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March 6, 2024

City of Murrieta

Kim Summers, City Manager

1 Town Square

Murrieta, CA 92562

Dear Ms. Summers:

Thank you for providing the Desert Valleys Builders Association (DVBA) the opportunity to review the City of Murrieta's *Development Impact Fee Study*, dated February 12, 2024. Following DVBA's examination several anomalies were discovered. The following are those observations and concerns.

Page 19, Table 3.6: Law Enforcement Facilities Fee Schedule

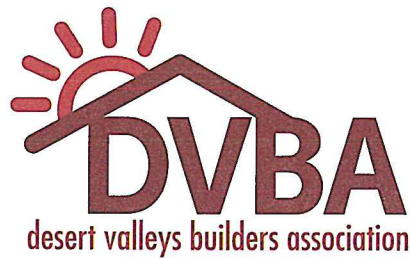
The study suggests that an Administrative charge of 2% for miscellaneous costs attributed to the collection and maintenance of a Development Impact Fee Program is perfectly acceptable. **It is NOT!**

This applies to each of the designated impact fee categories in this study.

As part of a study implementing the Mitigation Fee Act, this administration fee is subject to the same "nexus" requirements as impact fees for public facilities. What are the costs incurred annually to administrate the development impact fee program? What revenue levels is the city expecting to collect annually?

Of the services that the administration must perform, the city must show that it is not double collecting for services charged as User Fees under Government Code Section 66014.

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Page 38, Table 6.2: Traffic Signal Costs and Allocation to New Development

This Table erroneously adds in Estimated Construction Cost of 2013. It adds more than \$24 million to the Total Cost Allocated to New Development thus affecting Trip Cost which should be \$36, not \$84. Table 6.4 calculations should be reexamined.

Page 41, Chapter 7. Storm Drain Facilities

The second line speaks of the City of Pomona, Not Murrieta.

Page 46, Table 8.2: General Facilities Inventory

Under *Buildings* MIC (Old City Hall) – The calculation is incorrect. The Value of \$2,808,630 is a calculation of \$189/sq.ft. not \$198/sq.ft.

Equipment (Appendix Table .6) = There are several items in this list that one might expect to be included in the construction costs of various building types.

ADT Alarm System	86,881
Station 2 Heating and Air Units	16,524
Fire Alarm Sprinkler System	8,375
Air Cleaning System Fire Stn	110,449
Optical Library System	18,664
Fiber Optic Connect	65,934
Fire Suppression System	88,985
Library Automatic Doors	7,621
A/C Unit-City Hall's Video Rm	10,500
A/C Units – Comm Center	32,180

Page 47, Table 8.3: Planned Facilities

The unit cost of \$500 per square foot seems high for a Public Works Maintenance Building.

Is there an example of a completed maintenance building with similar cost?



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Page 54, Table 9.4: Park Facilities Unit Costs

The percentage shares established in the right column are confusing. Why does Total Cost per Acre have a 66% designation?

Page 58, Table 9.9: Park Facilities Fee Schedule

Multifamily square foot calculations used the incorrect denominator for single family units at 2,555sq.ft. instead of multifamily at 1,198sq.ft.. This relates to all three calculations.

Thank you, again, for providing the DVBA with this opportunity to review and comment. The DVBA looks forward to receiving the City's responses to our concerns.

Sincerely,

Gretchen Gutierrez
Chief Executive Officer