

Development Impact Fee Study

CITY OF MENIFEE, CALIFORNIA

FINAL REPORT

November 9, 2022



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1. Introduction and Executive Summary

The **draft** report, which follows, presents the results of the Development Impact Fee Study conducted by the Matrix Consulting Group for the City of Menifee.

1 Project Background and Scope of Work

The Matrix Consulting Group was retained by the City of Menifee to update its Impact Fees. Impact fees within the state of California are governed by the Mitigation Fee Act (AB1600) (Gov. Code §66000 et seq.) and AB602 which requires demonstrating the reasonable relationship that exists between the development activity and the proposed benefit. The City's last comprehensive impact fee update was done in 2017 and as such the City is reevaluating the nexus for these impact fees to ensure that they are still appropriate and updated to incorporate any completed projects and any new projects. The results of this study allow the City to ensure that there is still a nexus between future development and its proportionate impact on City infrastructure as well as update the fee amounts to be more reflective of that impact.

2 General Project Approach and Methodology

There are two typical methodologies utilized to calculate impact fees – service level standards and specific facility projections. For the purposes of this analysis the project team has utilized the more commonly accepted and recognized service level standards approach.

The service level standard approach is based on the creation and recognition of existing service level standards provided by the jurisdiction to the users of its services (residents, employees, students, etc.). As there is new development and growth in the community, there is the potential for the service level standard to decline if appropriate measures are not taken to retain that service level standard. Therefore, the service level standard calculates the impact of each individual on the City's infrastructure and applies it to future individuals and growth. If there is an increase in the service population, there would be a corresponding impact on infrastructure, and thereby a nexus for collection of impact fees. However, if there is no increased population or use of those services, impact fees would not be justifiable or applicable.

For the purposes of calculating impact fees, the project team reviewed a variety of data elements from the state, regional organizations, county, and City staff. The following points highlight the data reviewed through the course of this analysis:

- **Ordinances:** The project team reviewed the City's ordinances to ensure that there was the legal authority to assess and increase current impact fees.
- **General Plan, Facilities Assessment, Department Master Plans, and CIP Plans:** Data was reviewed from a variety of City specific documents regarding the potential growth in the community, the goals for the City and the departments, as well as future capital projects.
- **Growth and Projection Data:** Population, household, dwelling units, and employment information for current and future years was obtained from the U.S. Census Bureau, the Southern California Association of Governments (SCAG) and internal City General Plan projection documents.
- **Service Level Standards:** Information such as police facilities, fire equipment, general equipment, park needs, and transportation projects were collected, reviewed, and applied for calculation regarding future impacts.
- **Revenues and Expenses:** Revenue collected for impact fees was reviewed to ensure compliance with reporting practices as well as to calculate an administrative overhead percentage. Expense information was reviewed for cost estimates for infrastructure as well as overhead allocation to the impact fees.

The elements were utilized to develop and calculate updated impact fees for the City.

3 Summary of Results

Based upon the results of this analysis, the project team has calculated updated or new impact fees for Animal Shelter, General Government, Fire, Police, Parks and Recreation, Transportation and Storm Drain. The fees associated with Library and Master Planning were eliminated and will be discussed further. As outlined in the Mitigation Fee Act, proportional costs associated with future infrastructure impacts, along with administrative overhead, were used to calculate the full cost of the impact fees presented. The following subsections show the results of the updated impact fees calculated for the City.

1 Animal Shelter Impact Fees

The Animal Shelter Impact Fee for the City of Menifee was developed to help mitigate the impact of new development upon the need for a brand new or future Animal Shelter Facility. The City has recently joined a JPA through which it receives Animal Sheltering services and the impact fee will be used to offset the debt service costs associated with

the Animal Shelter facility. Through the course of this analysis, the impact fees were evaluated based upon the current projected impacts between 2021 and 2045. While this fee has traditionally been assessed on both residential and non-residential, based upon the current arrangement for the City of utilizing a JPA to provide Animal Shelter services it was determined that there was only a nexus for residential users for this service. Any non-residential or employee users would receive benefit through their potential membership from their residential city that is part of the regional JPA. The following table compares the City's current fees to the full cost fee calculated through this study, the resulting surplus / (deficit), and the cost recovery:

Table 1: Animal Shelter Impact Fees – Current vs. Full Cost

Category	Current Fee	Full Cost Fee	Surplus / (Deficit)	Cost Recovery %
Single-Family	\$160	\$94	\$66	171%
Multi-Family	\$118	\$74	\$44	159%

The full cost fee calculated through this study represents the maximum fee that the City can charge and is inclusive of the administrative fee allowable under the Mitigation Fee Act. As the City's full cost is lower than its current fee, the fee will need to be reduced to comply with the Mitigation Fee Act.

2 General Government Impact Fees

The General Government Impact fee is meant to offset impacts upon City Hall, the Corporation Yard, and Public Works equipment and vehicles. It also includes costs associated with implementing IT Fiber Optic infrastructure throughout the City. Through the course of this analysis, the impact fees were evaluated based upon the current projected impacts between 2021 and 2045. The following table compares the City's current fees to the full cost fee calculated through this study, the resulting surplus / (deficit), and the cost recovery:

Table 2: General Government Impact Fees – Current vs. Full Cost

Category	Current Fee	Full Cost Fee	Surplus / (Deficit)	Cost Recovery %
Residential (per dwelling unit)				
Single-Family	\$1,106	\$1,176	(\$70)	94%
Multi-Family	\$815	\$920	(\$105)	89%
Commercial / Non-Residential (per square foot)				
Commercial / Retail	\$0.28	\$0.68	(\$0.40)	42%
Office	\$0.37	\$1.87	(\$1.50)	20%
Industrial	\$0.14	\$0.25	(\$0.11)	55%

The full cost fee calculated through this study represents the maximum fee that the City can charge and is inclusive of the administrative fee allowable under the Mitigation Fee

Act. The City is currently under-recovering for all of its categories for General Government, with a much lower cost recovery for non-residential projects.

3 Fire Impact Fees

While the City of Menifee contracts for Fire services, it owns the Fire infrastructure. Therefore, the Fire Impact fee is meant to offset the cost associated with Fire Stations and vehicles. Through the course of this analysis the impact fees were evaluated based upon the current projected impacts between 2021 and 2045. The following table compares the City's current fees to the full cost fee calculated through this study, the resulting surplus / (deficit), and the cost recovery:

Table 3: Fire Impact Fees – Current vs. Full Cost

Category	Current Fee	Full Cost Fee	Surplus / (Deficit)	Cost Recovery %
Residential (per dwelling unit)				
Single-Family	\$665	\$647	\$18	103%
Multi-Family	\$490	\$506	(\$16)	97%
Commercial / Non-Residential (per square foot)				
Commercial / Retail	\$0.46	\$0.85	(\$0.39)	54%
Office	\$0.61	\$2.36	(\$1.75)	26%
Industrial	\$0.23	\$0.32	(\$0.09)	71%

The City is currently under-recovering for all but one of its Fire Impact fee categories. The fee for Single-Family homes will need to be reduced in order to comply with the Mitigation Fee Act. Non-residential projects have a much lower cost recovery, providing the opportunity to increase those fees to help recover their proportional share.

4 Police Impact Fees

The City of Menifee used to contract for Police services; however, recently the City has transitioned to in-house services. In-house services allow the City to capture costs associated with City-owned Police facilities and vehicles. The Police Impact Fee is meant to offset the proportional impact of facility and equipment / vehicle costs. Through the course of this analysis, the impact fees were evaluated based upon the current projected impacts between 2021 and 2045. The following table compares the City's current fees to the full cost fee calculated through this study, the resulting surplus / (deficit), and the cost recovery:

Table 4: Police Impact Fees – Current vs. Full Cost

Category	Current Fee	Full Cost Fee	Surplus / (Deficit)	Cost Recovery %
Residential (per dwelling unit)				
Single-Family	\$250	\$925	(\$675)	27%
Multi-Family	\$183	\$724	(\$541)	25%

Category	Current Fee	Full Cost Fee	Surplus / (Deficit)	Cost Recovery %
Commercial / Non-Residential (per square foot)				
Commercial / Retail	\$0.06	\$0.47	(\$0.41)	13%
Office	\$0.08	\$1.32	(\$1.24)	6%
Industrial	\$0.03	\$0.17	(\$0.14)	18%

The City is significantly under-recovering for its Police impact fees. The primary reason for the change in costs is due to the previous study being conducted when services were outsourced. Therefore, the previous analysis did not take into account any in-house vehicles or equipment.

5 Parks and Recreation Impact Fees

The City of Menifee currently assesses three different Parks-related impact fees. It was determined that for streamlining purposes those three fees should be combined into a singular fee to mitigate the impacts associated with recreational facilities, parks, and land development. Through the course of this analysis, the impact fees were evaluated based upon the current projected impacts between 2021 and 2045. The following table compares the City's current fees to the full cost fee calculated through this study, the resulting surplus / (deficit), and the cost recovery:

Table 5: Parks and Recreation Impact Fees – Current vs. Full Cost

Category	Current Fee ¹	Full Cost Fee	Surplus / (Deficit)	Cost Recovery %
Single-Family	\$1,116	\$1,723	(\$607)	65%
Multi-Family	\$822	\$1,348	(\$526)	61%

The City is under-recovering for all its parks-related fees. The under-recovery is due to increased park demands and improvements needed due to future anticipated growth. It is important to note that these fees do not reflect the cost of land acquisition as that is covered through the City's Quimby Fee.

6 Transportation Impact Fees

The Transportation Impact fee is meant to offset impacts associated with traffic signals, transportation projects, grade separations, interchanges, and other circulation-related projects that are due to the anticipated growth within the community. Through the course of this analysis, the impact fees were evaluated based upon the current projected impacts between 2021 and 2045. The following table compares the City's current fees to the full cost fee calculated through this study, the resulting surplus / (deficit), and the cost recovery:

¹ This current fee is representative of all three current Parks-related fees charged by the City.

Table 6: Transportation Impact Fees – Current vs. Full Cost

Category	Current Fee	Full Cost Fee	Surplus / (Deficit)	Cost Recovery %
Residential (per dwelling unit)				
Single-Family	\$5,060	\$7,097	(\$2,037)	71%
Multi-Family	\$3,534	\$3,585	(\$51)	99%
Commercial / Non-Residential (per square foot)				
Commercial / Retail	\$8.38	\$17.29	(\$8.91)	48%
Office	\$6.44	\$8.24	(\$1.79)	78%
Industrial	\$4.27	\$4.66	(\$0.39)	92%

The full cost fee calculated through this study represents the maximum fee that the City can charge and is inclusive of the administrative fee allowable under the Mitigation Fee Act. The City is under-recovering for all its transportation fees. The lowest cost recovery is associated with the retail land use type, as this type generates a significant amount of trips and has a much larger impact on the overall transportation infrastructure, compared to other land uses, which generate fewer trips.

7 Storm Drain Impact Fees

The City of Menifee currently charges Storm Drain Fees based on geographic location: Encanto and MDP South Region. Since the previous analysis, the City completed a Master Drainage Plan that broke the City into Sub-Basins and Watershed (the A_A represents Basin A with Sub-Basin or Watershed as A_B). Discussions with Public Works staff revealed that the fairest nexus would be by utilizing the growth projections anticipated in each sub-basin and watershed. Therefore, a structural change was proposed to charge based upon sub-basin and watershed. The following table shows by sub-basin / watershed and land use the full cost fee calculated:

Table 7: Storm Drain Impact Fees Total Cost

Category	Full Cost Impact Fee
A_A	
Single-Family	\$9,995 per dwelling unit
Multi-Family	\$3,621 per dwelling unit
Retail	\$8.36 per sq. ft.
A_B	
Single-Family	\$260 per dwelling unit
Multi-Family	\$95 per dwelling unit
Retail	\$0.22 per sq. ft.
Office	\$0.14 per sq. ft.
A_C	
Single-Family	\$4,694 per dwelling unit
Multi-Family	\$1,700 per dwelling unit
Retail	\$3.93 per sq. ft.
Office	\$2.61 per sq. ft.

Category	Full Cost Impact Fee
B_A	
Single-Family	\$658 per dwelling unit
Multi-Family	\$238 per dwelling unit
Retail	\$0.56 per sq. ft.
Office	\$0.37 per sq. ft.
Industrial	\$0.31 per sq. ft.
B_B	
Single-Family	\$1,906 per dwelling unit
Multi-Family	\$691 per dwelling unit
F_A	
Single-Family	\$139 per dwelling unit
Multi-Family	\$50 per dwelling unit
Retail	\$0.11 per sq. ft.
Office	\$0.08 per sq. ft.
F_C	
Single-Family	\$2,029 per dwelling unit
Multi-Family	\$735 per dwelling unit
F_E	
Single-Family	\$474 per dwelling unit
Multi-Family	\$172 per dwelling unit
Retail	\$0.40 per sq. ft.
Office	\$0.27 per sq. ft.

The full cost fee calculated through this study represents the maximum fee that the City can charge and is inclusive of the administrative fee allowable under the Mitigation Fee Act.

8 Library Facilities and Master Planning

Through this study the Library Facilities and Master Planning and Nexus Analysis Impact fees are being recommended to be eliminated. The Library Facilities fee is being eliminated due to the City utilizing the County's library facilities. The Master Planning and Nexus Analysis is being eliminated as this component has been built into each individual fee category. This ensures that if fees are not studied together, there is still the ability to cover the costs associated with a nexus analysis for a specific fee.

9 Summary

Through this analysis the majority of the City's impact fees have been validated and shown to be under-recovering. The only fees which the City will need to reduce are related to the Animal Shelter, and the Single-Family Fire Impact Fee. The results of this analysis identify the City's infrastructure needs for current and future growth, and the proportion that would be paid by future development. The following table shows by fee category, the total infrastructure cost needed, the portion to be borne by new development and the resulting gap:

Table 8: Infrastructure Cost Analysis

Fee Category	Total Infrastructure Cost	Borne By New Development	Gap
Animal Shelter	\$3,207,926	\$1,379,408	\$1,828,518
General Government	\$55,306,008	\$22,675,463	\$32,630,545
Fire	\$38,127,912	\$16,395,022	\$21,732,890
Police	\$64,498,152	\$17,414,501	\$47,083,651
Parks	\$58,798,000	\$25,283,140	\$33,514,860
Transportation	\$516,823,346	\$201,561,105	\$315,262,241
Storm Drain	\$41,122,000	\$26,390,700	\$14,731,300
Total	\$777,883,344	\$311,099,339	\$466,784,005

Based upon the analysis, the City has a need of approximately \$777.9 million in infrastructure, and if all impact fees were adopted at full cost, then new development would cover \$311 million. The remaining \$466.8 million gap would need to be recovered through other funding means.

Overall, this report details the calculations for each of the impact fees, as well as validates the nexus that exists between the full cost identified and the proportionate impact of new development.

4 Implementation

The impact fees calculated through this study are representative of the full cost associated with the proportionate share and impact of new development within the City. City staff, management, and Council can utilize the information in this report to determine if new development should bear the full cost of their proportionate impact, or if this share should be reduced for development incentivization or other policy considerations and factors. The following subsections discuss the key aspects for impact fee implementation and updates, which include: collection of fees, annual reporting requirements, refunds / credits / appeals, and annual updates.

1 Collection of Impact Fees

Section 66007 of the California Government Code outlines when impact fees should be paid for residential and multi-family. Impact fees for Residential projects should be generally assessed and paid upon the date of final inspection or issuance of certificate of occupancy, which occurs first. For Multi-family projects, fees can be paid in phases based upon the dwelling units, at the completion of each unit's final inspections, as long as it is at the final inspection or certificate of occupancy, whichever occurs last. There is no specific provision in the section regarding commercial, office, or industrial uses.

2 Annual Impact Fee Reporting Requirements

Section 66006 of the California Government Code dictates that once per year, within 180 days of the close of the fiscal year, the City must make available to the public detailed information regarding impact fees. This detailed information, should at a minimum include:

- Impact Fee Description and Fund Number
- Impact Fee Amount
- Beginning and Ending balance of the account or fund.
- Amount of fees collected in the fiscal year being reported on and the total interest earned.
- Identification of project(s) on which the funds are being earmarked for.
- Identification of the approximate date on which the projects would commence.
- Identification of any interfund loans or transfers related to capital projects, and the amount of the transfer.
- Amount of any refunds or allocations made on behalf of the impact fee funds.

The above reports must be submitted and reviewed by City Council within 15 days of being posted publicly. Additionally, AB602 requires that the nexus analysis be made available publicly, along with the actual impact fee amount charged.

3 Refunds / Credits / Appeals / Waivers

Section 66001 of the California Government Code requires that every five years the City must make findings regarding the utilization of the impact fee revenue and / or proposed utilization of it within five years of collection. If such findings are not made within five years of impact fee collection, the City must refund the monies to the current record owner or owner of the lots or units.

As part of the adoption of the impact fee resolution, the City may choose to also identify circumstances or instances in which a developer could obtain credits, exemptions, or appeal fees. Fee credits are typically obtained in the case of redevelopment, for example, if a developer was to redevelop an existing 10 multi-unit complex into a 15 multi-unit complex, the developer retains credit for the 10 existing units and only pays impact fees on the 5 new units being added. This credit is only provided if the existing facility had already paid into impact fees. If the existing development had not paid any impact fees, there would be no credit applicable.

Impact fee resolution may also include a discussion regarding fee exemptions. If a development project is determined to have no documented impact on the facilities for which the impact fees are being imposed, then the project may be exempt from impact

fees. The exemptions must not be granted by right and should be reviewed by City staff and Council to ensure that they are warranted and appropriate.

