

RESOLUTION NUMBER 3586

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, ESTABLISHING AND ADJUSTING DEVELOPMENT IMPACT FEES APPLICABLE TO NEW DEVELOPMENT PURSUANT TO MUNICIPAL CODE CHAPTER 19.68

WHEREAS, the City of Perris ("City") imposes development impact fees ("Development Impact Fees") on new residential, commercial, and industrial development projects pursuant to the Mitigation Fee Act (Government Code Section 66000, *et seq.*) and Perris Municipal Code Section 19.68.020, to fund the public improvements made necessary by such new development projects; and

WHEREAS, pursuant to Ordinance No. 1182, the City's Development Impact Fees consist of seven separate components: (1) Police; (2) Fire; (3) Community Amenities; (4) Government Services; (5) Parks; (6) Transportation; and (7) Administration (collectively, "Public Facilities"); and

WHEREAS, pursuant to Ordinance No. 1182, the City's Development Impact Fees shall be established and adjusted by resolution of the City Council from time to time in accordance with the procedures set forth in state law; and

WHEREAS, the current Development Impact Fees were established in 1993 and have not been increased in 13 years. The current Development Impact Fees are outdated, inadequate, and fail to provide the City with sufficient funding to construct the critical infrastructure necessary for the City to accommodate the extensive new development which is currently occurring and proposed within the City; and

WHEREAS, the City Council now desires to establish new rates to be levied for each component of the Development Impact Fees; and

WHEREAS, this matter was duly noticed and agendized for a public hearing pursuant to Government Code Sections 66016 and 66018, and all written and oral testimony received during the hearing, and the staff's report and responses to such written and oral testimony, were reviewed and considered by the City Council; and all persons appearing in favor of or in opposition of the recommendation to adopt this Resolution were given the opportunity to be heard in connection with this matter.

THE CITY COUNCIL OF THE CITY OF PERRIS HEREBY FINDS, DETERMINES, AND RESOLVES AS FOLLOWS:

Section 1. Recitals Incorporated. The foregoing Recitals are incorporated herein as if set forth in full.

Section 2. Facilities Study and Nexus of Fees to New Development. Based on the information contained in the Facilities Study and the oral and written testimony received during the public hearing, the City Council finds as follows:

- A. As a condition to exacting or increasing Development Impact Fees the City must establish the nexus and make certain statutory findings regarding the relationships between the types and amounts of the Development Impact Fees, the types of development projects, and the need for public facilities and infrastructure improvements pursuant to the Mitigation Fee Act. This is done to ensure that the Development Impact Fees paid by developers are proportional to the impacts caused by their development.
- B. The City retained David Taussig & Associates to prepare a nexus study to analyze the impacts of development and calculate the appropriate level of Development Impact Fees. The "Development Impact Fee Justification Study City of Perris," dated February 25, 2006 ("Facilities Study"), establishes the required nexus and relationships for imposing Development Impact Fees on new development projects of various types, and documents the need for facilities created by new development and the estimated cost of the new facilities which will be required.
- C. Funding from the existing development impact fees will be inadequate to fund the Public Facilities necessary to serve new development. Without an increase in the Development Impact Fees, existing and known funding sources will be inadequate to provide necessary improvements to the Public Facilities, resulting in, among other effects, an unacceptably high level of traffic congestion and lowering of service levels within the City.
- D. The future development proposed in the City will substantially and adversely affect the City's ability to provide Public Facilities to new City residents and developments, and that unless such development contributes to the cost of improving the Public Facilities, the Public Facilities will not meet an acceptable level of service, as set forth in the General Plan, the Park Master Plan, and City ordinances.

- E. The failure to mitigate growing impacts on the Public Facilities within the City caused by new development will, among other effects, substantially impair the ability of public safety services to respond appropriately, due to the resulting inevitable lack of capacity in police, fire, and transportation facilities need to serve such new development. The failure to mitigate impacts on the Public Facilities thus will adversely affect the public health, safety and welfare.
- F. There is a reasonable and rational relationship between the use of the Development Impact Fees and the type of development projects on which the fees are imposed because the fees will be used to construct the improvements that are necessary for the safety, health and welfare of the residential and non-residential users of the development projects on which the fees will be levied.
- G. There is a reasonable and rational relationship between the need for the improvements to the Public Facilities and the type of development projects on which the Development Impact Fee is imposed because, among other things, it will be necessary for the residential and non-residential users of such projects to have access to the Public Facilities at established levels of service. Such development will benefit from the Public Facilities improvements and the burden of such development will be mitigated in part by the payment of the Development Impact Fee.
- H. The cost estimates set forth in the Facilities Study are reasonable cost estimates for constructing the Public Facilities, and the amount of the Development Impact Fees expected to be generated by new development will not exceed the total “fair share” cost to such development.
- I. New development within the City will adversely affect the ability of the City to satisfy infrastructure needs created by such new development without increasing the Development Impact Fees, and there is a reasonable relationship between the amount of the Development Impact Fees and the cost of the Public Facilities attributable to the new development upon which the fees will be imposed. This relationship is described in more detail in the Facilities Study.
- J. Current City infrastructure cannot adequately provide City services to new development within the City and, to mitigate the impacts of new development, the Development Impact Fees must be adjusted to the amounts described herein.

