

ADJOURNED REGULAR MEETING
OF THE CITY COUNCIL OF THE CITY OF VICTORVILLE

ADJOURNED REGULAR MEETING 5:30 P.M. AUGUST 22,2006
BOARD ROOM, MOJAVE DESERT AQMD
14309 PARK AVENUE, VICTORVILLE, CA

CALL TO ORDER

NOTICE TO THE PUBLIC: PERSONS WHO WISH TO ADDRESS
THE CITY COUNCIL ON AN AGENDA ITEM ARE REQUEST
TO COMPLETE ONE OF THE **WHITE CARDS** WHICH HAVE
BEEN PLACED ON THE AGENDA STAND AT THE BACK
OF THE ROOM AND GIVE IT TO THE CITY CLERK FOR
THE RECORD

PUBLIC COMMENT

1. PUBLIC COMMENT ON ITEMS OF INTEREST TO THE PUBLIC

WRITTEN COMMUNICATIONS

2. DISCUSSION REGARDING PROPOSED AMENDMENTS TO
DEVELOPMENT IMPACT FEES
3. PRESENTATION OF REQUEST TO ADOPT RESOLUTION NO. 06-136
ENTITLED:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
VICTORVILLE, CALIFORNIA, PROVIDING FOR THE APPOINTMENT
TO THE OFFICES THAT WERE TO BE ELECTED ON TUESDAY,
NOVEMBER 7, 2006

4. PRESENTATION OF REQUEST TO ADOPT RESOLUTION NO. 06-148
ENTITLED:
-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VICTORVILLE ADVOCATING A PROPOSED BALLOT MEASURE AND CHARTER AMENDMENT NUMBER 37 TO LIMIT THE USE OF EMINENT DOMAIN BY THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN BERNARDINO

5. PRESENTATION OF REQUEST TO APPROVE A SHORT-TERM SECURED LOAN BETWEEN THE CITY OF VICTORVILLE AND KND ASSOCIATES

CLOSED SESSION

6. CLOSED SESSION CALLED PURSUANT TO GOVERNMENT CODE SECTION 54956.8

CONFERENCE WITH REAL PROPERTY NEGOTIATORS
NEGOTIATING PARTIES: CITY OF VICTORVILLE AND
DON CLAUSON
PROPERTY UNDER NEGOTIATION: APN 3072-251-29

7. CLOSED SESSION CALLED PURSUANT TO GOVERNMENT CODE SECTION 54956.8

CONFERENCE WITH REAL PROPERTY NEGOTIATORS
NEGOTIATING PARTIES: CITY OF VICTORVILLE AND
BOND & SOON DUK JUNG
PROPERTY UNDER NEGOTIATION: APN 0460-242-24

8. CLOSED SESSION CALLED PURSUANT TO GOVERNMENT CODE SECTION 54956.8

CONFERENCE WITH REAL PROPERTY NEGOTIATOR
NEGOTIATING PARTIES: CITY OF VICTORVILLE AND
FRANCES LANDWEHR
PROPERTY UNDER NEGOTIATION: APN 0460-242-04

***ADJOURNMENT



AGENDA ITEM

CITY COUNCIL ADJOURNED REGULAR
MEETING OF: AUGUST 22, 2006

SUBMITTED BY: Carolee Bates
Agency Secretary

DATE: 8/17/06

SUBJECT: PUBLIC COMMENT ON ITEMS OF INTEREST TO THE PUBLIC

RECOMMENDATION: N/A

FISCAL IMPACT: N/A

Budget Amount:
Budget Acct. No.:

--Finance Department Use Only--
Additional Appropriation:

___ No
___ Yes/\$ Amt.:

Finance Director Review and Approval ___

DISCUSSION: State law requires that each agenda of a governing body provide an opportunity for members of the public to address the legislative body on items of interest to the public within the body's subject matter of jurisdiction.

Accordingly, this item has been placed on the agenda to afford an opportunity for public comment at this time.

CB/dl

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MEMORANDUM



DATE: AUGUST 22, 2006

FROM: DEVELOPMENT IMPACT FEE COMMITTEE – Jon Gargan,
Sean McGlade, Adair Patterson, Chris Stathis, Bill Webb

TO: HONORABLE MAYOR AND CITY COUNCIL

SUBJECT: DEVELOPMENT IMPACT FEE 2006 UPDATE STUDY

A workshop was held on August 8, 2006, to discuss the Development Impact Fee (DIF) 2006 Update Study and the recommended fee increases. At that meeting, issues were raised by some in the development community and the BIA regarding the report and the basis for some of the calculations. The general areas of concern were as follows: NAIOP study regarding trip generation for high cube industrial development; eroding sales tax advantage the City of Victorville may have had; cost factors for land and infrastructure; and nexus concerns.

At the conclusion of the meeting, the BIA provided letters with detailed questions. Staff met with the consultant, Shant Agajanian, reviewed the letters and made recommended changes to the DIF Update Study. The following table shows the first recommended fee and the revised recommended fee. In general the road portion increased and the parks portion decreased. The rationale behind those changes is detailed below.

	Eligible DIF Cost	Single Family /DU	Multi Family /DU	Commercial /sf	Industrial /sf
May Draft	\$300,397,847	\$14,560.47	\$10,211.44	\$11.36	\$3.93
August Draft	\$240,249.298	\$10,947.21	\$ 7,405.16	\$12.32	\$4.28

Overall, this represents a decrease in single family residential of 24.82% due to the decrease in parks and recreation, and an increase of 8.45% and 8.91% for commercial and industrial respectively due to the increase in roads, over the original proposed increase. This revised fee represents a 14.09% increase over the current fee of \$9,595 for single family residential.

Staff met with the BIA and other interested developers on August 16, 2006, and reviewed the proposed changes. As always, there was lively discussion regarding the issues; however, staff believes there may still be concerns from the development community with respect to land and infrastructure costs, and the nexus regarding the golf courses.

The following details Staff's response to the issues raised both at the Council workshop on August 8, 2006, and the items outlined in the letter from the BIA.

Written
#2
8-22-06

COMMERCIAL DEVELOPMENT

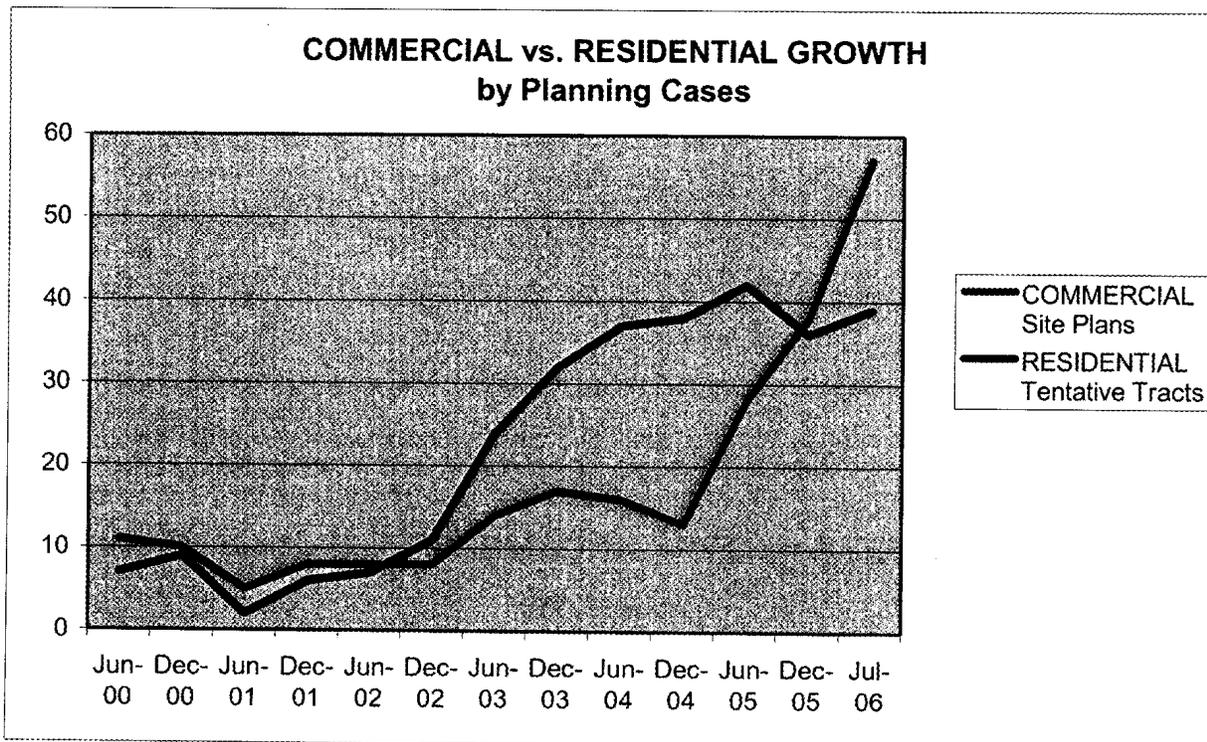
A concern was raised that perhaps the City could be losing commercial, and thus sales tax dollars, to development in surrounding communities. First, it can be expected that as the surrounding cities grow, they will attract additional commercial growth. Second, the following is a response from Bill Webb, Director of Development, regarding growth.

Response to Claim of Commercial Development Decline:

*"When the full force of the outward expansion of Southern California reaches a new community, it inevitably and forever alters the character of the place. This is now happening to Victorville and its neighboring cities in San Bernardino's High Desert area. The pattern by which these changes occur has been repeated so often in the past 60-years, that **it is possible to predict what will occur**, the sequence, the issues that will be raised, and the policies in need of consideration."*

-John E. Husing, Ph.D., General Plan Update Economic Analysis - 2004

John Husing completed an Economic Analysis for the City of Victorville as part of the current General Plan Update. As noted above, there are well-recognized patterns of growth that can be predicted due to historical evidence. Probably the most widely accepted pattern is: **RETAIL FOLLOWS ROOFTOPS**. In that regard, the City of Victorville is right on target. As shown in the following chart, Commercial development is following Residential at a similar rate:



The following is a more detailed excerpt about the "Stages of Growth" from John Husing's analysis. At the time of the 2004 study, Victorville was in Stage 1, however, as demonstrated in the chart above, Victorville has fast-tracked to Stage 2 within only a couple years.

Stages of Growth. *As a result of these facts, Southern California has expanded outward with each new area moving through a three-stage process. Victorville is at the start of this process:*

- **Stage 1: Homes, Commuters & Population Serving Jobs.** *Residential developers find they can no longer build affordable homes in the current urban core. They look farther out and find large swaths of available inexpensive land in a previously unheralded market. Soon, it becomes the "hot zone" for those seeking modestly priced homes. Numerous families now face a choice: buy homes whose mortgages absorb much of their incomes, live in attached units, or move to the new affordable market. Ultimately, "housing poverty" causes significant numbers to migrate outward away from the place they thought they wanted to live.*
- **Stage 2: Big Space Users & Firms Needing Lower Costs.** *After an area has been a high-speed residential zone for several years, a new group of developers discover its swath of available acreage. These are the industrial builders who need big tracts of land to erect large tilt-up facilities. Their first customers are major space users like distributors who can save money by migrating from their preferred sites out to this new, less costly space. Later, they are joined by those manufacturers and office firms under the most severe cost pressures. These companies move for the available land, lower space costs and because labor costs in the new "hot zone" are lower as workers seek to avoid commuting.*
- **Stage 3: High-end Workers/Firms & Lower-end Renters.** *Ultimately, the size of Southern California's population and economy puts even greater pressure on the disappearing land in its core markets. Given the preference of people and firms to locate there, the prices for all forms of space are pushed to very high levels. Now, even many well-paid professionals, technicians and executives must migrate to the "hot zone" as their mortgages overwhelm their incomes. Lower income families join them as they find the core area's detached housing completely unaffordable and rents so high that several families must live together. Meanwhile, an increasing range of firms finds costs in the core area becoming prohibitive.*

Additionally, staff would like to point out that the City has experienced a 20% growth in sales tax over the previous year.

