

RESOLUTION 24-4733

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MURRIETA, CALIFORNIA, APPROVING AN UPDATE OF THE PUBLIC FACILITIES DEVELOPMENT IMPACT FEE SCHEDULE AND AMENDING THE CITY'S FEE SCHEDULE

WHEREAS, on October 6, 1998, City Council adopted Resolution No. 98-612 establishing and imposing a Public Facilities Development Impact Fee ("DIF"); and

WHEREAS, Exhibit B to Resolution No. 98-612 set forth the initial public facilities development impact fee schedule; and

WHEREAS, the purpose of the DIF is to ensure that new development mitigates the impact that a new development has on the City's public facilities and essential services; and

WHEREAS, Murrieta Municipal Code 16.36 provides that the amount of the DIF fee shall be established by resolution; and

WHEREAS, the amount of the DIF fee was last revised by the City Council on July 19, 2016, by Resolution 16-3602; and

WHEREAS, the Mitigation Fee Act (Government Code sections 66000-66025) requires that a city which increases the DIF must establish that there is a reasonable relationship between the specific amount of the fee imposed as a condition of approval and the cost of the public facility attributable to that project; and

WHEREAS, the City has engaged Willdan Financial Services to conduct a Master Facility Plan Update and Development Impact Fee Calculation study ("DIF Study") to meet the requirements of the Mitigation Fee Act; and

WHEREAS, based upon the DIF Study, City staff has recommended an update of the Public Facilities Development Impact Fee Schedule as set forth in Exhibit A to this Resolution; and

WHEREAS, the City Council considered a three-year phase-in plan for industrial and office Development Impact Fees as set forth in Exhibit B to this Resolution: and

WHEREAS, the City Council considered a grandfathering of fees for all Development Impact Fee as set for in Exhibit B to this Resolution; and

WHEREAS, the City Council considered an annual Development Impact Fee adjustment based on the California Construction Cost Index (CCCI); and

WHEREAS, a workshop was duly noticed for the City Council meeting of February 20, 2024, by publishing the notice in "The Press-Enterprise" newspaper on February 17, 2024; and

WHEREAS, a public hearing was duly noticed for the City Council meeting of April 16, 2024, by publishing the notice in "The Press-Enterprise" newspaper on March 31, 2024; and

WHEREAS, the City Council has considered the information and public testimony presented in the public hearing and in the proposed documents and staff report, all of which are included in the public record and incorporated herein by reference.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MURRIETA, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. That the Public Facilities Development Impact Fee Schedule, attached hereto as Exhibit A, is hereby adopted and shall replace the revised Public Facilities Development impact fee schedule adopted by Resolution 16-3602 on 07/01/2024.

Section 2. That the new Public Facilities Development Impact Fee Schedule established by this Resolution be grandfathered and phased in, in accordance with the Grandfathering/Phasing Schedule attached hereto as Exhibit B for all project types.

Section 3. That the new Public Facilities Development Impact Fee Schedule be updated on an annual basis based on the California Construction Cost Index (CCCI) and evaluate the change in the index from January-to-January timeframe or four (4) percent, whichever is lower.

PASSED AND ADOPTED this 16th day of April 2024.

Lori Stone, Mayor

ATTEST:

Cristal McDonald, City Clerk

APPROVED AS TO FORM:

Tiffany J. Israel, City Attorney

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE)§
CITY OF MURRIETA)

I, Cristal McDonald, City Clerk of the City of Murrieta, California, do hereby certify that the foregoing Resolution No. 24-4733 was duly passed and adopted by the City Council of the City of Murrieta at the regular meeting thereof, held on the 16th day of April 2024, and was signed by the Mayor of the said City, and that the same was passed and adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Cristal McDonald, City Clerk

Exhibit A

City of Murrieta

Development Impact Fee Study Update

Table E.1: Maximum Justified Impact Facilities Fee Summary

Land Use	Law Enforcement	Fire Protection	Streets, Minor Bridges & Culverts	Traffic Signals	Storm Drainage	General Facilities	Park Land	Park Improvements	Community Centers	Public Library	Total
<i>Residential - Fee per Square Foot</i>											
Single Family	\$ 0.39	\$ 0.28	\$ 2.36	\$ 0.21	\$ 0.15	\$ 0.45	\$ 3.28	\$ 1.57	\$ 0.11	\$ 0.17	\$ 8.97
Multifamily	0.53	0.38	3.60	0.33	0.29	0.61	4.45	2.13	0.16	0.23	12.71
<i>Nonresidential - Fee per Square Foot</i>											
Commercial	\$ 1.19	\$ 1.83	\$ 8.73	\$ 0.80	\$ 0.20	\$ 0.21	\$ -	\$ -	\$ -	\$ -	\$ 12.96
Office	1.91	2.95	7.61	0.69	0.10	0.34	-	-	-	-	13.60
Industrial	0.63	0.98	2.48	0.23	0.25	0.11	-	-	-	-	4.68

Sources: Tables 3.6, 4.6, 5.6, 6.4, 7.5, 8.6, 9.9, 10.6 and 11.7.