Any reductions in impact fees, or waivers or appeals regarding impact fees, would have to be determined by City staff and Council and would be granted depending upon the nature and proportion of the impact of the future / proposed development on future infrastructure needs. Depending upon the nature of the project and its documented impacts, there might be a more in-depth process necessary to ensure that all impact fees collected are fair, proportionate, and in compliance with the Mitigation Fee Act.

4 Annual Increases

The City's current ordinances governing the impact fees provide the City with the ability to increase impact fees annually based upon the Construction Cost Index (CCI). This is considered a best practice and ensures that increases in construction costs are included in the impact fees and proportionate share is passed onto new development.

The annual increase is not meant to be an infinite increase in fees. Per the Mitigation Fee Act and Assembly Bill 602 the nexus for the impact fees should be reevaluated every eight years to ensure that there is still an appropriate correlation between the current fee being charged and proposed development within the City.

2. Legal Framework

Impact Fees are a mechanism for new development to pay for their proportionate share of impact upon City owned facilities and infrastructure. The following subsections discuss the State's requirements for impact fees and the City's legal authority for assessing these fees.

1 State Legal Authority – AB1600

Development Impact Fees are governed by the Mitigation Fee Act, which includes AB1600 and the recently enacted AB602.

AB1600 specifies that there needs to be a nexus between the collection of fees and the new residential and non-residential development within a City's service area. It also states that this revenue can only be used to expand current or purchase of new facilities, infrastructure, and equipment. It does not allow for revenue to be used for staffing, maintenance, or other operational costs.

AB1600 under the Mitigation Fee Act requires that there be certain findings that have to be met in order for there to be a reasonable relationship or nexus between new development and the need for new facilities or infrastructure. The following points highlight each of the key finding requirements:

- **Purpose of Fee:** The specific types of facilities, infrastructure, equipment, and projects for which the impact fee will be utilized. It is important to note it cannot be utilized for operational purposes.
- **Use of Fee Revenue:** The revenue collected from the impact fees can only be used to fund specific facility expansions, infrastructure improvements, or to purchase new equipment.
- **Benefit Relationship:** The benefit relationship requires that the use of the impact fee revenue and the type of development project upon which it is imposed is reasonable.
- **Impact Relationship:** In order to establish an impact relationship there needs to be a clear and reasonable relationship between the need for the public facility or infrastructure and the type of development project upon which the fee is imposed.

- **Proportionality:** The proportionality requirement states that the impact fee established must be directly related to the proportionate impact of the type of development project.

For each of the impact fees evaluated through this study, the individual chapter will discuss how the fee is able to meet the nexus criteria identified.

2 State Legal Authority – AB602

In January of 2022, Assembly Bill 602 (AB602) went into effect. This Bill is applicable to all impact fees that will be adopted / implemented January 1, 2022 or later. The bill has three main criteria:

1. Prior to the adoption of new impact fees a nexus study should be adopted.
2. The nexus study should highlight existing service levels, the new service level, and an explanation of why the new service level is appropriate.
3. A fee levied on housing development must be proportionate to the square footage of proposed units or make findings on why square footage is not the appropriate metric.

Along with these three criteria, some other key provisions of the bill include:

- Impact fees must be posted online – along with the nexus analysis.
- All impact fees must be collected at time of final inspection or certificate of occupancy, whichever occurs later².
- A member of the public and / or developer can submit evidence citing the inability of the impact fee to comply with AB602 and AB1600 (Mitigation Fee Act)³.
- Impact fees nexus studies must be updated every 8 years.

AB602 also provides for a template to be developed by the State's Department of Housing and Community Development prior to January 2024; however, at the time of this analysis, this template had not yet been created or made available to local jurisdictions. As such it was not utilized for the development of these impact fees. This report will serve as the City's nexus analysis for its existing impact fees and will ensure that all criteria per AB602 are met and clearly outlined.

² Section 65940.1.(3)

³ Section 66019(d)(1).

2 City Legal Authority for Impact Fees

The City of Menifee has the legal authority to charge for the impact fees identified as these fees are referenced in the municipal code and were adopted via resolution. The City's current impact fees are governed by Menifee Municipal Code Chapter 8.02 – Development Impact Fees. This code states that the impact fees are to be set by Council resolution and to be in compliance with the state's Mitigation Fee Act. The City's most recent impact fee resolution was adopted on June 15, 2022. This resolution provided a list of all current impact fees based upon a 2017 Nexus Analysis study, with updated fee amounts. In accordance with the City's Municipal Code, fees were updated annually based upon the Engineering Construction Cost Index (CCI) as adopted in the resolution.

3. Projected Growth and Development

The primary criteria for determining the projected impact of new development for impact fees is the amount of projected increase to the City's population (residential and commercial). These projections then form the basis of impact fee calculations. In order to calculate the projected growth and development, as well as density requirements, the project team reviewed the following sources of data:

- **Southern California of Governments (SCAG):** Data from SCAG was utilized for 2045 Estimates regarding total number of residential and employment population within the City.
- **California Department of Finance:** Data from Department of Finance was used to estimate the current population for the City of Menifee.
- **US Census Bureau:** The Census Bureau's 'On the map, Population, and American Community Survey' (ACS) information was used to calculate residential densities and employment information.

The information from these sources was utilized to calculate the projected increase in population as well as resulting population densities. The following subsections discuss the population projections calculated and the population densities used to calculate the impact fees.

1 Population Projections

The basis for impact fees is predicated on sufficient population growth that results in a meaningful impact on City Infrastructure. The following table shows data for the 2021 residential and employment population, 2045 estimates, and associated increases for the City of Menifee:

Table 9: Population Growth Projection through 2045

Category	2021 Estimates	2045 Estimates	Total Projected Increase
Residential Population	103,617 ⁴	147,972 ⁵	44,355
Employment Population	14,200 ⁶	29,200 ⁷	15,000

⁴ The 2021 residential population estimate is based upon the California Department of Finance for Menifee.

⁵ The 2045 estimate is based upon taking the 2022 population for Menifee from the California Department of Finance, which represents a 14% increase from SCAG 2020 estimates, so then the 2045 SCAG estimate is increased by 14% to arrive at 147,972.

⁶ The 2021 employment information is based on US Census Data "On the Map for All Jobs" for Menifee for 2019 (most recent information available). This amount was lower than SCAG's projection of 16,200 as such this number was chosen.

⁷ Represents SCAG's 2045 projection of employment in Menifee. Based upon discussion with City planning staff it was determined that the 2045 estimate for SCAG was appropriate and should be utilized.

As the table indicates, based upon population projections, the overall population is expected to increase by approximately 44,000 for residents and 15,000 for employment. The numbers noted in this table were used as the basis for all of the proportionate impact calculations throughout this study, with employment information utilized for calculations associated with non-residential projected growth.

2 Population Densities

In addition to the population projection information, the other set of data that is consistently utilized in the calculations is the density associated with residential and non-residential categories. The following subsections discuss the population density assumptions utilized in the calculation of all impact fees in this report.

1 Residential Population Density

Residential development can be extremely diverse ranging from single family to multi-family. The City of Menifee captures this diversity by splitting it into two different categories: single family and multi-family. The project team utilized information from the American Community Survey (ACS)⁸ regarding the total population per dwelling unit type and the total number of dwelling units to come up with the resulting average population density per unit for Menifee. The following table shows this calculation:

Table 10: Residential Population Density

Category	Total Population	Total # of Units	Population / Unit (Avg. Density)
Single-Family	79,554	27,075	2.94
2-4 Units	722	337	2.14
5+ Units	3,345	1,428	2.34
Multi-Family Composite	4,067	1,765	2.30

The total population for each density category was divided by the associated number of dwelling units in order to determine the average population per density type. The average density per unit is multiplied by the cost per capita calculation to derive the base impact fee. For all fee categories, the Single Family and Multi-Family Densities are used.

Under AB602, there is a mandate to shift all density factors per dwelling unit to be based upon the square footage of the unit, rather than it being an ADU, Single-Family, or Multi-Family housing unit. However, the bill also states that if there is a stronger nexus that exists to utilize an alternative methodology, that methodology should be clearly explained and the stronger nexus must be demonstrated. Additionally, the bill also states that there must be other policies in the fee structure that support smaller developments, or otherwise ensure that small developments are not charged disproportionate fees.

⁸ ACS 5-Year Tables B25033 and B25032 were utilized to allow for smoothing across multiple years.

The type of dwelling unit is utilized in the table above because the housing density factor determines the fee levied per unit. Based on regional and state estimates, the project team determined the average density for a single-family unit compared to multi-family unit. It is the people residing in the housing development that generate the impact on local government infrastructure and services, not the size of the development. If a single-family home is 1,500 sq. ft. or 2,200 sq. ft. but has 3 residents, its impact on roadways, or need for police and fire services, and / or use of parks services will be the same. Therefore, having a larger housing development does not generate the need for additional impact; it is the population density associated with the type of dwelling unit that creates further impacts. Thus, determining fees based on the density rather than the size of a dwelling allows the City to show the strongest nexus between the fee and the impact.

Moreover, utilizing the density factor of the dwelling unit does, in fact, take into account the sizing (square footage) of the housing development. The multi-family unit has a lower population density (2.30) compared to the single-family population density (2.94). Therefore, when calculating impact fees, the largest fee would be for single-family and the lowest fees would be for multi-family. ADU projects would pay their proportionate share of single-family projects as dictated by state legislation and would ensure that smaller square footage developments (e.g., ADUs) would pay a lower fee than larger square footage developments (e.g., single-family home).

Lastly, under the Mitigation Fee Act, the proportionality for impact fees for residential development is based on residential population growth. The population growth is tied most directly to the individuals residing within a housing development (i.e., the average residential density) rather than the size of the housing developments.

Therefore, based upon these reasons, the project team has calculated all housing development impact fees based upon the type of dwelling unit (e.g., Single Family, Multi-Family, ADU) rather than the proportionate square footage. The per-dwelling unit fee for each type of dwelling unit is based on the average residential density within each type of dwelling unit. This will ensure that the City is able to meet the nexus and proportionality criteria of AB 1600 (Mitigation Fee Act) and AB 602 as well as allow for fair and defensible application of impact fees. Each chapter will continue to demonstrate how the use of per unit still results in a fair and equitable assessment of fees, and that larger projects such as single family homes pay more than the ADUs.

2 Non-Residential / Commercial Density

Similar to the residential density calculation, a calculation was performed for non-residential development within the City. The City utilizes three main commercial categories – Commercial / Retail, Office, and Industrial. The previous study utilized the 2001 Natelson Group report for employment densities for SCAG. The City currently

contracts with the Natelson Group for other long-range planning efforts and the City contacted the group for updated employment densities. The following table shows the updated employment density associated with each non-residential category type:

Table 11: Non-Residential Population Density

Category	Density (Sq. Ft. Per Employee)
Commercial / Retail ⁹	550
Office	200
Industrial	1,500

The density (square footage per employee) is multiplied by the cost per capita calculation to derive the base impact fee.

It is important to note that the nexus analysis utilizes standard generic land use categories such as Commercial / Retail, Office, and Industrial. The following points provide some further clarification on the use types:

- **Commercial / Retail:** This is meant to cover all retail and commercial uses, so anything from strip malls to autobody shops, to convenience stores, nail salons, hotels, motels, etc.
- **Office:** This is primarily for anything that would be considered professional or office-type environment. So standard businesses (i.e. real estate office, law offices, etc.), shared office spaces, banks, medical offices, clinics, etc.
- **Industrial:** This is meant for anything that is warehouse or industrial in nature.

A more detailed definition for each land use can be included in the resolution, along with identifying projects that are considered exempt such as residential accessory structures or buildings within HOA parks.

The following chapters utilize the assumptions included in this section to help project the proportionate impact of new development on the City's existing and proposed infrastructure.

⁹ This is meant to be a catch-all land use category that can cover any type of commercial use that is not office or industrial in nature.

4. Animal Shelter

The City of Menifee is part of a Joint Powers Authority (JPA) with Southwest Communities Financing Authority (SCFA) through which it receives Animal Sheltering services. The JPA members are the owners of the facility and have issued a bond for the purchase of the Animal Shelter facility. Therefore, Menifee as a member organization contributes to the shelter infrastructure cost through an annual debt service payment. The proposed Animal Shelter impact fee would be used to offset the debt service payment associated with future development utilizing the Animal Shelter facility. The following subsections discuss the growth assumptions utilized, cost components included, resulting impact fee calculations, ability to meet the nexus criteria, and a comparative analysis of Animal Shelter Impact fees.

1 Growth Assumptions

The City of Menifee's Animal Sheltering services are provided through the JPA, which has a contract with Animal Friends of the Valley. The Animal Shelter is located in the City of Wildomar and serves all member agency residents. The member agencies for the JPA are nearby Riverside County cities. Due to the nature of the Animal Shelter and it serving multiple communities, for simplicity purposes it is being assumed that only residents within the City of Menifee benefit from the Animal Shelter. While non-residents, or employees that don't live within Menifee could utilize the Shelter, the assumption is that those employees or non-residents are likely residents of other JPA member agencies and as such receive the benefit of the facility through their residential area. Therefore, the primary beneficiary of animal sheltering services is the residential population. The shelter will provide service to both existing and future population. The following table shows the current population, the future population, and the projected increase:

Table 12: Future Population Increase

Category	Existing Population	2045 Population	Population Increase
Residential	103,617	147,972	44,355

As the table indicates, the projected increase in the residential population is approximately 44,000, which reflects a 43% increase compared to the existing population. Therefore, future development should bear approximately 43% of the costs.

2 Cost Components and Assumptions

The only infrastructure cost for the Animal Shelter is the annual debt service made by the City of Menifee. This debt service payment changes every year based upon the proportion of animals serviced by each member agency. However, the project team worked with City staff to identify the most recent debt service amount. The following table shows by category, the quantity, the unit cost, the total cost, the lifecycle, and the average annual cost:

Table 13: Animal Shelter Cost Components

Item	Quantity	Unit Cost	Total Cost	Lifecycle	Avg Annual Cost
Bond Payment	1	\$185,878	\$185,878	1	\$185,878
Nexus Analysis	1	\$10,000	\$10,000	5	\$2,000

The average annual cost for the Animal Shelter is multiplied against the 24-year planning horizon to calculate the total cost associated with City infrastructure. The following table shows this calculation for the 24-year planning period:

Table 14: Total Projected Animal Shelter Infrastructure Cost – 24 years

Category	Average Annual Cost	Planning Horizon	Total Cost
Bond Payment	\$185,878	17 ¹⁰	\$3,159,926
Nexus Analysis	\$2,000	24	\$48,000
TOTAL			\$3,207,926

Overall, in the next 24 years, Animal Shelter infrastructure will require approximately \$3.2 million to meet the needs of the existing and future populations of the City.

In addition to the \$3.2 million in costs, the other cost component to be considered is an administrative fee. For purposes of this study, the project team calculated the administrative fee based upon the total indirect costs allocated to all Impact Fee funds from the FY 2022 Citywide Cost Allocation Plan and the average of the revenue collected by impact fee funds over the last three years. The following table shows this calculation:

Table 15: Impact Fee – Admin Fee Calculation

Category	Impact Fee Funds
Citywide Overhead	\$165,243
Impact Fee Revenue – 3 year average	\$5,877,779
ADMIN FEE RATE	2.80%

¹⁰ The bond payment schedule is only for 17 remaining years, as such even though the horizon is 24 years, the overall payment would only need to happen for 17 years.

The proposed administrative fee for all impact fees would be 2.80%, which is higher than the current 2.50% administrative fee. This 2.80% accounts for support provided by City staff in the monitoring and reporting of impact fee funds.

3 Impact Fee Calculations

As the previous section calculated, the total infrastructure needs for the Animal Shelter are approximately \$3.2 million. However, not all of this cost should be borne by the future population. Based upon the growth assumptions analysis, 43% of these costs should be borne by the future population. The following table shows the calculation for costs to be borne by future residential populations:

Table 16: Projected Cost Calculation Between Existing and Future Population

Category	Infrastructure Costs	Proportion	Total Cost to Be Borne
Current Population	\$3,207,926	57%	\$1,828,518
Future Population	\$3,207,926	43%	\$1,379,408

Of the \$3.2 million, \$1.4 million should be borne by the future population. This \$1.4 million is divided by the total projected population increase, to calculate the cost per capita, as shown in the following table:

Table 17: Projected Cost for New Development – Per Capita

Category	Infrastructure Costs	Projected Population Increase	Cost / Capita
Residential	\$1,379,408	44,355	\$31

The cost per capita (\$31) was then converted into a cost per dwelling unit based upon the density factors discussed in the projected growth and development chapter. The following table shows this calculation:

Table 18: Animal Shelter Impact Fee Calculation

Category	Cost Per Capita	Density / Unit	Impact Fee
Single-Family	\$31	2.94	\$91 per dwelling unit
Multi-Family	\$31	2.30	\$71 per dwelling unit

As the table indicates, the cost per dwelling unit varies from a low of \$71 for multi-family to a high of \$91 for single-family homes. To calculate the full allowable fee, the 2.80% administrative fee is applied to the impact fee. The following table shows this calculation:

Table 19: Animal Shelter Impact Fee Calculation Including Administrative Fee

Category	Impact Fee	Admin Fee	Total Impact Fee
Single-Family	\$91	\$3	\$94 per dwelling unit
Multi-Family	\$71	\$2	\$73 per dwelling unit

The addition of the administrative fee captures the full cost associated with the proportionate impact of future development. The following table compares the current Animal Shelter Impact Fees to the full cost impact fee, and the associated surplus / (deficit).