FIRE PROJECTS

While no objections were made to this category, Staff would like to point out that this particular category of the DIF fee as a whole was decreased. This is due to the fact that the future fire station cost estimates were decreased based upon the fact the El Evado Fire Station cost less to build than originally estimated and included in the prior DIF studies.

This is also the methodology that would be followed at each annual review of the DIF. Cost increases and decreases would be accounted for.

ROADWAY PROJECTS

The BIA questioned the inflation factor that was used to determine the new roadway project fees. In addition, the NAIOP also requested consideration of a sub category for "high cube" industrial uses. The following is the response from Sean McGlade, City Engineer

Roadway

The escalation factor selected for the City of Victorville 2006 Development Impact Fee update study was based upon a combination of City Engineering staff's research of local road projects and a cost escalation factor from the Caltrans price index for selected highway construction projects. The rationale is that there are two different types of transportation projects in the DIF roadway list; local roadways and bridges/interchanges. Initially staff had used 24% from our own records and 11.5% from the Caltrans web site and thus by combining the factors from the two different types of construction, a 15% escalation was used.

However, Sanbag had independently performed their own analysis of an appropriate escalation rate and initially recommended 24.1% to be applied to the project costs in the Nexus Study required by the passage of the new Measure I. City staff conferred with Sanbag staff, comparing their research of an appropriate escalation factor. Sanbag pointed out to City staff that the escalation factor that we had used from the Caltrans web site of 11.5% was based upon the last quarter of 2005. Sanbag had used the escalation factor from the four quarters of 2005, which was at 24.1%.

We are therefore recommending an inflation factor in line with the Sanbag research and recommend an increase in project costs of 24%.

At the July 5, 2006 Sanbag Board meeting, the City of Victorville presented their findings, in line with Sanbag findings of a 24% increase. However, there was concern from other cities that this represented a radical spike. Sanbag staff recommended using a rolling five-year average of the index to soften the changes in project costs. However, the City of Victorville Mayor Mike Rothschild requested that the item be deferred for further review by cities. The rolling average of 12.9% was approved by the Board nonetheless.

The City of Victorville Development impact fee has already been softened over the years by undercharging and implementing step increases, therefore staff does not recommend a five-year rolling average for determining an escalation factor for the City's development impact fee projects.

BIA has questioned the appropriateness of a citywide traffic impact analysis being borne 100% by development. Staff has adjusted the cost of the citywide traffic impact analysis to 2/3rd as a result.

A letter from the National Association of Industrial and Office Properties (NAIOP) was received containing comments on the proposed development impact fee increase as it affected the

industrial share of the development impact fee. The argument centered around a particular type of industrial use known as high cube distribution warehouse facilities. The request was to separate the high cube warehouses into its own subcategory as the traffic trip generation rate is much lower than most other industrial uses. If this were implemented, other industrial users would pay more. Also, this is seen as possibly setting a precedent and soon there would be many requests for placing other uses into sub-categories. In order to calculate the fee, land use, area and a general trip generation are the factors used. Creation of sub-categories will require sub-areas to be quantified and new trip rates to be applied, making the analysis more complicated and cumbersome.

The lower trip generation rate is based upon three studies of such facilities as it is a relatively new type of industrial use. However, it is staff's position that the high cube distribution warehouses, which typically range from 250,000 to 1,500,000 square feet in area will locate at SCLA where projects are exempt from payment of development impact fees. In addition, any projects that want to locate outside SCLA will have the ability to negotiate with the redevelopment agency for assistance.

Therefore it is recommended that the industrial category remain unchanged.

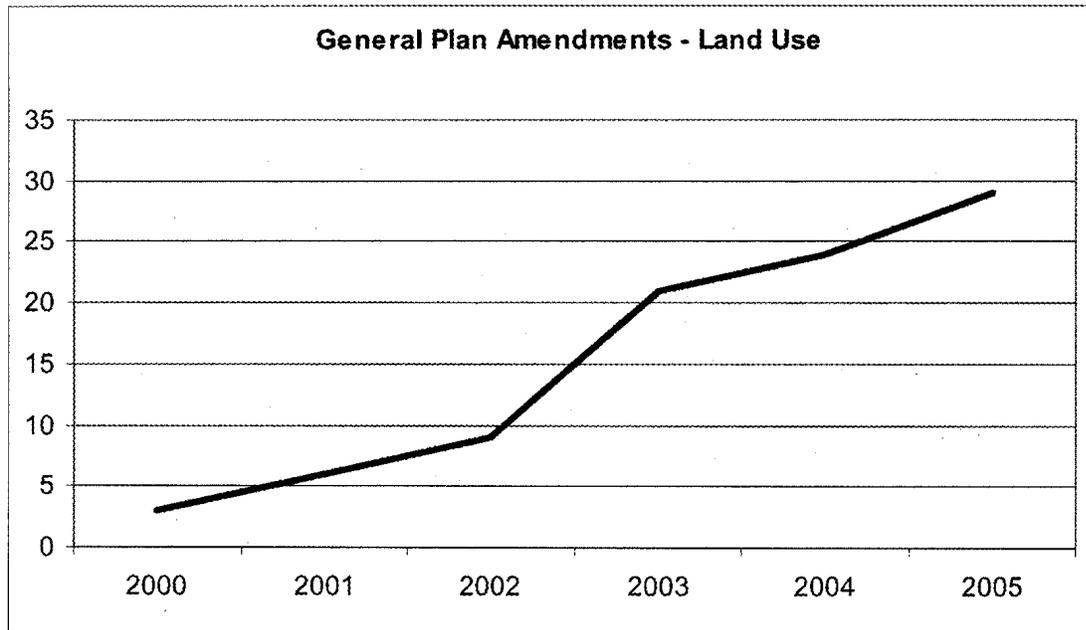
PUBLIC FACILITIES

This issue revolved around the nexus for including the Citywide Traffic Impact Analysis, General Plan and the Comprehensive Airport Land Use Plan at 100% funding from future development. The following response is from Bill Webb, Director of Development:

GENERAL PLAN, CITYWIDE TRAFFIC IMPACT ANALYSIS & COMPREHENSIVE AIRPORT LAND USE PLAN:

The City of Victorville General Plan was adopted in 1997 with a horizon date of 2015, almost 20 years from the date of its 1995 base studies. Typically, General Plans undergo a comprehensive update every 15 to 20 years, *unless* there have been significant incremental changes to land uses, land use patterns, city/sphere boundaries, roadways, highways, population growth, types of industry, transportation (airport), park sites, infrastructure, services, etc...All of these *have* occurred as a direct result of the growth in residential, commercial and industrial development we have experienced over the past few years.

Below is a chart illustrating that growth using the most basic indicator: General Plan Amendments (requests to change land use in order to facilitate new development):



State Law requires “comprehensive” planning, rather than the incremental planning being done at the request of the development community, as shown above. It is because of these excessive land use changes that we were required by law to update our General Plan prior to 2015. Along with these amendments came huge change to the City’s development patterns: westward and northerly expansion of City and sphere boundaries, new roadways, increased traffic, new infrastructure, increased need for services, residential impacts upon the airport, 10% population growth, as well as all of the other issues cited earlier. Therefore, the City was forced to update the General Plan in order to facilitate this growth in an orderly manner.

In order to update the General Plan, a Citywide Traffic Impact Analysis is necessary in order to plan for transportation needs. Also required is a Comprehensive Airport Land Use Plan to analyze new industrial development impacts, as well as to document the impact that residential growth will have on the airport itself. All of these studies could have, and would have, been put off several more years if not for the unexpected rapid growth in all types of development. Additionally, they would not have required updates to the extent that they now need if not for the rapid growth of the City.

However, because there would be some need to revise these studies in time, without any development, we concede 1/3 of the costs of all three to funding other than the DIF Fees (this ratio is typical when not funded wholly by DIF Fees). Staff therefore recommends 2/3 of the costs for each planning study is funded by Development Impact Fees.

PARK FACILITIES

Concerns were raised regarding the cost of land, estimated cost of facilities, and the nexus of having the new clubhouses fully funded by future development. The following response was provided by Jon Gargan, Director of Community Services:

Park & Recreation Projects

It has been determined that the cost of the Green Tree and Westwinds Clubhouses be reallocated. This is being done by deducting the value of the current structure from the projected construction cost.

The argument that the clubhouses are not public buildings is invalid. These are not private facilities for golfers only. The public will be using the entire building, particularly the restaurant and banquet rooms.

The Park acreage standard is 3 acres per 1,000 residents, not 2.66. The 2.66 dates back to the first DIF study in 1990 that showed there was 2.66 acres per 1,000 people at that time. At no point was that ever the standard.

Projected population in 2020, as per the current DIF study, is 142,340. At 3 acres per 1,000 equates to 427 acres of developed parkland. It was incorrect of us to list all the acreage needed to obtain that goal. The DIF can only be applied to the projected 47,924-population growth contained in the current study. This equates to 144 acres. 160 acres have been removed from the project list of 304 acres to achieve that threshold.

These facts point out a very disturbing picture. In 1990 there was 110 acres of developed parkland to serve a population of 40,274. That was 10 acres shy of meeting the 3 acres per 1000 standard. Today we have only 157 acres serving a population of 100,000. This represents a shortage of 143 acres to meet the 3-acre standard. This shortage is in direct relationship to the fact that the parks have been under funded from DIF since it's inception in 1990. The funds received have never equaled the cost of construction.

In the 1990's, the fees stayed flat to encourage development. Homes were built, the population increased but the construction of parks lagged behind. The last two-updated fee levels have been phased in, never allowing the funds received to equal the actual construction cost. Eagle Ranch and Brentwood parks were never completed by the developers, despite DIF/Construction agreements, because the money received did not equal the actual cost. The developers decided not to spend beyond their DIF commitment, leaving unfinished projects. The gap continues to widen with each passing year.

To provide the minimum standard of 3 acres per 1,000 population and eliminate the 143-acre shortage of developed parkland the City would be faced with an expenditure of over \$68,000,000.00 based on today's construction and property cost to right the wrong that was done by not collecting the proper DIF over the past 16 years.

Our cost of development per acre is based on the actual construction costs of our last 2 parks and the architects cost estimate of our newly planned park. I will reiterate that our cost estimates are 10% to 20% lower than the average cost provided to us by more than half a dozen other entities located in Southern California. In fact, 4 cities cited in

the BIA report, have provided us costs of recently finished parks or of parks currently under construction, that are \$100,000 to \$176,000 more per acre than the BIA has listed. These numbers compare to the other cities we've contacted and average well over \$400,000 per acre. We are using \$365,000 per acre. I'm quite confident that as we continue to verify the remaining cities on that list we will find further discrepancies.

REVENUES ALREADY GENERATED

A question arose as to why the revenues were not included in the report. Staff's response is that in the future yearly updates, the revenue generated and the projects for which DIF was used will be reported as an appendix. This will ensure that projects already constructed and fully funded will be removed from the eligible list when appropriate.

IMPACT FEE CREDIT AND REIMBURSEMENT POLICY

The BIA has requested that the City review the current Impact Fee Credit and Reimbursement Policy to clarify questions that have come up. As this is not directly related to the DIF fee increase, Staff will be scheduling a meeting to discuss this item with those interested.

OTHER INFORMATION

With respect to the issues raised by the BIA, the park acreage was incorrectly applied in the DIF report. This represents \$3,929.24 of the decrease, from the proposed amount. The reduction in the portion to the clubhouses represents is \$75.93, and \$17.67 is the amount of reduction for the analytical processes.

