

An Overview of the New 2010-2020 Development Impact Fee (DIF) Nexus Study



Riverside County Executive Office Staff Report

February 11, 2014

What is a development impact fee?

A development impact fee is a one-time charge dedicated to offset the costs of additional public facilities made necessary by the addition of new residents.



depositphotos

depositphotos

depositphotos

What fees does the County capture?



Fees are only charged to and collected from new development in unincorporated Riverside County, based on projects or facilities on the DIF Capital Improvement Plan.

How is the DIF Capital Improvement Plan developed?

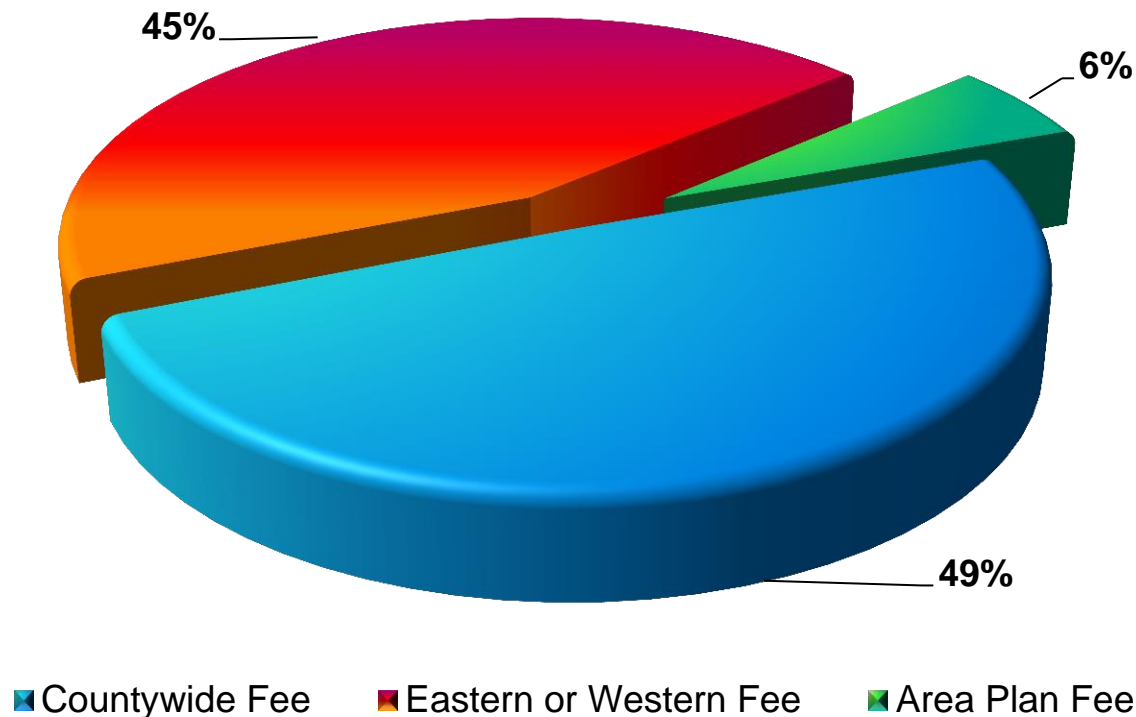
The County Departments submitted priority projects that would be needed in the next ten years through the Capital Improvement Program Annual Call for Projects

The DIF Capital Improvement Plan is made up of the projects or facilities that:

1. ...must be constructed or expanded in the next ten years (25 for transportation projects) because of impacts from new development
2. ...have identified the cost to mitigate the impacts (facility costs and/or land acquisition) and any other funding sources
3. ...have identified the portion of the project or facility attributed to future growth

All projects on the DIF Capital Improvement Plan must meet this Nexus “sniff test”

What is in the proposed DIF Fee?



This is the composition of the average single family DIF fee. It is made up of the ten fee components grouped by Countywide, East or West (Regional), and Area Plan fees.

What are **Countywide** DIF Fees?

Countywide fees are the fees based on public facilities that serve the entire unincorporated county. It is the basic fee assessed countywide. They include criminal justice facilities, library books/media, and traffic signals:



Juvenile Facilities



Jail Construction



Banning Legal Center
(DA & Public Defender)



Library
Books/Media

What are **East or West** DIF Fees?