Table 20: Animal Shelter Impact Fee – Current vs. Full Cost

Category	Current Fee	Full Cost Fee	Surplus / (Deficit)
Single-Family	\$160	\$94	\$66
Multi-Family	\$118	\$73	\$45

As the table indicates, all impact fees are currently over-recovering compared to the full cost. This is due to the prior nexus analysis assuming that the City would build its own animal shelter facility and equipment (as it was not a member agency of the JPA). However, due to the change, this results in a slightly more cost-effective approach for the City as it relates to infrastructure and results in fees needing to be reduced.

4 Nexus Criteria

As discussed in the legal framework section, in order for an impact fee to be implemented it must meet all five of the nexus criteria as established per the Mitigation Fee Act. The following table outlines each criterion point, and how the proposed Animal Shelter Impact fee meets the Mitigation Fee Act criteria.

Table 21: Animal Shelter Impact Fees Nexus Criteria

Criteria	Meet	Don't Meet
Purpose of Fee	The purpose of the fee would be to fund the debt service associated with the existing Animal Shelter, including any expansions needed to serve the increased population for the City.	
Use of Fee Revenue	The City has a debt service payment plan, which outlines that the revenue can only be used to offset facility payment costs.	

Criteria	Meet	Don't Meet
Benefit Relationship	The use of the impact fee revenue would be to expand or improve the existing Animal Shelter facility, which would be directly proportional to the increased wear and tear and use of the facility as there is new residential growth in the City. The increase in residential population is related to the number of dwelling units and the impact fee would be applicable to dwelling units.	
Impact Relationship	Based upon the addition of new residents there would be a need for expanded facilities.	
Proportionality	The proposed impact fee would be a flat fee per dwelling unit depending upon the density of the housing units to capture the residential impacts as the primary mechanism for addition of residential population to the City is through increased dwelling units.	

As the table demonstrates, the City is able to meet all five of the criteria necessary to impose an Animal Shelter Development Impact Fee.

5 Comparative Survey

As part of this impact fee analysis, the project team conducted a comparative survey of surrounding jurisdictions who charge an Animal Shelter Impact Fee. The following table compares the City's current fee and full cost for Animal Shelter to other surveyed jurisdictions in the region, which charge an Animal Shelter impact fee:

Table 22: Animal Shelter Development Impact Fee Comparative Survey

Jurisdiction	Single-Family	Multi-Family
Meniffee – Current	\$160	\$118
Meniffee – Full Cost	\$94	\$73
Lake Elsinore	\$348	\$299

There is only one other jurisdiction that charges an Animal Shelter impact fee and that is Lake Elsinore, which is also part of the JPA. Meniffee's current and full cost fees are less than Lake Elsinore's fees.

5. General Government

General Government refers to City Hall and other governmental infrastructure that is not covered through other impact fees (i.e. Police, Fire, Parks, Traffic, Storm Drain, etc.). The following subsections discuss the growth assumptions utilized, cost components included, resulting impact fee calculation, ability to meet the nexus criteria, and a comparative analysis of General Government fees.

1 Growth Assumptions

General Government consists of City Hall, Public Works facilities, Internet infrastructure, and Public Works and City vehicles. Staff located within these facilities and using that equipment provide services to current and future residents and employees. These services benefit both existing and future development. To determine the proportionate share of existing and future development, the project team calculated the future service population for the City. An employee working within the City does not have the same tendency to use City services as a resident, as such their impact and weight should be proportionately less. The following table shows the current population for each category, the proportionate weight, and the equivalent residential population:

Table 23: Future Weighted Service Population Increase

Category	Existing Population	Projected Increase	Weight Factor	Weighted Population Increase
Residential	103,617	44,355	1.00	44,355
Commercial	14,200	15,000	0.24 ¹¹	3,600
TOTAL	117,817	59,375		47,955

As the table indicates, the projected increase in the service population is approximately 47,955 which reflects a 41% increase compared to the existing population. Therefore, future development should bear approximately 41% of the costs.

2 Cost Components and Assumptions

Due to the projected increase in residential and non-residential population there will be an impact on the City's infrastructure. The planning horizon for the impact fee is 24 years (2021 through 2045) and while the department intends to purchase some additional equipment and relocate facilities, it will also need to replace existing equipment and upgrade its facilities during that span. A proportionate share of those upgrades should

¹¹ To calculate the employee weight factor, the study assumes that employees are only in the City 40 hours out of the whole week or 40 hours out of 168 possible hours in a week.

be borne by future development as future development will benefit from that equipment and the facilities. The following table provides information regarding general government equipment, vehicle, and facility costs based upon existing and planned facilities. All quantity, cost per unit calculations and life cycle information was discussed with the City of Menifee Staff:

Table 24: General Government Equipment Costs

Item	Quantity	Unit Cost	Total Cost	Lifecycle	Avg Annual Cost
PUBLIC FACILITIES					
City Hall	1	\$48,750,000	\$48,750,000	50	\$975,000
Public Works Corporation Yard	1	\$12,000,000	\$12,000,000	50	\$240,000
Broadband Infrastructure	1	\$14,000,000	\$14,000,000	30	\$466,667
Paloma Wash Pedestrian Bridge	1	\$500,000	\$500,000	50	\$10,000
Rouse/I215 Pedestrian/NEV Bridge	1	\$5,000,000	\$5,000,000	50	\$100,000
Subtotal					\$1,791,667
VEHICLES					
F-450 Gas 4X2 Dually Flatbed	1	\$75,000	\$75,000	8	\$9,375
F-250 Gas 4X4 Supercab Service Body	12	\$55,000	\$660,000	8	\$82,500
F-250 Gas 4X4 Regular Cab	1	\$45,000	\$45,000	8	\$5,625
F-250 Gas 4X4 Supercab Service Body	5	\$55,000	\$275,000	8	\$34,375
F-250 Gas 4X4 Regular Cab	1	\$45,000	\$45,000	8	\$5,625
Gas 4X4 Supercab Pick-up	4	\$40,000	\$160,000	8	\$20,000
Hybrid SUV	1	\$50,000	\$50,000	8	\$6,250
Hybrid Compact	1	\$35,000	\$35,000	8	\$4,375
F-250 Gas 4X4 Supercab Service Body	2	\$55,000	\$110,000	8	\$13,750
Subtotal					\$181,875
EQUIPMENT					
Road Motor Grader	1	\$300,000	\$300,000	12	\$25,000
Asphalt Patch Truck	1	\$250,000	\$250,000	8	\$31,250
Asphalt Roller (Small)	1	\$55,000	\$55,000	12	\$4,583
Asphalt Roller (Large)	1	\$100,000	\$100,000	12	\$8,333
Asphalt Crack Sealer	1	\$100,000	\$100,000	12	\$8,333
Water Truck	1	\$120,000	\$120,000	8	\$15,000
Water Buffalo Trailer	1	\$10,000	\$10,000	12	\$833
Diesel Dump Truck (5-7 CY)	1	\$200,000	\$200,000	12	\$16,667
Diesel Dump Truck (3-4 CY)	1	\$120,000	\$120,000	12	\$10,000
Skip Loader	1	\$140,000	\$140,000	12	\$11,667
Backhoe	1	\$140,000	\$140,000	12	\$11,667
Skid Steer + Skid Steer Track	1	\$75,000	\$75,000	12	\$6,250
Skid Steer Attachments	1	\$10,000	\$10,000	12	\$833
Mini Excavator	1	\$55,000	\$55,000	8	\$6,875
Towable Air Compressor + Tools	1	\$30,000	\$30,000	12	\$2,500
Towable Light Towers	2	\$20,000	\$40,000	12	\$3,333
Cement Bucket Mixer	1	\$40,000	\$40,000	12	\$3,333
Street Sweeper	2	\$285,000	\$570,000	8	\$71,250
Bucket Truck	1	\$140,000	\$140,000	10	\$14,000
Woodchipper and Box Truck	1	\$80,000	\$80,000	10	\$8,000
Herbicide Spray Trailer	1	\$15,000	\$15,000	12	\$1,250
Stencil Legend Truck	1	\$150,000	\$150,000	10	\$15,000

Item	Quantity	Unit Cost	Total Cost	Lifecycle	Avg Annual Cost
Pressure Washer	1	\$20,000	\$20,000	12	\$1,667
Trailer- Tilt Heavy Equipment	1	\$10,000	\$10,000	12	\$833
Trailer - Heavy Equipment	1	\$45,000	\$45,000	12	\$3,750
Trailer - Equipment	1	\$10,000	\$10,000	12	\$833
Trailer - Emergency Road Closure	1	\$10,000	\$10,000	12	\$833
Trailer - Dump	1	\$20,000	\$20,000	12	\$1,667
Trailer - Vactor	1	\$200,000	\$200,000	12	\$16,667
Boom Mower	1	\$200,000	\$200,000	12	\$16,667
Message Board Trailer	4	\$25,000	\$100,000	12	\$8,333
Arrow Board Trailer	2	\$10,000	\$20,000	12	\$1,667
Subtotal					\$328,875
NEXUS ANALYSIS	1	\$10,000	\$10,000	5	\$2,000

The average annual cost for City equipment is multiplied against the 24-year planning horizon to calculate the total cost associated with City equipment based upon the three categories: Existing, Planned, and Nexus Analysis. The following table shows this calculation for the 24-year planning period:

Table 25: Total Projected Infrastructure Cost – 24 years

Category	Average Annual Cost	Planning Horizon	Total Cost
Public Facilities	\$1,791,667	24	\$43,000,008
Vehicles	\$181,875	24	\$4,365,000
Equipment	\$328,875	24	\$7,893,000
Nexus Analysis	\$2,000	24	\$48,000
TOTAL	\$2,304,417	24	\$55,306,008

Overall, in the next 24 years General Governmental infrastructure will require approximately \$55.3 million to meet the needs of the existing and future populations of the City.

In addition to the \$55.3 million in costs, the other cost component to be considered is the administrative fee. For purposes of this study, the project team calculated the administrative fee based upon the total indirect costs allocated to all Impact Fee funds from the FY 2022 Citywide Cost Allocation Plan and the average of the revenue collected by impact fee funds over the last three years. The following table shows this calculation:

Table 26: Impact Fee – Admin Fee Calculation

Category	Impact Fee Funds
Citywide Overhead	\$165,243
Impact Fee Revenue – 3 year average	\$5,877,779
ADMIN FEE RATE	2.80%

The proposed administrative fee for all impact fees would be 2.80%, which is higher than the current 2.50% administrative fee. This 2.80% accounts for support provided by City staff in the monitoring and reporting of impact fee funds.

3 Impact Fee Calculations

As the previous section calculated, the total infrastructure needs for General Government Facilities are approximately \$55.3 million. However, not all of this cost should be borne by future populations. Based upon the growth assumptions analysis, 41% of these costs should be borne by the future population. The following table shows the calculation for costs to be borne by future residential and non-residential populations:

Table 27: Projected Cost Calculation Between Existing and Future Population

Category	Infrastructure Costs	Proportion	Total Cost to Be Borne
Current Population	\$55,306,008	59%	\$32,630,545
Future Population	\$55,306,008	41%	\$22,675,463

Of the \$55.3 million, \$22.7 million should be borne by the future population. This \$22.7 million is split between residential and commercial based upon the proportion of residential and commercial use of the services. The following table shows the future infrastructure cost and the proportion between residential and commercial.

Table 28: Projected Cost for New Development – Residential and Commercial

Category	Infrastructure Costs	Proportion of Use	Total Cost to Be Borne
Residential	\$22,675,463	76%	\$17,233,352
Commercial	\$22,675,463	24%	\$5,442,111

Approximately \$17.2 million of the \$22.7 million is residential, and the remaining \$5.5 million is commercial-related. The \$17.2 and \$5.5 million are divided by the total projected population increases, to calculate the cost per capita, as shown in the following table:

Table 29: Projected Cost for New Development – Per Capita

Category	Infrastructure Costs	Projected Population Increase	Cost / Capita
Residential	\$17,233,352	44,355	\$389
Commercial	\$5,442,111	15,000	\$363

The cost per capita from this table was converted into a cost per dwelling unit and cost per sq. ft. based upon the density factors discussed in the projected growth and development chapter. The following table shows this calculation:

Table 30: General Government Impact Fee Calculation

Category	Cost Per Capita	Density	Impact Fee
Residential			
Single-Family	\$389	2.94	\$1,144 per dwelling unit
Multi-Family	\$389	2.30	\$895 per dwelling unit
Non-Residential			
Commercial / Retail	\$363	550	\$0.66 per sq. ft.
Office	\$363	200	\$1.82 per sq. ft.
Industrial	\$363	1,500	\$0.24 per sq. ft.

As the table above indicates, the cost per dwelling unit varies from a low of \$895 for multi-family to a high of \$1,144 for single-family homes. The fees for commercial and non-residential vary from \$0.24 per square foot for industrial to a high of \$1.82 per square foot for office properties. To calculate the full allowable fee, the 2.80% administrative fee is applied to the impact fee. The following table shows this calculation:

Table 31: General Government Impact Fee Calculation Including Administrative Fee

Category	Impact Fee	Admin Fee	Total Impact Fee
Residential			
Single-Family	\$1,144	\$32	\$1,176 per dwelling unit
Multi-Family	\$895	\$25	\$920 per dwelling unit
Commercial / Non-Residential			
Commercial / Retail	\$0.66	\$0.02	\$0.68 per sq. ft.
Office	\$1.81	\$0.05	\$1.87 per sq. ft.
Industrial	\$0.24	\$0.01	\$0.25 per sq. ft.

The addition of the administrative fee captures the full cost associated with the proportionate impact of future development. The following table compares the current General Government Impact Fee to the full cost impact fee, and the associated surplus / (deficit).

Table 32: General Government Impact Fee – Current vs. Full Cost

Category	Current Fee	Full Cost Fee	Surplus / (Deficit)
Residential (per dwelling unit)			
Single-Family	\$1,106	\$1,176	(\$70)
Multi-Family	\$815	\$920	(\$105)
Commercial / Non-Residential (per square foot)			
Retail	\$0.28	\$0.68	(\$0.40)
Commercial / Office	\$0.37	\$1.87	(\$1.50)
Industrial	\$0.14	\$0.25	(\$0.11)

As the table indicates, all current impact fees are under-recovering compared to the full cost. These fees have not been updated in five years, and as such some of the projected increases in fees would be expected due to cost factor increases. Furthermore, other

projected increases have to do with increased costs associated with facility, equipment acquisition, and replacement.

4 Nexus Criteria

As discussed in the legal framework section, in order for an impact fee to be implemented it must meet all five of the nexus criteria as established per the Mitigation Fee Act. The following table outlines each criterion point, and how the proposed General Government Impact fee meets the Mitigation Fee Act criteria.

Table 33: General Government Impact Fees Nexus Criteria

Criteria	Meet	Don't Meet
Purpose of Fee	The purpose of the fee would be to upgrade existing City Hall, Public Works Facilities, City vehicles and equipment.	
Use of Fee Revenue	The Public Works Department has detailed capital improvement plans that outline the utilization of this fee revenue for current and future years to help ensure that there is appropriate expansion of City facilities and equipment to meet the needs of the City.	
Benefit Relationship	The use of the impact fee revenue would be to rehabilitate existing facilities and equipment due to new development. New residents and employees receive benefits from improved equipment and access to infrastructure.	
Impact Relationship	The addition of new residents and employees would have an impact on the ability of the City to meet all the needs. Therefore, the cost associated with adding additional equipment or expanding facilities to accommodate additional staff to allow for appropriate handling of the new growth would be borne by new residents or employees.	
Proportionality	The proposed impact fee is calculated based upon proportionality of projected growth with the greatest impact by residential areas, followed by commercial areas. The fees are calculated on a per dwelling unit for residential properties and on a per sq. ft. basis for commercial properties as the impact is more space based rather than unit based.	

As the table demonstrates, the City is able to meet all five of the criteria necessary to impose a General Government Impact Fee.

5 Comparative Survey

As part of this impact fee analysis, the project team conducted a comparative survey of surrounding jurisdictions who charge a General Government Impact Fee. The following table compares the City's current fee and full cost for General Government to other surveyed jurisdictions in the region, which charge a General Government impact fee:

Table 34: General Government Impact Fee Comparative Survey

Jurisdiction	Residential		Non-Residential		
	Single-Family	Multi-Family	Retail – Per Sq. Ft	Office – Per Sq. Ft	Industrial – Per Sq. Ft
Menifee – Current	\$1,106	\$815	\$0.28	\$0.37	\$0.14
Menifee – Full Cost	\$1,176	\$920	\$0.68	\$1.87	\$0.25
Eastvale	\$942	\$650	\$0.15	\$0.15	\$0.16
Hemet	\$780	\$660	\$0.12	\$0.12	\$0.12
Lake Elsinore	\$809	\$696	\$0.11	\$0.18	\$0.04
Murrieta	\$241	\$168	\$0.05	\$0.07	\$0.02
Perris	\$576	\$522	\$0.162	\$0.162	\$0.162
Temecula	\$728	\$390	\$0.71	\$0.26	\$0.24

The majority of the surveyed jurisdictions charge fees similar to Menifee, per dwelling unit for residential and per square foot for non-residential. Among the surveyed jurisdictions no City as a higher fee than Menifee's current fee and full cost for residential. As it relates to non-residential only commercial / retail category for Temecula has a higher fee than Menifee's current fee.

All of the surveyed jurisdictions similar to Menifee, adopted a nexus analysis, and have been applying a cost factor to increase fees. The following table shows by jurisdiction, when the original nexus was adopted, and when the last fee amount was updated:

Table 35: Comparative Survey Information

Jurisdiction	Date of Original Nexus	Last Fee Update
Eastvale	2012	2022
Hemet	2006	2021
Lake Elsinore	2016	2016
Murrieta	N / A	2019
Perris	2006	2022
Temecula	2003	2022

As the table indicates, while the majority of the jurisdictions have updated fees, the nexus for those fees has not been reevaluated in a substantial time. The only jurisdiction that has done an analysis within the last 10 years is Lake Elsinore.

