail commercial project
- 5) \$ 2.66 per square foot of a service commercial project
- 6) \$ 1.37 per square foot of a service Class A and B Office

Temporary Fee Schedule – February 1, 2013 to February 28, 2013:

- 1) \$6,766.00 per single-family residential unit
- 2) \$4,751.00 per multi-family residential unit
- 3) \$ 1.32 per square foot of an industrial project
- 4) \$ 8.00 per square foot of a retail commercial project
- 5) \$ 3.20 per square foot of a service commercial project
- 6) \$ 1.64 per square foot of a service Class A and B Office

Temporary Fee Schedule – March 1, 2013 to March 31, 2013:

- 1) \$7,900.00 per single-family residential unit
- 2) \$5,547.00 per multi-family residential unit
- 3) \$ 1.54 per square foot of an industrial project
- 4) \$ 9.34 per square foot of a retail commercial project
- 5) \$ 3.73 per square foot of a service commercial project
- 6) \$ 1.92 per square foot of a service Class A and B Office

1 The TUMF Schedule from April 1, 2013 and forward shall be that
2 Schedule set forth in Section 6 of Ordinance 824.”

3 Section 5. Subparagraph d. of Section 7. of Ordinance No. 824 is amended to read as
4 follows:

5 “d. Backfill Obligation. For any fees not collected as a result of the temporary
6 reduction authorized by this Section 7., the Board of Supervisors understands that
7 it will have an obligation to backfill uncollected TUMF revenue based on the
8 50% fee reduction through recommended specific, effective cost savings and
9 repayment methods as determined by WRCOG in coordination with the
10 individual Zone Committees. This action in no manner relieves the Board of
11 Supervisors of any past program funding backfill obligations previously required
12 before this action or any future obligations resulting from any fee reduction not
13 authorized under this Section 7., in which case the policies and procedures
14 included in the WRCOG Administrative Plan or otherwise adopted by WRCOG
15 regarding the remittance of TUMF shall apply. No new or amended credit or
16 reimbursement agreement(s) may be entered into between January 1, 2013 and
17 April 1, 2013 by the Board of Supervisors without prior written approval from
18 WRCOG. Any new or amended credit or reimbursement agreement(s) entered
19 into between January 1, 2013 and April 1, 2013 without prior written approval
20 from WRCOG will not be honored. The Board of Supervisors will make
21 monthly reports to WRCOG of the outstanding amount of uncollected TUMF
22 revenue resulting from the 50% temporary fee reduction from its effective date.”

23 Section 6. This ordinance shall take effect sixty (60) days after its adoption.
24

25 BOARD OF SUPERVISORS OF THE COUNTY
26 OF RIVERSIDE, STATE OF CALIFORNIA

27 By: _____

28 Chairman

1 ATTEST:
2 CLERK OF THE BOARD:

3 By: _____
4 Deputy

5 (SEAL)
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