

CITY OF PERRIS

MINUTES: Adjourned Regular City Council Meeting
Date of Meeting: 18 March 2003
Time of Meeting: 6:00 p.m.
Place of Meeting: City Council Chamber – City of Perris

1. *CALL TO ORDER:*

The Honorable Mayor Busch called the Adjourned City Council, Meeting to order.

6:03 p.m. Called to Order

2. *ROLL CALL:*

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

Staff Member Present: Interim City Manager Apodaca, City Attorney Dunn, Community Development Director Gutierrez, and City Clerk Rey.

All Present

3. *PLEDGE OF ALLEGIANCE:*

Mayor Pro Tem Led the Pledge

4. *ADJOURNED PUBLIC HEARINGS:*

A. Consideration and discussion to introduce proposed Ordinance Number 1114, Ordinance Amendment 03-0058, authorizing participation in the ‘Western Riverside County Transportation Uniform Mitigation Fee Program’.

Adoption of Ordinance Number 1114, TUMF Ordinance Approved: 5-0

To introduce proposed Ordinance Number 1114 (next in order) entitled:

AN ORDINANCE OF THE CITY COUNCIL, CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AUTHORIZING PARTICIPATION IN THE WESTERN RIVERSIDE COUNTY TRANSPORTATION UNIFORM MITIGATION FEE PROGRAM BY ASSESSING A DEVELOPMENT FEE CITY WIDE TO ASSIST WITH THE FINANCING OF A REGIONAL ROADWAY SYSTEM FOR THE BENEFIT OF WESTERN RIVERSIDE COUNTY (ORDINANCE AMENDMENT 03-0058).

Community Development Director Gutierrez commented that there was information requested by Council included in the agenda packet. Information was provided in regards to improvements beyond the City of Perris; specifically in Moreno Valley and the unincorporated area of the County. Community Development Director Gutierrez distributed additional information that was provided by WRCOG. Staff requested Council to approve the introduction of the ordinance amendment. Staff was available to answer any questions Council had.

Community Development Director Gutierrez’s Introduction

Mayor Busch called for additional input and public comment; there being none, Mayor Busch called for Council's questions and discussion.

Mayor Busch Called for Public Comment

Mr. Bishop, Executive Director of WRCOG, indicated the memorandum distributed was nothing more than a summary of recent activities and future actions. The approach of the program was right and the technical foundation was correct. The memorandum consisted of a number of comments and questions from Council and gave a concept of where WRCOG was headed with some of the issues. Some of the questions that arose were about the issuance of the first \$400 million and TUMF revenues. What was iterated in the memorandum was the concept that those dollars would be allocated consistent with the Nexus Study. There was a statement about WRCOG's intent to bring the Administrative Plan to the Executive Committee for consideration on April 7th. It was the intent to use RCTC's financial expertise as the bank for the program (accounting services). WRCOG was in concurrence with the concept of an economic review during the interim period where the fees would not be charged to non-residential development. However, it was questioned as to whether or not the TUMF revenue could be utilized to undertake the study. However, with WRCOG, the City and other jurisdictions it could be undertaken. Mr. Bishop and Darin Henderson, the lead on the consultant team, were available to answer questions.

WRCOG Executive Director, Mr. Bishop's Presentation

City Engineer Motlagh commented that the conditions of the recent development agreement were if TUMF was not adopted then everything agreed upon would be invalid. If adopted everything agreed upon would remain in place.

City Engineer Motlagh's Comment Re: Development Agreement TUMF Condition

CITY COUNCIL COMMENTS AND DISCUSSION:

Councilmember Yarbrough recommended that Council supports the first reading and on March 25th the second reading would take place. Councilmember Yarbrough had already expressed his concerns and would review the information given.

Councilmember Yarbrough's Comment Re: Support of TUMF

Mayor Busch commented that the second reading would take place on April 8th and was told that date would not hinder the program.

Mayor Busch's Comment Re: Date of Second Reading of Ordinance

Councilmember Landers commented that new development should participate in the endeavor of the streets/roads. However, Councilmember Landers did not agree with the amount of the fee, they were excessive; and commented that questions he had were never answered. In the interim, Council should hold an informational session. He voiced support of the first reading.

Councilmember Landers' Comment Re: Excessive Fees & Information Session

Councilmember Rogers asked what other revenues were available for the Economic Impact Study that would evaluate the impact on the City or zone.

Councilmember Rogers' Query Re: Economic Impact Study

In response, Mr. Bishop said he was not certain the TUMF revenues could not be used. However, the law did not allow for that; so that would be the next path of action to pursue. It was intended for each of the jurisdictions that were interested in the study was to participate and finance it.