6. Fire

The City of Menifee contracts for Fire Prevention and Fire Suppression services with the County of Riverside. However, all infrastructure – Fire Stations and Vehicles / Equipment are owned by the City of Menifee. Therefore, the City of Menifee assesses an impact fee to recover the costs associated with Fire Infrastructure. The following subsections discuss the growth assumptions utilized, cost components included, resulting impact fee calculation, ability to meet the nexus criteria, and a comparative analysis of Fire fees.

1 Growth Assumptions

The Fire Department serves both residential and commercial populations (employees). Future increased development would result in the need for expanded or relocated Fire stations, additional equipment, and vehicles. The primary goal of the Fire Department is to provide fire prevention and suppression services within the City. These services benefit both existing and future development to determine the proportionate share of existing and future development, the project team calculated the future service population for the City. An employee working within the City does not have the same tendency to use fire services as a resident, as such their impact and weight should be proportionately less. The following table shows the current population for each category, the proportionate weight, and the equivalent residential population:

Table 36: Future Weighted Service Population Increase

Category	Existing Population	Projected Increase	Weight Factor	Weighted Population Increase
Residential	103,617	44,355	1.00	44,375
Commercial	14,200	15,000	0.42 ¹²	6,300
TOTAL	117,817	59,375		50,655

As the table indicates, the projected increase in the service population is approximately 50,655, which reflects a 43% increase compared to the existing population. Therefore, future development should bear approximately 43% of the costs.

2 Cost Components and Assumptions

Due to the projected increase in residential and non-residential population there will be an impact on the department's infrastructure. The planning horizon for the impact fee is 24 years (2021 through 2045) and while the department intends to purchase some

¹² To calculate the employee weight factor, the project team utilized a 3 year average (FY19-FY21) of proportion of fire calls for service that are commercial relative to residential calls for service.

additional equipment and relocate facilities, it will also need to replace existing equipment and upgrade its facilities during that span. A proportionate share of those upgrades should be borne by future development as future development will benefit from that equipment and the facilities. The following table provides information regarding fire equipment, vehicle, and facility costs based upon existing and planned facilities. All quantity, cost per unit calculations and life cycle information was discussed with the City of Menifee Staff:

Table 37: Fire Equipment Costs

Item	Quantity	Unit Cost	Total Cost	Lifecycle	Avg Annual Cost
EXISTING FACILITIES					
Sun City Fire Station - Building	1	\$1,720,389	\$1,720,389	20	\$86,019
Menifee Fire Station - Building	1	\$1,348,966	\$1,348,966	20	\$67,448
Menifee Lakes / HQ - Building	1	\$3,036,287	\$3,036,287	20	\$151,814
Quail Valley Fire Station	1	\$8,000,000	\$8,000,000	50	\$160,000
Inspector Vehicles	5	\$28,000	\$140,000	7	\$20,000
Paramedic Squads	2	\$300,000	\$600,000	15	\$40,000
Medic Patrol	1	\$400,000	\$400,000	15	\$26,667
Ladder Truck	1	\$1,800,000	\$1,800,000	15	\$120,000
Engines	4	\$900,000	\$3,600,000	15	\$240,000
EMS Specialist Vehicle	1	\$28,000	\$28,000	7	\$4,000
Subtotal					\$915,949
PLANNED FACILITIES AND EQUIPMENT					
Northeast Fire Station	1	\$8,000,000	\$8,000,000	50	\$160,000
Southeast Fire Station	1	\$8,000,000	\$8,000,000	50	\$160,000
Shared Costs of the Northwest Station	1	\$3,750,000	\$3,750,000	50	\$75,000
Engine	3	\$900,000	\$2,700,000	15	\$180,000
Medic Squad	2	\$300,000	\$600,000	15	\$40,000
Utility Vehicle	1	\$45,000	\$45,000	7	\$6,429
Battalion Chief Vehicle	1	\$75,000	\$75,000	7	\$10,714
Light / Air Bottling / Canteen	1	\$200,000	\$200,000	7	\$28,571
Inspector Vehicles	1	\$28,000	\$28,000	7	\$4,000
Subtotal					\$670,714
NEXUS ANALYSIS	1	\$10,000	\$10,000	5	\$2,000

The average annual cost for Fire equipment is multiplied against the 24-year planning horizon to calculate the total cost associated with Fire equipment based upon the three categories: Existing, Planned, and Nexus Analysis. The following table shows this calculation for the 24-year planning period:

Table 38: Total Projected Infrastructure Cost – 24 years

Category	Average Annual Cost	Planning Horizon	Total Cost
Existing Facilities	\$915,949	24	\$21,982,776
Planned Facilities and Equipment	\$670,714	24	\$16,097,136
Nexus Analysis	\$2,000	24	\$48,000
TOTAL	\$1,584,663	24	\$38,127,912

Overall, in the next 24 years the Fire Department will require approximately \$38.1 million to meet the needs of existing and future populations of the City.

In addition to the \$38.1 million in costs, the other cost component to be considered is the administrative fee. For purposes of this study, the project team calculated the administrative fee based upon the total indirect costs allocated to all Impact Fee funds from the FY 2022 Citywide Cost Allocation Plan and the average of the revenue collected by impact fee funds over the last three years. The following table shows this calculation:

Table 39: Impact Fee – Admin Fee Calculation

Category	Impact Fee Funds
Citywide Overhead	\$165,243
Impact Fee Revenue – 3 year average	\$5,877,779
ADMIN FEE RATE	2.80%

The proposed administrative fee for all impact fees would be 2.80%, which is higher than the current 2.50% administrative fee. This 2.80% accounts for support provided by City staff in the monitoring and reporting of impact fee funds.

3 Impact Fee Calculations

As the previous section calculated, the total infrastructure needs for the Fire Department are approximately \$38.1 million. However, not all of this cost should be borne by the future population. Based upon the growth assumptions analysis, 43% of these costs should be borne by the future population. The following table shows the calculation for costs to be borne by future residential and non-residential populations:

Table 40: Projected Cost Calculation Between Existing and Future Population

Category	Infrastructure Costs	Proportion	Total Cost to Be Borne
Current Population	\$38,127,912	57%	\$21,732,190
Future Population	\$38,127,912	43%	\$16,395,022

Of the \$38.1 million, \$16.4 million should be borne by the future population. This \$16.4 million is split between residential and commercial based upon the proportion of calls for service for residential and commercial. The following table shows by future population cost, the proportion between residential and commercial to show the total cost:

Table 41: Projected Cost for New Development – Residential and Commercial

Category	Infrastructure Costs	Proportion of Calls for Service	Total Cost to Be Borne
Residential	\$16,395,022	58%	\$9,509,101
Commercial	\$16,395,022	42%	\$6,885,901

Approximately \$9.5 million of the \$16.4 million is residential and the remaining \$6.9 million is commercial-related. The \$9.5 and \$6.9 million is divided by the total projected population increase, to calculate the cost per capita, as shown in the following table:

Table 42: Projected Cost for New Development – Per Capita

Category	Infrastructure Costs	Projected Population Increase	Cost / Capita
Residential	\$9,509,101	44,355	\$214
Commercial	\$6,885,901	15,000	\$459

The cost per capita from this table was converted into a cost per dwelling unit and cost per sq. ft. based upon the density factors discussed in the projected growth and development chapter. The following table shows this calculation:

Table 43: Fire Impact Fee Calculation

Category	Cost Per Capita	Density	Impact Fee
Residential			
Single-Family	\$214	2.94	\$629 per dwelling unit
Multi-Family	\$214	2.30	\$492 per dwelling unit
Non-Residential			
Commercial / Retail	\$459	550	\$0.83 per sq. ft.
Office	\$459	200	\$2.30 per sq. ft.
Industrial	\$459	1,500	\$0.31 per sq. ft.

As the table above indicates, the cost per dwelling unit varies from a low of \$492 for multi-family to a high of \$629 for single-family homes. The fees for commercial and non-residential vary from a low of \$0.31 per square foot for to a high of \$2.30 per square foot for office properties. To calculate the full allowable fee, the 2.80% administrative fee is applied to the impact fee. The following table shows this calculation:

Table 44: Fire Impact Fee Calculation Including Administrative Fee

Category	Impact Fee	Admin Fee	Total Impact Fee
Residential			
Single-Family	\$629	\$18	\$647 per dwelling unit
Multi-Family	\$492	\$14	\$506 per dwelling unit
Commercial / Non-Residential			
Commercial / Retail	\$0.83	\$0.02	\$0.85 per sq. ft.
Office	\$2.30	\$0.06	\$2.36 per sq. ft.
Industrial	\$0.31	\$0.01	\$0.32 per sq. ft.

The addition of the administrative fee captures the full cost associated with the proportionate impact of future development. The following table compares the current Fire Impact Fee to the full cost impact fee, and the associated surplus / (deficit).

Table 45: Fire Impact Fee – Current vs. Full Cost

Category	Current Fee	Full Cost Fee	Surplus / (Deficit)
Residential (per dwelling unit)			
Single-Family	\$665	\$647	\$18
Multi-Family	\$490	\$506	(\$16)
Commercial / Non-Residential (per square foot)			
Commercial / Retail	\$0.46	\$0.85	(\$0.39)
Office	\$0.61	\$2.36	(\$1.75)
Industrial	\$0.23	\$0.32	(\$0.09)

As the table indicates, all but the single-family current impact fees are under-recovering compared to the full cost. The single-family impact fee is over-recovering by approximately \$18 and will need to be reduced to comply with the Mitigation Fee Act.

4 Nexus Criteria

As discussed in the legal framework section, in order for an impact fee to be implemented it must meet all five of the nexus criteria as established per the Mitigation Fee Act. The following table outlines each criterion point, and how the proposed Fire Impact fee meets the Mitigation Fee Act criteria.

Table 46: Fire Impact Fees Nexus Criteria

Criteria	Meet	Don't Meet
Purpose of Fee	The purpose of the fee would be to upgrade existing Fire stations; relocate and reconstruct existing fire stations; and replace outdated fire equipment.	
Use of Fee Revenue	The Fire Department has detailed capital improvement plans that outline the utilization of this fee revenue for current and future years to help ensure that there is appropriate expansion of fire facilities and equipment to meet the public safety goals of the City.	
Benefit Relationship	The use of the impact fee revenue would be to rehabilitate existing fire stations to accommodate the appropriate number of ambulances and engines, as well as ensure that stations are located in appropriate locations to allow for the most efficient response for service. New residents and employees receive benefits from increased equipment and more efficient response times.	

Criteria	Meet	Don't Meet
Impact Relationship	The addition of new residents and employees would have an impact on the ability of the fire stations to respond adequately, including in an efficient manner. Therefore, the cost associated with adding additional equipment or expanding facilities to accommodate additional staff to allow for responses would be borne by new residents or employees.	
Proportionality	The proposed impact fee is calculated based upon proportionality of projected growth with the greatest impact by residential areas, followed by commercial areas. The fees are calculated on a per dwelling unit for residential properties and on a per sq. ft. basis for commercial properties as the impact is more space based rather than unit based.	

As the table demonstrates, the City is able to meet all five of the criteria necessary to impose a Fire Development Impact Fee.

5 Comparative Survey

As part of this impact fee analysis, the project team conducted a comparative survey of surrounding jurisdictions who charge a Fire Impact Fee. The following table compares the City's current fee and full cost for Fire to other surveyed jurisdictions in the region, which charge a fire impact fee:

Table 47: Fire Impact Fee Comparative Survey

Jurisdiction	Residential		Non-Residential		
	Single-Family	Multi-Family	Retail – Per Sq. Ft	Office – Per Sq. Ft	Industrial – Per Sq. Ft
Menifee – Current	\$665	\$490	\$0.46	\$0.61	\$0.23
Menifee – Full Cost	\$647	\$506	\$0.85	\$2.36	\$0.32
Corona	\$349	\$466	\$0.16	\$0.16	\$0.02
Eastvale	\$481	\$332	\$0.132	\$0.137	\$0.137
Hemet	\$560	\$480	\$0.24	\$0.24	\$0.056
Lake Elsinore	\$751	\$612	\$0.489	\$0.337	\$0.159
Murrieta	\$634	\$444	\$0.31	\$0.40	\$0.15
Perris	\$362	\$328	\$0.102	\$0.102	\$0.102
Temecula	\$920	\$427	\$0.24	\$0.15	\$0.15

The majority of the surveyed jurisdictions charge fees similar to Menifee, per dwelling unit for residential and per square foot for non-residential. Among the surveyed jurisdictions Lake Elsinore and Murrieta have a higher fee than Menifee's current and full cost for residential (single-family) and no jurisdiction has higher fees for non-residential projects.

All of the surveyed jurisdictions similar to Menifee, adopted a nexus analysis, and have been applying a cost factor to increase fees. The following table shows by jurisdiction, when the original nexus was adopted, and when the last fee amount was updated:

Table 48: Comparative Survey Information

Jurisdiction	Date of Original Nexus	Last Fee Update
Corona	N / A	2022
Eastvale	2012	2022
Hemet	2006	2021
Lake Elsinore	2016	2016
Murrieta	N / A	2019
Perris	2006	2022
Temecula	2003	2022

As the table indicates, while the majority of the jurisdictions have updated fees, the nexus for those fees has not been reevaluated in a substantial time. The only jurisdiction that has done an analysis within the last 10 years is Lake Elsinore.

7. Police

The City of Menifee used to contract with Riverside County for Law Enforcement services until 2019. In 2019, the City formed its own Police department and therefore owns all police-related infrastructure. Hence, the City of Menifee assesses an impact fee to recover the costs associated with Police Infrastructure. The following subsections discuss the growth assumptions utilized, cost components included, resulting impact fee calculation, ability to meet the nexus criteria, and a comparative analysis of Police fees.

1 Growth Assumptions

The Police Department serves both residential and commercial populations (employees). Future increased development would result in the need for expanded or relocated Police stations, additional equipment, and vehicles. The primary goal of the Police Department is to provide law enforcement services. These services benefit both existing and future development.

It is important to note that in the previous nexus analysis, the City had contracted for law enforcement services, as such infrastructure costs did not include equipment. Therefore, the current nexus analysis is proposing to ensure that there is no potential for new development to pay towards existing deficiencies, the proportionate growth be based upon the estimated new service population as a percentage of the overall anticipated population growth. An employee working within the City does not have the same tendency to use police services as a resident, as such their impact and weight should be proportionately less. The following table shows the current population for each category, the projected increase, the total projected population, the weighting factor, and the resulting weighted population increase:

Table 49: Future Weighted Service Population Increase

Category	Existing Population	Projected Increase	Projected Total Population	Weight Factor	Weighted Population Increase
Residential	103,617	44,355	147,972	1.00	44,355
Commercial	14,200	15,000	29,200	0.22 ¹³	3,300
TOTAL	117,817	59,375	177,172		47,655

As the table indicates, the projected increase in the service population is approximately 47,655. The 47,655 as a component of the overall projected total 2045 population

¹³ To calculate the employee weight factor, the project team utilized an average of CY2021 and CY2022 YTD (Jan-Oct) proportion of police calls for service that are commercial relative to residential calls for service.

(177,172) is approximately 27%. Therefore, future development should bear approximately 27% of the costs.

2 Cost Components and Assumptions

Due to the projected increase in residential and non-residential population there will be an impact on the department's infrastructure. The planning horizon for the impact fee is 24 years (2021 through 2045). A proportionate share of those upgrades should be borne by future development as future development will benefit from that equipment and facilities. The following table provides information regarding police equipment, vehicle, and facility costs based upon existing and planned facilities. All quantity, cost per unit calculations, and life cycle information was discussed with the City of Menifee Staff:

Table 50: Police Equipment Costs

Item	Quantity	Unit Cost	Total Cost	Lifecycle	Avg Annual Cost
EXISTING FLEET					
Bearcat	1	\$228,379	\$228,379	15	\$15,225
Patrol Tahoe	30	\$54,687	\$1,640,603	5	\$328,121
HLO / POP Trucks	3	\$64,393	\$193,179	5	\$38,636
DUI Trailer	1	\$33,646	\$33,646	15	\$2,243
CSI Van	1	\$74,961	\$74,961	10	\$7,496
Motorcycles	5	\$32,995	\$164,975	5	\$32,995
Traffic cars	2	\$49,936	\$99,873	5	\$19,975
Community Service Truck	4	\$42,946	\$171,783	7	\$24,540
Community service jail transport	1	\$45,513	\$45,513	5	\$9,103
Undercover cars (Owned)	3	\$61,516	\$184,548	7	\$26,364
Patrol K9 Vehicle	2	\$71,230	\$142,460	5	\$28,492
Code Enforcement	5	\$24,000	\$120,000	7	\$17,143
Miscellaneous vehicles	9	\$35,000	\$315,000	7	\$45,000
Subtotal					\$595,332
PLANNED FLEET					
Commercial Enforcement Vehicle	1	\$105,096	\$105,096	10	\$10,510
Mobile Command Post	1	\$600,000	\$600,000	20	\$30,000
SWAT Equipment Truck	1	\$300,000	\$300,000	15	\$20,000
Patrol Tahoe	30	\$69,139	\$2,074,185	5	\$414,837
HLO / POP Trucks	2	\$64,393	\$128,786	5	\$25,757
Motorcycles	2	\$32,995	\$65,990	5	\$13,198
Traffic cars	2	\$72,512	\$145,023	5	\$29,005
Community service jail transport	8	\$60,789	\$486,309	5	\$97,262
Undercover cars (Owned)	4	\$61,516	\$246,065	7	\$35,152
Patrol K9 Vehicle	2	\$71,230	\$142,460	5	\$28,492
Miscellaneous vehicles	5	\$40,000	\$200,000	7	\$28,571
Subtotal					\$732,784
RADIOS / CAMERAS - CURRENT					
In Car Dash Cameras	40	\$13,093	\$523,734	5	\$104,747
Portable Radios	116	\$6,798	\$788,603	5	\$157,721
Mobile Radios	62	\$7,590	\$470,611	5	\$94,122
Subtotal					\$356,589

Item	Quantity	Unit Cost	Total Cost	Lifecycle	Avg Annual Cost
RADIOS / CAMERAS – PLANNED					
In Car Dash Cameras	20	\$13,093	\$261,867	5	\$52,373
Portable Radios	50	\$6,798	\$339,915	5	\$67,983
Mobile Radios	20	\$7,590	\$151,810	5	\$30,362
Subtotal					\$150,718
FACILITY					
Facility / EOC	1	\$42,500,000	\$42,500,000	50	\$850,000
Subtotal					\$850,000
NEXUS ANALYSIS					
	1	\$10,000	\$10,000	5	\$2,000

The average annual cost for Police equipment is multiplied against the 24-year planning horizon to calculate the total cost associated with Police equipment based upon the categories of fleet, radios / cameras, facilities, and nexus analysis. The following table shows this calculation for the 24-year planning period:

Table 51: Total Projected Infrastructure Cost – 24 years

Category	Average Annual Cost	Planning Horizon	Total Cost
Current Fleet	\$595,332	24	\$14,287,968
Fleet Needed	\$732,784	24	\$17,586,816
Radios / Cameras – Current	\$356,589	24	\$8,558,136
Radios / Cameras - Planned	\$150,718	24	\$3,617,232
Facility Cost	\$850,000	24	\$20,400,000
Nexus Analysis	\$2,000	24	\$48,000
TOTAL	\$2,687,423	24	\$64,498,152

Overall, in the next 24 years the Police Department will require approximately \$64.5 million to meet the needs of existing and future populations of the City.

