

Study Reviews and Important Topics
New items or updates in Red.

August 1, 2008

Coachella Valley

City of Cathedral City
(Conservation)

- The City has proposed and adopted an ordinance naming CBIA's California Green Builder Program as the City's voluntary energy conservation program (the first in our region)

Coachella Valley Association of Governments
(Affordable Housing)

- The Workforce Housing Summit held June 19th, introduced current market data, obstacles and the basic formation for a local 501c(3) non-profit housing trust.
- **The Planning Group is forming a list of nominees for the so-called 'Blue Ribbon Committee'.**
- **The Committee will form the 501(3) and establish the direction and programs of the future trust.**

(Energy Conservation Sub-Committee)

- The Lyceum group continues to meet and discuss current issues.
- **The most recent meeting discussed the economic trends, obstacles and advantages of marketing the Coachella Valley as a whole, as a team.**

(Economic Solutions)

- We have been discussing the possibility of 'right-timing' payment of TUMF.
- Unable to get unanimous approval to defer payment from application for building permit to final inspection.
- However, TUMF will not increase in 2009 as an alternative economic stimulus measure. The fee should go up in mid-2010.

Coachella Valley Water District

(Right-Timing of Impact Fee Payments)

- We have been advised that the District will defer payment of the Water System Backup Facility Charge, Supplemental Water Charge and Sanitation Capacity Charge to close of escrow.
- This will be only temporary – for 12 months with a possible extension of 12 months.

City of Coachella

(Developer Impact Fee Tolling Agreement)

- Tolling Agreement with City has been extended.

City of Desert Hot Springs

(Developer Impact Fees)

- The City has produced a draft nexus study for increased developer impact fees.
- The nexus study included needs and charges caused by potential development project beyond the City limits in the Sphere of Impact.
- We argued that this was inappropriate, later citing case law.
- City returned with a revised DIF study that was limited to the City boundary, however it was flawed. A 22-page letter was sent to the City commenting and questioning the study nearly on a page by page basis.
- The City has conceded to redraft the study based on our comments and errors identified by their staff.
- **The new draft is expected in Sept/Oct.**

(Art in Public Places)

- Staff has been given direction to develop an Art in Public Places ordinance similar to those of Palm Springs and Palm Desert but instead at .25 or .5 percent at 1 percent of construction cost.
- We have commented in two letters and commented at the study session.
- **A draft of an Art in Public Places Ordinance will be unveiled at the September 9th Planning Commission Meeting.**

Desert Water Agency

(Right-Timing of Impact Fee Payments)

- The District has provided the opportunity for builders to ‘right-time’ their back-up facilities charge to close of escrow.

(Capacity Fee Increase)

- Provided nexus documentation establishing cost of providing materials which increased dramatically over the past year. No increases proposed based on salary increases.
- The increased fee will go into effect July 1, 2008.

City of La Quinta

(Development Impact Fees)

- Advised by the city’s consultant that the city was planning on increasing all impact fees and that we would be supplied with the nexus study with two weeks to review.
- We have several questions and comments for the city regarding the information in the study.
- Met with the City to discuss numerous potential issues.
- Some minor corrections were required; however, the study satisfactorily meets the nexus requirements of the Mitigation Fee Act.
- We are still working to get the fee delayed at best, to right-timing payment of the fee.
- **A study session is scheduled for September 16th to discuss right-timing of fee payments and other possible economic stimulus actions.**

City of Indio

(CVWD vs. City Lawsuit)

- Indio claims they don't benefit from CVWD groundwater recharge therefore will not pay CVWD.

(Bond Releases)

- We have received a letter stating that the City will comply with the statute and offer partial bond releases to those projects which have met their obligations of compliance to the standard of the statute.

(Quimby fees)

- Payment of these fees will be moved from the time a final map is filed to the application of building permit review.

City of Palm Desert

(Development Service Fee Increase)

- The City approved and adopted the fee increase based on the Comprehensive Updated Cost of Service Study.
- They agreed to defer implementation for 6 months at which time they will review the construction situation to determine whether to continue or rescind deferment of implementation.
- **The City had automatically raised the fees July 1st without public notification or discussion.**
- **After approximately two weeks the City responded to our letters and calls.**
- **The City will continue with the lower existing fee, and anyone who paid the higher fee may receive a refund upon written request.**

City of Palm Springs

(Planning, Land Use, and Service Fees)

- The City has adopted an increase in planning, land use, and service fees at the consumer price index of 3.3 percent.

(Economic Stimulus)

- Have scheduled a study session to discuss economic stimulus actions proposed by BIA which include 'right-timing' of fee payments, partial bond releases, reduction of deposits, and others...

Palo Verde Unified School District

(School Impact Fees)

- The district level II impact fees have expired as of December 2007.
- Builders that have paid fees in excess of 2.63 per square foot for residential construction or \$0.42 per square foot for commercial or industrial construction may be due refunds.
- The district is in the process of developing a new justification study to allow them to increase the level I fees to state statutory limits of \$2.97 and \$0.47 per square foot respectively.
- They will also be drafting a school facilities needs analysis to support level II fees at rate higher than the statutory level I rate of \$2.97 per square foot.

Riverside County

(Fee Policies)

- The County has taken a lead in ‘right-timing’ fees where they can.
- The Department head are actively seeking ways to better manage time and costs billed to developers.
- Transportation has significantly reduced the amount of the initial deposit for road projects.

(Impact Fee Study)

- The County held their first impact fee study work session for fees that would be implemented January of 2010 and used as the basis for all increases until 2020.
- Both Desert Chapter and Riverside Chapter attended this meeting to ensure that department heads were delivered the appropriate message.
- Initial data and needs assertions are due in April.

