

**ORDINANCE NO. 1616**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF  
BANNING, CALIFORNIA AMENDING CHAPTER 15.68 -  
DEVELOPMENT IMPACT FEES OF THE BANNING MUNICIPAL  
CODE, INCLUDING SECTIONS 15.68.010, 15.68.020, 15.68.030,  
15.68.040, 15.68.050, 15.68.060, 15.68.070, AND ADDING  
SECTION 15.68.080 ELECTRIC FACILITIES DEVELOPMENT  
IMPACT FEES**

WHEREAS, On September 24, 2019, the City Council adopted Ordinance 1551 establishing Chapter 15.68 "Development Impact Fees" of the Banning Municipal Code; and

WHEREAS, Chapter 15.68 provides that Development Impact Fees shall be paid in an amount established by resolution of the City Council; and

WHEREAS, Matrix Consulting Group has prepared a Development Impact Fee (DIF) Study dated January 2026 in compliance with the Mitigation Fee Act, Government Code Section 66000 et seq.; and

WHEREAS, the City Council has adopted by Resolution updated Development Impact Fees including the addition of a new Electric Facility Development Impact Fee

NOW, THEREFORE, The City Council of the City of Banning does hereby ordain as follows:

**SECTION 1. Incorporation of Recitals.** The recitals reflected above are true and correct and incorporated herein by this reference.

**SECTION 2. CEQA.** The City Council finds that the actions contemplated by the Ordinance are not a project under the California Environmental Quality Act (CEQA) pursuant to section 15378(b)(4), as the action relates to the creation of government funding mechanisms or other governmental fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. The action is statutorily exempt from CEQA under section 15273(a)(4) to the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, and other charges by public agencies which the public agency finds are for the purpose of obtaining funds for capital project, necessary to maintain service within existing service areas. The capital projects described in the Development Impact Fee (DIF) Study will maintain the level of service currently provided by the City's existing electric, fire, general facilities, parks, traffic, wastewater, and water facilities by ensuring that the impacts of new development will not negatively impact existing service levels within existing service areas.

**SECTION 3. Findings.** The City Council hereby finds and determines the following in connection with the adoption of this ordinance:

All other prerequisites to the adoption of this Ordinance, the approval of the Development Impact Fee (DIF) Study prepared by Matrix Consulting Group dated January 2026, the proposed new Electric Impact Fee, the updated Fire, General Facilities, Parks, Traffic, Wastewater, and Water Impact Fees, as specified by the Mitigation Fee Act (Cal. Gov. Code section 66000 et seq.) and all other applicable laws have been satisfied.

**SECTION 4. Approval.** The City Council hereby approves Ordinance 1616 amending Chapter 15.68 “Development Impact Fees” as set forth in Exhibit A. Exhibit A is attached hereto and incorporated herein by this reference.

**SECTION 5. Effective Date and Publication.** The Mayor shall sign, and the City Clerk shall certify to the passage of this Ordinance and cause the same or a summary thereof to be published within 15 days after adoption in accordance with Government Code Section 36933. This Ordinance shall take effect thirty (30) days after adoption in accordance with Government Code Section 36937.

**SECTION 6. Severability.** The City Council hereby declares that if any provision, section, paragraph, sentence, or word of this Ordinance is rendered or declared to be invalid or unconstitutional by any final court action in a court of competent jurisdiction, or by reason of any preemptive legislation, such invalidity shall not affect the other provisions, sections, paragraphs, sentences, or words of this Ordinance, and to this end the provisions of this Ordinance are severable. The City Council declares that it would have adopted this Ordinance irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed, and the balance of the Ordinance enforced.

**SECTION 7. Prosecution of Prior Ordinances.** Neither the adoption of this Ordinance nor the repeal of any other ordinance of this City shall in any manner affect the prosecution of any violation of any City ordinance or provision of the City of Banning Municipal Code, committed prior to the effective date hereof, nor be construed as a waiver of any penalty or the penal provisions applicable to any violation thereof.

**INTRODUCED AND READ** for the first time and ordered posted at a regular meeting of the City Council of the City of Banning, California, held on the 10th day of February, 2026, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

**PASSED, APPROVED AND ADOPTED** at a regular meeting of the City Council of the City of Banning, California, held on the 24th day of February, 2026.

AYES:

NOES:

ABSENT:

ABSTAIN:

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Richard Royce, Mayor  
City of Banning

Attest:

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Sandra Calderon, Deputy Administrative City Clerk  
City of Banning

Approved as to form:

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John Pinkney, City Attorney  
Slovak, Baron, Empey, Murphy & Pinkney, LLP

## Chapter 15.68 DEVELOPMENT IMPACT FEES

### 15.68.010 Fire protection facilities development impact fee.

#### A. Findings and Intent.

1. New residential and nonresidential development in the city has attracted and will continue to attract employees and residents to the city, and there is a causal connection between such development projects and the increased need for fire protection facilities.
2. Failure to enhance the ability of the city's fire protection facilities system to accommodate additional service calls will make it more difficult for residents, employers, and employees to obtain the fire services they need.
3. Sources of city revenue other than fire protection facilities development impact fees, including tax revenues that will be paid by new residential and nonresidential development, will be needed for many public purposes and therefore will not be sufficient to offset the burdens on fire facilities created by new development.
4. It is the intent of the city to require every person or organization that develops land to mitigate the impacts of that development on the city's fire facilities system. The city may therefore require developers to mitigate fire protection facilities impacts caused by their development and to pay a fire protection facilities development impact fee that will be used to mitigate those impacts by constructing fire facilities pursuant to the most current fire facilities plan, the most current capital improvement plan, or the annual budget process, as applicable.
5. The amount of fire protection facilities development impact fees collected pursuant to this section shall be limited to the cost of fire protection facilities necessary to mitigate the impact attributable to new development. The amount of fire protection facilities development impact fees collected shall not include the cost of fire protection facilities necessary to address the impacts of existing development.

#### B. Residential Fire Protection Facilities Fee Required.

1. Except as provided in subsection D of this section, the required fire protection facilities development impact fee for a residential building shall be paid in an amount established by resolution of the city council. The required fire protection facilities development impact fee shall be due and paid on a lump-sum basis on the date ~~the first dwelling in the development or development phase receives its final building inspection, or of the issuance of~~ certificate of occupancy, ~~whichever occurs first.~~
2. The community development director, or his or her designee, shall be responsible for calculating the amount of the fire protection facilities development impact fee required for each development project based on the applicable land use category and corresponding rate specified in the resolution that adopts the fire protection facilities development impact fee. In calculating such fee, the community development director shall utilize the fee rate that is assigned to the land use category that is most applicable to the development project.
3. ~~For the purposes of this subsection B, "final building inspection" shall mean the physical inspection of the building by the building and safety division of the community development department of the city for compliance with all applicable building codes and the issuance by all applicable city, county, regional, state, and federal agencies of their respective clearances for occupancy.~~
4. For the purposes of this subsection B, "certificate of occupancy" shall mean a document issued by the proper authority allowing the occupancy or use of a building and certifying that the structure, building or development conforms with all the applicable provisions of this Code, ordinances, and conditions of approval.

C. Nonresidential Fire Protection Facilities Fee Required.

1. Except as provided in subsection D of this section, the required fire protection facilities development impact fee for a nonresidential development shall be paid in an amount established by resolution of the city council. The required fire protection facilities development impact fee shall be due and paid on a lump-sum basis upon issuance of the [building permit/certificate of occupancy](#).
2. The community development director, or his or her designee, shall be responsible for calculating the amount of the fire protection facilities development impact fee required for each development project based on the applicable land use category and corresponding rate specified in the resolution that adopts the fire protection facilities development impact fee. In calculating such fee, the community development director shall utilize the fee rate that is assigned to the land use category that is most applicable to the development project.
3. For the purposes of this subsection C, "certificate of occupancy" shall mean a document issued by the proper authority allowing the occupancy or use of a building and certifying that the structure, building or development conforms to all the applicable building codes, this Code, and conditions of approval.

D. Fire Protection Facilities Fee—Exemption or Reduction.

1. The following uses and types of developments may be exempted from the payment of fire protection facilities development impact fees:
  - a. Any residential development that does not increase the number of permanent housing units on the parcel where the construction takes place, such as remodeling or rebuilding existing units.
  - b. Accessory dwelling units and second units as defined in section 17.04.070.
  - c. The remodeling or rebuilding of an existing nonresidential structure, provided the remodeling or rebuilding does not do any of the following:
    - i. Increase the square footage of the structure by more than fifty percent above that of the previously existing structure;
    - ii. Change the use to which the property or structure is to be put; or
    - iii. Increase the average daily trips generated from the property above the amount generated by the prior use of the property.
  - d. Publicly owned facilities, including, without limitation, public libraries, public administration facilities, public parks, public utilities, schools, and related facilities.
  - e. Facilities serving the health and safety of the public, including, without limitation, hospitals, police, fire, and safety facilities.
2. A developer may be exempted or allowed a reduction in fees from the fire protection facilities development impact fee requirements of subsections B and C of this section if the developer enters into a development agreement with the city pursuant to which fire protection facilities development impact fees are assessed to the developer, or equivalent or comparable fire protection facilities improvements are implemented by the developer.
3. A developer may be entitled to a reduction in the amount of the fire protection facilities development impact fee required by subsections B and C of this section if the developer constructs fire protection facilities improvements pursuant to the most current fire facilities plan, the most current capital improvement plan, or the annual budget process, as applicable. The fire protection facilities development impact fee may be reduced by the amount of fire protection facilities improvement costs that would be reasonably incurred by the city in building those same fire protection facilities improvements. The amount of such reduction shall be subject to the approval of the community development director, with concurrence from the fire chief, prior to construction of the fire protection facilities improvement.

