

CITY OF PERRIS

MINUTES: Joint Work Session of the City Council,
Redevelopment Agency,
Perris Public Finance Authority &
Perris Public Utilities Authority

Date of Meeting: 30 January 2007

Time of Meeting: 5:00 p.m.

Place of Meeting: City Council Chambers

1. CALL TO ORDER:

The Honorable Mayor Busch called the Joint Work Session of the City Council, Redevelopment Agency, Perris Public Finance Authority and Perris Public Utilities Authority to order.

5:32 p.m. Called to Order

2. ROLL CALL:

Council Members Present: Landers, Motte, Rogers, Yarbrough, Busch

All Council Members present

Staff Members Present: Acting City Manager Belmudez, City Attorney Dunn, City Engineer Motlagh, Finance Director Carr, Public Works Director Ansari, Assistant to City Manager Madkin, Community Services Manager Carter, Interim Planning Manager Eckhardt, Real Estate Manager McDermott, Building Official Avila, and City Clerk Haughney.

Staff Members Present

3. WORK SESSION:

A. North Perris Road and Bridge Benefit District Feasibility Study.

North Perris Road and Bridge Benefit District Feasibility Study

Introduced by: Richard Belmudez, Acting City Manager

Acting City Manager Belmudez explained that this item had been brought to the Council by several of the developers in the North Perris area who had come together at the request of Staff. He then turned the presentation over to Roger Prend, Sr. Vice President, Commercial Industrial Development for Albert A. Webb Associates, who, in turn, introduced Bob Wolf, Director of the Traffic Division for Webb Associates, who had initiated the idea for this benefit district for the purpose of getting the City to address some of the regional improvements.

Mr. Belmudez turned the presentation over to Roger Prend of Albert A. Webb Associates, who then introduced Bob Wolf, who had initiated the idea for this benefit district.

Mr. Wolf said this concept had been brought to fruition through the inspiration of City Engineer Motlagh, who had been focused on providing the infrastructure necessary for Perris to grow. A mechanism was needed to ensure that everyone coming into the City would pay their fair share for road and bridge improvements; one that would require everyone coming in to participate, in order that development could proceed in a normal course, providing job opportunities and ensuring the infrastructure would be there when necessary. He said they had been able to convince many of the major developers who were trying to bring facilities to this community of the benefit of taxing themselves in order to provide a surety that the infrastructure would be there.

Mr. Wolf said this concept had been brought to fruition through the inspiration of City Engineer Motlagh. A mechanism was needed to ensure that everyone coming into the City would pay their fair share for road and bridge improvements, in order that development could proceed in a normal course, providing job opportunities and ensuring the infrastructure would be there when necessary.

In developing this program, Mr. Wolf explained, they had taken every source of money, including TUMF and the various DIF fees, aggregated them into a program where, by taxing themselves and being sure that those fees were collected and the infrastructure proceeds alongside of their development, that the City could accomplish its goals and theirs; the City's being to make sure the infrastructure was there and provide growth and job opportunities for the community, and the developers', to be able to deliver a product that would be competitive on the market, getting everyone to pay their fair share as they go. He said this was a comprehensive plan embraced by the development community and regional agencies that collect fees. He thanked Mr. Motlagh for challenging them to find a way to provide that infrastructure for the City of Perris.

Mr. Wolf briefly explained the concept of the program.

Mr. Prend said that in a nutshell what they had done was to take an area defined in the boundary as the North Perris Road and Bridge Benefit District and identify all the facilities that were included in the TUMF facilities, as well as the City DIF facilities, and then add, on top of the TUMF and DIF fees, a fee that would make up for the differential in an accelerated development of this area. This way, the City and the developers could be sure that they were not waiting until the last TUMF fee was paid on the last raw acre of land in the City of Perris for reimbursements or for money available to the City to build some of these facilities.

Mr. Prend said that by adding a fee on top of the TUMF and DIF fees, they could make up for the differential in an accelerated development of this area.

Councilmember Motte asked if this matched up with the Industrial Specific Plan. Mr. Prend said it was very close.

Councilmember Motte asked if this matched up with the Industrial Specific Plan. Mr. Prend said it was very close.

Mayor Busch asked how they had selected the boundaries. Mr. Prend said the area basically applied to the industrial zoning of the City, the current General Plan Industrial. It was confined mostly to the industrial portion of the General Plan of the North Perris area: from Placentia up to the north City limits, and from Redlands west to the I-215. This was the area on which they would be imposing the additional fee. All of the infrastructure – the streets, the freeway off-ramps, the interchanges, and the major collectors and arterials – were TUMF and DIF facilities.

Mayor Busch asked how they had selected the boundaries. Mr. Prend said the area was confined mostly to the industrial portion of the General Plan of the North Perris area: from Placentia north to the City limits, and between Redlands and the I-215.

Councilmember Motte asked if it would be possible to opt out of this district. Mr. Prend it would not be. This would be the Council's decision to adopt this district and overlay it on the entire boundaries, and everyone in the area would have to participate. He said the whole point was that no one could come in and not pay their fair share. Mr. Motte asked if that would be a burden to a homeowner. Mr. Prend said there would be no fees for existing structures; this would pertain only to new development, and this fee would be in addition to the existing DIF and TUMF portion. Additionally, he said there was not even a residential component in the study, as there was no residential zoning in the study area.

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Dilesh Sheth, Director, Traffic and Transportation for Albert A. Webb Associates noted that the project area consisted of nearly 1,900 acres, bounded by Oleander on the north, Placentia on the south, the Perris Valley Drain on the east, and the I-215 freeway on the west. Mr. Sheth said they had used aerial photos and had also gone out into the field and researched how many lanes existed on all the streets. Mr. Prend interjected that rather than just relying on the aerial photos, they had actually investigated the shape of the roads in an effort to get the costs as accurate as possible.

Dilesh Sheth noted that the project area consisted of nearly 1,900 acres, bounded by Oleander on the north, Placentia on the south, the Perris Valley Drain on the east, and the I-215 freeway on the west. He discussed the research they had done.

Mr. Sheth showed the comparison between the TUMF and DIF fees in 2006 and the present and future fees. They had used these as a guide for the amounts that would be needed for improvements. Total projected improvements for the next ten years amounted to \$195 million; of that, \$122 million would be funded by TUMF and \$30 million by DIF, leaving a shortfall of about \$43 million. In accordance with a rule built into the TUMF, if the Road and Bridge Benefit District overlay was put into place, an additional \$48 million could be captured.

Mr. Sheth showed the comparison between the TUMF and DIF fees in 2006 and the present and future fees. Total projected improvements for the next ten years amounted to \$195 million. They estimated payments of \$152 million (\$122 million funded by TUMF and \$30 million by DIF), leaving a shortfall of \$43 million. If the benefit district overlay was put into place, an additional \$48 million could be captured.

Mayor Busch asked if developers could get credits for making improvements. Mr. Wolf said they could, and this was the vehicle through which they could do it.

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4. ADJOURNMENT:

By unanimous consent, the Joint City Council, Redevelopment Agency, PPFA and PPUA Work Session was adjourned at 6:04 p.m.

6:04 p.m. Joint City Council, Redevelopment Agency, PPFA and PPUA Work Session was adjourned.

Respectfully Submitted,

Judy L. Haughney, City Clerk