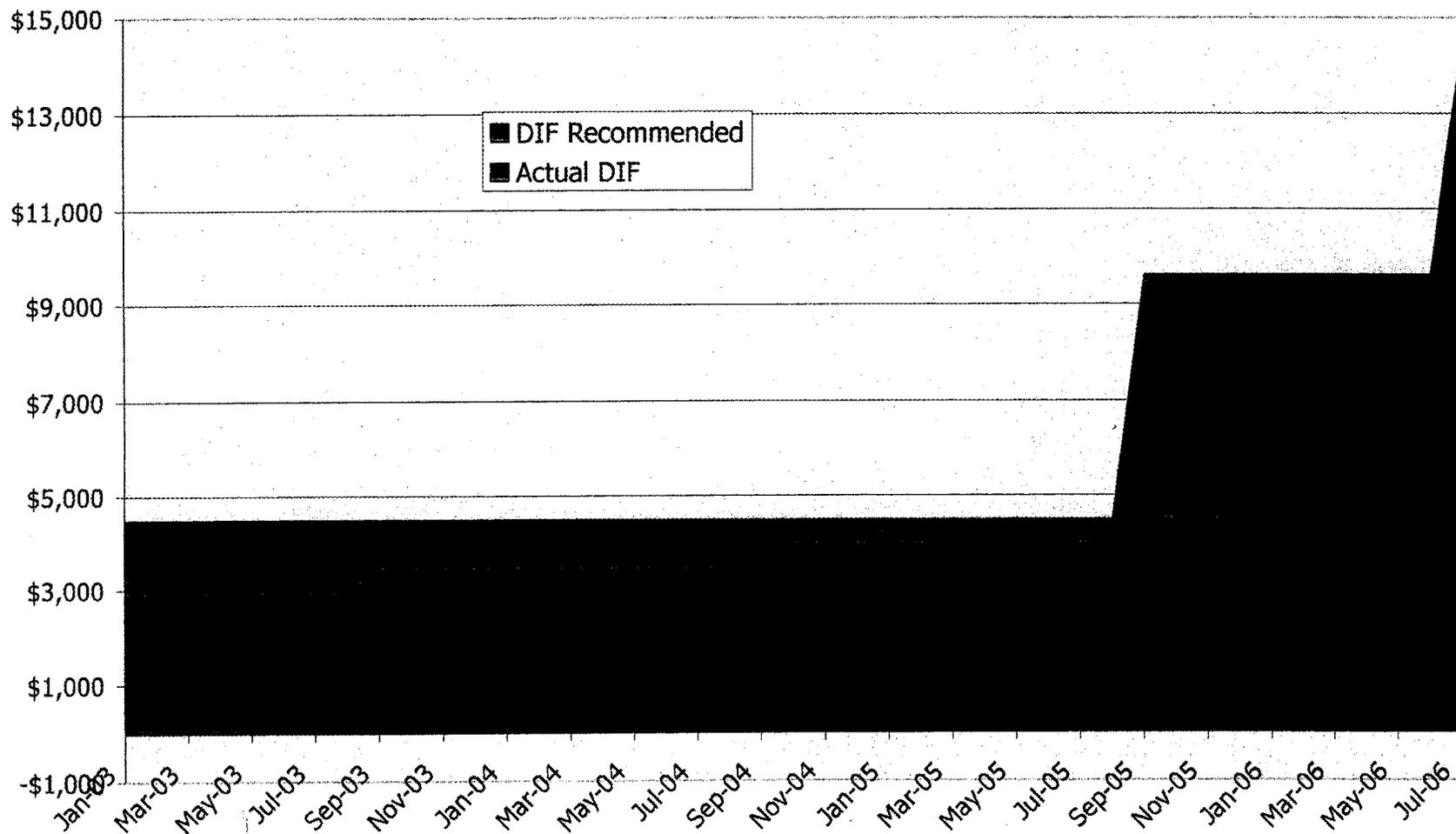
Attached is a graph, which depicts the amount of revenue uncollected over time due to reductions given in the fee.

RECOMMENDATION

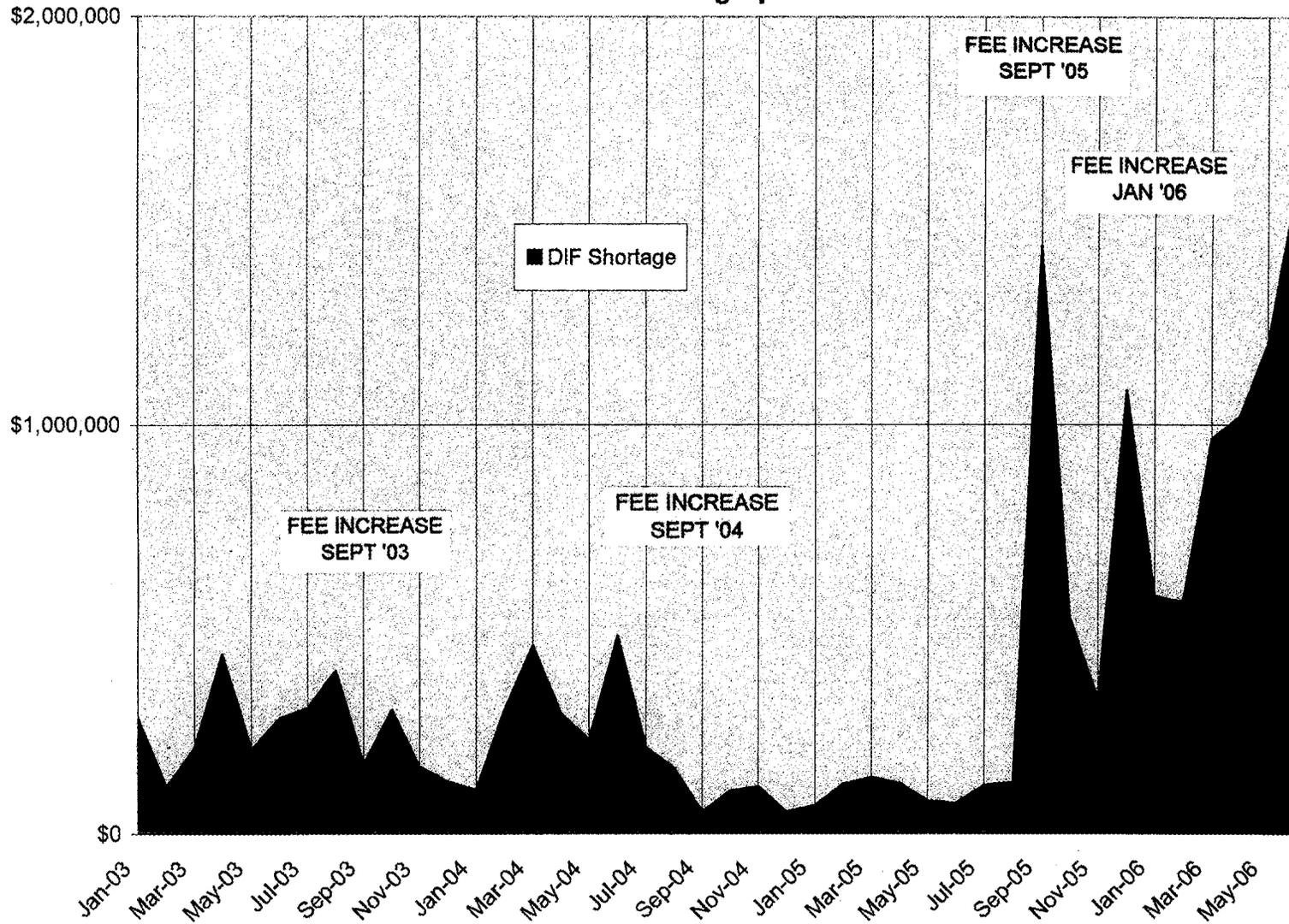
That the City Council consider adoption of a revised Development Impact Fee at the Council meeting of September 15, 2006, to be implemented October 1, 2006.

Attachments:
Revised DIF 2006 Study
Graphs

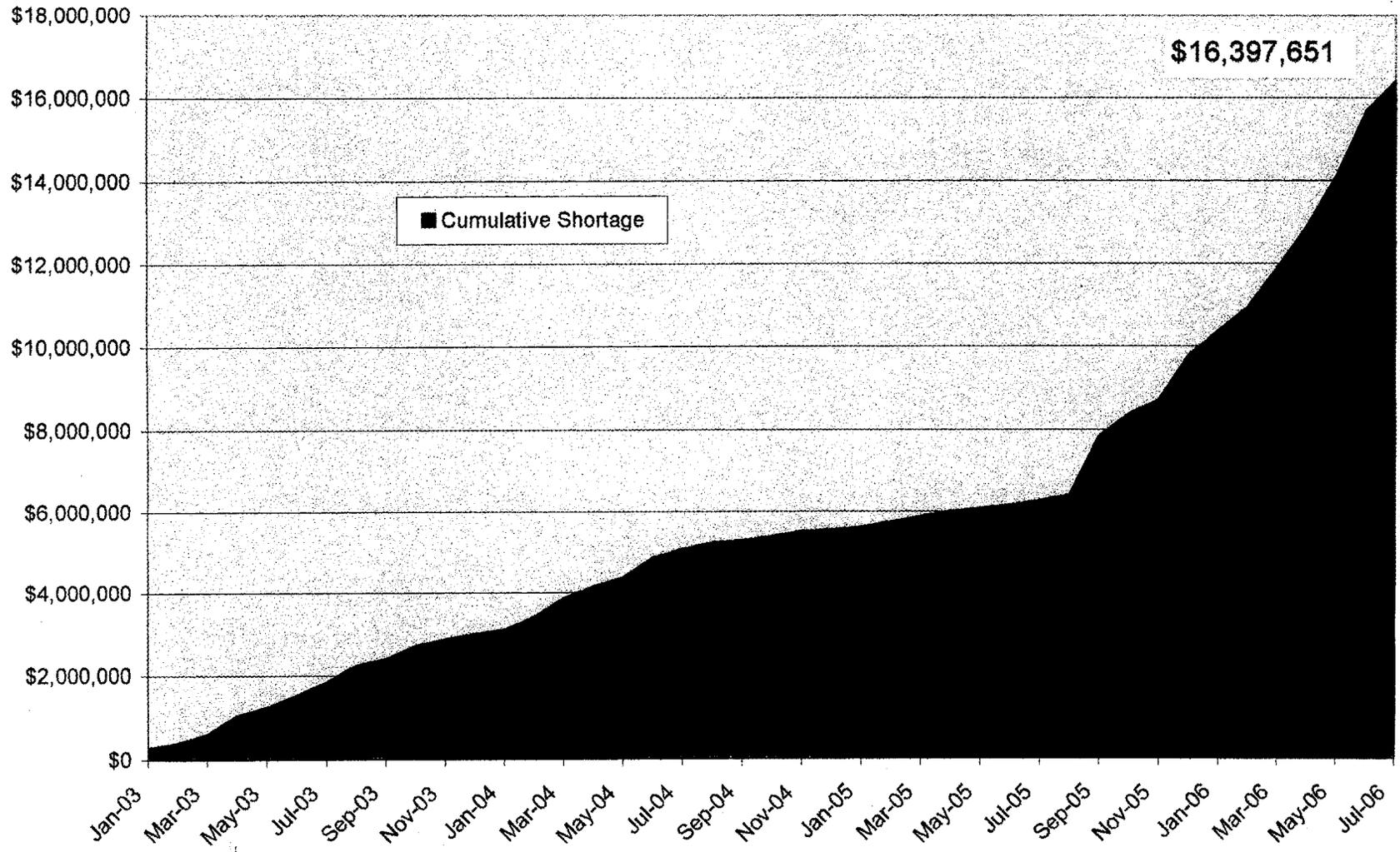
SINGLE FAMILY RESIDENCE DIF's Actual vs. Recommended