4. A developer may be entitled to a reduction in the amount of the fire protection facilities development impact fee required by subsections B and C of this section if the development is located in an assessment district that has been formed to construct facilities pursuant to the most current fire facilities plan, the most current capital improvement plan, or the annual budget process, as applicable. The fire protection facilities development impact fee may be reduced by the amount of the total assessment placed upon the development for the costs of fire protection facilities improvements. The amount of such reduction shall not exceed the amount of the fire protection facilities development impact fee required by subsections B and C of this section.
  5. If a fee exemption or a fee reduction is granted pursuant to this subsection D, any subsequent change or intensification of the use or uses of the property or any expansion of the structures on the property, shall invalidate the fee exemption or fee reduction, and the applicant shall be subject to the fire protection facilities development impact fee requirement applicable to the entire development based on the fee in effect at the time of the change or expansion, less any amount previously paid.
- E. Appeals.
1. A developer subject to the fire protection facilities development impact fee required by this section for a particular project may apply to the city manager, or his or her designee, for: (a) a fee adjustment based upon a showing of substantial evidence of a lesser impact upon the fire protection facilities level of service; or (b) a land use category adjustment based upon a showing of substantial evidence that another land use category is more appropriate for a particular development. The application shall be made in writing and filed with the city manager, or his or her designee, prior to the issuance of building permit. If a development review is not required for the development, then the application shall be made in writing and filed not later than the time at which the building permit is issued. The application shall state in detail the factual basis for the request for reduction.
  2. The city manager, or his or her designee, shall make a decision on the application for adjustment within thirty calendar days after the application has been filed. Notice of the city manager's, or his or her designee's, decision shall be mailed to the applicant.
  3. The decision of the city manager, or his or her designee, may be appealed to the city council by filing an application for appeal with the city clerk. The application must be filed within fifteen calendar days after notice of the city manager's, or his or her designee's, decision has been mailed to the applicant.
  4. The city council shall consider the appeal at a public hearing to be held within sixty calendar days after the appeal application has been filed. The decision of the city council shall be final. The decision of the city council shall be in writing and shall be mailed to the applicant.
  5. If a fee exemption, a fee reduction or a land use category adjustment is granted pursuant to this subsection E, any subsequent change or intensification of the use or uses of the property or any expansion of the structures on the property, shall invalidate the fee exemption, fee reduction or land use category adjustment, and the applicant shall be subject to the fire protection facilities development impact fee requirement applicable to the entire development based on the fee in effect at the time of the change or expansion, less any amount previously paid.
  6. If a fee exemption, fee reduction or land use category adjustment is not granted pursuant to this subsection E, then upon the payment of the required fees, the city shall, pursuant to Government Code Section 66020, provide the applicant a written notice of the amount of the fees or a description of the dedications, reservations, or other exactions, and shall also provide notification that the ninety-day protest period has begun.
- F. Use of Funds. Pursuant to California Government Code Section 66006, all fire protection facilities development impact fees paid and collected pursuant to this section shall be placed into one or more separate account(s) established for such fee and used solely for the purpose of constructing fire protection facilities improvements pursuant to the most current fire facilities plan, the most current capital improvement plan, or the annual budget process, as applicable; provided, however, that if the community

development director authorizes minor alterations, with the concurrence of the fire chief, to such plans or budget, then those alterations shall not affect the ability of the city to use fire protection facilities development impact fees collected pursuant to this section for the purpose of constructing fire protection facilities improvements in accordance with the most current fire facilities plan, the most current capital improvement plan, or the annual budget process, as applicable, and as altered or amended.

- G. Fee Amount Applicable to Pending Projects. Except as may otherwise be provided in the resolution that adopts the fire protection facilities development impact fee amount, an applicant subject to the payment of fire protection facilities development impact fees required by subsections B or C of this section must pay the amount of the fee that is in effect when the fee becomes due as provided in subsection B.1 of this section for residential fire protection facilities development impact fees or subsection C.1 of this section for nonresidential fire facilities development impact fees. The amount of the fee is the amount specified by resolution of the city council, as amended from time to time. The fee imposed on a development project for which vested rights have been acquired through a vesting tentative subdivision map shall be the fee in effect at the time the rights became vested, plus any adjustment for inflation made between that date and the date the fee becomes due.
- H. Periodic Adjustment to Fee Amount. The amount of the fire protection facilities development impact fee may be adjusted annually for inflation on July 1st of each year by the percentage change in the [Consumer Price Index for All Urban Consumers \(CPI-U\): Riverside-San Bernardino-Ontario \(or any successor index\)](#) [Construction Cost Index as published in the Engineering News-Record \(or successor publication\)](#), as specified in the resolution that adopts the fee amount or by the periodic preparation of a new fire facilities plan, capital improvement plan, or city budget, as applicable, and required studies prepared and adopted pursuant to the Mitigation Fee Act (Government Code Section 66000 et seq.).

#### **15.68.020 Police facilities development impact fee.**

- A. Findings and Intent.
  - 1. New residential and nonresidential development in the city has attracted and will continue to attract employees and residents to the city, and there is a causal connection between such development projects and the increased need for police facilities.
  - 2. Failure to enhance the ability of the city's police facilities system to accommodate additional service calls will make it more difficult for residents, employers, and employees to obtain the police services they need.
  - 3. Sources of city revenue other than police facilities development impact fees, including tax revenues that will be paid by new residential and nonresidential development, will be needed for many public purposes and therefore will not be sufficient to offset the burdens on police facilities created by new development.
  - 4. It is the intent of the city to require every person or organization that develops land to mitigate the impacts of that development on the city's police facilities system. The city may therefore require developers to mitigate police facilities impacts caused by their development and to pay a police facilities development impact fee that will be used to mitigate those impacts by constructing police facilities pursuant to the most current police facilities plan, the most current capital improvement plan, or the annual budget process, as applicable.
  - 5. The amount of police facilities development impact fees collected pursuant to this section shall be limited to the cost of police facilities necessary to mitigate the impact attributable to new development. The amount of police facilities development impact fees collected shall not include the cost of police facilities necessary to address the impacts of existing development.
- B. Residential Police Facilities Fee Required.

1. Except as provided in subsection D of this section, the required police facilities development impact fee for a residential building shall be paid in an amount established by resolution of the city council. The required police facilities development impact fee shall be due and paid on a lump-sum basis on the date the ~~first dwelling in the development or development phase receives its final building inspection, or of the issuance of~~ certificate of occupancy, ~~whichever occurs first~~.
  2. The community development director, or his or her designee, shall be responsible for calculating the amount of the police facilities development impact fee required for each development project based on the applicable land use category and corresponding rate specified in the resolution that adopts the police facilities development impact fee. In calculating such fee, the community development director shall utilize the fee rate that is assigned to the land use category that is most applicable to the development project.
  - ~~3. For the purposes of this subsection B, "final building inspection" shall mean the physical inspection of the building by the building and safety division of the community development department of the city for compliance with all applicable building codes and the issuance by all applicable city, county, regional, state, and federal agencies of their respective clearances for occupancy.~~
  4. For the purposes of this subsection B, "certificate of occupancy" shall mean a document issued by the proper authority allowing the occupancy or use of a building and certifying that the structure, building or development conforms with all the applicable provisions of this Code, ordinances, and conditions of approval.
- C. Nonresidential Police Facilities Fee Required.
1. Except as provided in subsection D of this section, the required police facilities development impact fee for a nonresidential development shall be paid in an amount established by resolution of the city council. The required police facilities development impact fee shall be due and paid on a lump-sum basis upon issuance of the ~~building permit~~certificate of occupancy.
  2. The community development director, or his or her designee, shall be responsible for calculating the amount of the police facilities development impact fee required for each development project based on the applicable land use category and corresponding rate specified in the resolution that adopts the police facilities development impact fee. In calculating such fee, the community development director shall utilize the fee rate that is assigned to the land use category that is most applicable to the development project.
  3. For the purposes of this subsection C, "certificate of occupancy" shall mean a document issued by the proper authority allowing the occupancy or use of a building and certifying that the structure, building or development conforms to all the applicable building codes, this Code, and conditions of approval.
- D. Police Facilities Fee—Exemption or Reduction.
1. The following uses and types of developments may be exempted from the payment of police facilities development impact fees:
    - a. Any residential development that does not increase the number of permanent housing units on the parcel where the construction takes place, such as remodeling or rebuilding existing units.
    - b. Accessory dwelling units and second units as defined in section 17.04.070.
    - c. The remodeling or rebuilding of an existing nonresidential structure, provided the remodeling or rebuilding does not do any of the following:
      - i. Increase the square footage of the structure by more than fifty percent above that of the previously existing structure;
      - ii. Change the use to which the property or structure is to be put; or



- iii. Increase the average daily trips generated from the property above the amount generated by the prior use of the property.
    - d. Publicly owned facilities, including, without limitation, public libraries, public administration facilities, public parks, public utilities, schools, and related facilities.
    - e. Facilities serving the health and safety of the public, including, without limitation, hospitals, police, fire, and safety facilities.
  - 2. A developer may be exempted or allowed a reduction in fees from the police facilities development impact fee requirements of subsections B and C of this section if the developer enters into a development agreement with the city pursuant to which police facilities development impact fees are assessed to the developer, or equivalent or comparable police facilities improvements are implemented by the developer.
  - 3. A developer may be entitled to a reduction in the amount of the police facilities development impact fee required by subsections B and C of this section if the developer constructs police facilities improvements pursuant to the most current police facilities plan, the most current capital improvement plan, or the annual budget process, as applicable. The police facilities development impact fee may be reduced by the amount of police facilities improvement costs that would be reasonably incurred by the city in building those same police facilities improvements. The amount of such reduction shall be subject to the approval of the community development director, with concurrence from the police chief, prior to construction of the police facilities improvement.
  - 4. A developer may be entitled to a reduction in the amount of the police facilities development impact fee required by subsections B and C of this section if the development is located in an assessment district that has been formed to construct facilities pursuant to the most current police facilities plan, the most current capital improvement plan, or the annual budget process, as applicable. The police facilities development impact fee may be reduced by the amount of the total assessment placed upon the development for the costs of police facilities improvements. The amount of such reduction shall not exceed the amount of the police facilities development impact fee required by subsections B and C of this section.
  - 5. If a fee exemption or a fee reduction is granted pursuant to this subsection D, any subsequent change or intensification of the use or uses of the property or any expansion of the structures on the property, shall invalidate the fee exemption or fee reduction, and the applicant shall be subject to the police facilities development impact fee requirement applicable to the entire development based on the fee in effect at the time of the change or expansion, less any amount previously paid.
- E. Appeals.
- 1. A developer subject to the police facilities development impact fee required by this section for a particular project may apply to the city manager, or his or her designee, for: (a) a fee adjustment based upon a showing of substantial evidence of a lesser impact upon the police facilities level of service; or (b) a land use category adjustment based upon a showing of substantial evidence that another land use category is more appropriate for a particular development. The application shall be made in writing and filed with the city manager, or his or her designee, prior to the issuance of building permit. If a development review is not required for the development, then the application shall be made in writing and filed not later than the time at which the building permit is issued. The application shall state in detail the factual basis for the request for reduction.
  - 2. The city manager, or his or her designee, shall make a decision on the application for adjustment within thirty calendar days after the application has been filed. Notice of the city manager's, or his or her designee's, decision shall be mailed to the applicant.
  - 3. The decision of the city manager, or his or her designee, may be appealed to the city council by filing an application for appeal with the city clerk. The application must be filed within fifteen calendar days after notice of the city manager's, or his or her designee's, decision has been mailed to the applicant.