Some public facilities serve either western or eastern Riverside County. These are referred to as Regional fees and include:



Library
Construction



Fire
Facilities



Regional
Parks



Regional
Trails



... and Traffic
Signals



Regional Multi-
Service Centers

What are **Area Plan** DIF Fees?

Transportation improvements and flood control facilities are unique to and serve only that area plan.

Western Coachella (Area Plan 2)
38th Avenue Improvements (Adams St. to City of Indio)
Varner Road Improvements (38th Avenue to Washington St)

Temescal Canyon Area (Area Plan 6)
Interstate 15 and Temescal Canyon Road Interchange



Transportation
Facilities

Upper San Jacinto Valley (Area Plan 10)
San Jacinto Valley, Stage 4

Mead Valley/Good Hope (Area Plan 13)
Mead Valley/Good Hope Line A



Flood control and storm
drainage facilities

Fees are paid at the time of certificate of occupancy, and are based on 7 construction types.



Single Family

Multi-Family

Commercial

Office

Industrial

Surface Mining

Wineries

DIF fees are collected over time and must be spent on the public facility for which the fee was collected

DIF fees cannot be used for operations or maintenance

DIF fees cannot be used as general revenue



Woodcrest Library



Cabazon Fire Station



State Route 60 and Valley Way ramp and signals



Idyllwild Park Expansion



Perris Sheriff Station

DIF fees are collected over time at the pace of new development

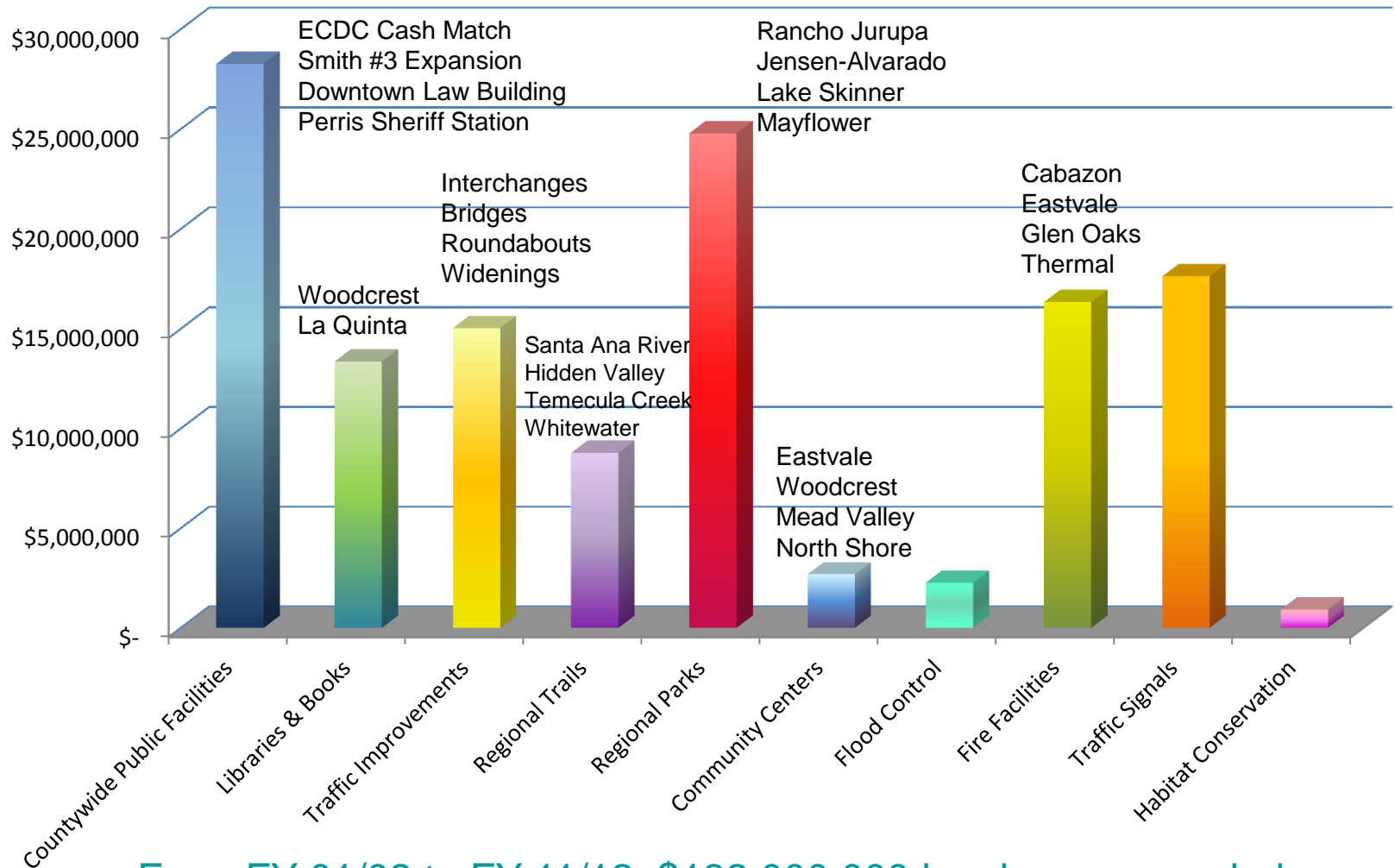


New Development



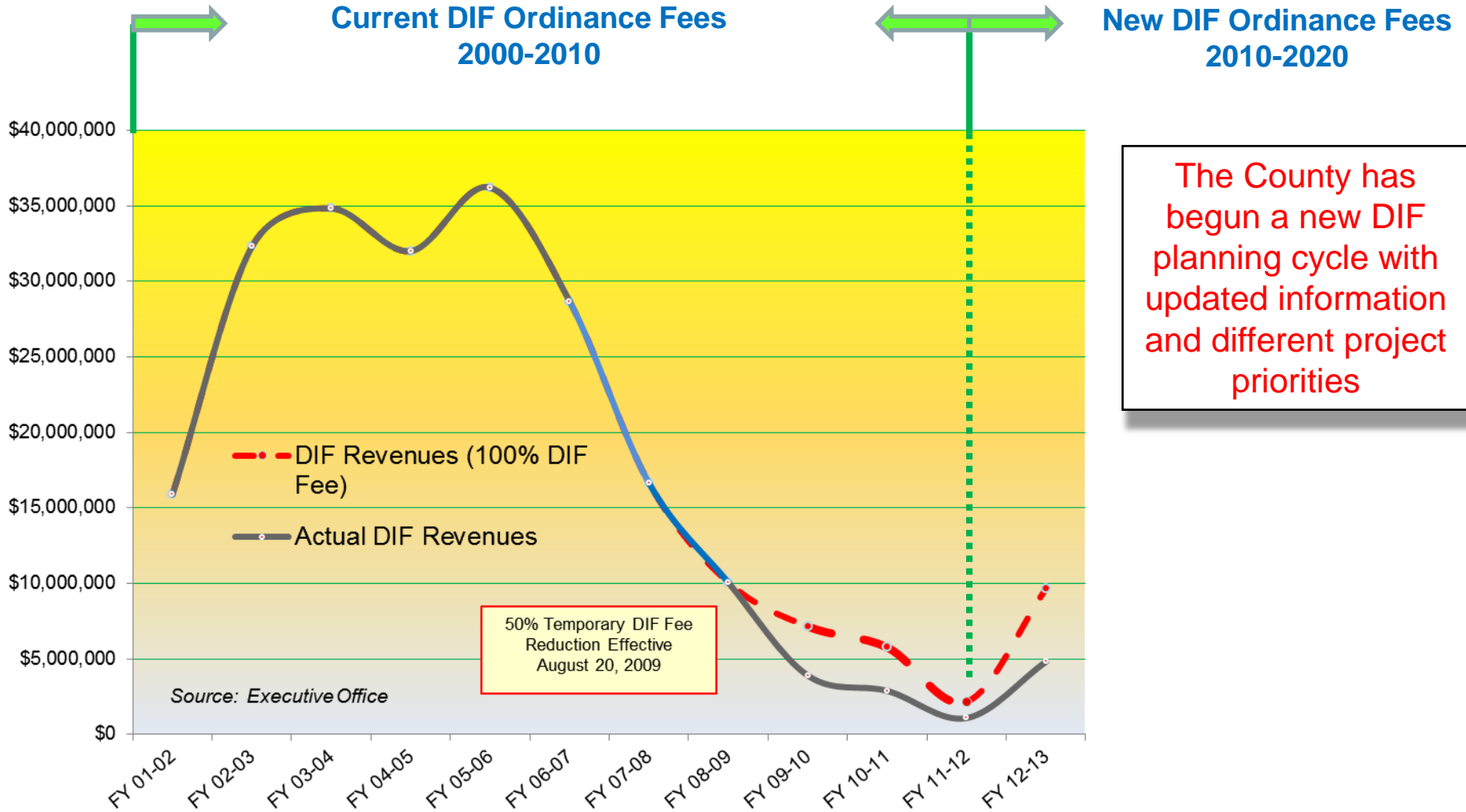
DIF Fee Collection

How much DIF funds have been spent in the previous DIF planning period?



From FY 01/02 to FY 11/12, \$132,000,000 has been expended on public facilities as a result of new development

Why is a new DIF fee structure needed now?



The County has begun a new DIF planning cycle with updated information and different project priorities

Why do we need to update the DIF Nexus Study?