SINGLE FAMILY RESIDENCE ONLY DIF Shortage per Month



SINGLE FAMILY RESIDENCE ONLY Cumulative Shortage



Year	Residential		DIF Chg'd	DIF Recommended	Collected	Recommended	Actual loss
2003	Number	Value					
Jan-03	175	\$29,312,598	2878	4481	503,650	784,175	280,525
Feb-03	71	\$12,282,369	2878	4481	204,338	318,151	113,813
Mar-03	130	\$24,457,160	2878	4481	374,140	582,530	208,390
Apr-03	275	\$43,118,438	2878	4481	791,450	1,232,275	440,825
May-03	127	\$21,314,136	2878	4481	365,506	569,087	203,581
Jun-03	175	\$28,963,727	2878	4481	503,650	784,175	280,525
Jul-03	191	\$35,118,809	2878	4481	549,698	855,871	306,173
Aug-03	249	\$44,144,803	2878	4481	716,622	1,115,769	399,147
Sep-03	157	\$25,882,454	3412	4481	535,684	703,517	167,833
Oct-03	282	\$48,347,514	3412	4481	962,184	1,263,642	301,458
Nov-03	152	\$25,427,999	3412	4481	518,624	681,112	162,488
Dec-03	118	\$19,761,368	3412	4481	402,616	528,758	126,142
	2102	\$358,131,375			6,428,162	9,419,062	2,990,900
2004	Residential						
	Number	Value					
Jan-04	99	\$15,908,305	3412	4481	337,788	443,619	105,831
Feb-04	282	\$49,436,652	3412	4481	962,184	1,263,642	301,458
Mar-04	431	\$74,834,869	3412	4481	1,470,572	1,931,311	460,739
Apr-04	272	\$47,142,393	3412	4481	928,064	1,218,832	290,768
May-04	213	\$37,712,706	3412	4481	726,756	954,453	227,697
Jun-04	454	\$78,211,849	3412	4481	1,549,048	2,034,374	485,326
Jul-04	195	\$34,228,959	3412	4481	665,340	873,795	208,455
Aug-04	148	\$27,419,377	3412	4481	504,976	663,188	158,212
Sep-04	100	\$17,414,484	3947	4481	394,700	448,100	53,400
Oct-04	192	\$35,862,153	3947	4481	757,824	860,352	102,528
Nov-04	215	\$40,034,670	3947	4481	848,605	963,415	114,810
Dec-04	98	\$20,734,354	3947	4481	386,806	439,138	52,332
	2699	\$478,940,771			9,532,663	12,094,219	2,561,556
2005	Residential						
	Number	Value					
Jan-05	128	\$19,001,005	3947	4481	505,216	573,568	68,352
Feb-05	224	\$38,227,836	3947	4481	884,128	1,003,744	119,616
Mar-05	256	\$50,122,951	3947	4481	1,010,432	1,147,136	136,704
Apr-05	229	\$35,821,934	3947	4481	903,863	1,026,149	122,286
May-05	150	\$27,309,227	3947	4481	592,050	672,150	80,100
Jun-05	137	\$25,580,954	3947	4481	540,739	613,897	73,158
Jul-05	219	\$45,128,693	3947	4481	864,393	981,339	116,946
Aug-05	235	\$45,129,404	3947	4481	927,545	1,053,035	125,490
Sep-05	282	\$49,465,994	4481	9595	1,263,642	2,705,790	1,442,148
Oct-05	104	\$20,508,850	4481	9595	466,024	997,880	531,856
Nov-05	64	\$12,193,695	4481	9595	286,784	614,080	327,296
Dec-05	212	\$33,674,580	4481	9595	949,972	2,034,140	1,084,168
	2240	\$402,165,123			9,194,788	13,422,908	4,228,120
2006	Residential						
	Number	Value					
Jan-06	228	\$39,607,336	7038	9595	1,604,664	2,187,660	582,996
Feb-06	222	\$42,395,523	7038	9595	1,562,436	2,130,090	567,654
Mar-06	377	\$69,847,464	7038	9595	2,653,326	3,617,315	963,989
Apr-06	399	\$81,320,546	7038	9595	2,808,162	3,828,405	1,020,243
May-06	469	\$90,865,993	7038	9595	3,300,822	4,500,055	1,199,233
Jun-06	620	\$123,917,430	7038	9595	4,363,560	5,948,900	1,585,340
Jul-06	140		9595	14,578	1,343,300	2,040,920	697,620
					17,636,270	24,253,345	6,617,075
TOTAL					42,791,883	59,189,534	16,397,651

**DEVELOPMENT IMPACT FEE
2006 UPDATE STUDY
Victorville, California**

Prepared for:

**City of Victorville
Department of Planning & Development
14343 Civic Drive
Victorville, CA 92392**

Prepared by:

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August 16, 2006

2006 Development Impact Fee Update Study
City of Victorville

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Section One
INTRODUCTION AND SUMMARY

The 2006 update of development impact fees (DIF) is necessary in order to keep pace with increasing inflation and project costs. Victorville continues to experience a period of rapid development and needs updated DIF rates to help finance eligible municipal capital projects.

This 2006 DIF update faces the same gap between DIF project costs and DIF rates that earlier DIF updates have encountered. Project costs have increased substantially even over the last year. Efforts to reformulate the DIF methods and assumptions into a planned "annualized" program cannot proceed at this time since the General Plan update for Victorville is now underway but won't be completed until 2007. Without the updated General Plan, this 2006 DIF update will continue to use the existing General Plan for guidance. Consequently, the methods and assumptions remain unchanged from the preceding 2005 DIF Update Study.

The purpose of this report is to update the five existing development impact fees (DIF) for the City of Victorville, California. The report documents a study conducted to provide a basis for updating citywide development impact fees consistent with the provisions of California Government Code, Section 66000 (Mitigation Fee Act). More specifically, this report presents findings upon which the City of Victorville may

choose to update the development impact fee rates and modify the basis for any of these rates.

This 2006 DIF update report supersedes the "2005 Development Fee Update Study" (May, 2005), upon which the existing development impact fee rates are based. The May, 2005 report updated the "2002 Development Impact Update Study" (April, 2002), which served as the basis to establish the existing five impact fee program. This update report closely follows the approach and methods used in the 2005 and 2002 reports. The only changes to this update report are eligible DIF project cost increases. While this report will focus upon the changes associated with the update, many unchanged portions of the 2005 report are included for completeness of documentation.

This update study has also considered the existing DIF program operations. The Victorville DIF program is operating without difficulty except for the lack of DIF revenues to finance municipal capital projects needed to accommodate new development. This update study has estimated 2006 DIF rates in the following manner:

1. **The 2005 DIF Update Study report methods, assumptions and projects remain unchanged to ensure analytic continuity.**
2. **Only eligible DIF project costs were updated to reflect increased project costs, consistent with the Victorville General Plan and the Master Plan for Parks and Facilities.**
3. **Commercial and industrial DIF roadway rates have been increased to adjust for a computational correction in the 2005 DIF Update Study report.**
4. **Based upon the DIF updates noted above, the DIF fees have been re-estimated for each land use as follows:**

Land Use	2005 DIF Report Fee	2006 DIF Report Fee
Single Family (DU)	\$9,595	\$10,947
Multi Family (DU)	\$6,359	\$7,405
Commercial (sf)	\$6.28	\$12.32
Industrial (sf)	\$1.24	\$4.28

It is recommended that the city consider these modifications to the DIF documentation and fee rates as a means to update and improve the program's overall financial efficiency.

Section Two

DIF UPDATE PROCESS

This 2006 update analysis of development impact fees for the City of Victorville is shaped by a number of important considerations. These include an understanding of the legislative requirements that must be met in order to establish and maintain development impact fees in California, the explicit limits for DIF project eligibility and the city's updated growth assumptions.

A. Legislative DIF Requirements

Legislative requirements related to development impact fees are contained in California Government Code Section 66000, called the "Mitigation Fee Act." The basic requirements of the Act are discussed in "Exaction and Impact Fees in California" by William Abbott et. al. (Solano Press, 2001) and can be summarized as follows:

Statutorily, Section 66000 provides that when a city imposes any fee or exaction as a condition of approval of a proposed project, those fees or exactions shall not exceed the estimated reasonable cost of providing the service or facility for which the fee or exaction is imposed. Further, the 1987 Legislature adopted certain requirements that must be followed by a city in establishing or imposing fees.

Assembly Bill No. 1600, which added Sections 66000-66003 to the Government Code, became operative January 1, 1989. New Section 66001 requires that any city that establishes, increases or imposes a fee as a condition of approval of a development project on or after January 1, 1989, shall do all of the following:

- 1) Identify the purpose of the fee.
- 2) Identify the use to which the fee is to be put (e.g., public facilities must be identified).
- 3) Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is imposed ("burden created" nexus).
- 4) Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed ("type" nexus).

- 5) Because the city has established the development fee as a condition of approval, it must determine how there is a reasonable relationship between the amount of the fee and the cost of the public facility attributable to the development on which the fee is imposed.

This report updates the development impact fees consistent with these legislative requirements. There have been no substantive changes to Section 66000 since 2002 as it relates to this update.

B. Scope of DIF's

The development impact fees considered in this analysis do not attempt to finance all public facilities induced by new development in Victorville. Specifically, all non-municipal public facilities are excluded from consideration in this analysis including schools, city drainage, city sewer, water and other facilities that are not financed, owned, developed, maintained or operated by the City of Victorville.

The development impact fees are limited to citywide municipal facility needs induced by new development and do not cover the capital cost of existing facility deficiencies in the city. The fees expressly exclude all permit and processing costs, special district assessments, or other charges or fees not directly related to financing citywide municipal facilities as a condition of approval.

Development that takes place under a development agreement or a specific plan may be excluded from the development fee if equivalent contributions are stipulated in the specific plan or the development agreement.

Finally, each development fee will be based upon assumed future growth facility needs over a 15-year planning period. The planning period in this 2006 DIF update is 2005 to 2020.

C. Updated Victorville Growth Assumptions

In order to determine the type and amount of future municipal capital improvements needed in Victorville it will be necessary to establish 2005 base year conditions, to project long term growth for the city, and to estimate the amount of new development which is expected to occur. Conditions for the base year 2005, projected conditions in 2020, and the estimated growth between 2005 and 2020, are presented on Table 1 for population and residential, commercial and industrial land use

assumptions. These growth forecasts have been formulated to reflect historic trends, current conditions and future growth as embodied in the Victorville General Plan, updated and approved in 1997, and currently being updated. The planning assumptions with regard to population and development may change as a result. These changes in planning and development assumptions will also affect DIF projects, costs and fee rates. This update continues to rely upon the existing General Plan for guidance.

The assumptions of future growth play an important role in estimating the development fee since the future infrastructure needs for Victorville are directly related to the amount of new development expected to occur. Greater or lesser amounts of assumed new development will correspondingly increase or decrease the type, amount and cost of needed municipal facilities. Similarly, greater or lesser amounts of assumed new residential, commercial and industrial development will shift the burden, and therefore the fee amount, among the land uses. Consequently, the growth assumptions presented on Table 1 need to be closely examined and reconsidered during each update.

The 2005 base year conditions have been derived from information provided by the Victorville Planning Department. Information on development growth from 2001 to 2005 were added to the comparable 2001 statistics in the April, 2002 DIF Update Report. Housing growth estimates for are based upon building permit issuance data compiled annually by the Victorville Planning Department. Population is estimated by applying an estimated "persons per dwelling unit" rate to the housing growth. Commercial and industrial development, measured in terms of gross square feet (sf) of floor space, is also based upon annually compiled building permit issuance data.

The City of Victorville grew in population 4,781 persons over the base year 2005 to reach a population of 90,671 persons in 2006. City records indicate that calendar 2005 experienced an increase of 2,380 single-family homes, 96 multi-family homes, 231,300 sf of commercial development and no industrial development. No annexations occurred in 2005.

Base year 2005 housing is estimated at 30,131 dwelling units: 21,128 single family homes and 9,003 multi-family homes. Commercial and industrial space is estimated at 10,920,000 sf and 3,656,000 sf respectively. Annual updates of commercial and industrial supply may add new annual development to the base and deduct any demolitions based upon the annual Planning Department report.

The current General Plan specifies a 2015 population of between 91,530 and 129,179 residents and an estimated buildout population over 340,000.

**Table 1: DIF Update Factors and Assumptions
2005 DEVELOPMENT IMPACT FEE UPDATE**

Date	Population	SFDU	MFDU	TotalDU	Commercial 000'sSF	Industrial 000'sSF
1/1/91	44,496	9,247	5,729	14,967	6,727	1,468
1/1/05	85,890	21,128	9,003	30,131	10,920	3,656
1/1/2020	133,814	34,049	14,514	48,563	14,697	6,331
'05-'20 Growth	47,924	12,921	5,511	18,432	3,777	2,675
'05-DIF Growth	142,430	35,756	21,602	57,357	7,182	11,394
'05-'20 Share	33.6%	36.1%	25.5%	32.1%	52.6%	23.5%

Source: AGAJANIAN & Associates

The updated General Plan will likely have an even larger buildout population estimate. This update study has a horizon year of 2020. Taking into consideration Victorville's rate of growth since 1991, the city's stage of development, and long-term competitive development forces, a 2020 population of 133,814, or an addition of 47,924 residents over the 15 year (2005 to 2020) period, is used to estimate the DIF rate calculations. This is a growth rate of 3.0% annually.