In addition to the \$64.5 million in costs, the other cost component to be considered is the administrative fee. For purposes of this study, the project team calculated the administrative fee based upon the total indirect costs allocated to the all Impact Fee funds from the FY 2022 Citywide Cost Allocation Plan and the average of the revenue collected by impact fee funds over the last three years. The following table shows this calculation:

Table 52: Impact Fee – Admin Fee Calculation

Category	Impact Fee Funds
Citywide Overhead	\$165,243
Impact Fee Revenue – 3 year average	\$5,877,779
ADMIN FEE RATE	2.80%

The proposed administrative fee for all impact fees would be 2.80%, which is higher than the current 2.50% administrative fee. This 2.80% accounts for support provided by City staff in the monitoring and reporting of impact fee funds.

3 Impact Fee Calculations

As the previous section calculated, the total infrastructure needs for the Police Department are approximately \$64.5 million. However, not all of this cost should be borne by the future population. Based upon the growth assumptions analysis, 27% of these costs should be borne by the future population. The following table shows the calculation for costs to be borne by future residential and non-residential populations:

Table 53: Projected Cost Calculation Between Existing and Future Population

Category	Infrastructure Costs	Proportion	Total Cost to Be Borne
Current Population	\$64,498,152	73%	\$47,083,651
Future Population	\$64,498,152	27%	\$17,414,501

Of the \$64.5 million, \$17.4 million should be borne by the future population. This \$17.4 million is split between residential and commercial based upon the proportion of calls for service for residential and commercial. The following table shows by future population cost, the proportion between residential and commercial to show the total cost:

Table 54: Projected Cost for New Development – Residential and Commercial

Category	Infrastructure Costs	Proportion of Calls for Service	Total Cost to Be Borne
Residential	\$17,414,501	78%	\$13,583,311
Commercial	\$17,414,501	22%	\$3,831,190

Approximately \$13.6 million of the \$17.4 million is residential and the remaining \$3.8 million is commercial-related. The \$13.6 and \$3.8 million is divided by the total projected population increase, to calculate the cost per capita, as shown in the following table:

Table 55: Projected Cost for New Development – Per Capita

Category	Infrastructure Costs	Projected Population Increase	Cost / Capita
Residential	\$13,583,311	44,355	\$306
Commercial	\$3,831,190	15,000	\$255

The cost per capita from this table was converted into a cost per dwelling unit and cost per sq. ft. based upon the density factors discussed in the projected growth and development chapter. The following table shows this calculation:

Table 56: Police Impact Fee Calculation

Category	Cost Per Capita	Density	Impact Fee
Residential			
Single-Family	\$306	2.94	\$900 per dwelling unit
Multi-Family	\$306	2.30	\$704 per dwelling unit

Category	Cost Per Capita	Density	Impact Fee
Non-Residential			
Commercial / Retail	\$255	550	\$0.46 per sq. ft.
Office	\$255	200	\$1.28 per sq. ft.
Industrial	\$255	1,500	\$0.17 per sq. ft.

As the table above indicates, the cost per dwelling unit varies from a low of \$704 for multi-family to a high of \$900 for single-family homes. The fees for commercial and non-residential vary from a low of \$0.17 per square foot for industrial to a high of \$1.28 per square foot for office properties. To calculate the full allowable fee, the 2.80% administrative fee is applied to the impact fee. The following table shows this calculation:

Table 57: Police Impact Fee Calculation Including Administrative Fee

Category	Impact Fee	Admin Fee	Total Impact Fee
Residential			
Single-Family	\$900	\$25	\$925 per dwelling unit
Multi-Family	\$704	\$20	\$724 per dwelling unit
Commercial / Non-Residential			
Commercial / Retail	\$0.46	\$0.01	\$0.47 per sq. ft.
Office	\$1.28	\$0.04	\$1.32 per sq. ft.
Industrial	\$0.17	\$0.005	\$0.17¹⁴ per sq. ft.

The addition of the administrative fee captures the full cost associated with the proportionate impact of future development. The following table compares the current Police Impact Fee to the fire full cost impact fee, and the associated surplus / (deficit).

Table 58: Police Impact Fee – Current vs. Full Cost

Category	Current Fee	Full Cost Fee	Surplus / (Deficit)
Residential (per dwelling unit)			
Single-Family	\$250	\$925	(\$675)
Multi-Family	\$183	\$724	(\$541)
Commercial / Non-Residential (per square foot)			
Commercial / Retail	\$0.06	\$0.47	(\$0.41)
Office	\$0.08	\$1.32	(\$1.24)
Industrial	\$0.03	\$0.17	(\$0.14)

As the table indicates, all current impact fees are under-recovering compared to the full cost. The primary reason for the significant difference in impact fees is due to the current fees being based on the analysis when infrastructure was not owned, but contracted out, as such there was minimal cost included in the previous analysis. The current analysis considers all equipment and facility needs.

¹⁴ This still rounds to \$0.17 since the admin fee is less than \$0.01.

4 Nexus Criteria

As discussed in the legal framework section, in order for an impact fee to be implemented it must meet all five of the nexus criteria as established per the Mitigation Fee Act. The following table outlines each criterion point, and how the proposed Police Impact fee meets the Mitigation Fee Act criteria.

Table 59: Police Impact Fees Nexus Criteria

Criteria	Meet	Don't Meet
Purpose of Fee	The purpose of the fee would be to upgrade existing Police headquarters, as well as purchase and replace police vehicles and equipment.	
Use of Fee Revenue	The Police Department has detailed capital improvement plans that outline the utilization of this fee revenue for current and future years to help ensure that there is appropriate expansion of police facilities and equipment to meet the public safety goals of the City.	
Benefit Relationship	The use of the impact fee revenue would be to build a new EOC facility and headquarters as well as to accommodate the appropriate number of vehicles that are needed to provide public safety services. New residents and employees receive benefits from increased equipment and more efficient response times.	
Impact Relationship	The addition of new residents and employees would have an impact on the ability of the Police department to respond adequately, including in an efficient manner. Therefore, the cost associated with adding additional equipment or expanding facilities to accommodate additional staff to allow for responses should be borne by new residents or employees.	
Proportionality	The proposed impact fee is calculated based upon proportionality of projected growth with the greatest impact by residential areas, followed by commercial areas. The fees are calculated on a per dwelling unit for residential properties and on a per sq. ft. basis for commercial properties as the impact is more space based rather than unit based.	

As the table demonstrates, the City is able to meet all five of the criteria necessary to impose a Police Development Impact Fee.

5 Comparative Survey

As part of this impact fee analysis, the project team conducted a comparative survey of surrounding jurisdictions who charge a Police Impact Fee. The following table compares the City's current fee and full cost to other surveyed jurisdictions in the region, which charge a police impact fee:

Table 60: Police Impact Fee Comparative Survey

Jurisdiction	Residential		Non-Residential		
	Single-Family	Multi-Family	Retail – Per Sq. Ft	Office – Per Sq. Ft	Industrial – Per Sq. Ft
Menifee – Current	\$250	\$183	\$0.06	\$0.08	\$0.03
Menifee – Full Cost	\$925	\$724	\$0.47	\$1.32	\$0.17
Corona	\$212	\$366	\$0.18	\$0.18	\$0.01
Hemet	\$471	\$404	\$0.223	\$0.223	\$0.013
Murrieta	\$597	\$417	\$0.13	\$0.17	\$0.06
Perris	\$59	\$54	\$0.017	\$0.017	\$0.017
Temecula	\$686	\$388	\$0.39	\$0.09	\$0.07

The majority of the surveyed jurisdictions charge fees similar to Menifee, per dwelling unit for residential and per square foot for non-residential. Among the surveyed jurisdictions Menifee's current fee is in line with Corona but lower than Hemet. Its full cost fee is higher than all other surveyed jurisdictions. Other than City of Perris, all other surveyed jurisdictions have in-house police departments.

All of the surveyed jurisdictions similar to Menifee, adopted a nexus analysis, and have been applying a cost factor to increase fees. The following table shows by jurisdiction, when the original nexus was adopted, and when the last fee amount was updated:

Table 61: Comparative Survey Information

Jurisdiction	Date of Original Nexus	Last Fee Update
Corona	N / A	2022
Eastvale	2012	2022
Hemet	2006	2021
Lake Elsinore	2016	2016
Murrieta	N / A	2019
Perris	2006	2022
Temecula	2003	2022

As the table indicates, while the majority of the jurisdictions have updated fees, the nexus for those fees has not been reevaluated in a substantial time. The only jurisdiction that has done an analysis within the last 10 years is Lake Elsinore.

8. Parks and Recreation

The City of Menifee provides Parks and Recreation services through its many parks and recreation centers. The City currently assess three different types of Parks and Recreation fees:

1. **Public Use Facilities:** This is in relation to the recreation center(s) that are to be built and rehabilitated within the City of Menifee.
2. **Parks – Land Improvements:** This is in relation to developing any land or land acquisitions (outside of the Quimby process) for parks.
3. **Parks – Improvements:** This is in relation to any park facility improvements such as playground equipment, benches, etc.

Through this study it was proposed that these three fees should be consolidated into a singular Parks and Recreation Impact Fee, which would cover all infrastructure. Additionally, any land acquisition costs were removed as those are intended to be funded through the Quimby fee. The following subsections discuss the growth assumptions utilized, cost components included, resulting impact fee calculation, ability to meet the nexus criteria, and a comparative analysis of Parks and Recreation Impact fees.

1 Growth Assumptions

The Community Services Department or Parks and Recreation primarily serves the residential population within the City of Menifee. While non-residents may utilize park facilities, for the strongest nexus, only residential population growth has been factored into this analysis. Future increased development would result in the need for expanded facilities, newer equipment, and new parks. The current recreation facilities benefit both existing and future development and to determine the proportionate share of existing and future development, the project team calculated the future service population for the City. The following table shows the current population, the future population, and the projected increase:

Table 62: Future Population Increase

Category	Existing Population	2045 Population	Population Increase
Residential	103,617	147,972	44,355

As the table indicates, the projected increase in the residential population is approximately 44,000, which reflects approximately a 43% increase compared to the

existing population. Therefore, future development should bear approximately 43% of the costs.

2 Cost Components and Assumptions

Due to the projected increase in residential population there will be an impact on the department's infrastructure. The City of Menifee last completed a Parks Master Plan in 2016 and is currently in the process of updating this Master Plan. The project team worked with City staff to identify projects from the Master Plan that had been completed and others that had been identified to be done based upon population growth. Additional projects beyond the master plan were also identified. The following table shows by project type, the proposed amount:

Table 63: Parks Identified Projects

Item	Total Cost
Community Center 2.18 Acres (Juanita / Goetz)	\$1,500,000
Evans Park	\$13,200,000
Utility Corridor Trail	\$5,000,000
Future Sun City Park Development	\$7,000,000
Future Park Development as identified in Section 5.5 of the Parks, Trails, Recreation and Open Space Master Plan Approved in 2016	\$15,000,000
Menifee Community Center (Menifee/La Piedra)	\$11,500,000
Salt Creek Trail Maintenance & Connectivity - Feasibility	\$250,000
Salt Creek Trail Parking & Future Improvements	\$2,000,000
Purchase of Portsmouth/Hartwick 2 Acres	\$2,060,000
Energy Efficient Lighting	\$250,000
Shade Sails	\$365,000
EL Pete Peterson Dog Park Expansion	\$350,000
Park Amenity Enhancements - includes replacement and addition of playgrounds, exercise equipment, benches, picnic tables and other amenities at existing park sites.	\$275,000
Nexus Analysis	\$48,000 ¹⁵
TOTAL COST	\$58,798,000

Overall, the Community Services Department will require approximately \$58.8 million to meet the needs of existing and future populations of the City. This need is for the projection of the Master Plan which is approximately 25 years.

In addition to the \$58.8 million in costs, the other cost component to be considered is the administrative fee. For purposes of this study, the project team calculated the administrative fee based upon the total indirect costs allocated to all Impact Fee funds from the FY 2022 Citywide Cost Allocation Plan and the average of the revenue collected by impact fee funds over the last three years. The following table shows this calculation:

¹⁵ Represents an average cost of \$10,000 for every 5 years, which is \$2,000 per year. The \$2,000 per year is multiplied by 24 years (the planning horizon) to come up with the \$48,000 nexus amount.

Table 64: Impact Fee – Admin Fee Calculation

Category	Impact Fee Funds
Citywide Overhead	\$165,243
Impact Fee Revenue – 3 year average	\$5,877,779
ADMIN FEE RATE	2.80%

The proposed administrative fee for all impact fees would be 2.80%, which is higher than the current 2.50% administrative fee. This 2.80% accounts for support provided by City staff in the monitoring and reporting of impact fee funds.

3 Impact Fee Calculations

As the previous section calculated, the total infrastructure needs for Parks and Recreation are approximately \$58.8 million. However, not all of this cost should be borne by the future population. Based upon the growth assumptions analysis, 43% of these costs should be borne by the future population. The following table shows the calculation for costs to be borne by future residential populations:

Table 65: Projected Cost Calculation Between Existing and Future Population

Category	Infrastructure Costs	Proportion	Total Cost to Be Borne
Current Population	\$58,798,000	57%	\$33,514,860
Future Population	\$58,798,000	43%	\$25,283,140

Of the \$58.8 million, \$25.3 million should be borne by the future population. This \$25.3 million is divided by the total projected population increase, to calculate the cost per capita, as shown in the following table:

Table 66: Projected Cost for New Development – Per Capita

Category	Infrastructure Costs	Projected Population Increase	Cost / Capita
Residential	\$25,283,140	44,355	\$570

The cost per capita from this table was converted into a cost per dwelling unit based upon the density factors discussed in the projected growth and development chapter. The following table shows this calculation:

Table 67: Parks and Recreation Impact Fee Calculation

Category	Cost Per Capita	Density / Unit	Impact Fee
Single-Family	\$570	2.94	\$1,676 per dwelling unit
Multi-Family	\$570	2.30	\$1,311 per dwelling unit

As the table indicates, the cost per dwelling unit varies from a low of \$1,311 for multi-family to a high of \$1,676 for single-family homes. To calculate the full allowable fee, the

2.80% administrative fee is applied to the impact fee. The following table shows this calculation:

Table 68: Parks and Recreation Impact Fee Calculation Including Administrative Fee

Category	Impact Fee	Admin Fee	Total Impact Fee
Single-Family	\$1,676	\$47	\$1,723 per dwelling unit
Multi-Family	\$1,311	\$37	\$1,348 per dwelling unit

The addition of the administrative fee captures the full cost associated with the proportionate impact of future development. The following table compares the current Parks and Recreation Impact Fees to the full cost impact fees, and the associated surplus / (deficit).

Table 69: Parks and Recreation Impact Fee – Current vs. Full Cost

Category	Current Fee ¹⁶	Full Cost Fee	Surplus / (Deficit)
Single-Family	\$1,116	\$1,723	(\$607)
Multi-Family	\$822	\$1,348	(\$526)

As the table indicates, all impact fees are under-recovering compared to the full cost.

4 Nexus Criteria

As discussed in the legal framework section, in order for an impact fee to be implemented it must meet all five of the nexus criteria as established per the Mitigation Fee Act. The following table outlines each criterion point, and how the proposed Parks and Recreation Impact fee meets the Mitigation Fee Act criteria.

Table 70: Parks and Recreation Impact Fees Nexus Criteria

Criteria	Meet	Don't Meet
Purpose of Fee	The purpose of the fee would be to fund the development of new parks and recreation facilities and improving existing playground areas.	
Use of Fee Revenue	The City has capital improvement plans that outline the utilization of this fee revenue for current and future years to help ensure that there is appropriate expansion and development of parks and recreation facilities and areas to meet current and future resident needs.	

¹⁶ The current fee includes all three Parks and Recreation Impact Fees – Public Use, Parks – Land Improvements, and Parks – Improvements.