Exhibit B

Grandfathering/Phasing Schedule

Residential Land Uses	
Residential - Single Family (SF)	<p>All projects that are in the plan check review phase with the Building & Safety Division, on or before 06/30/2024, may pay the Current (Adopted FY 2016/17) Fee. These projects will have until 06/30/2025, or upon the issuance of a building permit (whichever occurs first), to pay/prepay their DIF fees. All projects that qualify will be notified.</p> <p>Projects that are not in plan check review on or before 6/30/2024 or that have not paid/prepaid their DIF fees by 06/30/2025 are subject to paying the Updated Fee. There will be no phasing for Single Family Residential projects.</p>
Residential - Multi-Family (MF)	<p>All projects that are in the plan check review phase with the Building & Safety Division, on or before 06/30/2024, may pay the Current (Adopted FY 2016/17) Fee. These projects will have until 06/30/2025, or upon the issuance of a building permit (whichever occurs first), to pay/prepay their DIF fees. All projects that qualify will be notified.</p> <p>Projects that are not in plan check review on or before 6/30/2024 or that have not paid/prepaid their DIF fees by 06/30/2025 are subject to paying the Updated Fee. There will be no phasing for Multi-Family Residential projects.</p>
SB 330 Residential Projects	<p>Projects that follow the provisions of SB330 relative to fees for residential projects, that have filed a zoning application that was determined to be complete, have their development fees frozen for 30 months from the date of final approval.</p>
Non-Residential Land Use	
Commercial	<p>All projects that are in the plan check review phase with the Building & Safety Division, on or before 06/30/2024, may pay the Current (Adopted FY 2016/17) Fee. These projects will have until 06/30/2025, or upon the issuance of a building permit (whichever occurs first), to pay/prepay their DIF fees. All projects that qualify will be notified.</p> <p>Projects that are not in plan check review on or before 6/30/2024 or that have not paid/prepaid their DIF fees by 06/30/2025 are subject to paying the Updated Fee. There will be no phasing for Commercial projects.</p>
Office	<p>All projects that are in the plan check review phase with the Building & Safety Division, on or before 06/30/2024, may pay the Current (Adopted FY 2016/17) Fee. These projects will have until 06/30/2025, or upon the issuance of a building permit (whichever occurs first), to pay/prepay their DIF fees. All projects that qualify will be notified.</p> <p>Projects that are not in plan check review on or before 6/30/2024 or that have not paid/prepaid their DIF fees by 06/30/2025 are subject to paying the Updated Fee subject to the phase-in provisions below:</p> <p>On 07/01/2024, *Phase 1 of the Updated Fee will be in effect (33.3% of the increase).</p> <p>On 07/01/2025, *Phase 2 of the Updated Fee will be in effect (33.3% of the increase), with the potential for an inflation adjustment.</p> <p>On 07/01/2026, *Phase 3 of the Updated Fee will be in effect (33.3% of the increase). This will be the final phase, with the potential for an inflation adjustment.</p>
Industrial	<p>All projects that are in the plan check review phase with the Building & Safety Division, on or before 06/30/2024, may pay the Current (Adopted FY 2016/17) Fee. These projects will have until 06/30/2025, or upon the issuance of a building permit (whichever occurs first), to pay/prepay their DIF fees. All projects that qualify will be notified.</p> <p>Projects that are not in plan check review on or before 6/30/2024 or that have not paid/prepaid their DIF fees by 06/30/2025 are subject to paying the Updated Fee subject to the phase-in provisions below:</p> <p>On 07/01/2024, *Phase 1 of the Updated Fee will be in effect (33.3% of the increase).</p> <p>On 07/01/2025, *Phase 2 of the Updated Fee will be in effect (33.3% of the increase), with the potential for an inflation adjustment.</p> <p>On 07/01/2026, *Phase 3 of the Updated Fee will be in effect (33.3% of the increase). This will be the final phase, with the potential for an inflation adjustment.</p>

Phasing Plan

Fee Type	Current DIF Fees (per sq ft)	Proposed Fee (per sqft)	3-year plan Per year increase
Industrial	\$ 1.63	\$ 4.68	\$ 1.017
Office	\$ 8.99	\$ 13.60	\$ 1.537

Fee Type	Current DIF Fees (per sq ft)	*Phase 1 Effective 7/1/24	*Phase 2 Effective 7/1/25	*Phase 3 Effective 7/1/26
Industrial	1.63	2.64	3.66	4.68
Office	8.99	10.53	12.06	13.60