Current DIF Ordinance Fees

2000-2010 Planning Period

Based on 1990 Census

David Taussig and Associates

Unincorporated County

Facilities needed by 2010

2000 facility costs

No land costs included

New Nexus Study Fees

2010-2020 Planning Period

Based on 2010 Census

Willdan Financial Services

Wildomar, Menifee, Eastvale
& Jurupa Valley Incorporated

Facilities needed by 2020

2013 facility costs

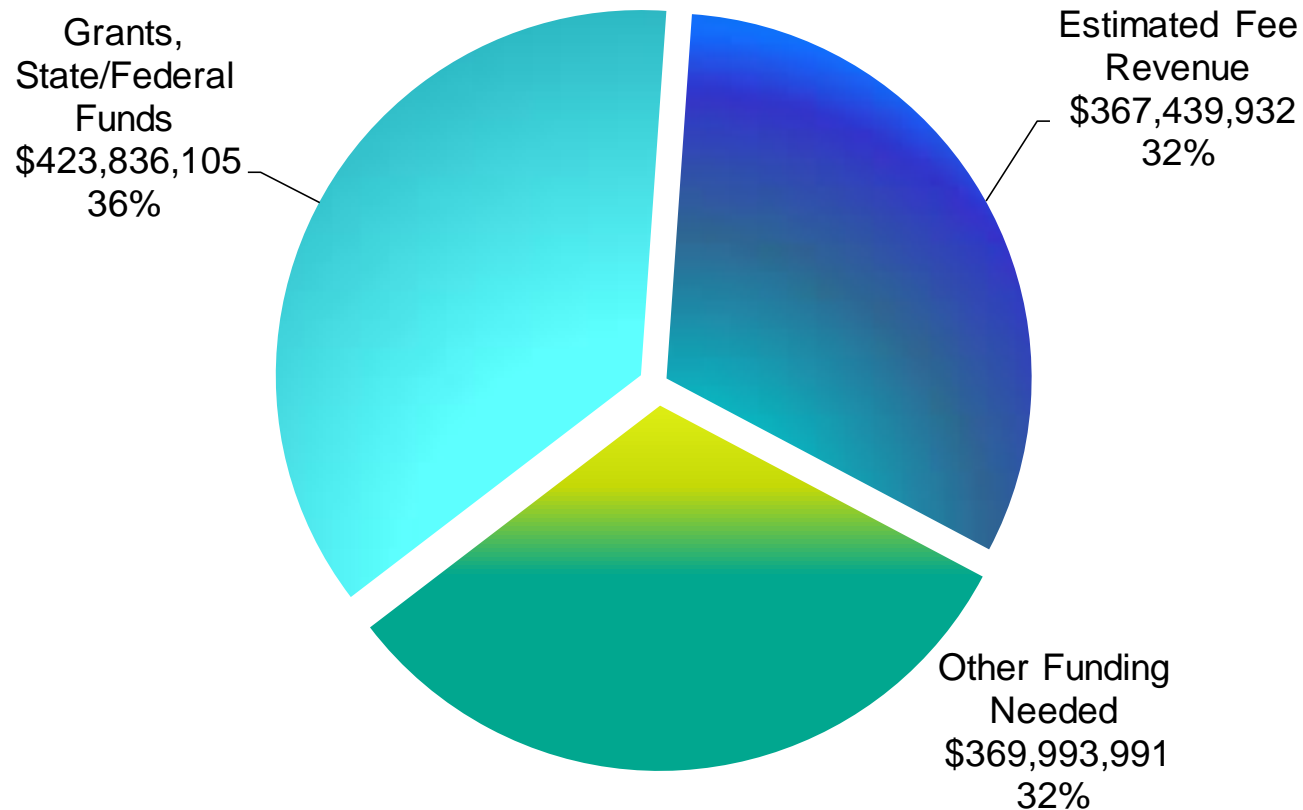
2013 land costs included

Jail bed expansion priority

Old Nexus, Old Fees

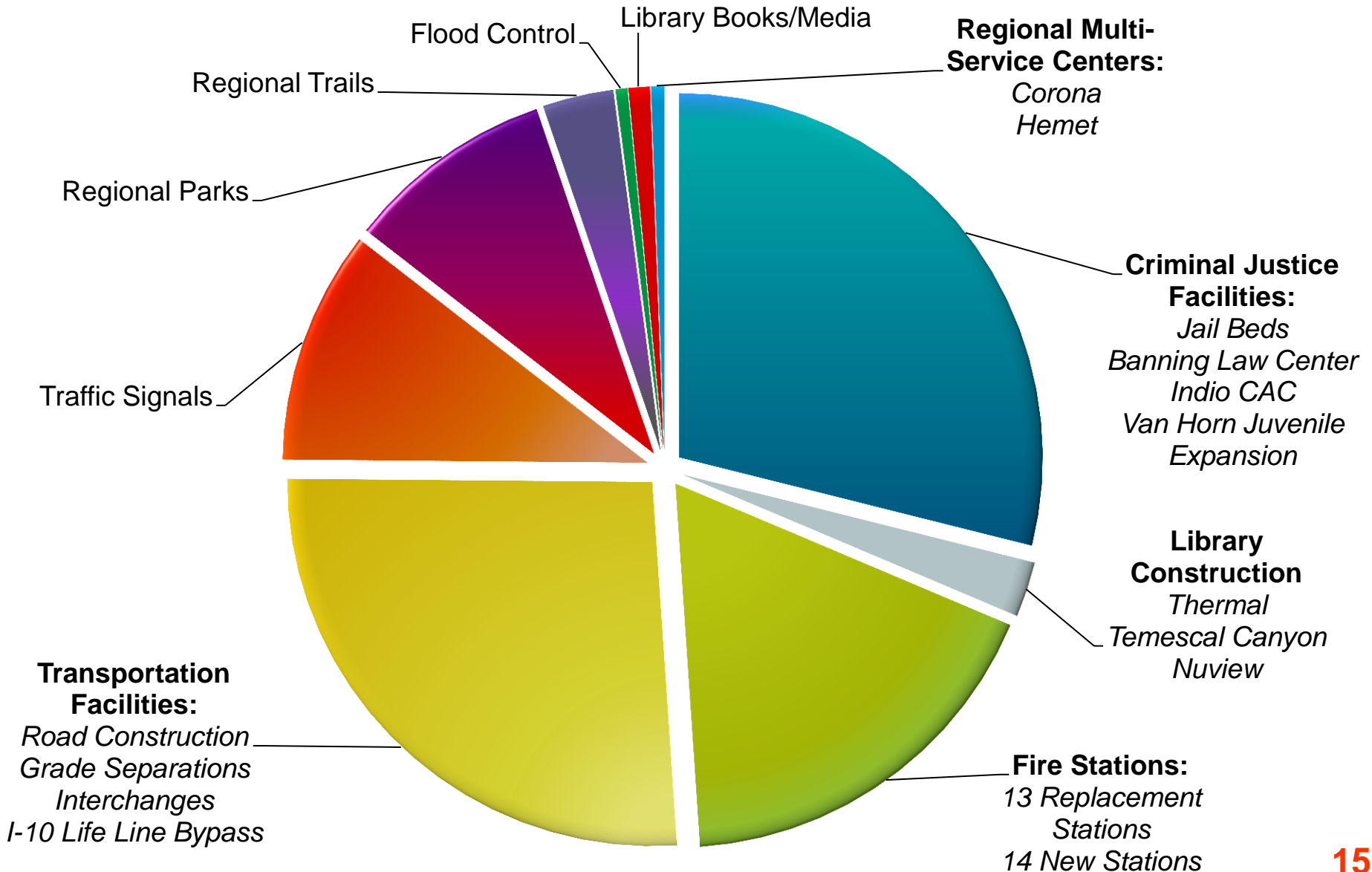
New Nexus, New Fees

Only 32% of the proposed public facilities are funded by DIF fees



DIF fees are based on the proportion of facility costs attributed to new development for a public facility that serves existing residents as well.