4. The city council shall consider the appeal at a public hearing to be held within sixty calendar days after the appeal application has been filed. The decision of the city council shall be final. The decision of the city council shall be in writing and shall be mailed to the applicant.
  5. If a fee exemption, a fee reduction or a land use category adjustment is granted pursuant to this subsection E, any subsequent change or intensification of the use or uses of the property or any expansion of the structures on the property, shall invalidate the fee exemption, fee reduction or land use category adjustment, and the applicant shall be subject to the police facilities development impact fee requirement applicable to the entire development based on the fee in effect at the time of the change or expansion, less any amount previously paid.
  6. If a fee exemption, fee reduction or land use category adjustment is not granted pursuant to this subsection E, then upon the payment of the required fees, the city shall, pursuant to Government Code Section 66020, provide the applicant a written notice of the amount of the fees or a description of the dedications, reservations, or other exactions, and shall also provide notification that the ninety-day protest period has begun.
- F. Use of Funds. Pursuant to California Government Code Section 66006, all police facilities development impact fees paid and collected pursuant to this section shall be placed into one or more separate account(s) established for such fee and used solely for the purpose of constructing police facilities improvements pursuant to the most current police facilities plan, the most current capital improvement plan, or the annual budget process, as applicable; provided, however, that if the community development director authorizes, with concurrence from the police chief, minor alterations to such plans or budget, then those alterations shall not affect the ability of the city to use police facilities development impact fees collected pursuant to this section for the purpose of constructing police facilities improvements in accordance with the most current police facilities plan, the most current capital improvement plan, or the annual budget process, as applicable, and as altered or amended.
- G. Fee Amount Applicable to Pending Projects. Except as may otherwise be provided in the resolution that adopts the police facilities development impact fee amount, an applicant subject to the payment of police facilities development impact fees required by subsections B or C of this section must pay the amount of the fee that is in effect when the fee becomes due as provided in subsection B.1 of this section for residential police facilities development impact fees or subsection C.1 of this section for nonresidential police facilities development impact fees. The amount of the fee is the amount specified by resolution of the city council, as amended from time to time. The fee imposed on a development project for which vested rights have been acquired through a vesting tentative subdivision map shall be the fee in effect at the time the rights became vested, plus any adjustment for inflation made between that date and the date the fee becomes due.
- H. Periodic Adjustment to Fee Amount. The amount of the police facilities development impact fee may be adjusted annually for inflation on July 1st of each year by the percentage change in the [Construction Cost Index as published in the Engineering News-Record \(or successor publication\)](#) ~~Consumer Price Index for All Urban Consumers (CPI-U): Riverside-San Bernardino-Ontario (or any successor index)~~, as specified in the resolution that adopts the fee amount or by the periodic preparation of a new police facilities plan, capital improvement plan, or city budget, as applicable, and required studies prepared and adopted pursuant to the Mitigation Fee Act (Government Code Section 66000 et seq.).

### **15.68.030 General city facilities development impact fee.**

- A. Findings and Intent.
1. New residential and nonresidential development in the city has attracted and will continue to attract employees and residents to the city, and there is a causal connection between such development projects and the increased need for general city facilities.

2. Failure to enhance the ability of the city's general city facilities system to accommodate additional service calls will make it more difficult for residents, employers, and employees to obtain the general city services they need.
3. Sources of city revenue other than general city facilities development impact fees, including tax revenues that will be paid by new residential and nonresidential development, will be needed for many public purposes and therefore will not be sufficient to offset the burdens on general city facilities created by new development.
4. It is the intent of the city to require every person or organization that develops land to mitigate the impacts of that development on the city's general city facilities system. The city may therefore require developers to mitigate general city facilities impacts caused by their development and to pay a general city facilities development impact fee that will be used to mitigate those impacts by constructing general city facilities pursuant to the most current general city facilities plan, the most current capital improvement plan, or the annual budget process, as applicable.
5. The amount of general city facilities development impact fees collected pursuant to this section shall be limited to the cost of general city facilities necessary to mitigate the impact attributable to new development. The amount of general city facilities development impact fees collected shall not include the cost of general city facilities necessary to address the impacts of existing development.

**B. Residential General City Facilities Fee Required.**

1. Except as provided in subsection D of this section, the required general city facilities development impact fee for a residential building shall be paid in an amount established by resolution of the city council. The required general city facilities development impact fee shall be due and paid on a lump-sum basis on the date the ~~first dwelling in the development or development phase receives its final building inspection, or of the issuance of~~ certificate of occupancy, ~~whichever occurs first.~~
2. The community development director, or his or her designee, shall be responsible for calculating the amount of the general city facilities development impact fee required for each development project based on the applicable land use category and corresponding rate specified in the resolution that adopts the general city facilities development impact fee. In calculating such fee, the community development director shall utilize the fee rate that is assigned to the land use category that is most applicable to the development project.
- ~~3. For the purposes of this subsection B, "final building inspection" shall mean the physical inspection of the building by the building and safety division of the community development department of the city for compliance with all applicable building codes and the issuance by all applicable city, county, regional, state, and federal agencies of their respective clearances for occupancy.~~
4. For the purposes of this subsection B, "certificate of occupancy" shall mean a document issued by the proper authority allowing the occupancy or use of a building and certifying that the structure, building or development conforms with all the applicable provisions of this Code, ordinances, and conditions of approval.

**C. Nonresidential General City Facilities Fee Required.**

1. Except as provided in subsection D of this section, the required general city facilities development impact fee for a nonresidential development shall be paid in an amount established by resolution of the city council. The required general city facilities development impact fee shall be due and paid on a lump-sum basis upon issuance of the ~~building permit~~ certificate of occupancy.
2. The community development director, or his or her designee, shall be responsible for calculating the amount of the general city facilities development impact fee required for each development project based on the applicable land use category and corresponding rate specified in the resolution that adopts the general city facilities development impact fee. In calculating such fee, the community

development director shall utilize the fee rate that is assigned to the land use category that is most applicable to the development project.

3. For the purposes of this subsection C, "certificate of occupancy" shall mean a document issued by the proper authority allowing the occupancy or use of a building and certifying that the structure, building or development conforms to all the applicable building codes, this Code, and conditions of approval.

D. General City Facilities Fee—Exemption or Reduction.

1. The following uses and types of developments may be exempted from the payment of general city facilities development impact fees:
  - a. Any residential development that does not increase the number of permanent housing units on the parcel where the construction takes place, such as remodeling or rebuilding existing units.
  - b. Accessory dwelling units and second units as defined in section 17.04.070.
  - c. The remodeling or rebuilding of an existing nonresidential structure, provided the remodeling or rebuilding does not do any of the following:
    - i. Increase the square footage of the structure by more than fifty percent above that of the previously existing structure;
    - ii. Change the use to which the property or structure is to be put; or
    - iii. Increase the average daily trips generated from the property above the amount generated by the prior use of the property.
  - d. Publicly owned facilities, including, without limitation, public libraries, public administration facilities, public parks, public utilities, schools, and related facilities.
  - e. Facilities serving the health and safety of the public, including, without limitation, hospitals, police, fire, and safety facilities.
2. A developer may be exempted or allowed a reduction in fees from the general city facilities development impact fee requirements of subsections B and C of this section if the developer enters into a development agreement with the city pursuant to which general city facilities development impact fees are assessed to the developer, or equivalent or comparable general city facilities improvements are implemented by the developer.
3. A developer may be entitled to a reduction in the amount of the general city facilities development impact fee required by subsections B and C of this section if the developer constructs general city facilities improvements pursuant to the most current general city facilities plan, the most current capital improvement plan, or the annual budget process, as applicable. The general city facilities development impact fee may be reduced by the amount of general city facilities improvement costs that would be reasonably incurred by the city in building those same general city facilities improvements. The amount of such reduction shall be subject to the approval of the community development director, with concurrence from the public works director, prior to construction of the general city facilities improvement.
4. A developer may be entitled to a reduction in the amount of the general city facilities development impact fee required by subsections B and C of this section if the development is located in an assessment district that has been formed to construct facilities pursuant to the most current general city facilities plan, the most current capital improvement plan, or the annual budget process, as applicable. The general city facilities development impact fee may be reduced by the amount of the total assessment placed upon the development for the costs of general city facilities improvements. The amount of such reduction shall not exceed the amount of the general city facilities development impact fee required by subsections B and C of this section.