- K. There is a reasonable relationship between the future growth in the City of Perris and the Public Facilities. Among the factors in this conclusion are: (1) the City is expected to continue growing as a result of future new development; (2) continuing new growth without new infrastructure improvements will result in increasing congestion on City streets and significantly reduced service levels and availability of City parks, community amenities, government services, and public safety facilities; (3) the congestion on City streets and reduced service levels and availability of Public Facilities is directly attributable to the cumulative impacts of future development in the City; (4) capacity improvements in Public Facilities are critically needed to mitigate the cumulative impacts of new development and to provide service levels established by the City; (5) the Public Facilities that are listed in the Facilities Study are the facilities that merit improvement through this fee program due to new development; (6) the improvements to the Public Facilities described in the Facilities Study are needed to provide adequate street, park, public safety, community, and government facilities for new development; (7) but for the new development, the Public Facilities attributable to new development would not be needed; and (8) the estimated costs of the Public Facilities are proportionally attributable on a “fair share” basis to new and existing development, with the amounts of the Development Impact Fees being proportional to the impacts associated only with new development, as further described in the Facilities Study.
- L. Based on the foregoing findings, the information contained in the Facilities Study, and the oral and written testimony received during the public hearing, the Facilities Study is hereby approved and adopted by the City Council. The Facilities Study is attached hereto as Exhibit “A” and incorporated herein by reference.

Section 3. Development Impact Fees -- Residential. Effective May 1, 2006, the Development Impact Fees for new residential development projects shall be the Fees listed in the Residential Development Impact Fee Table attached hereto as Exhibit “B” and incorporated herein by reference. The Development Impact Fees for new residential development projects shall be automatically increased without further action by the City on May 1, 2008, and again on May 1, 2010, as shown in the Residential Development Impact Fee Table.

Section 4. Development Impact Fees – Commercial/Industrial. Effective May 1, 2006, the Development Impact Fees for new commercial and industrial development projects shall be the fees listed in the Commercial/Industrial Development Impact Fee Table attached hereto as Exhibit “C” and incorporated herein by reference. The Development Impact Fees for new commercial and industrial development shall be automatically increased without

further action by the City on May 1, 2008, and again on May 1, 2010, as shown in the Commercial/Industrial Development Impact Fee Table.

Section 5. Use of Development Impact Fees. The Development Impact Fees imposed and collected by the City shall be used to fund the Public Facilities in accordance with the Mitigation Fee Act, Municipal Code Section 19.68.020, and this Resolution, and shall not be used to correct current deficiencies in public facilities or to make improvements for existing development.

Section 6. Exemptions. The Development Impact Fees imposed herein shall apply to all residential, commercial, and industrial development projects for which building permits have not been issued prior to May 1, 2006, with the following expressly limited exemptions:

- A. Residential subdivisions (including condominiums) for which all of the following apply: (i) a tentative tract map has been approved by the City Council prior to May 1, 2006; (ii) a complete application for a final map and all application fees have been submitted to and accepted by the Planning Department prior to May 1, 2006; and (iii) the final map is recorded and all development impact fees for the entire tract (*i.e.*, not a single unit or phase) are fully paid on or before May 1, 2007. Except as described below, residential subdivisions meeting all of the foregoing requirements shall pay the development impact fees in effect on April 30, 2006, whether or not building permits are issued after May 1, 2007. Residential subdivisions meeting all of the foregoing requirements but conditioned to pay park fees pursuant to Ordinance No. 953 shall pay the development impact fees in effect on April 30, 2006, whether or not building permits are issued after May 1, 2007, but shall pay the park component of the fees at the rate of \$4,500 per unit.
- B. Commercial and industrial development projects, or portions thereof, for which all of the following apply: (i) all required and final entitlements have been approved by the appropriate City department or body prior to May 1, 2006; and (ii) a building permit has been issued on or before May 1, 2007. Commercial and industrial projects, or portions thereof, meeting all of the foregoing requirements shall pay the development impact fees in effect on April 30, 2006. All other commercial and industrial projects, or portions thereof, shall pay the Development Impact Fees imposed by this Resolution and in effect at the time a building permit is issued.

- C. Development projects that are subject to an existing development agreement where such agreement expressly provides for the amount and timing of Development Impact Fees.

Section 7. Application and Effect of Future Offsetting Revenue. The City acknowledges that various local and regional fee or assessment programs are being contemplated to raise funds to pay for local or regional public improvements, some of which may be included in the Public Facilities described in the Facilities Study. These programs include, but are not limited to, the Western Riverside County Transportation Uniform Mitigation Fee program, the San Jacinto River Plan Project, the Ramona Mobility Group, and the Perris Valley Area Drainage Fee Program. As of the effective date of this Resolution these programs have not been adopted, and thus it is unknown whether these programs and fees or assessments will ever be adopted, or whether any such fees or assessments will be committed to fund the Public Facilities in the Facilities Study. However, to the extent that such fees or assessments are adopted and committed in the future to fund Public Facilities in the Facilities Study, then either the future fees or assessments or the Development Impact Fees shall be offset to comply with the requirements of the Mitigation Fee Act and other applicable laws. Any offset of the Development Impact Fees shall be implemented by resolution of the City Council.