Criteria	Meet	Don't Meet
Benefit Relationship	The use of the impact fee revenue would be to develop new facilities or expand or improve existing facilities, which would be directly proportional to the increased wear and tear and use of parks and recreation facilities as there is new residential growth in the City. The increase in residential population is related to the number of dwelling units and the impact fee would be applicable to dwelling units.	
Impact Relationship	Based upon the current and proposed parks and recreation facility needs in the City, the addition of new residents would require the need for new and expanded facilities.	
Proportionality	The proposed impact fee would be a flat fee per dwelling unit depending upon the density of the housing units to capture the residential impacts as the primary mechanism for addition of residential population to the City is through increased dwelling units.	

As the table demonstrates, the City is able to meet all five of the criteria necessary to impose a Parks and Recreation Development Impact Fee.

5 Comparative Survey

As part of this impact fee analysis, the project team conducted a comparative survey of surrounding jurisdictions who charge a Parks and Recreation Impact Fee. The following table compares the City's current fee and full cost for Parks and Recreation to other surveyed jurisdictions in the region, which charge a parks and recreation impact fee:

Table 71: Parks and Recreation Impact Fee Comparative Survey

Jurisdiction	Single-Family	Multi-Family
Menifee – Current	\$1,116	\$822
Menifee – Full Cost	\$1,723	\$1,348
Corona	\$311	\$218
Hemet	\$1,453	\$1,247
Lake Elsinore	\$2,145	\$1,722
Murrieta	\$5,127	\$3,582
Perris	\$9,468	\$8,397
Temecula	\$4,426	\$3,171

The fees charged by the surrounding jurisdictions vary quite dramatically from lows of \$311 to a high of \$8,348. Menifee's current fee is on the lower end of the average for the surrounding jurisdictions. It is important to note that many jurisdictions may include land acquisition costs in their Parks Impact Fees, hence the high dollar value associated with

those fees. The City of Menifee utilizes the Quimby Fee (not evaluated in this analysis) for the purposes of land acquisition.

All of the surveyed jurisdictions similar to Menifee, adopted a nexus analysis, and have been applying a cost factor to increase fees. The following table shows by jurisdiction, when the original nexus was adopted, and when the last fee amount was updated:

Table 72: Comparative Survey Information

Jurisdiction	Date of Original Nexus	Last Fee Update
Corona	N / A	2022
Eastvale	2012	2022
Hemet	2006	2021
Lake Elsinore	2016	2016
Murrieta	N / A	2019
Perris	2006	2022
Temecula	2003	2022

As the table indicates, while the majority of the jurisdictions have updated fees, the nexus for those fees has not been reevaluated in a substantial time. The only jurisdiction that has done an analysis within the last 10 years is Lake Elsinore.

9. Transportation

The City of Menifee currently assesses a transportation impact fee on new residential and commercial development projects within the City. The impact fee accounts for transportation-related improvements – roadways, traffic signals, transportation master plans, etc. The following subsections discuss the growth assumptions and standards utilized, cost assumptions and components, impact fee calculation, ability to meet the nexus criteria, and a comparative survey of transportation impact fees.

1 Growth Projections

The Transportation Impact Fee is based upon the future demand on transportation infrastructure due to new residents and employees moving into the City. The future demand is based upon the projected growth for the City. The projected growth section of this report discusses the residential and employment growth anticipated. The residential and employment growth is converted into number of dwelling units or total KSF (Thousand Square Feet) based upon density factors. The following table shows the calculation for current and future projected growth:

Table 73: Projected Residential and Commercial Growth

Category	Avg Density	Current Population (2021)	Current (2021) ¹⁷	Projected Population	Projected Growth (2045)
Single-Family	2.94	91,815	31,230	131,118	44,598
Multi-Family	2.30	11,802	5,131	16,854	7,328
Comm. / Retail	550	4,268	3,857,000	7,300	4,015,000
Office	200	8,827	1,126,000	5,840	1,168,000
Industrial	1,500	1,105	2,337,000	16,060	24,090,000

The current and projected growth calculations were multiplied against the average trip rate (based upon ITE Land Use Categories) to estimate the number of current and projected trips.

Table 74: Projected Residential and Commercial Growth

Category	Trip Rate	Current (2021)	Current Trips	Projected Growth (2045)	Projected Trips	Increase in Trips
Single-Family	0.99	31,230	30,918	44,598	44,152	13,234
Multi-Family	0.50	5,131	2,634	7,524	3,664	1,098
Comm. / Retail	2.41	3,857,000	9,304	4,015,000	9,686	382
Office	1.15	1,126,000	1,295	1,168,000	1,343	48
Industrial	0.65	2,337,000	1,519	24,090,000	15,659	14,140
TOTAL			45,602		74,504	28,902

¹⁷ This column shows total dwelling units (Single and Multi-Family)

Based upon the average trip rate, the expected growth the number of trips is 28,902. However, to determine the proportion borne by new development, the 28,902 trips were divided by the total future trips (74,504) to arrive at 39% to represent the proportionate impact associated with new development.

2 Cost Components and Assumptions

The Transportation Impact Fee is used to fund transportation related improvements. City staff developed a comprehensive listing of transportation improvement projects that would benefit both existing and new development within the City. The detailed project listing is included as an appendix to this report. The following table lists by major project category, the total costs associated with the project:

Table 75: Transportation Improvement Costs

Category	Total Project Cost
Signals	\$46,912,500
Traffic Project List	\$282,612,846
Intersection Realignment	\$5,000,000
Grade Separation	\$16,000,000
Bridge	\$15,000,000
Interchange	\$151,250,000
Nexus Analysis	\$48,000
TOTAL	\$516,823,346

The total cost of Transportation Improvement infrastructure costs is approximately \$516 million. It is important to note that not all \$516 million should be borne by new development as these proposed projects will also benefit existing residents.

In addition to the \$516 million in costs, the other cost component to be considered is the administrative fee. For purposes of this study, the project team calculated the administrative fee based upon the total indirect costs allocated to all Impact Fee funds from the FY 2022 Citywide Cost Allocation Plan and the average of the revenue collected by impact fee funds over the last three years. The following table shows this calculation:

Table 76: Impact Fee – Admin Fee Calculation

Category	Impact Fee Funds
Citywide Overhead	\$165,243
Impact Fee Revenue – 3 year average	\$5,877,779
ADMIN FEE RATE	2.80%

The proposed administrative fee for all impact fees would be 2.80%, which is higher than the current 2.50% administrative fee. This 2.80% accounts for support provided by City staff in the monitoring and reporting of impact fee funds.

3 Impact Fee Calculation

While the Transportation Impact Fee is based upon the total transportation improvements within the City, the full \$516 million is not intended to be borne by new development. Therefore, the project team utilized the 39% growth projection, which correlates to overall projected growth in estimated number of trips, to determine the proportional amount associated with new development. The following table multiplies the total project cost by new growth proportional amount to determine the cost to be borne by new development:

Table 77: Transportation Impact Costs to be Borne by New Development

Category	Total Project Cost	New Growth	New Development Cost
Signals	\$46,912,500	39%	\$18,295,875
Traffic Project List	\$282,612,846	39%	\$110,219,010
Intersection Realignment	\$5,000,000	39%	\$1,950,000
Grade Separation	\$16,000,000	39%	\$6,240,000
Bridge	\$15,000,000	39%	\$5,850,000
Interchange	\$151,250,000	39%	\$58,987,500
Nexus Analysis	\$48,000	39%	\$18,720
TOTAL	\$516,823,346		\$201,561,105

Of the \$516 million, only \$201.6 million is associated with new development. The total allocated costs to new development is then converted into a cost per trip by taking the total new development cost and dividing it by the projected number of trips. The following table shows the cost for new development, the total projected trips, and the cost per trip:

Table 78: Transportation Cost Per Trip

Total Allocated Cost	Projected Trips	Cost Per Trip
\$201,561,105	28,902	\$6,974

The cost per trip is \$6,967. The cost per trip is converted into the impact fee by multiplying it against the ITE established trip rate. The following table shows by land use type, the cost per trip, the trip rate, and the resulting impact fee:

Table 79: Transportation Impact Fee Calculation

Category	Cost Per Trip	Trip Rate	Impact Fee
Residential			
Single-Family	\$6,974	0.99	\$6,904 per dwelling unit
Multi-Family	\$6,974	0.5	\$3,487 per dwelling unit

Category	Cost Per Trip	Trip Rate	Impact Fee
Non-Residential			
Commercial / Retail	\$6,974	2.41	\$16,824 per 1,000 sq. ft.
Office	\$6,974	1.15	\$8,020 per 1,000 sq. ft.
Industrial	\$6,974	0.65	\$4,533 per 1,000 sq. ft.

As the ITE trip rates are based upon 1,000 sq. ft. for commercial / non-residential, the fees were calculated on a per 1,000 sq. ft. basis. However, for simplicity purposes, the fees were converted to per sq. ft. by taking the dollar amount and dividing it by 1,000 (e.g., \$16,824 divided by 1,000 = \$16.82¹⁸). The admin fee of 2.80% was then multiplied by the Transportation Impact Fee (TIF) to determine the administrative fee component. The administrative fee component was then added to the baseline TIF to arrive at the full cost TIF by category. The following table shows by category, the TIF, the admin fee, and the resulting full cost TIF:

Table 80: Transportation Impact Fee Calculation Including Administrative Fee

Category	Impact Fee	Admin Fee	Total Impact Fee
Residential (per dwelling unit)			
Single-Family	\$6,904	\$193	\$7,097 per dwelling unit
Multi-Family	\$3,487	\$98	\$3,585 per dwelling unit
Commercial / Non-Residential (per sq. ft.)			
Retail	\$16.82	\$0.47	\$17.29 per sq. ft.
Commercial / Office	\$8.02	\$0.22	\$8.24 per sq. ft.
Industrial	\$4.53	\$0.13	\$4.66 per sq. ft.

The addition of the administrative fee captures the full cost associated with the proportionate impact of future development. The following table compares the current Traffic Impact Fee to the full cost impact fee, and the associated surplus / (deficit).

Table 81: Transportation Impact Fee – Current vs. Full Cost

Category	Current Fee	Full Cost Fee	Surplus / (Deficit)
Residential (per dwelling unit)			
Single-Family	\$5,060	\$7,097	(\$2,037)
Multi-Family	\$3,534	\$3,585	(\$51)
Commercial / Non-Residential (per square foot)			
Retail	\$8.38	\$17.29	(\$8.91)
Commercial / Office	\$6.44	\$8.24	(\$1.80)
Industrial	\$4.27	\$4.66	(\$0.39)

As the table indicates, all current impact fees are under-recovering compared to the full cost. The increase in the impact fees is due to increased transportation projects and needs due to the anticipated growth within the City.

¹⁸ It equals \$16.807, but it was rounded to two decimals to \$16.81.

4 Nexus Criteria

As discussed in the legal framework section, in order for an impact fee to be implemented it must meet all five of the nexus criteria as established per the Mitigation Fee Act. The following table outlines each criterion point, and how the proposed Transportation Impact fee meets the Mitigation Fee Act criteria.

Table 82: Transportation Impact Fees Nexus Criteria

Criteria	Meet	Don't Meet
Purpose of Fee	The fee would be used to fund the development of new transportation improvement measures and improve existing transportation-related needs.	
Use of Fee Revenue	The City has capital improvement plans and transportation specific plans that outline the utilization of this fee revenue for current and future years to help ensure that there is appropriate expansion and development of transportation-related measures to meet current and future resident and employee needs.	
Benefit Relationship	The use of the impact fee revenue would be to enhance existing roadways or add new traffic measures, which would be directly proportional to the increased wear and tear and use of City infrastructure as there is new residential and commercial growth in the City. The increase in residential population is related to the number of dwelling units and the impact fee would be applicable to dwelling units. The increase in employment is related to non-residential space and is applicable to square footage.	
Impact Relationship	Based upon the current transportation needs in the City, the addition of new residents and employees would require the need for upgraded roadways and facilities.	
Proportionality	The proposed impact fee would be a flat fee per dwelling unit depending upon the density of the housing units to capture the residential impacts, as the primary mechanism for addition of residential population to the City is through increased dwelling units. For employees the fee is based upon non-residential square footage as that is the primary mechanism associated with increases in employment within the City.	

As the table demonstrates, the City is able to meet all five of the criteria necessary to impose a Transportation Development Impact Fee.

5 Comparative Survey

As part of this impact fee analysis, the project team conducted a comparative survey of surrounding jurisdictions who charge a Transportation Impact Fee. The following table compares the City's current fee and full cost to other surveyed jurisdictions in the region, which charge a transportation impact fee:

Table 83: Transportation Impact Fee Comparative Survey

Jurisdiction	Residential		Non-Residential		
	Single-Family	Multi-Family	Retail – Per Sq. Ft	Office – Per Sq. Ft	Industrial – Per Sq. Ft
Menifee – Current	\$5,060	\$3,534	\$8.38	\$6.44	\$4.27
Menifee – Full Cost	\$7,097	\$3,585	\$17.29	\$8.24	\$4.66
Corona	\$4,047	\$3,238	\$1.98	\$0.95	\$0.42
Eastvale	\$693	\$487	\$1.685	\$0.373	\$0.352
Hemet	\$2,948	\$2,030	\$4.47	\$4.47	\$0.74
Lake Elsinore	\$1,369	\$959	\$3.84	\$1.45	\$0.81
Murrieta	\$6,532	\$4,539	\$9.09	\$6.93	\$0.99
Perris	\$4,025	\$2,817	\$5.23	\$5.23	\$5.23
Temecula	\$3,062	\$2,143	\$11.71	\$7.02	\$4.21

The majority of the surveyed jurisdictions charge fees similar to Menifee, per dwelling unit for residential and per square foot for non-residential. Among the surveyed jurisdictions Menifee's current fee is higher than all other surveyed jurisdictions with the exception of Murrieta.

All of the surveyed jurisdictions similar to Menifee, adopted a nexus analysis, and have been applying a cost factor to increase fees. The following table shows by jurisdiction, when the original nexus was adopted, and when the last fee amount was updated:

Table 84: Comparative Survey Information

Jurisdiction	Date of Original Nexus	Last Fee Update
Corona	N / A	2022
Eastvale	2012	2022
Hemet	2006	2021
Lake Elsinore	2016	2016
Murrieta	N / A	2019
Perris	2006	2022
Temecula	2003	2022

As the table indicates, while the majority of the jurisdictions have updated fees, the nexus for those fees has not been reevaluated in a substantial time. The only jurisdiction that has done an analysis within the last 10 years is Lake Elsinore.

10. Storm Drain

The City of Menifee currently assesses two different Storm Drain Impact Fees depending upon the region of the City. The City recently went through a Master Drainage Plan, and the plan identified sub-basins and watersheds for the City. It was determined through this study, that the information from the Master Drainage Plan should be utilized as the basis of assessing the fee, and that the most accurate impact would be based upon the sub-basin and watershed. Appendix A of this report shows the Map from the Master Drainage Plan. The impact fee accounts for upgrades and acquisition of new storm drain facilities. The following subsections discuss the growth assumptions and standards utilized, cost assumptions and components, impact fee calculation, ability to meet the nexus criteria, and a comparative survey of Storm Drain impact fees.

1 Growth Projections

The project team worked with staff in Public Works and the City's GIS staff to determine the current population by sub-basin and watershed, and the projected population. Information from the City's current land use element showing the built-out projections for the City were used as the baseline for current and future growth. The projections were based upon acreage of development, which was converted into dwelling units or square feet based upon the City's current density for those land use types. The dwelling units and square feet were converted into equivalent dwelling units (EDUs) based upon the impervious coefficient per acre. The following table shows the EDU Demand Factor Calculation:

Table 85: EDU Demand Factor Calculation

Major Land Use	Impervious Coeff. Per Acre ¹⁹	DU or KSF per acre ²⁰	Impervious Factor per DU or KSF ²¹	EDU Demand Factor ²²
Single-Family	0.50	4.64	0.11	1.00
Multi-Family	0.65	16.67	0.04	0.36
Retail	0.90	9.99	0.09	0.84
Office	0.90	15.04	0.06	0.56
Industrial	0.90	17.67	0.05	0.47

¹⁹ The same coefficient from the previous study was utilized as it was determined to be appropriate per the most recent Master Drainage Plan.

²⁰ This information comes from the City's Land Use Element and incorporates the averages across all the different types of potential categories within that major land use category.

²¹ This is calculated by taking the Impervious Coefficient and dividing it by the DU or KSF per acre. For example, 0.50 divided by 4.64 = 0.11.

²² This is used to determine proportionality between Single-Family and all other land use categories.

The EDU Demand factor is used to calculate the current and built-out projected growth by major land use type. The following table shows the calculation for current and future projected growth based upon Sub-Basin and Watershed:

Table 86: Projected Residential and Commercial Growth – by Sub-Basin and Watershed and Land Use

Sub-Basin	Land Use Type	Current EDU Growth	Built-out EDU Growth	Difference
A_A	Retail	297.73	361.01	63.28
A_A	Single Family	806.92	1,092.52	285.60
A_B	Multi-Family	9.65	86.06	76.41
A_B	Office	29.33	34.61	5.28
A_B	Retail	221.19	491.87	270.68
A_B	Single Family	1,525.14	3,016.88	1,491.74
A_C	Multi-Family	45.07	242.78	197.71
A_C	Office	136.96	620.65	483.68
A_C	Retail	206.09	933.91	727.82
A_C	Single Family	1,398.26	1,499.95	101.69
B_A	Multi-Family	30.30	304.19	273.90
B_A	Single Family	2,729.08	3,613.86	884.79
B_A	Office	1,888.80	7,106.25	5,217.45
B_A	Retail	2,273.72	8,554.43	6,280.71
B_A	Industrial	2,571.52	9,674.86	7,103.33
B_B	Multi-Family	56.20	186.86	130.66
B_B	Single Family	1,635.26	1,987.95	352.69
F_A	Multi-Family	203.01	428.00	224.99
F_A	Office	633.71	1,273.63	639.93
F_A	Retail	1,580.87	2,688.12	1,107.25
F_A	Single Family	2,375.99	3,384.67	1,008.69
F_C	Multi-Family	-	76.36	76.36
F_C	Single Family	1,499.02	1,643.06	144.04
F_E	Multi-Family	668.22	723.46	55.23
F_E	Office	652.21	889.98	237.77
F_E	Retail	1,200.02	1,797.81	597.79
F_E	Single Family	1,760.63	2,172.42	411.78
Grand Total		26,807.85	56,289.32	29,481.47

As the table indicates overall there is expected to be a growth of approximately 29,481 EDUs between current and built-out Menifee by Sub-Basin and Watershed. This represents a 110% increase.