5. If a fee exemption or a fee reduction is granted pursuant to this subsection D, any subsequent change or intensification of the use or uses of the property or any expansion of the structures on the property, shall invalidate the fee exemption or fee reduction, and the applicant shall be subject to the general city facilities development impact fee requirement applicable to the entire development based on the fee in effect at the time of the change or expansion, less any amount previously paid.
- E. Appeals.
1. A developer subject to the general city facilities development impact fee required by this section for a particular project may apply to the city manager, or his or her designee, for: (a) a fee adjustment based upon a showing of substantial evidence of a lesser impact upon the general city facilities level of service; or (b) a land use category adjustment based upon a showing of substantial evidence that another land use category is more appropriate for a particular development. The application shall be made in writing and filed with the city manager, or his or her designee, prior to the issuance of building permit. If a development review is not required for the development, then the application shall be made in writing and filed not later than the time at which the building permit is issued. The application shall state in detail the factual basis for the request for reduction.
  2. The city manager, or his or her designee, shall make a decision on the application for adjustment within thirty calendar days after the application has been filed. Notice of the city manager's, or his or her designee's, decision shall be mailed to the applicant.
  3. The decision of the city manager, or his or her designee, may be appealed to the city council by filing an application for appeal with the city clerk. The application must be filed within fifteen calendar days after notice of the city manager's, or his or her designee's, decision has been mailed to the applicant.
  4. The city council shall consider the appeal at a public hearing to be held within sixty calendar days after the appeal application has been filed. The decision of the city council shall be final. The decision of the city council shall be in writing and shall be mailed to the applicant.
  5. If a fee exemption, a fee reduction or a land use category adjustment is granted pursuant to this subsection E, any subsequent change or intensification of the use or uses of the property or any expansion of the structures on the property, shall invalidate the fee exemption, fee reduction or land use category adjustment, and the applicant shall be subject to the general city facilities development impact fee requirement applicable to the entire development based on the fee in effect at the time of the change or expansion, less any amount previously paid.
  6. If a fee exemption, fee reduction or land use category adjustment is not granted pursuant to this subsection E, then upon the payment of the required fees, the city shall, pursuant to Government Code Section 66020, provide the applicant a written notice of the amount of the fees or a description of the dedications, reservations, or other exactions, and shall also provide notification that the ninety-day protest period has begun.
- F. Use of Funds. Pursuant to California Government Code Section 66006, all general city facilities development impact fees paid and collected pursuant to this section shall be placed into one or more separate account(s) established for such fee and used solely for the purpose of constructing general city facilities improvements pursuant to the most current general city facilities plan, the most current capital improvement plan, or the annual budget process, as applicable; provided, however, that if the community development director authorizes minor alterations to such plans or budget, with the concurrence of the public works director, then those alterations shall not affect the ability of the city to use general city facilities development impact fees collected pursuant to this section for the purpose of constructing general city facilities improvements in accordance with the most current general city facilities plan, the most current capital improvement plan, or the annual budget process, as applicable, and as altered or amended.
- G. Fee Amount Applicable to Pending Projects. Except as may otherwise be provided in the resolution that adopts the general city facilities development impact fee amount, an applicant subject to the payment of general city facilities development impact fees required by subsections B or C of this section must pay the

amount of the fee that is in effect when the fee becomes due as provided in subsection B.1 of this section for residential general city facilities development impact fees or subsection C.1 of this section for nonresidential general city facilities development impact fees. The amount of the fee is the amount specified by resolution of the city council, as amended from time to time. The fee imposed on a development project for which vested rights have been acquired through a vesting tentative subdivision map shall be the fee in effect at the time the rights became vested, plus any adjustment for inflation made between that date and the date the fee becomes due.

- H. Periodic Adjustment to Fee Amount. The amount of the general city facilities development impact fee may be adjusted annually for inflation on July 1st of each year by the percentage change in the [Construction Cost Index as published in the Engineering News-Record \(or successor publication\)](#)~~Consumer Price Index for All Urban Consumers (CPI-U): Riverside-San Bernardino-Ontario (or any successor index)~~, as specified in the resolution that adopts the fee amount or by the periodic preparation of a new general city facilities plan, capital improvement plan, or city budget, as applicable, and required studies prepared and adopted pursuant to the Mitigation Fee Act (Government Code Section 66000 et seq.).

### **15.68.040 Traffic control facilities development impact fee.**

A. Findings and Intent.

1. New residential and nonresidential development in the city has attracted and will continue to attract employees and residents to the city, and there is a causal connection between such development projects and the increased need for traffic control facilities.
2. Failure to enhance the ability of the city's traffic control facilities system to accommodate increased traffic will make it more difficult for residents, employers, and employees to access residences and places of employment and could cause unacceptable harm to the quality of life in the city.
3. Sources of city revenue other than traffic control facilities development impact fees, including tax revenues that will be paid by new residential and nonresidential development, will be needed for many public purposes and therefore will not be sufficient to offset the burdens on traffic control facilities created by new development.
4. It is the intent of the city to require every person or organization that develops land to mitigate the impacts of that development on the city's traffic control facilities system. The city may therefore require developers to mitigate traffic control facilities impacts caused by their development and to pay a traffic control facilities development impact fee that will be used to mitigate those impacts by constructing traffic control facilities pursuant to the most current traffic control facilities plan.
5. The amount of traffic control facilities development impact fees collected pursuant to this section shall be limited to the cost of traffic control facilities necessary to mitigate the impact attributable to new development. The amount of traffic control facilities development impact fees collected shall not include the cost of traffic control facilities necessary to address the impacts of existing development.

B. Residential Traffic Control Facilities Fee Required.

1. Except as provided in subsection D of this section, the required traffic control facilities development impact fee for a residential building shall be paid in an amount established by resolution of the city council. The required traffic control facilities development impact fee shall be due and paid on a lump-sum basis on the date [the first dwelling in the development or development phase receives its final building inspection, or of the issuance of the](#) certificate of occupancy, ~~whichever occurs first~~.
2. The community development director, or his or her designee, shall be responsible for calculating the amount of the traffic control facilities development impact fee required for each development project based on the applicable land use category and corresponding rate specified in the resolution that adopts the traffic control facilities development impact fee. In calculating such fee, the community

development director shall utilize the fee rate that is assigned to the land use category that is most applicable to the development project.

~~3. For the purposes of this subsection B, "final building inspection" shall mean the physical inspection of the building by the building and safety division of the community development department of the city for compliance with all applicable building codes and the issuance by all applicable city, county, regional, state, and federal agencies of their respective clearances for occupancy.~~

4. For the purposes of this subsection B, "certificate of occupancy" shall mean a document issued by the proper authority allowing the occupancy or use of a building and certifying that the structure, building or development conforms with all the applicable provisions of this Code, ordinances, and conditions of approval.

C. Nonresidential Traffic Control Facilities Fee Required.

1. Except as provided in subsection D of this section, the required traffic control facilities development impact fee for a nonresidential development shall be paid in an amount established by resolution of the city council. The required traffic control facilities development impact fee shall be due and paid on a lump-sum basis upon issuance of the ~~building permit~~ certificate of occupancy.

2. The community development director, or his or her designee, shall be responsible for calculating the amount of the traffic control facilities development impact fee required for each development project based on the applicable land use category and corresponding rate specified in the resolution that adopts the traffic control facilities development impact fee. In calculating such fee, the community development director shall utilize the fee rate that is assigned to the land use category that is most applicable to the development project.

3. For the purposes of this subsection C, "certificate of occupancy" shall mean a document issued by the proper authority allowing the occupancy or use of a building and certifying that the structure, building or development conforms to all the applicable building codes, this Code, and conditions of approval.

D. Traffic Control Facilities Fee—Exemption or Reduction.

1. The following uses and types of developments may be exempted from the payment of traffic control facilities development impact fees:

- a. Any residential development that does not increase the number of permanent housing units on the parcel where the construction takes place, such as remodeling or rebuilding existing units.
- b. Accessory dwelling units and second units as defined in section 17.04.070.
- c. The remodeling or rebuilding of an existing nonresidential structure, provided the remodeling or rebuilding does not do any of the following:
  - i. Increase the square footage of the structure by more than fifty percent above that of the previously existing structure;
  - ii. Change the use to which the property or structure is to be put; or
  - iii. Increase the average daily trips generated from the property above the amount generated by the prior use of the property.
- d. Publicly owned facilities, including, without limitation, public libraries, public administration facilities, public parks, public utilities, schools, and related facilities.
- e. Facilities serving the health and safety of the public, including, without limitation, hospitals, police, fire, and safety facilities.

2. A developer may be exempted or allowed a reduction in fees from the traffic control facilities development impact fee requirements of subsections B and C of this section if the developer enters into a development agreement with the city pursuant to which traffic control facilities development

impact fees are assessed to the developer, or equivalent or comparable traffic control facilities improvements are implemented by the developer.

3. A developer may be entitled to a reduction in the amount of the traffic control facilities development impact fee required by subsections B and C of this section if the developer constructs traffic control facilities improvements pursuant to the most current traffic control facilities plan, the most current capital improvement plan, or the annual budget process, as applicable. The traffic control facilities development impact fee may be reduced by the amount of traffic control facilities improvement costs that would be reasonably incurred by the city in building those same traffic control facilities improvements. The amount of such reduction shall be subject to the approval of the community development director, with concurrence from the public works director, prior to construction of the traffic control facilities improvement.
4. A developer may be entitled to a reduction in the amount of the traffic control facilities development impact fee required by subsections B and C of this section if the development is located in an assessment district that has been formed to construct facilities pursuant to the most current traffic control facilities plan, the most current capital improvement plan, or the annual budget process, as applicable. The traffic control facilities development impact fee may be reduced by the amount of the total assessment placed upon the development for the costs of traffic control facilities improvements. The amount of such reduction shall not exceed the amount of the traffic control facilities development impact fee required by subsections B and C of this section.
5. If a fee exemption or a fee reduction is granted pursuant to this subsection D, any subsequent change or intensification of the use or uses of the property or any expansion of the structures on the property, shall invalidate the fee exemption or fee reduction, and the applicant shall be subject to the traffic control facilities development impact fee requirement applicable to the entire development based on the fee in effect at the time of the change or expansion, less any amount previously paid.

