

AD HOC COMMITTEES



AD HOC COMMITTEE ON DEVELOPMENT IMPACT FEES

Tom Hale, Chairman

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AD HOC COMMITTEE ON DEVELOPMENT IMPACT FEES

INTERIM REPORT (Released May 18, 2006)

DOES SAN BERNARDINO COUNTY HAVE UNTAPPED RESOURCES?

BACKGROUND

There is tremendous growth currently in San Bernardino County. This growth is taking place in new construction of single family dwellings, commercial, and industrial development in both incorporated and unincorporated areas in the County. As a result, the demand for County infrastructure and services continues to grow at a high rate.

The County Board of Supervisors has addressed the issue through mitigation fees to take care of the increased need for negotiating with developers, on a case-by-case basis. However, this focuses only on immediate needs. This system falls short of addressing the subsequent impact of surrounding cities and towns within the sphere of influence. Mitigation fees, for example, might require a housing developer to supply traffic control at the intersections of their development that feed into a major thoroughfare, but do not address the issue of other burdens to the surrounding communities that come from such growth. The mitigation fee system is designed to address only the present infrastructure needs, not the impact that the developments have on the County as a whole, especially in the area of expanding services required by new development.

Many incorporated areas within the County and adjacent counties have switched to a focus on the future. These governmental entities have started implementing Development Impact Fees (DIF). Development Impact Fees are one time charges applied to new developments. Their goal is to raise revenue for the construction or expansion of capital facilities located outside the boundaries of the new development that also benefit the contributing development. Impact fees are assessed and dedicated principally for the

provision of additional water and sewer systems, roads, schools, libraries and parks and recreation facilities made necessary by the presence of new residents in the area. The funds collected cannot be used for operation, maintenance, repair, alteration or replacement of capital facilities. This system of funding could provide San Bernardino County with a new revenue source. In order to develop an equitable DIF schedule, a detailed nexus study is required which would provide a link between new development and the actual impact of providing infrastructure services.

FINDINGS

The population within the County increased during the past year by 2.1 percent. This is equivalent to approximately half of the current population of Redlands or Apple Valley. The past and projected County population growth is provided below:

1990	2000	CHANGE	2005	CHANGE	2010	CHANGE	2020	CHANGE
1,418,380	1,709,434	+20.50%	1,946,202	+13.90%	2,059,420	+5.80%	2,397,709	+16.40%

With the increased population growth comes the increased demand on the infrastructure and the need for additional services. The County of San Bernardino is constantly attempting to secure additional facility space, either by leasing or constructing facilities to provide services to residents. As an example, this Grand Jury has already released an Interim Report on the critical need for additional jail space, and DIF could be a partial funding source. The current process of addressing the problem through the use of mitigation fees, done on a case-by-case basis, does not address the long-term needs of the County and is not designed to provide for the future needs.

Cities and towns throughout the County have been adjusting their development fees to include DIF. These fees are designed to provide for the future needs of the cities residents. Redlands charges a park assessment as a part of their permit fees. The City of Victorville is going to be using DIF to fund future library construction for their residents. Grand Terrace is considering increasing their developer fees from \$2,844 to \$13,930. The City of San Bernardino recently increased their developer fees from \$12,000 per unit to more than \$21,000. According to the County's Land Use Services Department, the average permit fee for a 1,800 square foot single-family dwelling is only \$1,600. Cities, by significantly increasing their developer fees, have realized that new development needs to pay the cost for the additional services that the development creates.

Riverside County passed Ordinance No. 659.6 by a 5-0 vote of their Board of Supervisors in September 2001 after a nexus study was completed. Their ordinance contains comprehensive DIF structures for 20 different development areas within their

county. As a result of these efforts, \$11 to \$15 million in additional revenue was generated the first six months that DIF was in effect. Currently, Riverside County is generating approximately \$30 million a year from DIF. Through their comprehensive Development Impact Fees they are funding the construction of public facilities, fire facilities, roads, bridges, traffic signals, conservation/land banks, regional parks, regional multi-purpose trails, flood control, and library books. A portion of their DIF income will be used to construct additional jail space.

If San Bernardino County would have had a DIF structure in place over the past year, similar to the system in effect in Riverside County, San Bernardino County would have generated over \$13 million in DIF revenue. With the current development in the County in the High Desert and along Interstates 15, 210, 215 and Highway 30, additional revenue would be generated.

Members of the Grand Jury have met with all of the members of the Board of Supervisors to inquire why San Bernardino County has not pursued the implementation of Development Impact Fees. One Supervisor replied that "it is long overdue". Another indicated that he thought it was "good idea" even though it might not have a great impact on his district. Another indicated that at one time the Board of Supervisors was more forward looking; however, over the past decade long-term planning has not been a "high priority". Another stated that it is being done in the area of transportation (Measure I) and could be done in some other areas, fire facilities, libraries, etc.

With the implementation of Development Impact Fees, the County can focus on future needs. Development Impact Fees are an untapped resource that can help meet those needs.