For what projects and facilities will the 2010-2020 DIF fees charged?



How do the new 2020 DIF fees compare with the current fees?

Old Fees **New Fees**

Area Plans

1	Jurupa	\$ 4,613	\$ 4,069	\$ (544)
2	Coachella - Western	\$ 6,183	\$ 4,096	\$ (2,087)
3	Highgrove / Northside / University City	\$ 3,628	\$ 4,720	\$ 1,092
4	Reche Canyon / Badlands	\$ 3,628	\$ 4,634	\$ 1,006
5	Eastvale	\$ 4,057	\$ 4,069	\$ 12
6	Temescal Canyon	\$ 4,416	\$ 4,681	\$ 265
7	Woodcrest / Lake Matthews	\$ 5,142	\$ 4,873	\$ (269)
8	March Air Force Base	\$ 3,598	\$ 4,069	\$ 471
9	Desert Center / CV Desert	\$ 4,277	\$ 4,048	\$ (229)
10	Upper San Jacinto Valley	\$ 4,395	\$ 4,459	\$ 64
11	REMAP	\$ 3,598	\$ 4,251	\$ 653
12	Lakeview / Nuevo	\$ 3,847	\$ 4,098	\$ 251
13	Mead Valley / Good Hope	\$ 6,265	\$ 4,559	\$ (1,706)
14	Palo Verde Valley	\$ 6,801	\$ 4,105	\$ (2,696)
15	Greater Elsinore	\$ 4,221	\$ 4,232	\$ 11
16	Harvest Valley / Winchester	\$ 3,598	\$ 4,069	\$ 471
17	Sun City / Menifee Valley	\$ 5,185	\$ 4,069	\$ (1,116)
18	Coachella - Eastern	\$ 6,982	\$ 4,785	\$ (2,197)
19	Southwest Area Plan (SWAP)	\$ 3,637	\$ 4,069	\$ 432
20	San Gorgonio Pass	\$ 4,956	\$ 4,385	\$ (571)

Average Single Family

Residential \$ 4,651 \$ 4,318 \$ (334)

How do the new 2020 DIF fees compare with other cities and counties?

	Average SF DIF
Riverside County	\$ 4,318
Temecula	\$ 5,891
La Quinta	\$ 7,713
Hemet	\$ 8,635
Moreno Valley	\$ 9,067
Wildomar	\$ 9,687
Corona	\$ 11,720
Perris	\$ 13,670
Desert Hot Springs	\$ 15,538
San Bernardino County	\$ 5,057
Orange County	\$ 8,466
San Diego County	\$ 8,095

The current DIF fee levels will gradually phase in to the New DIF fees over a period of one year