E. Appeals.

1. A developer subject to the traffic control facilities development impact fee required by this section for a particular project may apply to the city manager, or his or her designee, for: (a) a fee adjustment based upon a showing of substantial evidence of a lesser impact upon the traffic control facilities level of service; or (b) a land use category adjustment based upon a showing of substantial evidence that another land use category is more appropriate for a particular development. The application shall be made in writing and filed with the city manager, or his or her designee, prior to the issuance of building permit. If a development review is not required for the development, then the application shall be made in writing and filed not later than the time at which the building permit is issued. The application shall state in detail the factual basis for the request for reduction.
2. The city manager, or his or her designee, shall make a decision on the application for adjustment within thirty calendar days after the application has been filed. Notice of the city manager's, or his or her designee's, decision shall be mailed to the applicant.
3. The decision of the city manager, or his or her designee, may be appealed to the city council by filing an application for appeal with the city clerk. The application must be filed within fifteen calendar days after notice of the city manager's, or his or her designee's, decision has been mailed to the applicant.
4. The city council shall consider the appeal at a public hearing to be held within sixty calendar days after the appeal application has been filed. The decision of the city council shall be final. The decision of the city council shall be in writing and shall be mailed to the applicant.
5. If a fee exemption, a fee reduction or a land use category adjustment is granted pursuant to this subsection E, any subsequent change or intensification of the use or uses of the property or any expansion of the structures on the property, shall invalidate the fee exemption, fee reduction or land use category adjustment, and the applicant shall be subject to the traffic control facilities development



impact fee requirement applicable to the entire development based on the fee in effect at the time of the change or expansion, less any amount previously paid.

6. If a fee exemption, fee reduction or land use category adjustment is not granted pursuant to this subsection E, then upon the payment of the required fees, the city shall, pursuant to Government Code Section 66020, provide the applicant a written notice of the amount of the fees or a description of the dedications, reservations, or other exactions, and shall also provide notification that the ninety-day protest period has begun.
- F. Use of Funds. Pursuant to California Government Code Section 66006, all traffic control facilities development impact fees paid and collected pursuant to this section shall be placed into one or more separate account(s) established for such fee and used solely for the purpose of constructing traffic control facilities improvements pursuant to the most current traffic control facilities plan, the most current capital improvement plan, or the annual budget process, as applicable; provided, however, that if the community development director authorizes, with the concurrence from the public works director, minor alterations to such plans or budget, then those alterations shall not affect the ability of the city to use traffic control facilities development impact fees collected pursuant to this section for the purpose of constructing traffic control facilities improvements in accordance with the most current traffic control facilities plan, the most current capital improvement plan, or the annual budget process, as applicable, and as altered or amended.
- G. Fee Amount Applicable to Pending Projects. Except as may otherwise be provided in the resolution that adopts the traffic control facilities development impact fee amount, an applicant subject to the payment of traffic control facilities development impact fees required by subsections B or C of this section must pay the amount of the fee that is in effect when the fee becomes due as provided in subsection B.1 of this section for residential traffic control facilities development impact fees or subsection C.1 of this section for nonresidential traffic control facilities development impact fees. The amount of the fee is the amount specified by resolution of the city council, as amended from time to time. The fee imposed on a development project for which vested rights have been acquired through a vesting tentative subdivision map shall be the fee in effect at the time the rights became vested, plus any adjustment for inflation made between that date and the date the fee becomes due.
- H. Periodic Adjustment to Fee Amount. The amount of the traffic control facilities development impact fee may be adjusted annually for inflation on July 1st of each year by the percentage change in the [Construction Cost Index as published in the Engineering News-Record \(or successor publication\)](#)~~Consumer Price Index for All Urban Consumers (CPI-U): Riverside-San Bernardino-Ontario (or any successor index)~~, as specified in the resolution that adopts the fee amount or by the periodic preparation of a new traffic control facilities plan, capital improvement plan, or budget, as applicable, and required studies prepared and adopted pursuant to the Mitigation Fee Act (Government Code Section 66000 et seq.).

#### **15.68.050 Parkland and park facilities development impact fee.**

- A. Findings and Intent.
  1. New residential development in the city has attracted and will continue to attract residents to the city, and there is a causal connection between such development projects and the increased need for parkland and park facilities.
  2. Failure to enhance the ability of the city's parkland and park facilities system to accommodate increases in residents will make it more difficult for residents to access parks and could cause unacceptable harm to the quality of life in the city.
  3. Sources of city revenue other than parkland and park facilities development impact fees, including tax revenues that will be paid by new residential development, will be needed for many public purposes and therefore will not be sufficient to offset the burdens on parkland and park facilities created by new development.

4. It is the intent of the city to require every person or organization that develops land to mitigate the impacts of that development on the city's parkland and park facilities system. The city may therefore require developers to mitigate parkland and park facilities impacts caused by their development and to pay a parkland and park facilities development impact fee that will be used to mitigate those impacts by constructing parkland and park facilities pursuant to the most current parkland and park facilities plan, the most current capital improvement plan, or the annual budget process, as applicable.
  5. The amount of parkland and park facilities development impact fees collected pursuant to this section shall be limited to the cost of parkland and park facilities necessary to mitigate the impact attributable to new development. The amount of parkland and park facilities development impact fees collected shall not include the cost of parkland and park facilities necessary to address the impacts of existing development.
- B. Residential Parkland and Park Facilities Fee Required.
1. Except as provided in subsection C of this section, the required parkland and park facilities development impact fee for a residential building shall be paid in an amount established by resolution of the city council. The required parkland and park facilities development impact fee shall be due and paid on a lump-sum basis on the date ~~the first dwelling in the development or development phase receives its final building inspection, or~~ of the issuance of certificate of occupancy, ~~whichever occurs first.~~
  2. The community development director, or his or her designee, shall be responsible for calculating the amount of the parkland and park facilities development impact fee required for each development project based on the applicable land use category and corresponding rate specified in the resolution that adopts the parkland and park facilities development impact fee. In calculating such fee, the community development director shall utilize the fee rate that is assigned to the land use category that is most applicable to the development project.
  - ~~3. For the purposes of this subsection B, "final building inspection" shall mean the physical inspection of the building by the Building and Safety Division of the community development department of the city for compliance with all applicable building codes and the issuance by all applicable city, county, regional, state, and federal agencies of their respective clearances for occupancy.~~
  4. For the purposes of this subsection B, "certificate of occupancy" shall mean a document issued by the proper authority allowing the occupancy or use of a building and certifying that the structure, building or development conforms with all the applicable provisions of this Code, ordinances, and conditions of approval.
- C. Parkland and Park Facilities Fee—Exemption or Reduction.
1. The following uses and types of developments may be exempted from the payment of parkland and park facilities development impact fees:
    - a. Any residential development that does not increase the number of permanent housing units on the parcel where the construction takes place, such as remodeling or rebuilding existing units.
    - b. Accessory dwelling units and second units as defined in section 17.04.070.
    - c. Publicly owned facilities, including, without limitation, public libraries, public administration facilities, public parks, public utilities, schools, and related facilities.
    - d. Facilities serving the health and safety of the public, including, without limitation, hospitals, police, fire, and safety facilities.
  2. A developer may be exempted or allowed a reduction in fees from the parkland and park facilities development impact fee requirements of subsection B of this section if the developer enters into a development agreement with the city pursuant to which parkland and park facilities development

impact fees are assessed to the developer, or equivalent or comparable parkland and park facilities improvements are implemented by the developer.

3. A developer may be entitled to a reduction in the amount of the parkland and park facilities development impact fee required by subsection B of this section if the developer constructs parkland and park facilities improvements pursuant to the most current parkland and park facilities plan, the most current capital improvement plan, or the annual budget process, as applicable. The parkland and park facilities development impact fee may be reduced by the amount of parkland and park facilities improvement costs that would be reasonably incurred by the city in building those same parkland and park facilities improvements. The amount of such reduction shall be subject to the approval of the community development director, with concurrence from the parks and recreation director, prior to construction of the parkland and park facilities improvement.
4. A developer may be entitled to a reduction in the amount of the parkland and park facilities development impact fee required by subsection B of this section if the development is located in an assessment district that has been formed to construct facilities pursuant to the most current parkland and park facilities plan, the most current capital improvement plan, or the annual budget process, as applicable. The parkland and park facilities development impact fee may be reduced by the amount of the total assessment placed upon the development for the costs of parkland and park facilities improvements. The amount of such reduction shall not exceed the amount of the parkland and park facilities development impact fee required by subsection B of this section.
5. If a fee exemption or a fee reduction is granted pursuant to this subsection D, any subsequent change or intensification of the use or uses of the property or any expansion of the structures on the property, shall invalidate the fee exemption or fee reduction, and the applicant shall be subject to the parkland and park facilities development impact fee requirement applicable to the entire development based on the fee in effect at the time of the change or expansion, less any amount previously paid.

D. Appeals.

1. A developer subject to the parkland and park facilities development impact fee required by this section for a particular project may apply to the city manager, or his or her designee, for: (a) a fee adjustment based upon a showing of substantial evidence of a lesser impact upon the parkland and park facilities level of service; or (b) a land use category adjustment based upon a showing of substantial evidence that another land use category is more appropriate for a particular development. The application shall be made in writing and filed with the city manager, or his or her designee, prior to the issuance of building permit. If a development review is not required for the development, then the application shall be made in writing and filed not later than the time at which the building permit is issued. The application shall state in detail the factual basis for the request for reduction.
2. The city manager, or his or her designee, shall make a decision on the application for adjustment within thirty calendar days after the application has been filed. Notice of the city manager's, or his or her designee's, decision shall be mailed to the applicant.
3. The decision of the city manager, or his or her designee, may be appealed to the city council by filing an application for appeal with the city clerk. The application must be filed within fifteen calendar days after notice of the city manager's, or his or her designee's, decision has been mailed to the applicant.
4. The city council shall consider the appeal at a public hearing to be held within sixty calendar days after the appeal application has been filed. The decision of the city council shall be final. The decision of the city council shall be in writing and shall be mailed to the applicant.
5. If a fee exemption, a fee reduction or a land use category adjustment is granted pursuant to this subsection D, any subsequent change or intensification of the use or uses of the property or any expansion of the structures on the property, shall invalidate the fee exemption, fee reduction or land use category adjustment, and the applicant shall be subject to the parkland and park facilities

development impact fee requirement applicable to the entire development based on the fee in effect at the time of the change or expansion, less any amount previously paid.