The service capacity of eligible DIF project facilities is substantially less than the buildout General Plan population, but greater than the 2020 population, for all DIF projects except parks. Accordingly, a DIF facilities capacity population estimate of 228,300 was established to reflect the population that the DIF non-park facilities could support. The amount of growth between 2005 and the DIF project facilities capacity is referred to as the '05-DIF Growth on Table 1. Park facilities in this report are guided by the Master Plan for Parks and Facilities that has a horizon year of 2020.

Housing projections are based upon population growth. Current average "persons per dwelling unit" (population/total dwelling units) is estimated at 2.65. Total dwelling units in 2020 is estimated by dividing future population by the persons/d.u. factor of 2.6, consistent with the General Plan. The split between single family (SF) and multi family (MF) homes are similarly estimated by multiplying the total dwelling units by the current share of each housing type: 70.1% single family and 29.9% multi-family.

Commercial and industrial forecasts for the year 2020 are based upon average annual growth rates, similar to the population forecasts. A 2% annual growth rate has been applied to commercial development while a 4% annual development growth rate is applied to industrial development

through 2020. These growth rates yield an estimated 2020 supply of 14,697,000 sf of commercial space and 6,331,000 sf of industrial space.

The differences between base year (2005) conditions and projected (2020) conditions reflect the amount of future new population and development expected to occur in Victorville. It is the amount of residential, commercial and industrial growth between 2005 and 2020 that will be used to estimate development fees for each land use.

The public facilities identified in the General Plan are intended to accommodate all future growth for an estimated buildout population of 342,823, a four-fold increase in the number of Victorville residents. This growth will likely occur over the next 75 years in the largely undeveloped 74+ square miles of municipal area. Because of this long-term General Plan horizon, the public facilities listed in this DIF update report reflect a partial list of the General Plan facilities. Based upon service standards in the General Plan, the non-park DIF facilities contain early phases of facility development to accommodate about two-thirds of the buildout population, or 228,320 persons, an increase of 142,430 residents from 2005.

The portion of the DIF public facility cost borne by the new development between 2005 and 2020 should reflect their proportionate share of the total public facility cost listed in this update report. Population growth between 2005 and 2020 (47,924) represents 33.6% of the 142,430 new residents that can be accommodated with the DIF public facilities listed in this update report. The DIF costs are allocated to each land use by their respective share of 2005-2020 growth to 2005-DIF Growth in order for the estimated DIF fee rates to accurately reflect the actual proportionate share of total DIF public facility costs.

Section Three

UPDATED ELIGIBLE DIF CAPITAL PROJECTS

The development impact fee is a condition of approval for new residential, commercial and industrial development in the City of Victorville. The development fee seeks to collect sufficient revenues from new development to cover capital costs associated with municipal facilities induced by the new development. The development fee is therefore

limited to financing municipal facility costs that are related to new development. Municipal facilities selected for DIF financing must be eligible under the provisions of Section 66000 of the California Government Code. Eligibility requires that the selected facilities be identified and that a determination be made of the relationship between the need for the public facility and the new development ("burden created" nexus).

The 2006 DIF project list update modified the 2005 update report DIF project list by adding one roadway project and reallocating four parks projects. There was essentially no significant change to the project list. No projects were deleted in order to maintain continuity with the base year 2005 DIF projects.

There are currently five DIF categories in effect: roadways, parks, fire, police and public buildings. These five facility categories are each directly linked to new development since increased development creates increased needs for more roadways, parks, fire, police and public facilities.

A. Eligible DIF Roadway Projects

The Victorville General Plan, updated and approved in 1997, specifies in Policy 3.2 of the Circulation Element that the roadway system:

"Link funding and construction of circulation improvements to development, intensity, type and location to ensure the provision of Level of Service (LOS) "C" operation".

This LOS "C" operation is the standard to which all roadways in Victorville are to be measured with regard to both current and future roadway facility needs. The traffic model used to forecast future circulation applies this standard. The identified DIF roadway projects are based upon the traffic model generated need for future roadway capacity.

The roadway projects identified on Table 2 include constructing new roadways, widening existing roadways to accommodate future growth, adding interchanges and overpasses, and signaling intersections. All roadway improvements are for freeways, super arterial and arterial roadway classifications. Collector and local streets are excluded as eligible roads because they are not citywide in scope and because the city now requires all new development to fully provide for these roadways. As noted on Table 2, city costs for these roadways are only a portion of the total cost since some costs will be provided for by other governmental jurisdictions, by other financing means (such as assessment districts), or by new development. New development is presently obligated to provide

for the outer lane, pave out, curb, gutter and sidewalk and necessary public facilities (i.e., fire hydrants, street lights, etc.) for any arterial or super arterial that abuts the development. All of these non-municipal contributions have been considered when estimating the city share of roadway costs.

A total of \$407,022,500 of municipal revenues is required to provide for future roadway improvements listed on Table 2. Of this amount, \$315,068,900 is eligible for DIF funding, once other funding sources are considered. The city anticipates that all eligible DIF projects will be charged to new development.

B. Eligible DIF Park Projects

The City has about 180 acres of established park acreage and improvements, or a current standard of 2.66 improved acres per 1,000 population. New development will house 47,924 persons by 2020 creating a need for 127.4 acres of improved parks. This need for future park facilities is met with both programmed and non-programmed park projects.

The Victorville Community Services Department has formulated a Master Plan for Parks and Facilities to the year 2020. A large portion of these programmed park facility projects are designed to add recreational capacity to existing facilities through 2020 in order to accommodate new development. While the 2006 DIF park projects occupy the same acreage as the 2005 project list, four new park sites have been identified in 2006. The acreage needed for these new park project sites has been deducted from the non-programmed park acreage. The new parks are Baldy Mesa Park, Seneca Site park, and Tamarisk Site park.

The specific size, location and character of all future parks in Victorville has not been established due to the uncertainty of parcel configuration of future park land, special recreational needs of proximate residents and citywide needs at the time of park improvement. Consequently, the current list of planned park sites and improvements presented on Table 3 reflect only those projects that have been identified for short and moderate term acquisition, development and improvement through 2020.

**Table 2: DIF Roadway Projects
2006 DEVELOPMENT IMPACT FEE UPDATE**

Arterial Roadways	From:	To:	Dist.	Exist. Lanes	Ult. R/W	Ult Lanes	Lanes by '20	Cost Est.(000)	City Share	City Cost(000)	% DIF	DIF Cost(000)
<i>(84' R/W)</i>												
Amargosa Rd.	Rancho Rd.	Village Dr.	0.97	0	84	4	2	\$630.6	1	\$630.6	1	\$630.6
	Wash Crossing							\$1,861.5	1	\$1,861.5	1	\$1,861.5
Cantina Dr.	La Mesa Rd.	Palmdale Rd.	1.5	0	84	4	2	\$975.2	1	\$975.2	0.8	\$789.9
Aster Rd.	Palmdale Rd.	Eucalyptus St.	3.48	0	84	4	2	\$2,262.5	1	\$2,262.5	1	\$2,262.5
Caughlin Rd.	Palmdale Rd.	S City Limit	3.92	0	84	4	2	\$2,548.5	0.5	\$1,274.3	1	\$1,274.3
Civic Dr.	Mojave Rd.	Roy Rogers Dr.	0.52	0	84	4	2	\$338.1	1	\$338.1	1	\$338.1
Hook Blvd.	US 395	.4 w/o Amethyst	1.57	0	84	4	2	\$1,020.7	1	\$1,020.7	1	\$1,020.7
Hopland St.	US 395	Cobalt Dr.	1.5	0	84	4	2	\$975.2	0.5	\$487.6	1	\$487.6
Ottowa St.	Mariposa Rd.	Ottowa Pl.	1.41	0	84	4	2	\$916.7	1	\$916.7	1	\$916.7
La Mesa Rd.	US 395	Cantina Dr.	0.15	0	100'	4	2	\$97.5	1	\$97.5	1	\$97.5
Ottowa St.	Hesperia Rd.	Industrial Blvd.	0.29	0	84	4	2	\$188.5	1	\$188.5	1	\$188.5
Petaluma Rd.	Ext. E into mall		0.16	0	84	4	2	\$104.0	1	\$104.0	1	\$104.0
Rancho Rd.	Cobalt Rd.	Amethyst Rd.	0.59	0	84	4	2	\$383.6	0.5	\$191.8	1	\$191.8
Rancho Rd.	Amethyst Rd.	El Evado Rd.	1	0	84	4	2	\$650.1	1	\$650.1	1	\$650.1
	Wash Crossing							\$632.9	1	\$632.9	1	\$632.9
Road A	BNSF, Sec 33, TSN6N	I-15	2	0	84	4	2	\$1,300.3	1	\$1,300.3	1	\$1,300.3
Road B	Seneca Dr.	Green Tree Blvd.	0.61	0	84	4	2	\$396.6	1	\$396.6	1	\$396.6
Ridgecrest Rd.	Green Tree Blvd.	.2 mi north	0.2	0	84	4	2	\$130.0	1	\$130.0	1	\$130.0
Seneca Dr.	Hesperia Rd.	.2 mi north	0.22	0	84	4	2	\$143.0	1	\$143.0	1	\$143.0
Seneca Dr.	.4 mi east	Road B	0.27	0	84	4	2	\$175.5	1	\$175.5	1	\$175.5
Seneca Dr.	US 395	Amethyst Rd.	2	0	84	4	2	\$1,300.3	1	\$1,300.3	1	\$1,300.3
Smoketree Rd.	Topaz Rd.	Amargosa Rd.	0.88	0	84	4	2	\$572.1	1	\$572.1	1	\$572.1
	Wash Crossing							\$3,611.5	1	\$3,611.5	1	\$3,611.5
Topaz Rd.	Hopland St.	Luna Rd.	3.5	0	84	4	2	\$2,275.5	1	\$2,275.5	1	\$2,275.5
Topaz Rd.	Bear Valley Rd.	Sycamore St.	0.51	0	84	4	2	\$331.6	1	\$331.6	1	\$331.6
Topaz Rd.	Eucalyptus St.	Smoketree Rd.	1	0	84	4	2	\$650.1	1	\$650.1	1	\$650.1
Vinton Rd.	Bear Valley Rd.	S City Limit	1.37	0	84	4	2	\$890.7	1	\$890.7	1	\$890.7
White Rd.	Palmdale Rd.	Bear Valley Rd.	2.52	0	84	4	2	\$1,638.3	1	\$1,638.3	1	\$1,638.3
3rd Ave.	575' s/o Nisqualli Rd.	Silica Dr.	0.35	0	84	4	2	\$227.6	1	\$227.6	1	\$227.6
3rd Ave.	600' n/o Bear Valley Rd.	Bear Valley Rd.	0.13	0	84	4	2	\$84.5	1	\$84.5	1	\$84.5
	Subtotal Arterials							\$27,313.2		\$25,359.6		\$25,174.3