RECOMMENDATION

06-67 COMMISSION A NEXUS STUDY TO DETERMINE THE FEASIBILITY FOR IMPLEMENTATION OF COMPREHENSIVE DEVELOPMENT IMPACT FEES RELATED TO FUTURE DEVELOPMENT AND THE CONSTRUCTION OF PUBLIC FACILITIES, FIRE FACILITIES, ROADS, BRIDGES, TRAFFIC SIGNALS, CONSERVATION/LAND BANKS, REGIONAL PARKS, REGIONAL MULTI-PURPOSE TRAILS, FLOOD CONTROL, AND LIBRARY BOOKS WITHIN UNINCORPORATED AREAS OF SAN BERNARDINO COUNTY.

AD HOC COMMITTEE ON ILLEGAL IMMIGRANTS

Brad Kuiper, Chairman

Mel Abeyta

Susan Brewster

Arden Fritz

Tom Hale

Catherine Meister

Mark Taylor



AD HOC COMMITTEE ON ILLEGAL IMMIGRANTS

BACKGROUND

Over the past 12 to 18 months, the issue of the millions of illegal immigrants in the United States has become one of great concern. Billions of dollars are being spent annually by Federal, State and local governments. Our hospitals, schools and many other Human Services are being impacted. Our jails are overcrowded, and a large percentage of the space is being occupied by illegal immigrants. The legal citizens of the United States are expressing their concern for illegal immigration in a much stronger fashion than previously.

Last year's Grand Jury Foreman used his statement section of the Final Report to express his concerns for the problems associated with illegal immigrants, and urged the County to investigate and ascertain the cost burden to the County taxpayers of providing services to illegal immigrants.

FINDINGS

At the beginning of the 2005-2006 Grand Jury's term, this year's Foreman requested that subcommittees request information from all County departments about the services, and costs of such services, they provide to illegal immigrants. The following are the results of this effort.

1. There are 58 departments/agencies in the County
2. 17 of these departments/agencies provide services only to other departments
3. 10 departments have definitely stated they provide services to illegal immigrants
4. 10 more departments have stated that they "probably" or "maybe" provide services to illegal immigrants

5. Of these 20 departments who provide services to illegal immigrants, 10 of them stated that some or all of expenses for illegal immigrant services are reimbursed by the State or Federal government (usually at a much later date)
6. 6 departments provided an annual cost estimate to provide services to illegal immigrants:

Arrowhead Regional Medical Center (ARMC)	\$8,950,000	100% County Cost
Children's Services <i>(Child Care, Medical, Foster Care, Preschool Services, Child Welfare, Food Stamps)</i>	\$316,232 <i>(Does not include Social Worker case management services)</i>	55% County Cost (\$173,683.00)
Probation Department	\$773,300	100% County Cost
Public Defender	\$9,000,000	100% County Cost
District Attorney	\$9,000,000	100% County cost
Sheriff/Coroner	\$11,000,000 <i>(Jail Cost only)</i>	100% County cost

Estimated costs for just these six departments for one year amount to \$38,280,236, just for San Bernardino County. The costs for illegal immigrant services provided by the other 14 departments who have no idea of the amount, would add substantially to this cost. There are additional costs for cities to provide services. Obviously, the costs to the Federal and State governments have to be enormous.

Only the Superintendent of Schools stated they have been told they cannot ask about a student's legal status. They cite Proposition 187 and *Plyler vs Doe, Id.* However, these are both applicable only in the case of denial of services.

Within the 33 school districts in San Bernardino County are 14,000 classrooms, each with 20 or more non-English speaking students.

The Grand Jury recognizes that until the Federal and State governments make changes in the laws, the County will have to continue to provide these services, and the taxpayers will have to continue to pay. However, if all states, counties, and local governments start tracking and publicizing the costs to provide these services to illegal immigrants, the Federal and State governments will be confronted with the facts and actual dollar costs, they may finally take action to solve this issue.

RECOMMENDATIONS

- 06-68 THE BOARD OF SUPERVISORS IMMEDIATELY REQUIRE ALL COUNTY DEPARTMENTS/AGENCIES TO START TRACKING THE COSTS OF PROVIDING SERVICES TO ILLEGAL IMMIGRANTS.
- 06-69 COUNTY COUNSEL PROVIDE A LEGAL OPINION TO DETERMINE HOW TO TABULATE THE NUMBER OF ILLEGAL IMMIGRANT CHILDREN IN PUBLIC SCHOOLS WITHIN THE COUNTY, WITHOUT INTENT TO DENY SERVICES.
- 06-70 THE COUNTY COMMENCE PUBLISHING AND FORWARDING THE ANNUAL COSTS OF PROVIDING SERVICES TO ILLEGAL IMMIGRANTS TO THE MEDIA AND ALL LEGISLATORS WHO REPRESENT SAN BERNARDINO COUNTY, AT BOTH THE STATE AND FEDERAL LEVEL, AND TO THE GENERAL PUBLIC.