

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

448



FROM: Transportation and Land Management Agency

SUBMITTAL DATE:
July 12, 2011

SUBJECT: Initiation of an Amendment to Riverside County Ordinance No. 659

RECOMMENDED MOTION: That the Board of Supervisors:

1. Adopt an order to initiate an amendment to Riverside County Ordinance No. 659 that would extend the temporary reduction period of the Development Impact Fee (DIF); and
2. Direct the Transportation and Land Management Agency and County Counsel to prepare and bring forward for consideration said amendment to Ordinance No. 659.

(Continued on next page)

George A. Johnson

George A. Johnson

Director, Transportation and Land Management Agency

dr

FORM APPROVED COUNTY COUNSEL
BY: *Synthia M. Gunzel* 7-13-11
DATE: Departmental Concurrence
SYNTHIA M. GUNZEL

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 3,000	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	11/12

SOURCE OF FUNDS: Transportation and Land Management Agency, Administrative Service Departmental Revenue	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*
Tina Grande

County Executive Office Signature

Policy
 Policy
 Consent
 Consent
 Dep't Recomm.:
 Per Exec. Ofc.:

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Buster, seconded by Supervisor Benoit and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Stone, Benoit and Ashley
 Nays: None
 Absent: Tavaglione
 Date: July 26, 2011
 xc: TLMA, Co.Co., Auditor

Kecia Harper-Ihem
 Clerk of the Board
 By: *Kecia Harper-Ihem*
 Deputy

Prev. Agn. Ref. 3.85-7/27/10; 3.64-8/10/10 | District: All | Agenda Number:

3.84

The Honorable Board of Supervisors

RE: Initiation of an Amendment to Riverside County Ordinance No. 659

July 12, 2011

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BACKGROUND:

On July 27, 2010 the Board of Supervisors approved an extension of the fifty percent (50%) temporary reduction of DIF fees imposed by Ordinance 659.9 that commenced on September 9, 2010 and is scheduled to end on September 9, 2011. The Board action extended the 50% DIF reduction in an effort to stimulate local home building activity, create jobs and improve the economy.

The BIA has requested an amendment that would extend the fifty percent (50%) reduction for an additional one year period, through October 2012, to support home building efforts in a still lagging economy.

TLMA has continued to monitor building permit trends: the numbers show a 46% decrease in the number of single family housing permits issued in FY 10/11, as compared to the same time period in FY 09/10. (Attachment A)

The temporary DIF reduction represents a loss of \$ 2,588,496 for FY 10/11, as reflected on Attachment "B", combined with a loss of \$ 3,363,912 in DIF program funds from the prior year, bringing the total impact to the County's DIF program to \$ 5,952,408 in lost revenue since the fee reduction was first initiated.

FISCAL:

The ordinance amendment requires minimal updates. The supporting data has already been gathered for other purposes and TLMA continues to track building statistics on a regular basis. The cost for preparing, processing and implementing the ordinance is estimated at \$3,000 for County Counsel costs and is covered under the TLMA Administrative Department's budget for FY12.

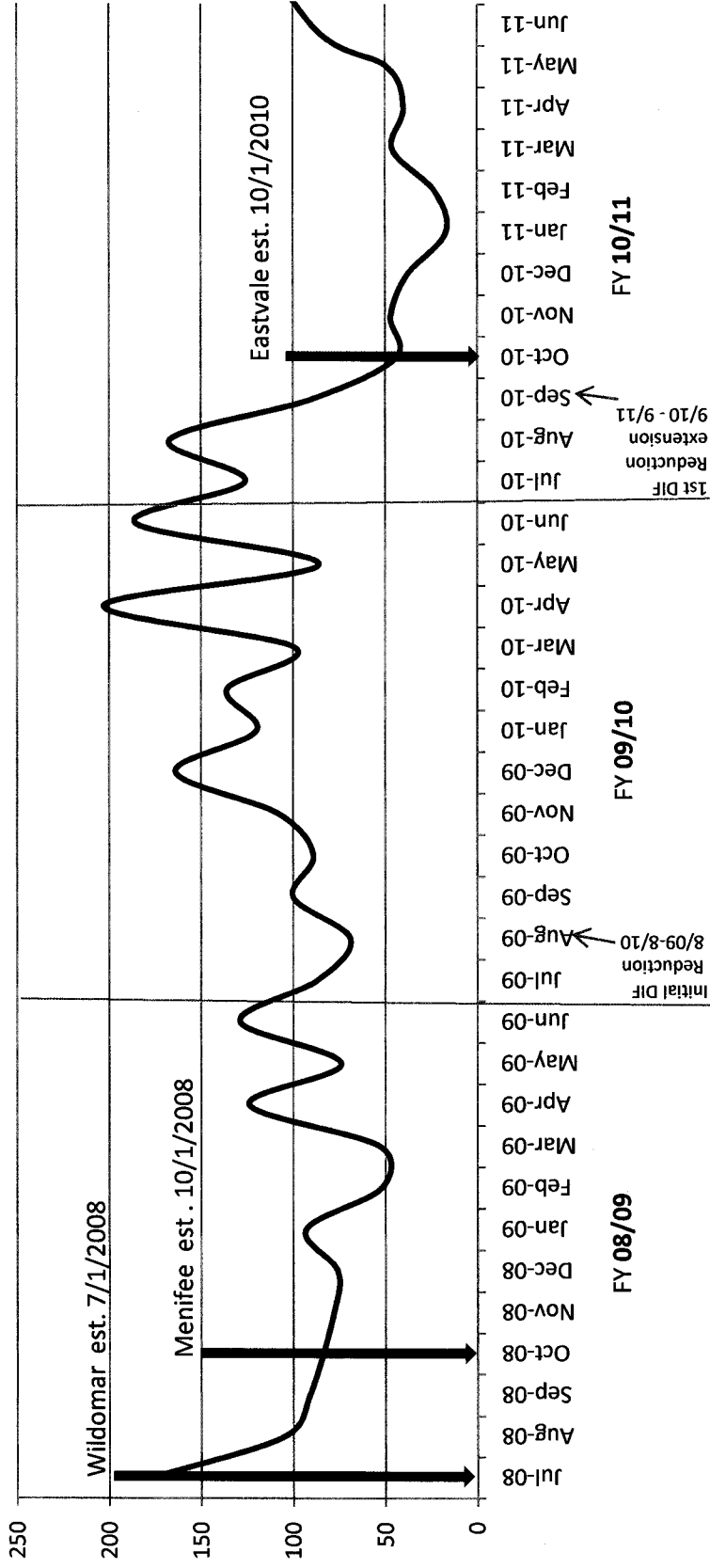
Attachments:

"A" Single Family Dwelling Permit Trends

"B" DIF Receipt Comparison

Attachment A

Single Family Dwelling Permit Trends FY 08/09 to FY 10/11

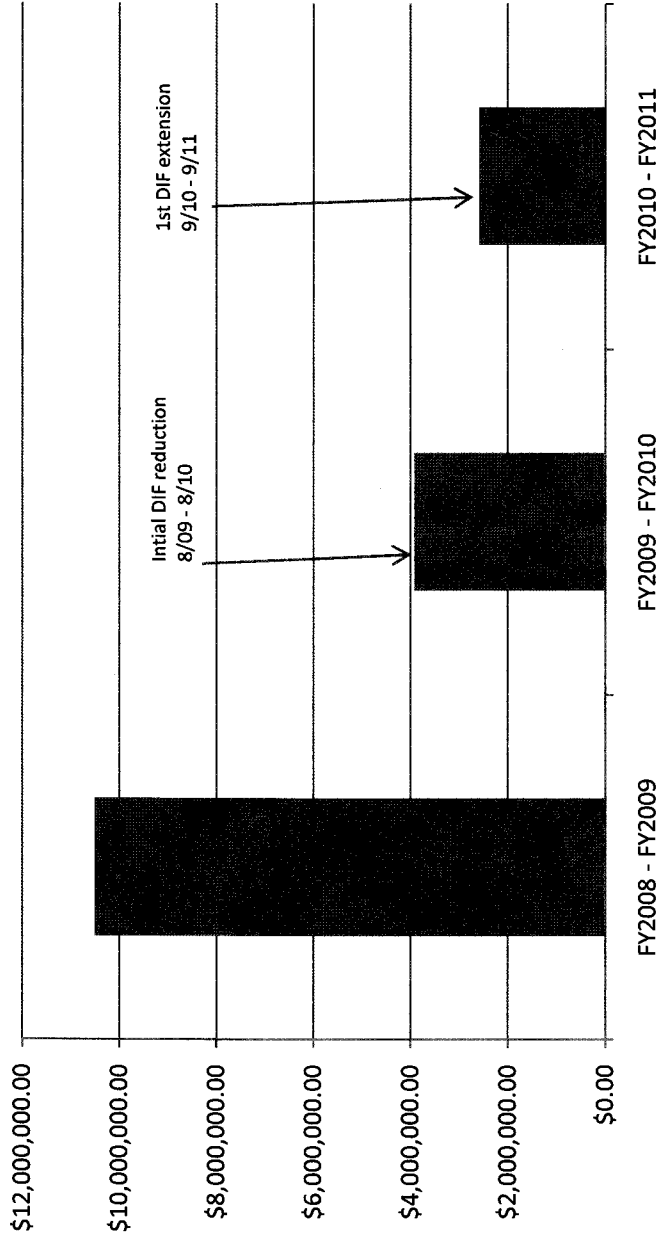


Fiscal Year	Month	Permits
FY 08/09	Jul-08	176
	Aug-08	105
	Sep-08	167
FY 09/10	Jul-09	87
	Aug-09	69
	Sep-09	100
FY 10/11	Jul-10	126
	Aug-10	89
	Sep-10	89
FY 08/09	Oct-11	147
	Nov-08	78
	Dec-08	76
FY 09/10	Jan-09	93
	Feb-09	52
	Mar-09	53
FY 10/11	Apr-09	124
	May-09	74
	Jun-09	129
FY 08/09	Jul-09	87
	Aug-09	69
	Sep-09	100
FY 09/10	Oct-09	89
	Nov-09	108
	Dec-09	164
FY 10/11	Jan-10	120
	Feb-10	136
	Mar-10	99
FY 08/09	Apr-10	203
	May-10	86
	Jun-10	186
FY 09/10	Jul-10	126
	Aug-10	89
	Sep-10	89
FY 10/11	Oct-10	44
	Nov-10	47
	Dec-10	38
FY 08/09	Jan-11	17
	Feb-11	23
	Mar-11	46
FY 09/10	Apr-11	40
	May-11	49
	Jun-11	90

Attachment B

DIF Receipt Comparison

Source: TLMA Land Management Permit System,
total number of DIF receipts collected. Does not reflect refunds.



FY2008 - FY2009	\$10,509,121.39
FY2009 - FY2010	\$3,923,766.65
FY2010 - FY2011	\$2,588,506.50