Table 2: DIF Roadway Projects (Continued)
2006 DEVELOPMENT IMPACT FEE UPDATE

Major Arterials			Exist.	Ult.	Ult	Lanes	Cost	City	City	%	DIF	
(100' R/W)	From:	To:	Dist.	Lanes	R/W	Lanes	by '20	Est.(000)	Share	Cost(000)	DIF	Cost(000)
Amethyst Rd.	Rancho Rd.	Hopland Rd.	1	0	100'	4	2	\$1,077.7	1	\$1,077.7	1	\$1,077.7
Amethyst Rd.	Seneca Rd.	Palmdale Rd.	0.5	0	100'	4	2	\$538.8	1	\$538.8	1	\$538.8
Amethyst Rd.	Sycamor St.	Eucalyptus St.	0.5	0	100'	4	2	\$538.8	1	\$538.8	1	\$538.8
	Oro Grande Wash Crossing							\$3,425.2	1	\$3,425.2	1	\$3,425.2
Baldy Mesa Rd.	Palmdale Rd.	Bear Valley Rd.	2.5	0	100'	4	2	\$2,694.1	1	\$2,694.1	1	\$2,694.1
Bellflower St.	Palmdale Rd.	S City Limit	3.48	0	100'	4	2	\$3,750.2	1	\$3,750.2	1	\$3,750.2
	Wash Crossing							\$881.1	1	\$881.1	1	\$881.1
El Evado Rd.	Hopland St.	Air Expressway	2	0	100'	4	2	\$2,155.3	1	\$2,155.3	1	\$2,155.3
	Wash Crossing							\$1,290.6	1	\$1,290.6	1	\$1,290.6
Eucalyptus St.	W City Limit	Mesa Linda Rd.	5.5	0	100'	4	2	\$5,927.1	1	\$5,927.1	1	\$5,927.1
Eucalyptus St.	60.5' w/o Cobalt Rd.	Amargosa Rd.	1.01	0	100'	4	2	\$1,077.7	1	\$1,077.7	1	\$1,077.7
	Oro Grande Wash Crossing							\$6,155.4	1	\$6,155.4	1	\$6,155.4
Green Tree Blvd.	Hesperia Rd.	Ridgecrest Rd.	0.91	0	100'	4	2	\$980.7	1	\$980.7	1	\$980.7
	Grading							\$3,363.1	1	\$3,363.1	1	\$3,363.1
La Mesa Rd.	W City Limit	Cantina Dr.	5.1	0	100'	4	2	\$5,496.0	1	\$5,496.0	1	\$5,496.0
Rancho Rd.	Amargosa Rd.	Nat. Trails Hwy.	1.35	0	100'	4	2	\$1,454.8	1	\$1,454.8	1	\$1,454.8
	Subtotal Major Arterials							\$40,806.6		\$40,806.6		\$40,806.6
Super Arterial (124' R/W)												
Bear Valley Rd.	Baldy Mes Rd.	US 395	3.48	2	124'	6	2	\$6,201.5	1	\$6,201.5	1	\$6,201.5
Bear Valley Rd.	W City Limits	Baldy Mesa Rd.	1.47	0	124'	6	4	\$2,619.6	1	\$2,619.6	1	\$2,619.6
Eucalyptus St.	Amargosa Rd.	Amethyst Rd.	0.35	0	124'	6	4	\$623.7	1	\$623.7	1	\$623.7
	Subtotal Super Arterials							\$9,444.8		\$9,444.8		\$9,444.8
Reconstruction												
Amargosa Rd.	Clovis Rd.	Rancho Rd.	0.5	2	84'	4	2	\$600.0	1	\$600.0	0.5	\$300.0
Air Expressway	W City Limit	Phantom Rd. W	1.25	2	84'	4	2	\$2,500.0	1	\$2,500.0	1	\$2,500.0
Baldy Mesa Rd.	Bear Valley Rd.	.5 s/o Eucalyptus	1.5	2	84'	4	2	\$1,900.0	1	\$1,900.0	0.5	\$950.0
Nisqualli Rd.	I-15	Hesperia Rd.	2.55	2	84'	4	2	\$3,700.0	1	\$3,700.0	1	\$3,700.0
3rd Ave	.2 mi s/o Nisqualli Rd.	Nisqualli Rd.	1.25	2	84'	4	2	\$1,900.0	1	\$1,900.0	0.5	\$950.0
	Subtotal Reconstruction							\$10,600.0		\$10,600.0		\$8,400.0

Table 2: DIF Roadway Projects (Continued)
2006 DEVELOPMENT IMPACT FEE UPDATE

From:	To:	Dist.	Exist. Lanes	Ult. R/W	Ult. Lanes	Lanes by '20	Cost Est.(000)	City Share	City Cost(000)	% DIF	DIF Cost(000)
Interchanges											
Eucalyptus St. Interchange	Rawlins Rd. @ I-15	1	0	100'	4	4	\$50,000.0	0.5	\$25,000.0	1	\$25,000.0
East/West Corridor Interchange	Mathys Rd. @ I-15	0.5	0	100'	4	4	\$74,000.0	0.5	\$37,000.0	1	\$37,000.0
La Mesa Rd./Nisquali Rd. Interchange	Seneca Rd. @ I-15		0		4	4	\$63,000.0	1	\$63,000.0	1	\$63,000.0
Mojave Rd. Bridge Widening - Phase 1	@ I-15		2		4	2	\$7,000.0	1	\$7,000.0	1	\$7,000.0
Mojave Rd. Bridge Widening - Phase 2	@ I-15		4		6	2	\$3,500.0	1	\$3,500.0	1	\$3,500.0
Mojave Rd./Smoketree Rd. Interchange	@ I-15		0		4	4	\$50,000.0	0.5	\$25,000.0	1	\$25,000.0
Subtotal Interchanges							\$247,500.0		\$160,500.0		\$160,500.0
Overpasses											
Baldy Mesa Rd.	@ Aquaduct		0		4	4	\$5,600.0	1	\$5,600.0	1	\$5,600.0
Bear Valley Rd. Overpass	@ Aquaduct		0		6	6	\$11,400.0	1	\$11,400.0	1	\$11,400.0
Caughlin Rd.	@ Aquaduct		0		4	4	\$6,000.0	0.5	\$3,000.0	1	\$3,000.0
Eucalyptus St.	@ Aquaduct		0		4	4	\$9,600.0	1	\$9,600.0	1	\$9,600.0
Yucca Loma Rd./ Green Tree Bl. Overpass	@ BNSF		0		4	4	\$22,000.0	1	\$22,000.0	1	\$22,000.0
Subtotal Overpasses							\$54,600.0		\$51,600.0		\$51,600.0
Traffic Signals											
2 Per Year for 15 Years = 30 Signals							\$8,900.0	1	\$8,900.0	1	\$8,900.0
Dry Wells											
							\$1,200.0	1	\$1,200.0	1	\$1,200.0
Under Powerlines											
							\$6,657.9	1	\$6,657.9	1	\$6,657.9
Total Roadways							\$407,022.5		\$315,068.9		\$312,683.6

Source: Agajanian & Associates

The Victorville Community Services Department has estimated that \$89,495,000 in park improvements is planned through 2020. Of this amount, \$86,515,400 has been identified as DIF eligible since they are intended to add recreational capacity to accommodate new residents at current city standards.

C. Eligible DIF Fire Safety Projects

The City of Victorville now has 4 fire stations to serve a current population of 85,890 residents. An additional station serves the SCLA area. The General Plan has established a policy to recommend "new fire stations in developing areas when perceived to be needed to meet the overall goals of a five-minute response time to all heavily populated areas." This standard is now being met by the existing fire stations. Four new stations are considered adequate to meet this response standard through the 2005 to DIF Growth period.

Table 4 indicates that \$20,013,000 in fire safety projects is programmed. Of this amount, \$18,565,400 is identified as DIF eligible since it is intended to accommodate new development.

D. Eligible DIF Police Safety Projects

The existing sheriff's station facility currently serves over 85,890 residents. The San Bernardino County Sheriff identified facilities and equipment that will be needed to serve the 2005 to DIF Growth period population. These police safety projects are listed on Table 5.

Table 5 indicates that \$11,300,000 in police safety projects is programmed. Of this amount, \$9,119,200 is identified as DIF eligible since it is intended to accommodate new development.

**Table 3: DIF Parks & Recreation Projects
2006 DEVELOPMENT IMPACT FEE UPDATE**

Programmed Projects		Est. Cost	DIF Share	Eligible DIF Cost
Park Facilities				
The Crossings	Property, development, equipment	\$4,800,000	1	\$4,800,000
Eagle Ranch Park	Restrooms, equipment	\$200,000	1	\$200,000
Eva Dell Park	Property, development, equipment	\$14,500,000	1	\$14,500,000
Hook Park	Upgrade parking lot/lanscape, retire capital debt	\$1,750,000	1	\$1,750,000
Doris Davies Park	Expand, renovate Rec. Center	\$4,300,000	1	\$4,300,000
George Regional Park	Develop, improve and equip entire site	\$8,500,000	1	\$8,500,000
Mesa Linda Park	Develop, improve and equip entire site	\$2,700,000	0.6	\$1,620,000
Mojave Vista Park	Develop, improve and equip entire site	\$3,800,000	0.84	\$3,200,000
Sunset Ridge Park	Develop, improve and equip entire site	\$7,500,000	1	\$7,500,000
Westwinds Activity Center	Develop site and expand buildings	\$1,500,000	1	\$1,500,000
Westwinds Sports Center	Develop site and expand buildings	\$1,900,000	1	\$1,900,000
Baldy Mesa Park	Property, development, equipment	\$4,800,000	1	\$4,800,000
Brentwood Park	Restrooms	\$125,000	1	\$125,000
Seneca Site	Development, equipment	\$3,000,000	1	\$3,000,000
Tamarisk Site	Development, equipment	\$3,000,000	1	\$3,000,000
Water	Systems, water rights	\$2,500,000	1	\$2,500,000
	Subtotal	\$64,875,000		\$63,195,000
Golf Course Facilities				
Green Tree Golf Course	Land acquisition	\$620,000	1	\$620,000
Green Tree Golf Course	Clubhouse/MaintenanceBuilding	\$6,900,000	0.85	\$5,840,570
Westwinds Golf Course	Expansion	\$5,400,000	1	\$5,400,000
Westwinds Golf Course	Clubhouse/MaintenanceBuilding	\$6,900,000	0.97	\$6,659,829
	Subtotal	\$19,820,000		\$18,520,399
Non-Programmed Sites and Facilities				
Park Site West of 395	Property, development, equipment	\$4,800,000	1	\$4,800,000
	Subtotal	\$4,800,000		\$4,800,000
	Total Parks	\$89,495,000		\$86,515,399

Source: AGAJANIAN & Associates

**Table 4: DIF Fire Safety Projects
2006 DEVELOPMENT IMPACT FEE UPDATE**

Projects		Est. Cost	DIF Share	Eligible Cost
Station 312	Land and Station	\$2,463,000	1	\$2,463,000
Station 312	Equipment	\$500,000	1	\$500,000
Station 315	Land and Station	\$3,500,000	1	\$3,500,000
Station 315	Equipment	\$500,000	1	\$500,000
Station 316	Land and Station	\$3,600,000	1	\$3,600,000
Station 316	Equipment	\$500,000	1	\$500,000
Station 317	Land and Station	\$3,600,000	1	\$3,600,000
Station 317	Equipment	\$500,000	1	\$500,000
Communication Equipment Replacement	Radio System Expansion	\$1,000,000	1	\$1,000,000
		<u>\$3,850,000</u>	0.624	<u>\$2,402,400</u>
	Total Fire Safety	\$20,013,000		\$18,565,400

Source: AGAJANIAN & Associates

**Table 5: DIF Police Safety Projects
2006 DEVELOPMENT IMPACT FEE UPDATE**

Projects		Est. Cost	DIF Share	Eligible Cost
Station	Expansion	\$2,000,000	1.00	\$2,000,000
Substation	Land, Station, Equipment	\$3,000,000	1.00	\$3,000,000
Radio System	Upgrade and Expand	\$500,000	1.00	\$500,000
Other Capital	Equipment and Vehicles	<u>\$5,800,000</u>	0.62	<u>\$3,619,200</u>
	Total Police Safety	\$11,300,000		\$9,119,200

Source: AGAJANIAN & Associates

**Table 6: DIF Public Buildings Projects
2006 DEVELOPMENT IMPACT FEE UPDATE**

Projects		Estimated Cost	DIF Share	Eligible Cost
City Hall Expansion	Utility Infrastructure	\$425,000	1	\$425,00
City Hall Expansion	Construction, renovation, furniture	\$30,000,000	1	\$30,000,00
	Total City Hall Expansion	\$30,425,000		\$30,425,00
Civic Center (Library and Community Center)	Property, Development, Equipment	\$12,500,000	1	\$12,500,00
Satellite Library (West Side)	Property, Development, Equipment	\$3,000,000	1	\$3,000,00
Corporation Yard	Development and Equipment	\$5,500,000	1	\$5,500,00
Palmdale Road Satellite Yard	Development and Equipment	\$1,800,000	1	\$1,800,00
Future Satellite Yard #2	Property, Development, Equipment	\$2,400,000	1	\$2,400,00
Future Satellite Yard #3	Property, Development, Equipment	\$2,400,000	1	\$2,400,00
Future Satellite Yard #4	Property, Development, Equipment	\$2,400,000	1	\$2,400,00
City Signs		\$260,000	1	\$260,00
	Total City Yards	\$17,760,000		\$17,760,00
Animal Shelter	Property, Development, Equipment	\$5,000,000	1	\$5,000,00
Energy Reduction	Solar Energy for Public Buildings	\$3,500,000	0.624	\$2,184,00
Information Technology	GIS	\$2,400,000	0.624	\$1,497,60
Information Technology	City Building Fiber System	\$12,416,000	0.624	\$7,747,58
Information Technology	Imaging System	\$8,236,000	0.624	\$5,139,26
Planning/Administration	Citywide Traffic Impact Analysis	\$750,000	0.666	\$499,50
Planning/Administration	General Plan	\$2,000,000	0.666	\$1,332,00
Planning/Administration	Comprehensive Airport LU Plan	\$600,000	0.666	\$399,60
	Total Other Projects	\$29,902,000		\$18,799,54
	Total Public Buildings	\$95,587,000		\$84,484,54

Source: Agajanian & Associates

E. Eligible DIF Public Buildings Projects

New development in the 2005 to DIF Growth period will increase the demand for other public facilities and equipment. Much of the programmed public building improvements are directly related to meeting future governmental needs including the city hall expansion, corporate yards and municipal equipment, as listed on Table 6.

