ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DESERT HOT SPRINGS AMENDING CHAPTER 3.36 OF THE DESERT HOT SPRINGS MUNICIPAL CODE PERTAINING TO THE COLLECTION OF TRANSPORTATION UNIFORM MITIGATION FEES

WHEREAS, the City of ** ("City") is a Member Agency of the Coachella Valley Association of Governments ("CVAG"), a joint powers agency consisting of the County of Riverside ("County"), the Agua Caliente Band of Cahuilla Indians, the Cabazon Band of Mission Indians, the Torres Martinez Desert Cahuilla Indians, the City of Blythe, and the nine cities (Desert Hot Springs, Palm Springs Cathedral City, Rancho Mirage, Palm Desert, Indian Wells, La Quinta, Indio and Coachella) situated in the Coachella Valley (collectively, "Member Agencies"); and

WHEREAS, acting in concert, the Member Agencies developed a plan whereby the shortfall in funds needed to enlarge the capacity of the Regional System of Highways and Arterials within CVAG's jurisdiction (the "Regional System") could be made up in part by a Transportation Uniform Mitigation Fee ("TUMF") imposed on future residential, commercial and industrial development within the jurisdiction; and

WHEREAS, as a CVAG Member Agency, the City participated in the preparation of the 1987 Coachella Valley Area Transportation Study ("1987 Transportation Study") prepared pursuant to the Mitigation Fee Act (Government Code section 66000 et seq.) and based on the 1987 Transportation Study, the City adopted and implemented CVAG's model TUMF ordinance as Desert Hot Springs Municipal Code Chapter 3.36;

WHEREAS, CVAG commissioned Michael Baker International, Inc. to prepare an updated TUMF study entitled "Transportation Uniform Mitigation Fee (TUMF) <u>2018 Fee</u> <u>Schedule Update, Nexus Study Report</u>", and dated March 2018 ("2018 Nexus Study") to establish updated TUMF levels and program revenue collection targets, which was approved by the CVAG Executive Committee on April 30, 2018; and

WHEREAS, the 2018 Nexus Study revealed the need to revise certain provisions of the model TUMF ordinance to reflect changes in the Mitigation Fee Act which governs the adoption and implementation of development impact fees and to reflect the findings of the 2018 Nexus Study; and

WHEREAS, by notice duly given and posted, on August 10, 2018, the City Council conducted a public hearing to consider approval of the 2018 Nexus Study and this Ordinance; and

WHEREAS, at the time and place set for the hearing, the City Council duly considered the data and information provided by CVAG, City staff and the public relative to the TUMF and all other comments, whether written or oral, submitted prior to the conclusion of the hearing; and

WHEREAS, the City Council wishes to accurately collect TUMF fees along with the other participating jurisdictions within the Coachella Valley as requested by the CVAG General Assembly.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF DESERT HOT SPRINGS DOES ORDAIN AS FOLLOWS:

<u>Section 1.</u> Section 3.36.010 of Title 3, Chapter 3.36 of the Desert Hot Springs Municipal Code is amended by amending the definition of the term "Regional System" to read:

"Regional System" means the regional system of roads, streets and highways identified by CVAG in its 2016 Transportation Project Prioritization Study (TPPS) to accommodate growth in the Coachella Valley to the year 2040. Only those projects scoring above 7.5 points in the TPPS are included for TUMF consideration.

<u>Section 2</u>. Section 3.36.040 of Title 3, Chapter 3.36 of the Desert Hot Springs Municipal Code, entitled "Exemptions and Credits" is amended in its entirety to read:

3.36.040 Exemptions

The following developments are exempted from the payment of the fee required by this chapter:

- A. Low and lower-income residential housing, including single-family homes, apartments and mobile homes built for those whose income is no more than 80 percent of the median income in the San Bernardino-Riverside Standard Metropolitan Statistical Area and as determined and approved by the legislative body or its designee. The sales or rental price shall not exceed the affordability criteria as established under HUD Section 8 guidelines.
- B. Public buildings, public schools and public facilities unless they are primarily for lease to private, for-profit enterprises.
- C. Buildings used for religious purposes but excluding other commercial properties or businesses owned by a religious institution.
- D. The reconstruction of any building so long as the reconstructed building both continues a use of the same category as the prior use and generates the same or fewer trips as the original building and reconstruction commences within one year from destruction of the building. (Prior code § 35.118)

PASSED AND ADOPTED by the City Council of the City of Desert Hot Springs at a Regular meeting held on the _____ day of _____, 2018, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

[SIGNATURES FOLLOW ON THE NEXT PAGE]

ATTEST:

Jerryl Soriano, City Clerk

Scott Matas, Mayor

APPROVED AS TO FORM:

Jennifer Mizrahi, City Attorney