WRCOG, Mr. Bishop's Response

Rogers commented, concerning the administrative cost, that she requested some type of a fee program for the local jurisdictions. The program would create additional staff input, staff time working with developers to negotiate certain agreements; and reevaluate the regular fees and give credit for the TUMF fee in order to not over tax. It looked as if it was completely ruled out.

Councilmember Rogers' Comments Re: Administrative Fee

Mr. Bishop said what was done was the notion that many of the jurisdictions do charge fees for processing projects, which was a mechanism to fund existing planning staff. It was anticipated that this work would be very minimal; it was WRCOG's intent was to make sure the actual administrative burden on each of the jurisdictions was very minimal and was no more than transmitting the dollars collected to WRCOG. The other activities City's staff would be involved in were in the course of the work undertaken now. The only difference was the TUMF program gave the dollars to construct. WRCOG offered to provide the services to the maximum; monitor; and ensure there was consistency among the fifteen jurisdictions.

WRCOG, Mr. Bishop's Comments Re: Administrative Fee

Councilmember Rogers asked how many cities had adopted the program through first and second ordinance readings.

Councilmember Rogers' Query Re: Cities that Adopted the Ordinance

In response, Mr. Bishop said nine or ten cities had adopted the ordinance of the program and there remained five cities to adopt the ordinance, which included Perris. The other cities were scheduled to consider the ordinance by the end of this month.

WRCOG, Mr. Bishop's Response

Mayor Pro Tem Motte asked how would the TUMF program affect the freeways and the north/south corridor.

Mayor Pro Tem Motte's Query Re: TUMF's Affect on Freeways

In response, Mr. Bishop said a decision made by RCTC on the north/south CETAP alignment was to pursue expanding capacity on the 215 and 15 Freeways as the north/south alternative. The TUMF program did not include any of the freeways on the system.

WRCOG, Mr. Bishop's Response

City Engineer Motlagh commented that under the extended Measure A there was \$1.6 billion set aside for freeway improvements. \$640 million of that was from state funds and the rest was directly from Measure A, which was effective in 2009. There were several

City Engineer Motlagh's Comment Re: Measure A Funds

projects under I-215 widening and \$210 million was set aside for that project. The freeway interchanges such as Ellis and Placentia were funded under TUMF. Also, there would be full expansion of existing and new interchanges. There were five interchanges in Perris that were addressed within the TUMF.

*Con't. City Engineer
Motlagh's Comment Re:
Measure A Funds*

Councilmember Rogers asked when was it anticipated that the Zone Committee was able to produce improvements; and was there a time schedule.

*Councilmember Rogers'
Query Re: Improvement
Schedule*

In reply, Mr. Bishop confirmed that there was a time schedule and what was assumed was the jurisdictions would start collecting fees by early June 2003. The administrative plan outlined how the zones would operate. By the end of the summer zone structures would be set up; meetings would be held and it was the objective that end of the next fiscal year the first ten year strategic plan would be in place for the entire TUMF Network. The revenue stream would be reviewed to make sure there was adequate revenue/financing to start building the facilities. Projects were approved by the Zone Committee. The approved projects were forwarded to the Executive Committee to make sure the facilities were TUMF facilities and ensured the dollars were spent in accordance with the Nexus Study. The WRCOG's Executive Committee was made up of a Councilmember or mayor of each jurisdiction and four members of the Board of Supervisors. The Executive Committee would make the decisions on the backbone network and review the list of projects.

*WRCOG Executive
Director, Mr. Bishop's
Response: Fee Time
Schedule; Zones Operation;
Review of Revenue Stream
& Projects; TUMF Fees
Spent in Accordance with
the Nexus Study*

City Engineer Motlagh commented that the development agreements that Council had approved would be exempt from the TUMF fee. The ordinance for development agreements would require final approval before June 2003.

*City Engineer Motlagh's
Comment Re: Exemption of
Development Agreement*

Councilmember Yarbrough asked how much was spent on the TUMF. In addition, in the event, Council adopted the TUMF and later the City decided not to participate what would happened to the fees collected.

*Councilmember
Yarbrough's Queries Re:
TUMF Cost & Non-
Participation*

In response, Mr. Bishop said about \$500,000 to date was spent on TUMF, which included the consultant's cost for the Nexus Study. In regards to non-participation, that jurisdiction would not be eligible to receive road maintenance dollars; would not have a voice in money allocated to their zone; and the jurisdiction was removed from the decision making process. The dollars collected would not be remitted back to the jurisdiction.

*WRCOG Executive
Director, Mr. Bishop's
Response*

Mayor Busch asked for a summary of what portion of the backbone would not be funded by TUMF; what would be remitted back to the City's zone; and what would Measure A produce for the City's zone. Also, compare the summary to the possibility of how much money the City would had put in. Would the City be a donor or a receiver.