Imperial Valley

County of Imperial

(Traffic Impact Fee Study)

- A new revised draft has been submitted for public review.
- This latest version brings the fee for single family residential unit down to \$8,250 – still not acceptable.
- We are in the process of reviewing the study.

(Fee Policies)

- The County Supervisors appear to have some interest in ‘right-timing’ fee payments for non-essential impact fees.
- The County CEO, Robertta Burns and Planning and Development Director, Jurg Heuberger have agreed to change the County’s practice and allow payment of impact fees at application for certificate of occupancy as a temporary aid to the local economy.
- The practice is now set in place.

City of Brawley

(DIF Study)

- The City Council felt that the fees were too high to be competitive.
- We have participated in subcommittee meetings and workshops again City Manager has been directed by the council members to provide BIA with all the materials we have been asking for over the period of more than a year.
- Two follow-up letters have been sent to the City Manager without any response.
- Met with City Planning and Public Works departments to discuss the traffic study used to support the proposed traffic impact fee.
- Waiting for back-up/support material for other expressed ‘needs’.

City of Calexico

(Art in Public Places)

- March 6, 2007, the City Council approved the ordinance in a 3-2 vote.
- Notice to all builders: Pay any and all Art fees **under protest**. Only those that make that statement on applications and checks to the City will be eligible to collect refunds when the ordinance is found to be unlawful.
- We have a builder who has applied for permits and has received a bill for the 'Arts' in-lieu fee.
- This builder will give BIA Desert Chapter standing in a lawsuit.

(Annexation Fee)

- At the November 20th City Council Meeting, we again asked that council direct staff to clear up this issue.
- After the meeting, I was advised that City staff were already working on the issue
- The City has made the offer of either pay the fee or draft a cost analysis for the impacts the project brings to the City. The City is conducting one of their own.
- The property tax agreement with the County puts the City at a disadvantage who believes they must use the annexation fee to support the general fund.
- **The fiscal analysis we have been waiting for was nothing more than anecdotal summary support for the annexation fee and two proposals by TischlerBise for fee studies.**
- **We have responded that they have had a year and a half to support the fee, but have failed to quantify the rationalization for the fee. Therefore, the ordinance needs to be rescinded.**

Calexico Unified School District

(Annual Report)

- Still waiting for 2006/07 Annual report.

(School Fee Increase)

- The district has allowed their school impact fees to expire.
- They may only charge \$2.63 per square foot on residential construction and \$0.42 on commercial and industrial construction, unless subject to previous contractual agreement.
- They must produce a justification fee study to increase to new statutory level fees of \$2.97 for residential construction and \$0.47 for commercial and industrial construction.
- If the district believes it qualifies for fees above this they will need to provide a school facilities needs analysis to support the increase pursuant to SB-50.

City of El Centro

(Transportation Circulation Plan / Impact Fee)

- In its current form the fee is challengeable.

(Sign Ordinance)

- The City has adopted new zoning amendments that will allow the BIA Directional Sign Kiosks in the City of El Centro.

City of Holtville

(Annual Report)

- The City has failed to present an annual developer impact fee report.
- We met with the City Manager to discuss the on-going issues.
- It was a productive meeting in that there is a clear understanding of what we have been asking for the past year.

(Water and Sewer)

- The City is demanding that certain builders are being required to improve existing deficiencies which includes replacing decayed and damaged water and sewer systems.
- Issues discussed at meeting with City manager.

(Development Impact Fees)

- We will be responding and collecting what is available.
- We met with the City Manager to discuss the on-going issues.
- It was a productive meeting in that there is a clear understanding of what we have been asking for the past year.
- City Manager Laura Fischer is also the current chair for the City Managers Group. We have submitted a request to speak and discuss ‘Right-Timing’ of impact fees and the allowance of partial bond releases.
- Received notice that the city council had scheduled a public hearing to approve new development impact fees.
- Six day notice and less than 4 days to review.
- The study was reviewed and comments, concerns, questions and requests for additional supporting material were stated in a letter to the city administration and council.
- The council meeting is scheduled for February 25th.
- We provided comments at the public hearing and asked for the item to be continued.
- Finally received a response to our comments.
- It does not appropriately support a nexus for the development fee study.
- **They have re-drafted the nexus study and presented it to the City Council.**
- **Council voted to continue the public hearing.**
- **They have adopted the newest draft of the nexus study which is much improved.**
- **However, there are some minor issues which could be challenged.**
- **Transparency is one of the issues as they refer to certain documents but have been reluctant to provide copies.**
- **The City Council will discuss the rate of the impact fees at a later date. We have been told that the recommendation from staff will be lower than what the nexus study states is justified.**

City of Imperial

(Right-timing Fee Payment)

- The City will discuss this issue at the next City council meeting.
- It doesn’t need a formal resolution or ordinance amendment, but the City Manager would like the support of the council before moving ahead.
- **The City Manager presented the idea to the City Council who in-turn directed the C.M. to draft a fee deferral ordinance.**
- **A draft has been presented to the City Council and approved the fee deferral policy.**

McCabe Elementary, El Centro Elementary, Heber Elementary and Central High School Districts

(Gap Fee challenge)

- Have hired a consultant to press developers for more money that statute requires.
- Recently believed that we were nearing a resolution with open discussion and presentation of offers. However, the counter offers were excessive and not worth further negotiation.
- Builders have been advised to move forward through the entitlement process.
- SB 50 is the only mitigation measure required by state law.

Salton Community Services District

(Sewer Connections)

- The **Salton Sea Community District** has issued a building moratorium on all construction.
- At issue is the Waste Water System:
Certified for a capacity of 200,000 gallons per day
Currently at 265,000 gallons per day
Regional Water Resource Board has approved of the Emergency Measures adopted by the District to deal with the excess flow.
- Land has been acquired, money to build the plant is available and bids are being accepted.