Section 8. Administrative Appeal Procedures. All determinations as to whether a development project or applicant is subject to or has met the requirements of this Resolution shall be made in writing by the Community Development Director upon request, and shall be appealable to the City Manager, whose decision shall be final. A written request for a determination must be submitted in writing to the Community Development Director along with all relevant information supporting the request. The Community Development Director shall make a determination within 14 days after receiving a written request, although such time may be extended if the Community Development Director requires the submittal of additional information necessary to make a determination.

Section 9. Compliance with CEQA. The creation of a governmental funding mechanism which does not involve any commitment to any specific project is not a “project” pursuant to the terms of the California Environmental Quality Act (“CEQA”); therefore, the establishment of the Development Impact Fees described herein is not a “project” under CEQA. A Notice of Exemption shall be filed.

Section 10. Rescission of all Prior Development Impact Fees. The adoption of this Resolution shall have the effect of rescinding and repealing all previous resolutions establishing development impact fees for new development projects in the City including, but not limited to, Resolution Nos. 2030 and 2224, except with respect to the development projects expressly exempt from this Resolution as described in Section 6.

Section 11. Severability. If any section, subsection, subdivision, sentence, clause, phrase or portion of this Resolution is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Resolution. The City Council hereby declares

that it would have adopted this Resolution, and each section, subsection, subdivision, sentence, clause, phrase, or portions thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases or portions thereof be declared invalid or unconstitutional.

Section 12. Certification. The City Clerk shall certify as to the passage and adoption of this Resolution and shall cause the same to be posted at the designated locations in the City of Perris.

ADOPTED, SIGNED and APPROVED this 28th day of February, 2006.

Mayor, Daryl R. Busch

ATTEST:

City Clerk, Margaret Rey

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE)
CITY OF PERRIS)

I, Margaret Rey, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number 3586 was duly and regularly adopted by the City Council of the City of Perris at a regular meeting thereof held the 28th day of February, 2006, and that it was so adopted by the following called vote:

AYES: Landers, Motte, Yarbrough, Busch
NOES:
ABSENT: Rogers
ABSTAIN:

City Clerk, Margaret Rey

EXHIBIT "A"
(RESOLUTION NUMBER 3586)

FACILITIES STUDY

[On Following Pages]

EXHIBIT “B”
(RESOLUTION NUMBER 3586)

RESIDENTIAL DEVELOPMENT IMPACT FEE TABLE						
Facility	SINGLE – FAMILY UNITS – FEE PER UNIT			MULTIPLE – FAMILY (2+ UNITS) FEE PER UNIT		
	May 1, 2006	May 1, 2008	May 1, 2010	May 1, 2006	May 1, 2008	May 1, 2010
Public Safety Facilities						
Police	\$59	\$59	\$59	\$54	\$54	\$54
Fire	\$362	\$362	\$362	\$328	\$328	\$328
Subtotal Public Safety	\$421	\$421	\$421	\$381	\$381	\$381
Community Amenities	\$1,120	\$1,120	\$1,120	\$1,014	\$1,014	\$1,014
Government Services	\$576	\$576	\$576	\$522	\$522	\$522
Park Facilities	\$4,500	\$6,500	\$7,500	\$4,076	\$5,887	\$6,793
Transportation Facilities	\$4,025	\$4,025	\$4,025	\$2,817	\$2,817	\$2,817
Administration	\$22	\$26	\$28	\$18	\$22	\$24
TOTAL	\$10,664	\$12,668	\$13,670	\$8,828	\$10,643	\$11,551

EXHIBIT "C"
(RESOLUTION NUMBER 3586)

COMMERCIAL/INDUSTRIAL DEVELOPMENT IMPACT FEE TABLE						
Facility	COMMERCIAL – FEE PER 1,000 SQ FT			INDUSTRIAL – FEE PER 1,000 SQ FT		
	May 1, 2006	May 1, 2008	May 1, 2010	May 1, 2006	May 1, 2008	May 1, 2010
Public Safety Facilities						
Police	\$6	\$11	\$17	\$6	\$11	\$17
Fire	\$34	\$68	\$102	\$34	\$68	\$102
Subtotal Public Safety	\$40	\$79	\$119	\$40	\$79	\$119
Community Amenities	\$105	\$210	\$315	\$105	\$210	\$315
Government Services	\$54	\$108	\$162	\$54	\$108	\$162
Park Facilities	--	--	--	--	--	--
Transportation Facilities	\$1,744	\$3,488	\$5,232	\$1,744	\$3,488	\$5,232
Administration	\$4	\$8	\$12	\$4	\$8	\$12
TOTAL	\$1,947	\$3,893	\$5,840	\$1,947	\$3,893	\$5,840