6. If a fee exemption, fee reduction or land use category adjustment is not granted pursuant to this subsection D, then upon the payment of the required fees, the city shall, pursuant to Government Code Section 66020, provide the applicant a written notice of the amount of the fees or a description of the dedications, reservations, or other exactions, and shall also provide notification that the ninety-day protest period has begun.
- E. Use of Funds. Pursuant to California Government Code Section 66006, all parkland and park facilities development impact fees paid and collected pursuant to this section shall be placed into one or more separate account(s) established for such fee and used solely for the purpose of constructing parkland and park facilities improvements pursuant to the most current parkland and park facilities plan, the most current capital improvement plan, or the annual budget process, as applicable; provided, however, that if the community development director, with concurrence from the parks and recreation director, authorizes minor alterations to such plans or budget, then those alterations shall not affect the ability of the city to use parkland and park facilities development impact fees collected pursuant to this section for the purpose of constructing parkland and park facilities improvements in accordance with the most current parkland and park facilities plan, the most current capital improvement plan, or the annual budget process, as applicable, and as altered or amended.
- F. Fee Amount Applicable to Pending Projects. Except as may otherwise be provided in the resolution that adopts the parkland and park facilities development impact fee amount, an applicant subject to the payment of parkland and park facilities development impact fees required by subsection B of this section must pay the amount of the fee that is in effect when the fee becomes due as provided in subsection B.1 of this section for residential parkland and park facilities development impact fees. The amount of the fee is the amount specified by resolution of the city council, as amended from time to time. The fee imposed on a development project for which vested rights have been acquired through a vesting tentative subdivision map shall be the fee in effect at the time the rights became vested, plus any adjustment for inflation made between that date and the date the fee becomes due.
- G. Periodic Adjustment to Fee Amount. The amount of the parkland and park facilities development impact fee may be adjusted annually for inflation on July 1st of each year by the percentage change in the [Construction Cost Index as published in the Engineering News-Record \(or successor publication\)](#)~~Consumer Price Index for All Urban Consumers (CPI-U): Riverside-San Bernardino-Ontario (or any successor index)~~, as specified in the resolution that adopts the fee amount or by the periodic preparation of a new parkland and park facilities plan, capital improvement plan, or city budget, as applicable, and required studies prepared and adopted pursuant to the Mitigation Fee Act (Government Code Section 66000 et seq.).

#### **15.68.060 Wastewater facilities development impact fee.**

- A. Findings and Intent.
  1. New residential and nonresidential development in the city has attracted and will continue to attract employees and residents to the city, and there is a causal connection between such development projects and the increased need for wastewater facilities.
  2. Failure to enhance the ability of the city's wastewater facilities system to accommodate additional service calls will make it more difficult for residents, employers, and employees to obtain the wastewater services they need.
  3. Sources of city revenue other than wastewater facilities development impact fees, including tax revenues that will be paid by new residential and nonresidential development, will be needed for many public purposes and therefore will not be sufficient to offset the burdens on wastewater facilities created by new development.

4. It is the intent of the city to require every person or organization that develops land to mitigate the impacts of that development on the city's wastewater facilities system. The city may therefore require developers to mitigate wastewater facilities impacts caused by their development and to pay a wastewater facilities development impact fee that will be used to mitigate those impacts by constructing wastewater facilities pursuant to the most current wastewater facilities plan, the most current capital improvement plan, or the annual budget process, as applicable.
  5. The amount of wastewater facilities development impact fees collected pursuant to this section shall be limited to the cost of wastewater facilities necessary to mitigate the impact attributable to new development. The amount of wastewater facilities development impact fees collected shall not include the cost of wastewater facilities necessary to address the impacts of existing development.
- B. Residential Wastewater Facilities Fee Required.
1. Except as provided in subsection D of this section, the required wastewater facilities development impact fee for a residential building shall be paid in an amount established by resolution of the city council. The required wastewater facilities development impact fee shall be due and paid on a lump-sum basis on the date ~~the first dwelling in the development or development phase receives its final building inspection, or of the issuance of~~ certificate of occupancy, ~~whichever occurs first.~~
  2. The ~~public works~~community development director, or his or her designee, shall be responsible for calculating the amount of the wastewater facilities development impact fee required for each development project based on the applicable land use category and corresponding rate specified in the resolution that adopts the wastewater facilities development impact fee. In calculating such fee, the ~~public works~~community development director shall utilize the fee rate that is assigned to the land use category that is most applicable to the development project.
  - ~~3. For the purposes of this subsection B, "final building inspection" shall mean the physical inspection of the building by the building and safety division of the community development department of the city for compliance with all applicable building codes and the issuance by all applicable city, county, regional, state, and federal agencies of their respective clearances for occupancy.~~
  4. For the purposes of this subsection B, "certificate of occupancy" shall mean a document issued by the proper authority allowing the occupancy or use of a building and certifying that the structure, building or development conforms with all the applicable provisions of this Code, ordinances, and conditions of approval.
- C. Nonresidential Wastewater Facilities Fee Required.
1. Except as provided in subsection D of this section, the required wastewater facilities development impact fee for a nonresidential development shall be paid in an amount established by resolution of the city council. The required wastewater facilities development impact fee shall be due and paid on a lump-sum basis upon issuance of the ~~building permit~~certificate of occupancy.
  2. The ~~public works~~community development director, or his or her designee, shall be responsible for calculating the amount of the wastewater facilities development impact fee required for each development project based on the applicable land use category and corresponding rate specified in the resolution that adopts the wastewater facilities development impact fee. In calculating such fee, the ~~public works~~community development director shall utilize the fee rate that is assigned to the land use category that is most applicable to the development project.
  3. For the purposes of this subsection C, "certificate of occupancy" shall mean a document issued by the proper authority allowing the occupancy or use of a building and certifying that the structure, building or development conforms to all the applicable building codes, this Code, and conditions of approval.
- D. Wastewater Facilities Fee—Exemption or Reduction.
1. The following uses and types of developments may be exempted from the payment of wastewater facilities development impact fees:

- a. Any residential development that does not increase the number of permanent housing units on the parcel where the construction takes place, such as remodeling or rebuilding existing units.
  - b. Accessory dwelling units and second units as defined in section 17.04.070.
  - c. The remodeling or rebuilding of an existing nonresidential structure, provided the remodeling or rebuilding does not do any of the following:
    - i. Increase the square footage of the structure by more than fifty percent above that of the previously existing structure;
    - ii. Change the use to which the property or structure is to be put; or
    - iii. Increase the average daily trips generated from the property above the amount generated by the prior use of the property.
  - d. Publicly owned facilities, including, without limitation, public libraries, public administration facilities, public parks, public utilities, schools, and related facilities.
  - e. Facilities serving the health and safety of the public, including, without limitation, hospitals, police, fire, and safety facilities.
2. A developer may be exempted or allowed a reduction in fees from the wastewater facilities development impact fee requirements of subsections B and C of this section if the developer enters into a development agreement with the city pursuant to which wastewater facilities development impact fees are assessed to the developer, or equivalent or comparable wastewater facilities improvements are implemented by the developer.
  3. A developer may be entitled to a reduction in the amount of the wastewater facilities development impact fee required by subsections B and C of this section if the developer constructs wastewater facilities improvements pursuant to the most current wastewater facilities plan, the most current capital improvement plan, or the annual budget process, as applicable. The wastewater facilities development impact fee may be reduced by the amount of wastewater facilities improvement costs that would be reasonably incurred by the city in building those same wastewater facilities improvements. The amount of such reduction shall be subject to the approval of the public works director prior to construction of the wastewater facilities improvement.
  4. A developer may be entitled to a reduction in the amount of the wastewater facilities development impact fee required by subsections B and C of this section if the development is located in an assessment district that has been formed to construct facilities pursuant to the most current wastewater facilities plan, the most current capital improvement plan, or the annual budget process, as applicable. The wastewater facilities development impact fee may be reduced by the amount of the total assessment placed upon the development for the costs of wastewater facilities improvements. The amount of such reduction shall not exceed the amount of the wastewater facilities development impact fee required by subsections B and C of this section.
  5. If a fee exemption or a fee reduction is granted pursuant to this subsection D, any subsequent change or intensification of the use or uses of the property or any expansion of the structures on the property, shall invalidate the fee exemption or fee reduction, and the applicant shall be subject to the wastewater facilities development impact fee requirement applicable to the entire development based on the fee in effect at the time of the change or expansion, less any amount previously paid.
- E. Appeals.
1. A developer subject to the wastewater facilities development impact fee required by this section for a particular project may apply to the city manager, or his or her designee, for: (a) a fee adjustment based upon a showing of substantial evidence of a lesser impact upon the wastewater facilities level of service; or (b) a land use category adjustment based upon a showing of substantial evidence that another land use category is more appropriate for a particular development. The application shall be

- made in writing and filed with the city manager, or his or her designee, prior to the issuance of building permit. If a development review is not required for the development, then the application shall be made in writing and filed not later than the time at which the building permit is issued. The application shall state in detail the factual basis for the request for reduction.
2. The city manager, or his or her designee, shall make a decision on the application for adjustment within thirty calendar days after the application has been filed. Notice of the city manager's, or his or her designee's, decision shall be mailed to the applicant.
  3. The decision of the city manager, or his or her designee, may be appealed to the city council by filing an application for appeal with the city clerk. The application must be filed within fifteen calendar days after notice of the city manager's, or his or her designee's, decision has been mailed to the applicant.
  4. The city council shall consider the appeal at a public hearing to be held within sixty calendar days after the appeal application has been filed. The decision of the city council shall be final. The decision of the city council shall be in writing and shall be mailed to the applicant.
  5. If a fee exemption, a fee reduction or a land use category adjustment is granted pursuant to this subsection E, any subsequent change or intensification of the use or uses of the property or any expansion of the structures on the property, shall invalidate the fee exemption, fee reduction or land use category adjustment, and the applicant shall be subject to the wastewater facilities development impact fee requirement applicable to the entire development based on the fee in effect at the time of the change or expansion, less any amount previously paid.
  6. If a fee exemption, fee reduction or land use category adjustment is not granted pursuant to this subsection E, then upon the payment of the required fees, the city shall, pursuant to Government Code Section 66020, provide the applicant a written notice of the amount of the fees or a description of the dedications, reservations, or other exactions, and shall also provide notification that the ninety-day protest period has begun.
- F. Use of Funds. Pursuant to California Government Code Section 66006, all wastewater facilities development impact fees paid and collected pursuant to this section shall be placed into one or more separate account(s) established for such fee and used solely for the purpose of constructing wastewater facilities improvements pursuant to the most current wastewater facilities plan, the most current capital improvement plan, or the annual budget process, as applicable; provided, however, that if the public works director authorizes minor alterations to such plans or budget, then those alterations shall not affect the ability of the city to use wastewater facilities development impact fees collected pursuant to this section for the purpose of constructing wastewater facilities improvements in accordance with the most current wastewater facilities plan, the most current capital improvement plan, or the annual budget process, as applicable, and as altered or amended.
- G. Fee Amount Applicable to Pending Projects. Except as may otherwise be provided in the resolution that adopts the wastewater facilities development impact fee amount, an applicant subject to the payment of wastewater facilities development impact fees required by subsections B or C of this section must pay the amount of the fee that is in effect when the fee becomes due as provided in subsection B.1 of this section for residential wastewater facilities development impact fees or subsection C.1 of this section for nonresidential wastewater facilities development impact fees. The amount of the fee is the amount specified by resolution of the city council, as amended from time to time. The fee imposed on a development project for which vested rights have been acquired through a vesting tentative subdivision map shall be the fee in effect at the time the rights became vested, plus any adjustment for inflation made between that date and the date the fee becomes due.
- H. Periodic Adjustment to Fee Amount. The amount of the wastewater facilities development impact fee may be adjusted annually for inflation on July 1st of each year by the percentage change in the [Construction Cost Index as published in the Engineering News-Record \(or successor publication\)](#)~~Consumer Price Index for All Urban Consumers (CPI-U): Riverside-San Bernardino-Ontario (or any successor index)~~, as specified in the resolution that adopts the fee amount or by the periodic preparation of a new wastewater facilities plan,

