

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

701 C



FROM: Executive Office

SUBMITTAL DATE:
June 10, 2014

SUBJECT: Public Hearing for Ordinance No. 659.13, Amending Ordinance No. 659 Establishing a Development Impact Fee (DIF) Program; Approval of the Development Impact Fee Capital Improvement Plan (DIF Capital Improvement Plan); CEQA Exempt [All Districts] [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Find the adoption of Ordinance No. 659.13 is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) in that it can be seen with certainty there is no possibility the ordinance may have a significant effect on the environment;
2. Approve the Ordinance No. 659.13, an Ordinance of the County of Riverside Amending Ordinance 659 Establishing a Development Impact Fee Program that includes a phase-in of the new fees over a period of ten months;
3. Approve the Development Impact Fee Capital Improvement Plan (DIF Capital Improvement Plan);
4. Upon the close of the public hearing, Adopt County Ordinance No. 659.13, amending Ordinance No. 659, Establishing a Development Impact Fee Program, and Adopt the Riverside County DIF Capital Improvement Plan; and.
5. Direct the Clerk of the Board to file the Notice of Exemption with the County Clerk's Office for the statutory period.

Continued on Page 2

Serena Chow

Serena Chow
Principal Management Analyst

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$	\$	\$	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	
SOURCE OF FUNDS: N/A				Budget Adjustment: N/A	
				For Fiscal Year: FY 2014-2015	

C.E.O. RECOMMENDATION:

APPROVE

BY: *Ivan M. Chand*
Ivan M. Chand 6/11/2014

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

FORM APPROVED COUNTY COUNSEL
BY: *MS Victor*
DATE: 6/10/14
MARSHAL VICTOR

Departmental Concurrence

- A-30
- Positions Added
- 4/5 Vote
- Change Order

Prev. Agn. Ref.: | District: All | Agenda Number:

9-1

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Public Hearing for Ordinance No. 659.13, Amending Ordinance No. 659 Establishing a Development Impact Fee (DIF) Program; Approval of the Development Impact Fee Capital Improvement Plan (DIF Capital Improvement Plan)

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BACKGROUND:

Summary

On February 11, 2014 (Item 3-4) the Board of Supervisors approved the Introduction of Ordinance 659.13 and the Notice of Intent to Conduct a Public Hearing for the Riverside County Development Impact Fee Program on April 22, 2014.

This item is re-introducing Ordinance 659.13 with new Resolutions No. 2014-141 and 2014-142 in order to re-set the public hearing date for July 1, 2014. The effective date is changed to 60 days after the public hearing, which will be September 1, 2014. During the 60-day postponement, staff was able to collect additional comments and provide clarification in a new "Question and Answer" section of the staff report "An Overview of the New 2010-2020 Development Impact Fee Nexus Study."

One comment resulted in a change to Ordinance 659 Section 16. "Reduction for Senior Citizen's Residential Units" that proposes a 33.3 percent fee reduction for Recreational Vehicle (RV) Parks, a proposal that was initially considered by the county in 2008. The proposed fee schedules did not change as a result of this modification.

Section 14 entitled "Fee Adjustment" authorizes the Board to periodically review and update the nexus study and the capital infrastructure needs to develop new fees. The infrastructure projects in the DIF Capital Improvement Plan determine the amount of fees paid by new construction in unincorporated county.

The Ordinance update itself does not lead directly to the implementation of any specific project and it does not commit the County to any development, therefore it can be seen with certainty that there is no possibility that the ordinance amendment itself may have a significant effect on the environment and is exempt from CEQA under 15061(b)(3).

Impact on Citizens and Businesses

The adoption of the DIF Capital Improvement Plan and Ordinance 659.13 will improve the quality of life for citizens and businesses through the public safety projects and infrastructure facilities which can now be funded, in part, by the new fee revenues collected from new development. Some major projects include:

- 2,527 New jail beds
- Banning Legal Center
- Probation Van Horn Juvenile Facility Expansion
- Grade separation in Highgrove
- Interchanges in Temescal Canyon and Eastern Coachella
- I-10 "Life-Line" By-Pass
- Wildomar Fire Station Expansion

Additional Fiscal Information

The proposed phase-in of the new DIF fees will provide citizens and businesses with a gradual phase-in from the current reduced fee level, to the new fees over ten months. In order to provide the most level increases and the most certainty, the new adopted DIF fees are proposed to be reduced by 40% on the effective date of Ordinance 659.13, which is an initial average increase of \$265, or 16.5% from the current fees. The new adopted DIF fees will be reduced by 20% on January 1, 2015. On July 1, 2015, there will be 0% fee reductions of the new adopted DIF fees and the fees will be at 100%. The "40-20-0" ramp up will result in an estimated fee revenue loss of approximately \$562K, based on average fee revenues in fiscal year 2013-2014.

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Proposed DIF Fees (at 100%)

Area Plans		Current	Proposed	
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)

Illustration is for the average Single Family Fee \$4,651 \$4,318 \$ (333)

"40-20-0" Ramp Up

Area Plans	OLD FEES		Transition to new fees	NEW FEES						
	100% of Old Fees	Current Reduced Fees		Sept 1, 2014 40% of Temporary Fee Reduction	Jan 1, 2015 20% of Temporary Fee Reduction	July 1, 2015 0% Temporary Fee Reduction	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
				\$ 265		\$ 863		\$ 863		
				average increase from current fee level (16.5%)		average increase after 6 months		average increase after 6 months		