*Mayor Busch Comment &
Query Re: Summary of
Money Remitted to City &
City a Donor or Receiver*

In reply, Mr. Bishop said a summary would be given to Council. The network cost of the improvements for the City was around \$160 million, which was based on future growth. It was estimated that the City would generate about \$128 million. Therefore, the City was not a donor, it was a potential receiver. The approved development agreements might make generated revenue less than the \$128 million.

WRCOG, Mr. Bishop's Response: Improvement Cost; City's Generated Revenue; City a Potential Receiver & Less Revenue with Approved Development Agreements

Unidentified person commented that the backbone system was part of the City's matching funds for Measure A. There was about \$111 million worth of credit cost. Moreno Valley had \$86 million of backbone facilities; and Riverside County had \$142 million. Out of the County's \$68 million was for Ethanac, Ramona Expressway and Highway 79, which were all very important to the City. The list distributed reflected multiple projects on each line. The City's secondary facilities had \$48 million; and the bulk of the City's projects were on the backbone. There were \$576 million of improvements for the total zone; and Perris was at \$160 million. It was equally divided among the level of projects. Generated revenue would be based on non-residential use.

Unidentified Person's Comment Re: Monies within Perris' Zone

Councilmember Rogers asked if the City's contribution was at \$180 million; and commented that the City should not be liable for additional revenue stream for the economic analysis or over compensate for staffs' salary line. The City was in a situation that there was severe budget cuts and current level of staffing was maintained. Would the collection of fees be an additional hardship for staff and would there be definite staff time spent on the project. There should had been some consideration to a minimum fee for staff time.

Councilmember Rogers' Queries Re: Amount Contributed; City's Administration Cost

In response, Community Development Director Gutierrez indicated she would produce an amount to Council before the next Council meeting. The number used for the total of revenue was based on build out, which was an estimate. The collection of the TUMF fee would required more staff time.

Community Development Director Gutierrez's Response: City's Contribution Amount; Revenues Based on Build Out; & More Staff Time Required to Collect TUMF Fee

Mr. Bishop commented that he would bring the issue of administration cost to the WRCOG TAC Committee. A report would be brought back to Council in a study session.

WRCOG, Mr. Bishop's Comment Re: Administration Cost

Mayor Busch commented that once the program was in affect there was a two-year review. The review could lead to reduction of fee; addition to facilities; amend the Nexus Study; examination of the economic analysis; further consideration of non-residential fee; and a new growth forecast.

Mayor Busch's Comment Re: Two Year Review

City Engineer Motlagh recommended there was WRCOG's staff to process the work. The City could request the developers to deal directly with WRCOG and then collect the fee. Because, one of the penalties for the City, was if the credits or reimbursements were miscalculated the City was responsible to make up the difference.

City Engineer Motlagh's Recommendation Re: Collection of Fees

Mr. Bishop indicated there was language within the plan, which would accommodate Cities for WRCOG to undertake the agreements for credits or reimbursements.

WRCOG, Mr. Bishop's Comment Re: Language for Fee Collection

Councilmember Landers asked what would the penalty be if the City did not adopt the ordinance, but decided to participate in one year.

Councilmember Landers' Query Re: Non-Participation Penalty

In response, Mr. Bishop said there was a buy back clause, which held the City responsible for remitting the fees they did not collect for the period of non-participation. After June, all the ordinances adopted by the participating jurisdictions would be reviewed and a compare and contrast document would be prepared. The document would look at how the adopted ordinances differ from the pillars of uniformity (fee structure; timing of the implementation of program; application of fees to land uses and exemptions; program administration; and allocation of funds). A report would be provided to the Executive Committee to determine if the jurisdictions were in compliance.

WRCOG, Mr. Bishop's Response & Comment Re: Compare/Contrast Document

Interim City Manager Apodaca commented that according to the scheduled adoption of the ordinance, the first day for the City to collect fees would be June 9th. It was confirmed that a recommendation would be made to the Executive Committee, to not hold the City liable, for one week, to the buy back clause.

Interim City Manager Apodaca's Comment Re: First Day of Fee Collection

M/S/C (MOTTE/BUSCH) To adopt the introduction of Ordinance Number 1114, Ordinance Amendment 03-0058, authorizing participation in the 'Western Riverside County Transportation Uniform Mitigation Fee Program'.

Adoption of Ordinance Number 1114, TUMF Ordinance Approved: 5-0

AYES: Motte, Rogers, Yarbrough, Landers, Busch

NOES:

5. **PUBLIC COMMENT/CITIZEN PARTICIPATION:** None

6. **ADJOURNMENT:** By unanimous consent, the Regular Adjourned City Council meeting was adjourned at 7:05 p.m.

7:05 p.m. Adjourned Regular City Council Meeting Adjourned

Respectfully Submitted,

Margaret Rey, City Clerk