However, as the Master Drainage Plan is specific to the sub-basin and watershed, the project team calculated the specific growth percentage for each sub-basin and watershed. The following table shows this calculation:

Table 87: Projected Residential and Commercial Growth – by Sub-Basin and Watershed and Land Use

Sub-Basin	Current EDU Growth	Built-out EDU Growth	Difference	% Growth
A_A	1,104.65	1,453.53	348.88	32%
A_B	1,785.31	3,629.42	1,844.11	103%

Sub-Basin	Current EDU Growth	Built-out EDU Growth	Difference	% Growth
A_C	1,786.38	3,297.28	1,510.90	85%
B_A	9,188.18	28,105.20	18,917.02	211%
B_B	1,691.47	2,174.81	483.35	29%
F_A	4,793.57	7,774.42	2,980.85	62%
F_C	1,499.02	1,719.42	220.40	15%
F_E	4,281.08	5,583.66	1,302.58	30%

Based upon the consolidated sub-basin and watershed, the projected growth varies from a low of 10% for Sub-Basin A and Watershed A_C to a high of 211% for B_A. These specific growth percentages were utilized to attribute the cost to new development.

2 Cost Components and Assumptions

The Storm Drain Impact Fee is used to fund storm drain facility improvements. The Master Drainage Plan identified the top 25 projects for the City for storm drain facilities at the Sub-Basin and Watershed level. The detail of these projects has been provided as an appendix. The following table lists by Sub-Basin, the total project cost:

Table 88: Storm Drain Improvement Costs

Sub-Basin and Watershed	Total Project Cost
A_A	\$10,600,000
A_B	\$466,000
A_C	\$8,116,000
B_A	\$13,300,000
B_B	\$3,090,000
F_A	\$650,000
F_C	\$2,900,000
F_E	\$2,000,000
TOTAL	\$41,122,000

The total cost of Storm Drain Improvement infrastructure costs is approximately \$41.1 million. It is important to note that not all \$41.1 million should be borne by new development as these proposed projects will also benefit existing residents.

In addition to the \$41.1 million in costs, the other cost component to be considered is the administrative fee. For purposes of this study, the project team calculated the administrative fee based upon the total indirect costs allocated to all Impact Fee funds from the FY 2022 Citywide Cost Allocation Plan and the average of the revenue collected by impact fee funds over the last three years. The following table shows this calculation:

Table 89: Impact Fee – Admin Fee Calculation

Category	Impact Fee Funds
Citywide Overhead	\$165,243
Impact Fee Revenue – 3 year average	\$5,877,779
ADMIN FEE RATE	2.80%

The proposed administrative fee for all impact fees would be 2.80%, which is higher than the current 2.50% administrative fee. This 2.80% accounts for support provided by City staff in the monitoring and reporting of impact fee funds.

3 Impact Fee Calculation

While the Storm Drain Impact Fee is based upon the total storm drain improvements within the City, the full \$41.1 million is not intended to be borne by new development. Therefore, the project team utilized the specific growth projection percentages for each sub-basin and watershed, to determine the proportional amount associated with new development. The following table multiplies the total project cost by new growth proportional amount to determine the cost to be borne by new development:

Table 90: Transportation Impact Costs to be Borne by New Development

Sub-Basin / Watershed	Total Project Cost	New Growth	New Development Cost
A_A	\$10,600,000	32%	\$3,392,000
A_B	\$466,000	100% ²³	\$466,000
A_C	\$8,116,000	10%	\$6,898,600
B_A	\$13,300,000	100% ²⁴	\$13,300,000
B_B	\$3,090,000	29%	\$896,100
F_A	\$650,000	48%	\$403,000
F_C	\$2,900,000	15%	\$435,000
F_E	\$2,000,000	36%	\$600,000
TOTAL	\$41,122,000		\$26,390,700

Of the \$41.1 million, only \$26.4 million is associated with new development. The total allocated costs to new development is then converted into a cost per EDU by taking the total new development cost and dividing it by the projected number of EDU's expected to increase for that sub-basin and watershed. The following table shows by sub-basin and watershed the cost for new development, the total projected EDUs, and the cost per trip:

Table 91: Transportation Cost Per Trip

Sub-Basin / Watershed	Total Allocated Cost	Projected EDU's	Cost per EDU
A_A	\$3,392,000	348.88	\$9,723
A_B	\$466,000	1,844.11	\$253
A_C	\$6,898,600	1,510.90	\$4,566
B_A	\$13,300,000	20,790.39	\$640
B_B	\$896,100	483.35	\$1,854
F_A	\$403,000	2,980.85	\$135
F_C	\$435,000	220.40	\$1,974
F_E	\$600,000	1,302.58	\$461

²³ It is anticipated that there is 103% growth in this sub-basin / watershed, so all of the need for that sub-basin / watershed would be due to the new development in that area.

²⁴ It is anticipated that there is 211% growth in this sub-basin / watershed, so all of the need for that sub-basin / watershed would be due to the new development in that area.

As the table indicates the cost per EDU varies from a low of \$135 for Sub-Basin and Watershed F_A to a high of \$9,723 for Sub-Basin and Watershed A_A. The cost per EDU is then multiplied by the EDU Demand Factor for each land use type to determine the cost per dwelling unit or cost per 1,000 square feet. The following table shows by sub-basin and watershed, land use type, the cost per EDU, the EDU Demand factor, and the resulting impact fee:

Table 92: Storm Drain Impact Fee Calculation

Category	Cost Per EDU	EDU Factor	Impact Fee
A_A			
Single-Family	\$9,723	1.00	\$9,723 per dwelling unit
Multi-Family	\$9,723	0.36	\$3,522 per dwelling unit
Comm. / Retail	\$9,723	0.84	\$8,134 per 1,000 sq. ft.
A_B			
Single-Family	\$253	1.00	\$253 per dwelling unit
Multi-Family	\$253	0.36	\$92 per dwelling unit
Comm. / Retail	\$253	0.84	\$212 per 1,000 sq. ft.
Office	\$253	0.56	\$141 per 1,000 sq. ft.
A_C			
Single-Family	\$4,566	1.00	\$4,566 per dwelling unit
Multi-Family	\$4,566	0.36	\$1,654 per dwelling unit
Comm. / Retail	\$4,566	0.84	\$3,820 per 1,000 sq. ft.
Office	\$4,566	0.56	\$2,539 per 1,000 sq. ft.
B_A			
Single-Family	\$640	1.00	\$640 per dwelling unit
Multi-Family	\$640	0.36	\$232 per dwelling unit
Comm. / Retail	\$640	0.84	\$535 per 1,000 sq. ft.
Office	\$640	0.56	\$356 per 1,000 sq. ft.
Industrial	\$640	0.47	\$303 per 1,000 sq. ft.
B_B			
Single-Family	\$1,854	1.00	\$1,854 per dwelling unit
Multi-Family	\$1,854	0.36	\$672 per dwelling unit
F_A			
Single-Family	\$135	1.00	\$135 per dwelling unit
Multi-Family	\$135	0.36	\$49 per dwelling unit
Comm. / Retail	\$135	0.84	\$113 per 1,000 sq. ft.
Office	\$135	0.56	\$75 per 1,000 sq. ft.
F_C			
Single-Family	\$1,974	1.00	\$1,974 per dwelling unit
Multi-Family	\$1,974	0.36	\$715 per dwelling unit
F_E			
Single-Family	\$461	1.00	\$461 per dwelling unit
Multi-Family	\$461	0.36	\$167 per dwelling unit
Comm. / Retail	\$461	0.84	\$386 per 1,000 sq. ft.
Office	\$461	0.56	\$256 per 1,000 sq. ft.

As the EDU demand factor is based upon 1,000 sq. ft. for commercial / non-residential, the fees were calculated on a per 1,000 sq. ft. basis. However, for simplicity purposes,

the fees were converted to per sq. ft. by taking the dollar amount and dividing it by 1,000 (e.g., \$8,134 divided by 1,000 = \$8.13²⁵). The admin fee of 2.80% was then multiplied by the Storm Drain Impact Fee to determine the administrative fee component. The administrative fee component was then added to the baseline Storm Drain Impact Fee. The following table shows by sub-basin and watershed, land use category, the Storm Drain Impact Fee, the admin fee, and the resulting full cost Storm Drain Fee:

Table 93: Storm Drain Impact Fee Calculation Including Administrative Fee

Category	Impact Fee	Admin Fee	Full Cost Impact Fee
A_A			
Single-Family	\$9,723	\$272	\$9,995 per dwelling unit
Multi-Family	\$3,522	\$99	\$3,621 per dwelling unit
Retail	\$8.13	\$0.23	\$8.36 per sq. ft.
A_B			
Single-Family	\$253	\$7	\$260 per dwelling unit
Multi-Family	\$92	\$3	\$95 per dwelling unit
Retail	\$0.21	\$0.01	\$0.22 per sq. ft.
Office	\$0.14	\$0.00	\$0.14 per sq. ft.
A_C			
Single-Family	\$4,566	\$128	\$4,694 per dwelling unit
Multi-Family	\$1,654	\$46	\$1,700 per dwelling unit
Retail	\$3.82	\$0.11	\$3.93 per sq. ft.
Office	\$2.54	\$0.07	\$2.61 per sq. ft.
B_A			
Single-Family	\$640	\$18	\$658 per dwelling unit
Multi-Family	\$232	\$6	\$238 per dwelling unit
Retail	\$0.54	\$0.02	\$0.56 per sq. ft.
Office	\$0.36	\$0.01	\$0.37 per sq. ft.
Industrial	\$0.30	\$0.01	\$0.31 per sq. ft.
B_B			
Single-Family	\$1,854	\$52	\$1,906 per dwelling unit
Multi-Family	\$672	\$19	\$691 per dwelling unit
F_A			
Single-Family	\$135	\$4	\$139 per dwelling unit
Multi-Family	\$49	\$1	\$50 per dwelling unit
Retail	\$0.11	\$0.00	\$0.11 per sq. ft.
Office	\$0.08	\$0.00	\$0.08 per sq. ft.
F_C			
Single-Family	\$1,974	\$55	\$2,029 per dwelling unit
Multi-Family	\$715	\$20	\$735 per dwelling unit
F_E			
Single-Family	\$461	\$13	\$474 per dwelling unit
Multi-Family	\$167	\$5	\$172 per dwelling unit
Retail	\$0.39	\$0.01	\$0.40 per sq. ft.
Office	\$0.26	\$0.01	\$0.27 per sq. ft.

²⁵ It equals \$8.134 but it was rounded to two decimals to \$8.13.

The addition of the administrative fee captures the full cost associated with the proportionate impact of future development. Due to the nature of the modification of the proposed Storm Drain Impact Fee to be sub-basin and watershed based, there is no ability to compare it against to the City's current Storm Drain Impact Fee. In some instances, the fee will decrease, for example, the City's current fee in the MDP South Benefit Area is \$2,316 per Single-Family home. This current fee is lower than the fees in Sub-basin and Watershed A_A, A_C, and B_A, but higher than the fees in the other sub-basins and watershed such as Sub-Basin A_B.

The proposed modification to the Storm Drain fee is tied to the City's Master Drainage Plan and ensures that new development only within that area is contributing towards the storm drain impact to that region of the City.

4 Nexus Criteria

As discussed in the legal framework section, in order for an impact fee to be implemented it must meet all five of the nexus criteria as established per the Mitigation Fee Act. The following table outlines each criterion point, and how the proposed Storm Drain Impact fee meets the Mitigation Fee Act criteria.

Table 94: Storm Drain Impact Fees Nexus Criteria

Criteria	Meet	Don't Meet
Purpose of Fee	The fee would be used to fund improvements identified in the Storm Drain Master Drainage Plan for each sub-basin and watershed.	
Use of Fee Revenue	The City has a Master Drainage Plan that outlines the utilization of this fee revenue for future years to help ensure that there is appropriate expansion and development of storm drain-related facilities to meet current and future resident and employee needs.	
Benefit Relationship	The use of the impact fee revenue would be to enhance existing facilities, which would be directly proportional to the increased wear and tear and use of City infrastructure as there is new residential and commercial growth in the City. The increase in residential population is related to the number of dwelling units and the impact fee would be applicable to dwelling units. The increase in employment is related to non-residential space and is applicable to square footage.	
Impact Relationship	Based upon the current storm drain needs in the City, the addition of new residents and employees would require the need for upgraded use of storm drain facilities.	

Criteria	Meet	Don't Meet
Proportionality	The proposed impact fee would be a flat fee per dwelling unit depending upon the density of the housing units to capture the residential impacts, as the primary mechanism for addition of residential population to the City is through increased dwelling units. For employees the fee is based upon non-residential square footage as that is the primary mechanism associated with increases in employment within the City.	

As the table demonstrates, the City is able to meet all five of the criteria necessary to impose a Storm Drain Impact Fee.

5 Comparative Survey

As part of this impact fee analysis, the project team conducted a comparative survey of surrounding jurisdictions who charge a Storm Drain Impact Fee. Due to the nature of how storm drainage fees are assessed in these jurisdictions, it is difficult to provide an appropriate comparison, as many jurisdictions are also regional specific or calculated based upon the specific development type. Therefore, no comparable comparative information could be provided.

Appendix: Storm Drain Projects & Map

As discussed in the Storm Drain Impact Fee Chapter, this appendix lists out the detailed projects and cost assumptions utilized for the City of Menifee to calculate its Storm Drain Impact Fee.

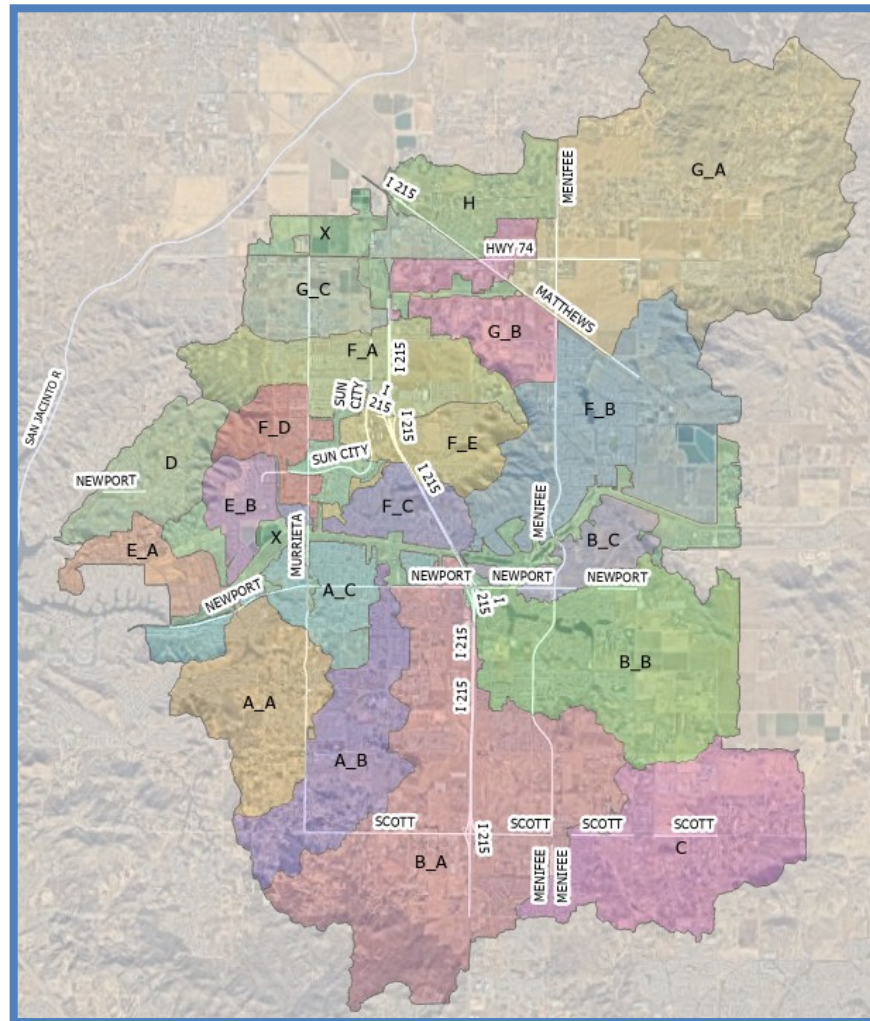
Table 95: Storm Drain Project Listing

Basin ID	Sub-Basin	Project Name	Project Type	Cost ²⁶
A	A_A	Murrieta and Craig & Craig and Hawthorn	CIP	\$10,600,000
A	A_B	Murrieta and Garbani	CIP	\$466,000
A	A_C	Lazy Creek and Murrieta	CIP	\$1,516,000
A	A_C	Dorval and Gifhorn	CIP	\$2,200,000
A	A_C	Lazy Creek and Sun Country	CIP	\$4,400,000
B	B_A	Paloma Valley Channel Upstream Improvements 1	Land Development	\$4,200,000
B	B_A	Paloma Valley Channel Upstream Improvements 2	Land Development	\$4,600,000
B	B_A	Paloma Valley Channel Upstream Improvements 3	Land Development	\$1,200,000
B	B_A	Paloma Valley Channel Upstream Improvements 4	Land Development	\$1,900,000
B	B_A	Paloma Valley Channel Upstream Improvements 5	Land Development	\$1,400,000
B	B_B	La Piedra and Spring Deep	CIP	\$2,100,000
B	B_B	Holland and Bell Mountain	CIP	\$990,000
F	F_A	Chambers and Murrieta	Land Development	\$650,000
F	F_C	Potomac and Piping Rock	CIP	\$2,900,000
F	F_E	McCall and Encanto	CIP	\$2,000,000

The following pages shows from the Master Drainage Plan, the watershed and sub-basins for the City of Menifee.