Table 6 indicates that \$95,587,000 in public building projects is programmed. Of this amount, \$84,484,600 is identified as DIF eligible since it is intended to accommodate new development.

Section Four UPDATED DIF METHODS

The "type" nexus of eligible DIF public facility cost to land uses requires that some basis be presented to show that there is a reasonable relationship between the facilities funded by the fee and the type of development (i.e., residential, commercial, industrial) on which the fee is imposed. The distinct rationale for distributing eligible costs to land uses for each DIF is documented in this section.

The methods employed to estimate the development impact fees have been kept the same as in the 2005 DIF report to maintain analytic continuity.

A. Roadway DIF Estimates

Roadway facilities cost is distributed to land uses in relation to the amount of peak hour trips (PHT's) generated by each land use. This criterion is used because roadway system capacity is principally determined by peak hour capacities of roadway intersections. Consequently, a PHT generation rate can accurately allocate eligible roadway costs to land uses according to the share of traffic each land use generates at critical periods of system capacity.

Table 7
Roadway Nexus By Land Use

	PHT Rate	Growth to DIF Road Buildout	Total PHT's	Nexus Allocation
Single Family DU	1.01	35,756	36,114	46.8%
Multi-Family DU	0.62	21,602	13,393	17.3%
Commercial (000 sf)	2.43	7,182	17,452	22.6%
Industrial (000 sf)	0.90	11,394	10,255	13.3%
Total			77,214	100.0%

Source: AGAJANIAN & Associates

The General Plan relies upon Victorville Traffic Model to forecast traffic volumes and roadway needs. The trip generation factors used in the model are based upon published Institute of Transportation Engineers peak hour trip rates by land use. As indicated on Table 7, residential PHT rates for single family dwelling units are estimated at 1.01 PHT's/DU while multi-family dwelling units are estimated at 0.62 PHT's/DU. PHT rates are published for different levels and types of commercial uses. This analysis uses 2.43 PHT's/1000 sf as an average. Industrial development is estimated to generate 0.90 PHT's/1,000 sf of new development

Based upon these PHT generation rates, the distribution of eligible roadway cost can be allocated, given the amount of projected new development for each type of land use. The land use growth is associated with the buildout of Table 2 eligible DIF roadway projects. A total of 77,214 PHT's will be generated by the new development, as indicated on Table 7. The nexus allocation of roadway project cost to land uses is the percentage of total PHT's generated by each land use.

B. Park DIF Estimates

Eligible park facility costs are distributed to residential land uses on the basis of added population. Single family and multi-family units differ in household size (persons per dwelling unit) because of differences in physical size (number of bedrooms).

The General Plan assumes 2.6 persons per dwelling unit for future housing. Single family homes are assumed to house 2.80 persons while multi-family homes are assumed to house 2.13 persons. On this basis single family units can be expected to generate 75.5% of the new population and should bear the same share of park DIF cost. This applies similarly to multi-family units at 24.5% of the park cost burden.

Table 8
Park Development Nexus By Land Use

	'05-'20 New DU's	Per./DU	'05-'20 Residents	Nexus Allocation
Single Family DU	12,921	2.8	36,179	75.5%
Multi-Family DU	5,511	2.1	11,744	24.5%
Total	18,432	2.6	47,923	100.0%

Source: AGAJANIAN & Associates

C. Fire Safety DIF Estimates

Eligible DIF fire safety cost is distributed to land uses on the basis of the number of calls generated by specific land uses. The fire call rate is based upon typical fire response rates in southern California cities of less than 100,000 population. Table 9 indicates that share of cost burden for each land use.

Table 9
Fire Services Nexus By Land Use

	'05-'20 Growth	Fire Call Rate	Total Calls	Nexus Allocation
Single Family DU	12,921	.057	745.5	63.3%
Multi-Family DU	5,511	.057	318.0	27.0%
Commercial (000 sf)	3,777	.028	105.8	9.0%
Industrial (000 sf)	2,675	.003	8.0	0.7%
Total			1,177.3	100.0%

Source: AGAJANIAN & Associates

D. Police Safety DIF Estimates

Eligible DIF police safety cost is distributed to land uses on the basis of the number of calls generated by specific land uses. The police call rate is based upon typical police response rates in southern California cities of less than 100,000 population. Table 10 indicates that share of cost burden for each land use.

Table 10
Police Services Nexus By Land Use

	'05-'20 Growth	Police Call Rate	Total Calls	Nexus Allocation
Single Family DU	12,921	0.879	11,358	54.5%
Multi-Family DU	5,511	0.879	4,844	23.3%
Commercial (000 sf)	3,777	1.140	4,305	20.7%
Industrial (000 sf)	2,675	0.120	321	1.5%
Total			20,828	100.0%

Source: AGAJANIAN & Associates

E. Public Buildings DIF Estimates

The public buildings DIF cost is allocated to land uses based upon the number of persons or employees physically present in the city. All residents and businesses rely upon general government operation to ensure effective municipal administration. Public buildings, facilities and equipment are required to provide needed public services.

Table 11 indicates the public buildings DIF cost burden to land uses based upon number of persons actively residing or working in the city in 2005. Employee estimation rates for commercial and industrial land uses are one employee per 350sf and 500sf respectively.

Table 11
Public Buildings and Facility Nexus By Land Use

	Rate	'05-'20 Growth	Resident/ Employees	Nexus Allocation
Single Family DU	2.80 res.	12,921	36,179	56%
Multi-Family DU	2.13 res.	5,511	11,743	18%
Commercial (000 sf)	2.86 emp.	3,777	10,791	17%
Industrial (000 sf)	2.00 emp.	2,675	5,350	7%
Total			64,064	100%

Source: AGAJANIAN & Associates

Section Five
DIF UPDATE FINDINGS

The current DIF rates can be updated based upon updated eligible DIF project costs (Section Three) and existing nexus allocations (Section Four.) Findings from the entire DIF update study are summarized at the end of this section.

A. Updated DIF Rates

A summary of the DIF cost burden by land use is presented on Table 12. As indicated, there is a total of \$511,368,100 of DIF eligible cost for roadways, parks, fire and police facilities and public buildings. Of this amount, \$240,249,300 is allocated to new development in the 2005-2020 period.

The 2005-2020 DIF costs are divided among the land uses according to the nexus allocations in Section Four, as presented on Table 12. A total of \$240,249,300 of eligible 2001-2015 DIF costs is distributed to single family (\$141.5 million), multi-family (\$40.8 million), commercial (\$46.5 million) and industrial (\$11.5 million) land uses.

The eligible 2005-2020 DIF costs listed on Table 12 are divided by the projected 2005-2020 growth by land use to estimate the DIF rate per unit of new development. The summary of DIF rates is presented on Table 13.

The updated development impact fee rate for 2005 are as follows:

Single Family dwelling unit	\$10,947
Multi-Family dwelling unit	\$7,405
Commercial space per sf	\$12.32
Industrial space per sf	\$4.28

**Table 12: Summary of DIF Update Type Nexus
2006 DEVELOPMENT IMPACT FEE UPDATE**

	Total DIF Cost	Eligible '05-'20 DIF Costs	Eligible '05-'20 DIF Cost Share by Land Use			
			SF	MF	Comm.	Ind.
Roadway Projects						
Arterial Roadways	\$25,174,262	\$9,146,277	\$4,254,842	\$1,114,014	\$2,992,491	\$784,930
Major Arterial Roadways	\$40,806,600	\$14,825,795	\$6,896,950	\$1,805,778	\$4,850,723	\$1,272,344
Super Arterial Roadways	\$9,444,800	\$3,431,471	\$1,596,318	\$417,952	\$1,122,713	\$294,488
Roadway Reconstruction	\$8,400,000	\$3,051,876	\$1,419,731	\$371,718	\$998,517	\$261,911
Interchanges	\$160,500,000	\$58,312,630	\$27,126,997	\$7,102,464	\$19,078,801	\$5,004,367
Overpasses	\$51,600,000	\$18,747,238	\$8,721,203	\$2,283,409	\$6,133,745	\$1,608,881
Traffic Signals	\$8,900,000	\$3,233,535	\$1,504,238	\$393,844	\$1,057,952	\$277,501
Dry Wells	\$1,200,000	\$435,982	\$202,819	\$53,103	\$142,645	\$37,416
Under Powerlines	\$6,657,900	\$2,418,939	\$1,125,289	\$294,626	\$791,431	\$207,592
Total	\$312,683,562	\$113,603,744	\$52,848,387	\$13,836,909	\$37,169,018	\$9,749,429
Parks and Recreation Facilities						
Programmed Projects	\$63,195,000	\$63,195,000	\$47,708,441	\$15,486,559	\$0	\$0
Golf Course Facilities	\$18,520,399	\$18,520,399	\$13,981,792	\$4,538,607	\$0	\$0
Non-programmed Projects	\$4,800,000	\$4,800,000	\$3,623,713	\$1,176,287	\$0	\$0
Total	\$86,515,399	\$86,515,399	\$65,313,946	\$21,201,453	\$0	\$0
Fire Safety Projects	\$18,565,400	\$6,434,573	\$4,248,513	\$1,279,273	\$877,077	\$29,710
Police Safety Projects	\$9,119,200	\$3,362,462	\$1,796,942	\$541,079	\$991,446	\$32,995
Public Buildings and Facilities						
City Hall Expansion	\$30,425,000	\$10,923,716	\$6,208,977	\$1,422,891	\$2,695,336	\$596,511
Civic Center	\$12,500,000	\$4,487,969	\$2,550,936	\$584,590	\$1,107,369	\$245,075
City Yards	\$17,760,000	\$6,376,506	\$3,624,369	\$830,585	\$1,573,350	\$348,202
Animal Shelter	\$5,000,000	\$1,795,187	\$1,020,374	\$233,836	\$442,947	\$98,030
Other Projects	\$18,799,548	\$6,749,742	\$3,836,515	\$879,202	\$1,665,443	\$368,583
Total	\$84,484,548	\$30,333,120	\$17,241,171	\$3,951,104	\$7,484,444	\$1,656,401
Total DIF	\$511,368,109	\$240,249,298	\$141,448,959	\$40,809,818	\$46,521,985	\$11,468,535

