

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



ITEM: 3.2  
(ID # 24112)

MEETING DATE:  
Tuesday, January 30, 2024

**FROM :** SUPERVISOR KEVIN JEFFRIES AND SUPERVISOR KAREN SPIEGEL :

**SUBJECT:** SUPERVISOR KEVIN JEFFRIES AND SUPERVISOR KAREN SPIEGEL: New Board Policy Regarding Transportation Department's "Cash-in-Lieu" Expenditures

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Direct the Executive Office to work with the Transportation Department to develop a new Board Policy to require "Cash-in-Lieu of Construction" funds to be used solely within the Area Plans they are collected, and a method for a transparent accounting for those funds.

**ACTION:**Policy

  
Supervisor Kevin Jeffries, Chair

1/24/2024

  
Supervisor Karen Spiegel, Supervisor 2nd District

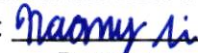
1/25/2024

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Perez, seconded by Supervisor Jeffries and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Gutierrez  
Nays: None  
Absent: None  
Date: January 30, 2024  
xc: BOS-Dist. 1, BOS-Dist. 2, E.O., Trans.

Kimberly A. Rector  
Clerk of the Board  
By:   
Deputy

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

**BACKGROUND:**

Per Ordinance 659, before new development can be built in Riverside County, the developer is typically required to pay Development Impact Fees (DIF), to mitigate for the impacts to the community caused by such development, based on the size and type facility being proposed. The fees assessed are based on the anticipated needs of the community due to future development and are used for specific purposes, including such things as fire protection, library construction, trails, traffic signals, and transportation improvements within the County. Those funds are then expended generally within the Area Plan in which they are collected for the stated purposes of each of those accounts.

Additionally, some developers may be required to construct roadway improvements as part of their proposed development due to the size and type of project being proposed, and these improvements could include the installation of a traffic signal or center median or extra lanes on a street or road, for instance. Occasionally the Transportation Department will decide that the cost of the roadway improvement exceeds the responsibility of the applicant/developer. In these cases, the County may collect "cash-in-lieu" of construction for the needed improvements. In these situations, the County collects a dollar amount proportionate to the impact of the proposed development as a contribution to the needed improvement. As new development occurs within the same area, developers will be subject to also pay a fair share contribution, "cash-in-lieu" and eventually the needed improvement will be built when sufficient funds have been collected.

In practice, this does not always happen, and current policy allows cash-in-lieu funds to be spent on similar projects on a County-wide basis. While this flexibility allows the Transportation Department to construct improvements, they feel are more urgent elsewhere, it does not mitigate the impact of the specific development where the funds were collected from and can leave the community without the necessary funding to mitigate for the additional traffic generated by new development.

This item would direct the Executive Office to work with the Transportation Department to ensure that cash-in-lieu fees be kept within the area plan from which they were collected, so that even if the specific transportation project, in which the "cash-in-lieu" for, is not built, the funds are at least expended to benefit the community that is impacted by the new development, rather than diverted to another part of the County. As part of this recommendation, an accounting will need to be kept of how those funds are collected and disbursed.

**Impact on Residents and Businesses**

Keeping cash-in-lieu funds within the community where they are collected will help ensure that those closest to the project will benefit from the efforts to mitigate that project's impacts.