capital improvement plan, or city budget, as applicable and required studies prepared and adopted pursuant to the Mitigation Fee Act (Government Code Section 66000 et seq.).

### **15.68.070 Water facilities development impact fee.**

#### **A. Findings and Intent.**

1. New residential and nonresidential development in the city has attracted and will continue to attract employees and residents to the city, and there is a causal connection between such development projects and the increased need for water facilities.
2. Failure to enhance the ability of the city's water facilities system to accommodate additional service connections will make it more difficult for residents, employers, and employees to obtain the water services they need.
3. Sources of city revenue other than water facilities development impact fees, including tax revenues that will be paid by new residential and nonresidential development, will be needed for many public purposes and therefore will not be sufficient to offset the burdens on water facilities created by new development.
4. It is the intent of the city to require every person or organization that develops land to mitigate the impacts of that development on the city's water facilities system. The city may therefore require developers to mitigate water facilities impacts caused by their development and to pay a water facilities development impact fee that will be used to mitigate those impacts by constructing water facilities pursuant to the most current water facilities plan, the most current capital improvement plan, or the annual budget process, as applicable.
5. The amount of water facilities development impact fees collected pursuant to this section shall be limited to the cost of water facilities necessary to mitigate the impact attributable to new development. The amount of water facilities development impact fees collected shall not include the cost of water facilities necessary to address the impacts of existing development.

#### **B. Residential Water Facilities Fee Required.**

1. Except as provided in subsection D of this section, the required water facilities development impact fee for a residential building shall be paid in an amount established by resolution of the city council. The required water facilities development impact fee shall be due and paid on a lump-sum basis on the date ~~the first dwelling in the development or development phase receives its final building inspection, or of the issuance of~~ certificate of occupancy, ~~whichever occurs first~~.
2. The ~~public works~~community development director, or his or her designee, shall be responsible for calculating the amount of the water facilities development impact fee required for each development project based on the applicable land use category and corresponding rate specified in the resolution that adopts the water facilities development impact fee. In calculating such fee, the ~~public works~~community development director shall utilize the fee rate that is assigned to the land use category that is most applicable to the development project.
- ~~3. For the purposes of this subsection B, "final building inspection" shall mean the physical inspection of the building by the building and safety division of the community development department of the city for compliance with all applicable building codes and the issuance by all applicable city, county, regional, state, and federal agencies of their respective clearances for occupancy.~~
4. For the purposes of this subsection B, "certificate of occupancy" shall mean a document issued by the proper authority allowing the occupancy or use of a building and certifying that the structure, building or development conforms with all the applicable provisions of this Code, ordinances, and conditions of approval.

#### **C. Nonresidential Water Facilities Fee Required.**



1. Except as provided in subsection D of this section, the required water facilities development impact fee for a nonresidential development shall be paid in an amount established by resolution of the city council. The required water facilities development impact fee shall be due and paid on a lump-sum basis upon issuance of the ~~building permit~~ certificate of occupancy.
  2. The ~~public works~~community development director, or his or her designee, shall be responsible for calculating the amount of the water facilities development impact fee required for each development project based on the applicable land use category and corresponding rate specified in the resolution that adopts the water facilities development impact fee. In calculating such fee, the ~~public works~~community development director shall utilize the fee rate that is assigned to the land use category that is most applicable to the development project.
  3. For the purposes of this subsection C, "certificate of occupancy" shall mean a document issued by the proper authority allowing the occupancy or use of a building and certifying that the structure, building or development conforms to all the applicable building codes, this Code, and conditions of approval.
- D. Water Facilities Fee—Exemption or Reduction.
1. The following uses and types of developments may be exempted from the payment of water facilities development impact fees:
    - a. Any residential development that does not increase the number of permanent housing units on the parcel where the construction takes place, such as remodeling or rebuilding existing units.
    - b. Accessory dwelling units and second units as defined in section 17.04.070.
    - c. The remodeling or rebuilding of an existing nonresidential structure, provided the remodeling or rebuilding does not do any of the following:
      - i. Increase the square footage of the structure by more than fifty percent above that of the previously existing structure;
      - ii. Change the use to which the property or structure is to be put; or
      - iii. Increase the average daily trips generated from the property above the amount generated by the prior use of the property.
    - c. Publicly owned facilities, including, without limitation, public libraries, public administration facilities, public parks, public utilities, schools, and related facilities.
    - d. Facilities serving the health and safety of the public, including, without limitation, hospitals, police, fire, and safety facilities.
  2. A developer may be exempted or allowed a reduction in fees from the water facilities development impact fee requirements of subsections B and C of this section if the developer enters into a development agreement with the city pursuant to which water facilities development impact fees are assessed to the developer, or equivalent or comparable water facilities improvements are implemented by the developer.
  3. A developer may be entitled to a reduction in the amount of the water facilities development impact fee required by subsections B and C of this section if the developer constructs water facilities improvements pursuant to the most current water facilities plan, the most current capital improvement plan, or the annual budget process, as applicable. The water facilities development impact fee may be reduced by the amount of water facilities improvement costs that would be reasonably incurred by the city in building those same water facilities improvements. The amount of such reduction shall be subject to the approval of the public works director prior to construction of the water facilities improvement.
  4. A developer may be entitled to a reduction in the amount of the water facilities development impact fee required by subsections B and C of this section if the development is located in an assessment

district that has been formed to construct facilities pursuant to the most current water facilities plan, the most current capital improvement plan, or the annual budget process, as applicable. The water facilities development impact fee may be reduced by the amount of the total assessment placed upon the development for the costs of water facilities improvements. The amount of such reduction shall not exceed the amount of the water facilities development impact fee required by subsections B and C of this section.

5. If a fee exemption or a fee reduction is granted pursuant to this subsection D, any subsequent change or intensification of the use or uses of the property or any expansion of the structures on the property, shall invalidate the fee exemption or fee reduction, and the applicant shall be subject to the water facilities development impact fee requirement applicable to the entire development based on the fee in effect at the time of the change or expansion, less any amount previously paid.

E. Appeals.

1. A developer subject to the water facilities development impact fee required by this section for a particular project may apply to the city manager, or his or her designee, for: (a) a fee adjustment based upon a showing of substantial evidence of a lesser impact upon the water facilities level of service; or (b) a land use category adjustment based upon a showing of substantial evidence that another land use category is more appropriate for a particular development. The application shall be made in writing and filed with the city manager, or his or her designee, prior to the issuance of building permit. If a development review is not required for the development, then the application shall be made in writing and filed not later than the time at which the building permit is issued. The application shall state in detail the factual basis for the request for reduction.
2. The city manager, or his or her designee, shall make a decision on the application for adjustment within thirty calendar days after the application has been filed. Notice of the city manager's, or his or her designee's, decision shall be mailed to the applicant.
3. The decision of the city manager, or his or her designee, may be appealed to the city council by filing an application for appeal with the city clerk. The application must be filed within fifteen calendar days after notice of the city manager's, or his or her designee's, decision has been mailed to the applicant.
4. The city council shall consider the appeal at a public hearing to be held within sixty calendar days after the appeal application has been filed. The decision of the city council shall be final. The decision of the city council shall be in writing and shall be mailed to the applicant.
5. If a fee exemption, a fee reduction or a land use category adjustment is granted pursuant to this subsection E, any subsequent change or intensification of the use or uses of the property or any expansion of the structures on the property, shall invalidate the fee exemption, fee reduction or land use category adjustment, and the applicant shall be subject to the water facilities development impact fee requirement applicable to the entire development based on the fee in effect at the time of the change or expansion, less any amount previously paid.
6. If a fee exemption, fee reduction or land use category adjustment is not granted pursuant to this subsection E, then upon the payment of the required fees, the city shall, pursuant to Government Code Section 66020, provide the applicant a written notice of the amount of the fees or a description of the dedications, reservations, or other exactions, and shall also provide notification that the ninety-day protest period has begun.

- F. Use of Funds. Pursuant to California Government Code Section 66006, all water facilities development impact fees paid and collected pursuant to this section shall be placed into one or more separate account(s) established for such fee and used solely for the purpose of constructing water facilities improvements pursuant to the most current water facilities plan, the most current capital improvement plan, or the annual budget process, as applicable; provided, however, that if the public works director authorizes minor alterations to such plans or budget, then those alterations shall not affect the ability of the city to use water facilities development impact fees collected pursuant to this section for the purpose of constructing water

facilities improvements in accordance with the most current water facilities plan, the most current capital improvement plan, or the annual budget process, as applicable, and as altered or amended.