Source: AGAJANIAN & Associates

**Table 13: Summary of DIF Update Cost Nexus
2006 DEVELOPMENT IMPACT FEE UPDATE**

	Eligible 05-'20 DIF Cost	SF /DU	MF /DU	Comm. /sf	Ind. /sf
Roadway Projects					
Arterial Roadways	\$9,146,277	\$329.30	\$202.14	\$0.79	\$0.29
Major Arterial Roadways	\$14,825,795	\$533.78	\$327.67	\$1.28	\$0.48
Super Arterial Roadways	\$3,431,471	\$123.54	\$75.84	\$0.30	\$0.11
Roadway Reconstruction	\$3,051,876	\$109.88	\$67.45	\$0.26	\$0.10
Interchanges	\$58,312,630	\$2,099.45	\$1,288.78	\$5.05	\$1.87
Overpasses	\$18,747,238	\$674.96	\$414.34	\$1.62	\$0.60
Traffic Signals	\$3,233,535	\$116.42	\$71.47	\$0.28	\$0.10
Dry Wells	\$435,982	\$15.70	\$9.64	\$0.04	\$0.01
Under Powerlines	\$2,418,939	\$87.09	\$53.46	\$0.21	\$0.08
Total	\$113,603,744	\$4,090.12	\$2,510.78	\$9.84	\$3.64
Parks and Recreation Facilities					
Programmed Projects	\$63,195,000	\$3,692.32	\$2,810.12	\$0.00	\$0.00
Golf Course Facilities	\$18,520,399	\$1,082.10	\$823.55	\$0.00	\$0.00
Non-programmed Projects	\$4,800,000	\$280.45	\$213.44	\$0.00	\$0.00
Total	\$86,515,399	\$5,054.87	\$3,847.12	\$0.00	\$0.00
Fire Safety Projects	\$6,434,573	\$328.81	\$232.13	\$0.23	\$0.01
Police Safety Projects	\$3,362,462	\$139.07	\$98.18	\$0.26	\$0.01
Public Buildings and Facilities					
City Hall Expansion	\$10,923,716	\$480.53	\$258.19	\$0.71	\$0.22
Civic Center	\$4,487,969	\$197.43	\$106.08	\$0.29	\$0.09
City Yards	\$6,376,506	\$280.50	\$150.71	\$0.42	\$0.13
Animal Shelter	\$1,795,187	\$78.97	\$42.43	\$0.12	\$0.04
Other Projects	\$6,749,742	\$296.92	\$159.54	\$0.44	\$0.14
Total	\$30,333,120	\$1,334.35	\$716.95	\$1.98	\$0.62
Total DIF	\$240,249,298	\$10,947.21	\$7,405.16	\$12.32	\$4.28

Source: AGAJANIAN & Associates

B. Procedural Improvements

The city has been handling the collection, accounting and disbursement of development fees since the establishment of a Capital Facilities Fee on January 17, 1984 (Ordinance No. 911). Development fees replaced the Capital Facilities Fee on July 20, 1989 with Ordinance No. 1301 that expanded the scope and updated the fee rates.

Development impact fees are collected by the City Building Official upon issuance of the building permit or prior to the issuance of a Certificate of Occupancy for non-exempted new development, as defined in Resolution 89-43. The revenues received from the development are deposited into segregated accounts where they receive accrued interest until disbursed by the Finance Director to finance eligible facility capital costs. Thus, consistent with the requirements of Section 66000, the city has an existing administrative procedure to collect, hold, disburse and account for development fees.

All procedural aspects of the DIF program are operating properly. Consequently, no procedural improvements are recommended as part of this update.

C. Update Procedures

The City of Victorville has initiated a program to "annualize" the DIF update procedures. The program was considered premature since key plans, studies and documents were under active revision. It was felt that the coordinated and updated population forecasts, growth forecasts and facility standards would be needed to structure the "annualized" program.

For these reasons it was felt that the 2006 DIF update should maintain consistency with the 2005 DIF update as much as possible. Only the DIF project cost increases due to inflation were to be considered for the 2006 update. They essentially are.

A computational error was corrected for the DIF roads fee for commercial and industrial land uses on Table 13. The 2005 commercial DIF road fee was reported at \$4.04/sf when it should have been \$7.68/sf. Similarly, 2005 industrial development DIF road fees were listed at \$0.67/sf when it should have been \$2.85/sf. These computational corrections have also contributed to the cost increases in the 2006 DIF rates.

D. Summary of DIF Update

This update study has considered and updated the existing DIF program and made modifications to improve the performance of the program. The Victorville DIF program is operating without difficulty except for the lack of DIF revenues to financing municipal capital projects needed to accommodate new development. This update study has estimated 2006 DIF rates in the following manner:

1. The 2005 DIF Update Study report methods, assumptions and projects remain unchanged to ensure analytic continuity.
2. Only eligible DIF project costs were updated to reflect increased project costs, consistent with the Victorville General Plan and the Master Plan for Parks and Facilities.
3. Commercial and industrial DIF roadway rates have been increased to adjust for a computational correction in the 2005 DIF Update Study report.
4. Based upon the DIF updates noted above, the DIF fees have been re-estimated for each land use as follows:

Land Use	2005 DIF Report Fee	2006 DIF Report Fee
Single Family (DU)	\$9,595	\$10,947
Multi Family (DU)	\$6,359	\$7,405
Commercial (sf)	\$6.28	\$12.32
Industrial (sf)	\$1.24	\$4.28

It is recommended that the city consider these modifications to the DIF documentation and fee rates as a means to update and improve the program's overall financial efficiency.

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AGENDA ITEM

CITY COUNCIL MEETING OF: 8/22/06

SUBMITTED BY: Carolee Bates  City Clerk DATE: 8/16/06

SUBJECT: PRESENTATION OF RESOLUTION NO. 06-136 – PROVIDING FOR THE APPOINTMENT TO THE OFFICES THAT WERE TO BE ELECTED ON TUESDAY, NOVEMBER 7, 2006

RECOMMENDATION: Any action is at the discretion of the City Council.

FISCAL IMPACT: None.

Budget Amount:

Budget Acct. No.:

--Finance Department Use Only--

Additional Appropriation:

___ No

___ Yes/\$ Amt.:

Finance Director Review and Approval _____

DISCUSSION: As of the close of the nomination period on August 11, 2006, there were not more candidates than offices to be elected. At the regularly scheduled City Council meeting held August 15, 2006 the City Council directed that a meeting be held on Tuesday, August 22, 2006 for the purpose of determining one of the following courses of action to be taken pursuant to Elections Code Section 10229:

1. Appoint to the office the person who has been nominated.
2. Appoint to the office any eligible voter if no one has been nominated.
3. Hold the election if either no one or only one person has been nominated.

Should the City Council desire to appoint the two nominees, JoAnn Almond and Terry E. Caldwell, Resolution No. 06-136 should be adopted and the November 7, 2006 election would be canceled.

/cb
Attachment

Written
#3
8-22-06

RESOLUTION NO. 06-136

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VICTORVILLE, CALIFORNIA,
PROVIDING FOR THE APPOINTMENT TO THE OFFICES THAT WERE
TO BE ELECTED ON TUESDAY, NOVEMBER 7, 2006

WHEREAS, pursuant to § 10229 of the Elections Code of the State of California, as of the close of the nomination period on August 11, 2006, there are not more candidates than offices to be elected and that § 10229 of the Elections Code allows one of the following courses of action to be taken by the City Council:

1. Appoint to the office the person who has been nominated.
2. Appoint to the office any eligible voter if no one has been nominated.
3. Hold the election if either no one or only one person has been nominated.

WHEREAS, a notice was published on August 17, 2006 in a newspaper of general circulation pursuant to law.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF VICTORVILLE, CALIFORNIA,
DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. That pursuant to § 10229 of the Elections Code of the State of California, the following action is being taken:

The following persons are being appointed to the offices to which they were nominated:

NAME	OFFICE	TERM
JoAnn Almond	Member of the City Council	Four Years
Terry E. Caldwell	Member of the City Council	Four Years

SECTION 2. The election scheduled to be held on Tuesday, November 7, 2006, is now canceled.

SECTION 3. The persons appointed, shall qualify and take office and serve exactly as if elected at a municipal election for the office.



AGENDA ITEM

CITY COUNCIL MEETING OF: 8/22/06

SUBMITTED BY: Mike Rothschild
Mayor

DATE: 8/16/06

SUBJECT: PRESENTATION OF REQUEST TO ADOPT RESOLUTION NO. 06-148
– ADVOCATING A PROPOSED BALLOT MEASURE AND CHARTER
AMENDMENT NUMBER 37 TO LIMIT THE USE OF EMINENT DOMAIN
BY THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN
BERNARDINO

RECOMMENDATION: That the City Council adopt Resolution No. 06-148.

FISCAL IMPACT: None.
Budget Amount:
Budget Acct. No.:

--Finance Department Use Only--
Additional Appropriation:

____ No
____ Yes/\$ Amt.:

Finance Director Review and Approval _____

DISCUSSION: The Board of Supervisors of the County of San Bernardino has unanimously supported and passed an ordinance proposing a charter amendment which will limit eminent domain and protect property rights. If the proposed ballot measure is approved by the voters of San Bernardino County this would ensure that the Board of Supervisors will not exercise the power of eminent domain for purposes of conveying property to any other private party.

The proposed Resolution, if adopted, would express a position of support for the ballot measure as proposed by the Board of Supervisors.

/cb
Attachment

Written
#4
8-22-06

RESOLUTION NO. 06-148

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VICTORVILLE ADVOCATING A PROPOSED BALLOT MEASURE AND CHARTER AMENDMENT NUMBER 37 TO LIMIT THE USE OF EMINENT DOMAIN BY THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN BERNARDINO

WHEREAS, the City Council of the City of Victorville finds that it is of paramount importance to protect private property from Local, State, and Federal government eminent domain powers when used to take private property for private use; and

WHEREAS, the Board of Supervisors of the County of San Bernardino has unanimously supported and passed an ordinance proposing a charter amendment which will limit Eminent Domain and Protect Property Rights; and

WHEREAS, this proposed ballot measure, if approved by the voters of San Bernardino County, would ensure that the Board of Supervisors will not exercise the power of eminent domain for purposes of conveying property to any other private party; and

WHEREAS, the City Council supports the proposed charter amendment and is of the opinion that eminent domain powers should be limited to such public projects as water/sewer lines, roads, streets, public parks, public buildings, electricity development and other similar projects that benefit the public as a whole and that the power of eminent domain should not be used simple to further private economic development; and

WHEREAS, the protection of homes, small businesses, and other private property rights against government seizure and other unreasonable government interference is a fundamental principle and core commitment of our nation's founders and the essence of what they fought for in the defense of their homes and private property; and

WHEREAS, Proposition 90 on the November 7, 2006 Ballot is a "Taxpayer Trap" and the City Council of the City of Victorville believe that Proposition 90 could cost the taxpayers of the city millions of dollars and could result in thousands of frivolous lawsuits and more bureaucracy and red tape, drive up the cost of infrastructure projects like schools, traffic relief and flood control, prevent voters and state and local agencies from enacting environmental protections, jeopardize funds for police, fire and other critical local services and make it more difficult to enact new consumer protection and even anti-crime laws and undermine the authority of local communities and local voters.

WHEREAS, Thomas Jefferson famously wrote on April 6, 1816, the protection of such rights is "the first principle of association, 'the guarantee to every one of a free exercise of his industry, and the fruits acquired by it.'"

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VICTORVILLE:

THAT the City Council of the City of Victorville does hereby support and advocate the proposed ballot measure and charter amendment number 37 to limit eminent domain and protect property rights and to limit government's use of eminent domain for solely public purposes and protect the property of private citizens from unreasonable seizure by the Board of Supervisors of the County of San Bernardino, and OPPOSE Proposition 90.

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AGENDA ITEM

ADJOURNED
CITY COUNCIL MEETING OF: 8/22/06

SUBMITTED BY: Andre de Bortnowsky
Assistant City Attorney

DATE: 8/16/06

SUBJECT: PRESENTATION OF REQUEST TO APPROVE A SHORT-TERM
SECURED LOAN BETWEEN THE CITY OF VICTORVILLE AND
KND ASSOCIATES

RECOMMENDATION: That the City Council ratify a short term loan to KND
Affiliates as reflected in two Promissory Notes and secured by a Guaranty and Deed
of Trust which will be presented at the meeting on August 22, 2006.

FISCAL IMPACT:

Budget Amount:
Budget Acct. No.:

--Finance Department Use Only--
Additional Appropriation:

___ No
___ Yes/\$ Amt.:

Finance Director Review and Approval _____

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