

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

C.E.O. RECOMMENDATION: APPROVE

BY:
Tina Grande

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Buster, seconded by Supervisor Stone and duly carried, IT WAS ORDERED that the above matter is approved as recommended, and is set for public hearing on Tuesday, July 17, 2012, at 9:30 a.m.

Ayes: Buster, Stone and Ashley
Nays: None
Absent: Tavaglione and Benoit
Date: June 26, 2012
xc: Transp., COB

Kecia Harper-Ihem
 Clerk of the Board
 By:
 Deputy

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
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Agenda Number:

3.34

FORM APPROVED COUNTY COUNSEL
 BY:
 DALE A. GARDNER Departmental Concurrence

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

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.