- G. Fee Amount Applicable to Pending Projects. Except as may otherwise be provided in the resolution that adopts the water facilities development impact fee amount, an applicant subject to the payment of water facilities development impact fees required by subsections B or C of this section must pay the amount of the fee that is in effect when the fee becomes due as provided in subsection B.1 of this section for residential water facilities development impact fees or subsection C.1 of this section for nonresidential water facilities development impact fees. The amount of the fee is the amount specified by resolution of the city council, as amended from time to time. The fee imposed on a development project for which vested rights have been acquired through a vesting tentative subdivision map shall be the fee in effect at the time the rights became vested, plus any adjustment for inflation made between that date and the date the fee becomes due.
- H. Periodic Adjustment to Fee Amount. The amount of the water facilities development impact fee may be adjusted annually for inflation on July 1st of each year by the percentage change in the [Construction Cost Index as published in the Engineering News-Record \(or successor publication\)](#)~~Consumer Price Index for All Urban Consumers (CPI-U): Riverside-San Bernardino-Ontario (or any successor index)~~, as specified in the resolution that adopts the fee amount or by the periodic preparation of a new water facilities plan, capital improvement plan, or city budget, as applicable and required studies prepared and adopted pursuant to the Mitigation Fee Act (Government Code Section 66000 et seq.).

### **15.68.080 Electric facilities development impact fee.**

#### **A. Findings and Intent.**

1. New residential and nonresidential development in the city has attracted and will continue to attract employees and residents to the city, and there is a causal connection between such development projects and the increased need for electric facilities.
2. Failure to enhance the ability of the city's electric facilities system to accommodate additional service connections will make it more difficult for residents, employers, and employees to obtain the electric services they need.
3. Sources of city revenue other than electric facilities development impact fees, including tax revenues that will be paid by new residential and nonresidential development, will be needed for many public purposes and therefore will not be sufficient to offset the burdens on electric facilities created by new development.
4. It is the intent of the city to require every person or organization that develops land to mitigate the impacts of that development on the city's electric facilities system. The city may therefore require developers to mitigate electric facilities impacts caused by their development and to pay an electric facilities development impact fee that will be used to mitigate those impacts by constructing electric facilities pursuant to the most current electric facilities plan, the most current capital improvement plan, or the annual budget process, as applicable.
5. The amount of electric facilities development impact fees collected pursuant to this section shall be limited to the cost of electric facilities necessary to mitigate the impact attributable to new development. The amount of electric facilities development impact fees collected shall not include the cost of electric facilities necessary to address the impacts of existing development.

#### **B. Residential Electric Facilities Fee Required.**

1. Except as provided in subsection D of this section, the required electric facilities development impact fee for a residential building shall be paid in an amount established by resolution of the city council. The required electric facilities development impact fee shall be due and paid on a lump-sum basis on the date of the issuance of certificate of occupancy.

2. The community development director, or his or her designee, shall be responsible for calculating the amount of the electric facilities development impact fee required for each development project based on the applicable land use category and corresponding rate specified in the resolution that adopts the electric facilities development impact fee. In calculating such fee, the community development director shall utilize the fee rate that is assigned to the land use category that is most applicable to the development project.
4. For the purposes of this subsection B, "certificate of occupancy" shall mean a document issued by the proper authority allowing the occupancy or use of a building and certifying that the structure, building or development conforms with all the applicable provisions of this Code, ordinances, and conditions of approval.

C. Nonresidential Electric Facilities Fee Required.

1. Except as provided in subsection D of this section, the required electric facilities development impact fee for a nonresidential development shall be paid in an amount established by resolution of the city council. The required electric facilities development impact fee shall be due and paid on a lump-sum basis upon issuance of the certificate of occupancy.
2. The community development director, or his or her designee, shall be responsible for calculating the amount of the electric facilities development impact fee required for each development project based on the applicable land use category and corresponding rate specified in the resolution that adopts the electric facilities development impact fee. In calculating such fee, the community development director shall utilize the fee rate that is assigned to the land use category that is most applicable to the development project.
3. For the purposes of this subsection C, "certificate of occupancy" shall mean a document issued by the proper authority allowing the occupancy or use of a building and certifying that the structure, building or development conforms to all the applicable building codes, this Code, and conditions of approval.

D. Electric Facilities Fee—Exemption or Reduction.

1. The following uses and types of developments may be exempted from the payment of electric facilities development impact fees:
  - a. Any residential development that does not increase the number of permanent housing units on the parcel where the construction takes place, such as remodeling or rebuilding existing units.
  - b. Accessory dwelling units and second units as defined in section 17.04.070.
  - c. The remodeling or rebuilding of an existing nonresidential structure, provided the remodeling or rebuilding does not do any of the following:
    - i. Increase the square footage of the structure by more than fifty percent above that of the previously existing structure;
    - ii. Change the use to which the property or structure is to be put; or
    - iii. Increase the average daily trips generated from the property above the amount generated by the prior use of the property.
  - c. Publicly owned facilities, including, without limitation, public libraries, public administration facilities, public parks, public utilities, schools, and related facilities.
  - d. Facilities serving the health and safety of the public, including, without limitation, hospitals, police, fire, and safety facilities.
2. A developer may be exempted or allowed a reduction in fees from the electric facilities development impact fee requirements of subsections B and C of this section if the developer enters into a development agreement with the city pursuant to which electric facilities development impact fees are

assessed to the developer, or equivalent or comparable electric facilities improvements are implemented by the developer.

3. A developer may be entitled to a reduction in the amount of the electric facilities development impact fee required by subsections B and C of this section if the developer constructs electric facilities improvements pursuant to the most current electric facilities plan, the most current capital improvement plan, or the annual budget process, as applicable. The electric facilities development impact fee may be reduced by the amount of electric facilities improvement costs that would be reasonably incurred by the city in building those same electric facilities improvements. The amount of such reduction shall be subject to the approval of the public works director prior to construction of the electric facilities improvement.
4. A developer may be entitled to a reduction in the amount of the electric facilities development impact fee required by subsections B and C of this section if the development is located in an assessment district that has been formed to construct facilities pursuant to the most current electric facilities plan, the most current capital improvement plan, or the annual budget process, as applicable. The electric facilities development impact fee may be reduced by the amount of the total assessment placed upon the development for the costs of electric facilities improvements. The amount of such reduction shall not exceed the amount of the electric facilities development impact fee required by subsections B and C of this section.
5. If a fee exemption or a fee reduction is granted pursuant to this subsection D, any subsequent change or intensification of the use or uses of the property or any expansion of the structures on the property, shall invalidate the fee exemption or fee reduction, and the applicant shall be subject to the electric facilities development impact fee requirement applicable to the entire development based on the fee in effect at the time of the change or expansion, less any amount previously paid.

#### E. Appeals.

1. A developer subject to the electric facilities development impact fee required by this section for a particular project may apply to the city manager, or his or her designee, for: (a) a fee adjustment based upon a showing of substantial evidence of a lesser impact upon the electric facilities level of service; or (b) a land use category adjustment based upon a showing of substantial evidence that another land use category is more appropriate for a particular development. The application shall be made in writing and filed with the city manager, or his or her designee, prior to the issuance of building permit. If a development review is not required for the development, then the application shall be made in writing and filed not later than the time at which the building permit is issued. The application shall state in detail the factual basis for the request for reduction.
2. The city manager, or his or her designee, shall make a decision on the application for adjustment within thirty calendar days after the application has been filed. Notice of the city manager's, or his or her designee's, decision shall be mailed to the applicant.
3. The decision of the city manager, or his or her designee, may be appealed to the city council by filing an application for appeal with the city clerk. The application must be filed within fifteen calendar days after notice of the city manager's, or his or her designee's, decision has been mailed to the applicant.
4. The city council shall consider the appeal at a public hearing to be held within sixty calendar days after the appeal application has been filed. The decision of the city council shall be final. The decision of the city council shall be in writing and shall be mailed to the applicant.
5. If a fee exemption, a fee reduction or a land use category adjustment is granted pursuant to this subsection E, any subsequent change or intensification of the use or uses of the property or any expansion of the structures on the property, shall invalidate the fee exemption, fee reduction or land use category adjustment, and the applicant shall be subject to the electric facilities development impact fee requirement applicable to the entire development based on the fee in effect at the time of the change or expansion, less any amount previously paid.

6. If a fee exemption, fee reduction or land use category adjustment is not granted pursuant to this subsection E, then upon the payment of the required fees, the city shall, pursuant to Government Code Section 66020, provide the applicant a written notice of the amount of the fees or a description of the dedications, reservations, or other exactions, and shall also provide notification that the ninety-day protest period has begun.
- F. Use of Funds. Pursuant to California Government Code Section 66006, all electric facilities development impact fees paid and collected pursuant to this section shall be placed into one or more separate account(s) established for such fee and used solely for the purpose of constructing electric facilities improvements pursuant to the most current electric facilities plan, the most current capital improvement plan, or the annual budget process, as applicable; provided, however, that if the public works director authorizes minor alterations to such plans or budget, then those alterations shall not affect the ability of the city to use electric facilities development impact fees collected pursuant to this section for the purpose of constructing electric facilities improvements in accordance with the most current electric facilities plan, the most current capital improvement plan, or the annual budget process, as applicable, and as altered or amended.
- G. Fee Amount Applicable to Pending Projects. Except as may otherwise be provided in the resolution that adopts the electric facilities development impact fee amount, an applicant subject to the payment of electric facilities development impact fees required by subsections B or C of this section must pay the amount of the fee that is in effect when the fee becomes due as provided in subsection B.1 of this section for residential electric facilities development impact fees or subsection C.1 of this section for nonresidential electric facilities development impact fees. The amount of the fee is the amount specified by resolution of the city council, as amended from time to time. The fee imposed on a development project for which vested rights have been acquired through a vesting tentative subdivision map shall be the fee in effect at the time the rights became vested, plus any adjustment for inflation made between that date and the date the fee becomes due.
- H. Periodic Adjustment to Fee Amount. The amount of the electric facilities development impact fee may be adjusted annually for inflation on July 1st of each year by the percentage change in the Construction Cost Index as published in the Engineering News-Record (or successor publication), as specified in the resolution that adopts the fee amount or by the periodic preparation of a new electric facilities plan, capital improvement plan, or city budget, as applicable and required studies prepared and adopted pursuant to the Mitigation Fee Act (Government Code Section 66000 et seq.).