		CURRENT FEES			NEW FEES						
		(Single Family)			July 1, 2014		January 1, 2015		July 1, 2015		
Area Plans		100% of Old Fees	Temporary Fee Reduction at 50%	Amount of Increase/Decrease	60% of New Fees	Amount of Increase	80% of New Fees	Amount of Increase	100% of New Fees	New Fees at 100%	
1	Jurupa	\$ 4,613	\$ 2,307	\$ 135	\$ 2,441	\$ 814	\$ 3,255	\$ 814	\$ 4,069	\$ 4,069	
2	Coachella - Western	\$ 6,183	\$ 3,092	\$ (634)	\$ 2,458	\$ 819	\$ 3,277	\$ 819	\$ 4,096	\$ 4,096	
3	Highgrove / Northside / University City	\$ 3,628	\$ 1,814	\$ 1,018	\$ 2,832	\$ 944	\$ 3,776	\$ 944	\$ 4,720	\$ 4,720	
4	Reche Canyon / Badlands	\$ 3,628	\$ 1,814	\$ 966	\$ 2,780	\$ 927	\$ 3,707	\$ 927	\$ 4,634	\$ 4,634	
5	Eastvale	\$ 4,057	\$ 2,029	\$ 413	\$ 2,441	\$ 814	\$ 3,255	\$ 814	\$ 4,069	\$ 4,069	
6	Temescal Canyon	\$ 4,416	\$ 2,208	\$ 601	\$ 2,809	\$ 936	\$ 3,745	\$ 936	\$ 4,681	\$ 4,681	
7	Woodcrest / Lake Matthews	\$ 5,142	\$ 2,571	\$ 353	\$ 2,924	\$ 975	\$ 3,898	\$ 975	\$ 4,873	\$ 4,873	
8	March Air Force Base	\$ 3,598	\$ 1,799	\$ 642	\$ 2,441	\$ 814	\$ 3,255	\$ 814	\$ 4,069	\$ 4,069	
9	Desert Center / CV Desert	\$ 4,277	\$ 2,139	\$ 290	\$ 2,429	\$ 810	\$ 3,238	\$ 810	\$ 4,048	\$ 4,048	
10	Upper San Jacinto Valley	\$ 4,395	\$ 2,198	\$ 478	\$ 2,675	\$ 892	\$ 3,567	\$ 892	\$ 4,459	\$ 4,459	
11	REMAP	\$ 3,598	\$ 1,799	\$ 752	\$ 2,551	\$ 850	\$ 3,401	\$ 850	\$ 4,251	\$ 4,251	
12	Lakeview / Nuevo	\$ 3,847	\$ 1,924	\$ 535	\$ 2,459	\$ 820	\$ 3,278	\$ 820	\$ 4,098	\$ 4,098	
13	Mead Valley / Good Hope	\$ 6,265	\$ 3,133	\$ (397)	\$ 2,735	\$ 912	\$ 3,647	\$ 912	\$ 4,559	\$ 4,559	
14	Palo Verde Valley	\$ 6,801	\$ 3,401	\$ (938)	\$ 2,463	\$ 821	\$ 3,284	\$ 821	\$ 4,105	\$ 4,105	
15	Greater Elsinore	\$ 4,221	\$ 2,111	\$ 429	\$ 2,539	\$ 846	\$ 3,386	\$ 846	\$ 4,232	\$ 4,232	
16	Harvest Valley / Winchester	\$ 3,598	\$ 1,799	\$ 642	\$ 2,441	\$ 814	\$ 3,255	\$ 814	\$ 4,069	\$ 4,069	
17	Sun City / Menifee Valley	\$ 5,185	\$ 2,593	\$ (151)	\$ 2,441	\$ 814	\$ 3,255	\$ 814	\$ 4,069	\$ 4,069	
18	Coachella - Eastern	\$ 6,982	\$ 3,491	\$ (620)	\$ 2,871	\$ 957	\$ 3,828	\$ 957	\$ 4,785	\$ 4,785	
19	Southwest Area Plan (SWAP)	\$ 3,637	\$ 1,819	\$ 623	\$ 2,441	\$ 814	\$ 3,255	\$ 814	\$ 4,069	\$ 4,069	
20	San Gorgonio Pass	\$ 4,956	\$ 2,478	\$ 153	\$ 2,631	\$ 877	\$ 3,508	\$ 877	\$ 4,385	\$ 4,385	
CURRENT FEE LEVELS				\$ 265		\$ 863		\$ 863			
				average increase from current fee level		average increase after 6 months		average increase after 6 months			
				or 16.5% increase from current fee level							

The New DIF fees will be reduced by 40% starting July 1, 2014 and increased by 20% in six month increments

Where can I go to get more information about the draft DIF Nexus Study and proposed fees?




The County of Riverside Transportation and Land Management Agency (TLMA) has created an interactive website to provide you with access to the Proposed DIF Nexus Study and fee schedules. The website will be operational on or about March 1, 2014.

A hard copy will be available for review at each of the county permit offices.

Is it possible to comment on the document?

Yes! Written comments are welcome and may be received at the Riverside County Executive Office up until April 1, 2014. The address is:

Riverside County Executive Office
County Administrative Center
4080 Lemon Street, 4th Floor
Riverside, California 92501
Attention: DIF Program Administrator



**A Public Hearing will be held
on April 22, 2014**

**New DIF Fee Structure
Effective Date July 1, 2014**