²⁶ This cost does not match the estimated cost in the master drainage plan as the City worked with the Master Drainage Consultant to modify estimates to reflect current cost assumptions and contingencies.

**Figure 3-2: Major Subwatershed
Drainage Areas**



Appendix: Transportation Project Listings

As discussed in the Transportation Impact Fee Chapter, this appendix lists out the detailed projects and cost assumptions utilized for the City of Menifee to calculate its Transportation Impact Fee.

Table 96: Traffic Signal Project Listing

Street Name	Classification	Street Name	Classification	Estimated Cost
Antelope Road	Secondary	Mclaughlin Road	Collector	\$450,000
Antelope Road	Major	Watson Road	Secondary	\$450,000
Antelope Road	Major	Wickerd Road	Collector	\$450,000
Antelope Road	Major	Albion Lane	Collector	\$450,000
Antelope Road	Major	Chambers Ave	Secondary	\$450,000
Bradley Road	Major	Garbani Road	Major	\$450,000
Bradley Road	Major	Rim Creek Path	Collector	\$450,000
Bradley Road	Secondary	Lazy Creek Road	Collector	\$450,000
Bradley Road	Secondary	Rio Vista Drive	Collector	\$450,000
Bradley Road	Secondary	Pebble Beach Drive	Collector	\$450,000
Bradley Road	Secondary	Cherry Hills Blvd	Secondary	\$450,000
Briggs Road	Major	Watson Road	Secondary	\$450,000
Briggs Road	Major	Simpson Road	Secondary	\$450,000
Briggs Road	Major	Tres Lagos Drive	Secondary	\$450,000
Briggs Road	Major	Old Newport Road	Collector	\$450,000
Briggs Road	Major	Grand Ave	Collector	\$450,000
Briggs Road	Major	Mclaughlin Road	Collector	\$450,000
Bundy Canyon Road	Urban Arterial	Murrieta Road	Arterial	\$450,000
Bundy Canyon Road	Urban Arterial	Sunset Ave		\$450,000
Chambers Ave	Secondary	Gross Pointe Drive	Collector	\$450,000
Cherry Hills Blvd	Secondary	Pebble Beach Drive	Collector	\$450,000
Encanto Drive	Major	Chambers Ave	Secondary	\$450,000
Encanto Drive	Major	Rouse Road	Secondary	\$450,000
Ethanac Road	Expressway	Sherman Road	Major	\$450,000
Ethanac Road	Expressway	Malaga Road	Collector	\$450,000
Ethanac Road	Expressway	Murrieta Road	Arterial	\$450,000
Ethanac Road	Expressway	Byers Road	Collector	\$450,000
Ethanac Road	Expressway	Evans Road	Collector	\$450,000
Evans Road	Secondary	Craig Ave	Collector	\$450,000
Evans Road	Secondary	Rim Creek Path	Collector	\$450,000
Garbani Road	Major	Haun Road	Major	\$450,000
Garbani Road	Major	Palomar Road	Collector	\$450,000
Garbani Road	Major	Briggs Road	Major	\$450,000
Garbani Road	Major	Sherman Road	Collector	\$450,000
Garbani Road	Collector	Evans Road	Secondary	\$450,000
Goetz Road	Arterial	Mclaughlin Road	Secondary	\$450,000
Goetz Road	Major	Ave Roble	Collector	\$450,000
Goetz Road	Major	Vista Way	Collector	\$450,000
Goetz Road	Major	Unnamed Road	Collector	\$450,000
Goetz Road	Major	Juanita Drive	Collector	\$450,000
Goetz Road	Major	Paseo La Plaza	Collector	\$450,000

Street Name	Classification	Street Name	Classification	Estimated Cost
Goetz Road	Major	Kabian Park	Collector	\$450,000
Haun Road	Major	Wickerd Road	Collector	\$450,000
Haun Road	Major	Craig Ave	Collector	\$450,000
Holland Road	Major	Evans Road	Secondary	\$450,000
Holland Road	Major	Pleasant Valley Blvd	Collector	\$450,000
Holland Road	Major	Sherman Road	Collector	\$450,000
Holland Road	Major	Palomar Road	Collector	\$450,000
Holland Road	Major	Briggs Road	Major	\$450,000
Honeyrun Road	Secondary	La Ladera Road	Collector	\$450,000
Keller Road	Major	Zeiders Road	Major	\$450,000
Mapes Road	Major	Trumble Road	Major	\$112,500
Mapes Road	Major	Antelope Road	Major	\$450,000
Mapes Road	Major	Briggs Road	Major	\$450,000
Mapes Road	Major	Sherman Road	Collector	\$450,000
Mapes Road	Major	Palomar Road	Collector	\$450,000
Mapes Road	Major	Malaga Road	Collector	\$450,000
Matthews Road	Major	Antelope Road	Major	\$450,000
McCall Blvd	Urban Arterial	Antelope Road	Major	\$450,000
McCall Blvd	Major	Gross Pointe Drive	Collector	\$450,000
McCall Blvd	Major	Pebble Beach Drive	Collector	\$450,000
Mclaughlin Road	Secondary	Byers Road	Collector	\$450,000
Mclaughlin Road	Secondary	Murrieta Road	Secondary	\$450,000
Mclaughlin Road	Secondary	Evans Road	Collector	\$450,000
Mclaughlin Road	Secondary	Barnett Road	Secondary	\$450,000
Menifee Road	Urban Arterial	Mclaughlin Road	Collector	\$450,000
Menifee Road	Urban Arterial	Watson Road	Secondary	\$450,000
Menifee Road	Urban Arterial	Mapes Road	Major	\$450,000
Menifee Road	Arterial	Wickerd Road	Collector	\$450,000
Menifee Road	Arterial	Craig Ave	Collector	\$450,000
Murrieta Road	Arterial	Lazy Creek Road	Collector	\$450,000
Murrieta Road	Secondary	Chambers Ave	Secondary	\$450,000
Murrieta Road	Arterial	La Piedra Road	Secondary	\$450,000
Murrieta Road	Arterial	Holland Road	Major	\$450,000
Murrieta Road	Secondary	Thornton Ave	Collector	\$450,000
Newport Road	Urban Arterial	Briggs Road	Major	\$450,000
Rouse Road	Major	Presley Street	Collector	\$450,000
Rouse Road	Major	Barnett Road	Secondary	\$450,000
Rouse Road	Major	Palomar Road	Collector	\$450,000
Rouse Road	Major	Byers Road	Collector	\$450,000
Rouse Road	Secondary	Trumble Road	Collector	\$450,000
Scott Road	Urban Arterial	Howard Way	Collector	\$450,000
Scott Road	Urban Arterial	Haleblain Road	Collector	\$450,000
Scott Road	Urban Arterial	Palomar Road	Collector	\$450,000
Scott Road	Urban Arterial	Meritt Road	Collector	\$450,000
Sherman Road	Major	Chambers Ave	Secondary	\$450,000
Sherman Road	Major	Mclaughlin Road	Collector	\$450,000
Sherman Road	Major	Rouse Road	Secondary	\$450,000
SR 74	Major	Watson Road	Collector	\$450,000
Sun City Blvd	Secondary	Chambers Ave	Secondary	\$450,000
Sun City Blvd	Secondary	Presley Street	Collector	\$450,000
Tres Lagos Drive	Secondary	Laguna Vista Drive	Collector	\$450,000

Street Name	Classification	Street Name	Classification	Estimated Cost
Valley Blvd	Arterial	Honeyrun Road	Secondary	\$450,000
Valley Blvd	Arterial	Ridgemoor Road	Collector	\$450,000
Valley Blvd	Arterial	Sun City Blvd	Collector	\$450,000
Valley Blvd	Arterial	Mccall Blvd	Major	\$450,000
Valley Blvd	Arterial	Chambers Ave	Secondary	\$450,000
Valley Blvd	Arterial	Rouse Road	Major	\$450,000
Valley Blvd	Arterial	Goetz Road	Major	\$450,000
Valley Blvd	Arterial	Murrieta Road	Arterial	\$450,000
Valley Blvd	Arterial	Cherry Hills Blvd	Collector	\$450,000
Valley Blvd	Arterial	Thorton Ave	Collector	\$450,000
Watson Road	Secondary	Palomar Road	Collector	\$450,000
Watson Road	Secondary	Malaga Road	Collector	\$450,000
Watson Road	Secondary	Sherman Road	Collector	\$450,000
TOTAL				\$46,912,500

In addition to the Traffic Signal Listing, this appendix also includes the detailed traffic project list. The following table shows the segment, the from: to, the segment length, the curb to curb length, and the total project cost included²⁷:

Table 97: Transportation Project Listing

Segment	From: To	Segment Length (FT)	Curb (FT)	Project Cost
Antelope Road	Craig Ave to Scott Rd	6,600	76	\$9,924,149
Antelope Road	Mapes Rd to Watson Rd	2,680	50	\$3,073,747
Antelope Road	Ethanac Rd to McLaughlin Rd	2,592	32	\$1,713,581
Antelope Road	McLaughlin Rd to Rouse Rd	2,900	72	\$4,131,105
Antelope Road	Rouse Rd to McCall Blvd	4,200	76	\$6,315,368
Antelope Road	Aldergate Dr to Palm Villa Dr	2,200	14	\$715,669
Antelope Road	La Piedra Rd to Albion Ln	1,712	5	\$360,964
Antelope Road	Holland Rd to Craig Ave	2,627	12	\$1,118,033
Bamett Road	Ethanac Rd to Patricia Ln	625	44	\$544,087
Bamett Road	Patricia Ln to McLaughlin Rd	1,939	72	\$2,762,142
Bamett Road	McLaughlin Rd to Plum Dr	1,370	43	\$1,304,882
Bamett Road	Plum Dr to Phyllis Rd	740	41	\$666,136
Bamett Road	Phyllis Rd to Rouse Rd	567	12	\$173,586
Bradley Road	Rio Vista Dr to Park Ave	1,258	8	\$279,089
Bradley Road	Park Ave to Newport Rd	1,006	28	\$621,256
Bradley Road	Holland Rd to Coroson Ave	1,324	49	\$641,785
Bradley Road	Coroson Ave to Craig Ave	1,270	40	\$1,111,686
Bradley Road	Craig Ave to Tupelo Rd	1,343	56	\$1,549,463
Bradley Road	Tupelo Rd to Garbani Rd	698	76	\$1,049,554
Briggs Road	Mapes Rd to Alicante Dr	1,300	23	\$651,074
Briggs Road	Alicante Dr to Watson Rd	1,325	41	\$1,088,296
Briggs Road	Watson Rd to School South	1,415	21	\$587,911
Briggs Road	School South to Hwy 74	1,215	42	\$1,009,628
Briggs Road	Hwy 74 to McLaughlin Rd	1,215	22	\$528,853
Briggs Road	McLaughlin to Meadow Oaks St	1,825	76	\$2,744,178

²⁷ The total project cost is inclusive of right-of-way costs, construction costs, design, project management, and construction management.

Segment	From: To	Segment Length (FT)	Curb (FT)	Project Cost
Briggs Road	Meadow Oaks St to Matthews Rd	3,345	43	\$2,845,773
Briggs Road	Simpson Rd to N. Olive Ave	2,142	76	\$3,220,837
Briggs Road	N. Olive Ave to S. Olive Ave	572	76	\$860,093
Briggs Road	S. Olive Ave to Domenigoni Pkwy	2,357	76	\$3,544,124
Briggs Road	Domenigoni Pkwy to Angler Ln	2,080	76	\$3,127,611
Briggs Road	Angler Ln to Old Newport Rd	1,314	52	\$1,351,869
Briggs Road	Scott Rd to Golden J. Ln	2,643	52	\$2,783,027
Byers Road	Ethanac Rd to Resue Rd	5,368	44	\$4,673,055
Chambers Avenue	Valley Bl to Connie Way	750	8	\$156,853
Chambers Avenue	Connie Way to Munieta Or	1,404	44	\$1,257,964
Chambers Avenue	I215 to School	1,525	72	\$2,172,391
Chambers Avenue	School to Sherman Rd	1,035	34	\$696,234
Chambers Avenue	Sherman Rd to Chatham Ln	1,968	40	\$1,582,521
Chambers Avenue	Chatham Ln to Antelope Rd	646	72	\$920,239
Craig Ave	Evans Rd to Bradley Rd	2,639	12	\$626,551
Craig Ave	Bradley Rd to Linda Lee Dr	2,639	44	\$2,297,353
Craig Ave	Linda Lee Dr to Pleasant Valley Rd	745	44	\$648,552
Craig Ave	Pleasant Valley Rd to Haun Rd	2,316	44	\$2,016,169
Encanto Drive	Mccall to McLaughlin			\$3,688,410
Evans Road	Ethanac Rd to McLaughlin Rd	2,648	44	\$2,305,188
Evans Road	McLaughlin Rd to Nova Ln	651	12	\$154,560
Evans Road	Now In to Rouse Rd	1,930	44	\$1,680,141
Evans Road	La Piedra Rd to Holland Rd	2,373	72	\$3,380,384
Evans Road	Holland Rd to Craig Ave	2,610	39	\$2,027,200
Evans Road	Garbani Rd to Wickerd Rd	2,680	44	\$2,333,046
Garbani Rd	School East Ori'eWay to Evans Rd	1,136	20	\$449,515
Garbani Rd	Daniel Rd to Country Haven Ln	1,799	8	\$284,746
Garbani Rd	Country Haven Ln to Bradley Rd	670	44	\$583,261
Garbani Rd	Meniffee Rd to Briggs Rd	5,267	52	\$5,633,090
Garbani Road	1-215 to Meniffee	6,013	38	\$3,570,219
Garbani Road	1-215 to Bradley	7,473	38	\$4,437,094
Goetz Rd	Ethanac Rd to Goldenrod A	2,667	30	\$1,677,972
Haun Road	Holland Rd to Scott Rd			\$8,031,604
Haun Road	La Piedra Rd to Holland Rd	2,617	26	\$1,346,210
Haun Road	Scott Rd to Shopping Center	1,161	7	\$267,084
Haun Road	Shopping Center to Annie Cir	2,711	76	\$4,166,055
Haun Road	Annie Cir to Keller Rd	1,394	44	\$1,316,359
Heritage Lake Drive	Palomar St to Meniffee Rd	2,664	76	\$4,005,747
Holland Road	Anna Ln to Murrieta Rd	2,942	52	\$3,565,426
Holland Road	Hanover Ln to Palomar Rd	1,336	36	\$951,579
Holland Road	Southshore Dr to Briggs Rd	2,664	40	\$2,108,288
Howartl Way	Wickerd Rd to Scott Rd	2,652	44	\$2,740,320
Howard Way	Scott Rd to Ciccotti St	2,641	44	\$2,406,657
Keller Road	Zeiders Rd to 1215	1,288	44	\$1,121,255
La Piedra Rd	Stem Or to Sherman Rd	1,340	72	\$1,908,855
Leon Road	Scott Rd to Keller Rd	5,287	46	\$5,188,218
Lindenberger Road	Camino De Los Gaballos to Obsidian	2,633	28	\$1,458,628
Lindenberger Road	Obsidian Ct to Scott Rd	2,072	11	\$482,598
Lindenberger Road	Chaparral Or to Cresta Dr	2,343	31	\$1,645,620
Lindenberger Road	Cresta Dr to Silver Summit Rd	353	8	\$55,873
Lindenberger Road	Silwr Summit Rd to Trailhead Or	1,674	38	\$1,258,563

Segment	From: To	Segment Length (FT)	Curb (FT)	Project Cost
Lindenberger Road	Trailhead Or to Simpson Rd	600	2	\$23,742
Malaga Road	Mapes Rd to Citation Ave	2	44	\$1,758
Malaga Road	Citation Ave to Varela Ln	1,970	44	\$1,714,963
Malaga Road	Varela Ln to Sr 74	1,339	44	\$1,165,652
Mapes Road	Trumble Rd to Shem,an Rd	1,310	26	\$860,459
Mapes Road	Shem,an Rd to Dawson Rd	1,305	28	\$862,355
Mapes Road	Davidson Rd to Menifee Rd	6,680	26	\$4,183,665
Mapes Road	Menifee Rd to Briggs Rd	5,358	26	\$2,956,075
McCall Blvd	Valley Blvd to Radford Or	825	44	\$823,088
McLaughlin Rd	Goetz Rd to Byers Rd	2,520	72	\$3,589,788
McLaughlin Rd	Byers Rd to Murrieta Rd	2,600	72	\$3,716,972
McLaughlin Rd	Murrieta Rd to Hull Rd	1,308	40	\$1,041,825
McLaughlin Rd	Hull Rd to Evans Rd	1,326	39	\$1,023,161
McLaughlin Rd	Evans Rd to Barnett Rd	1,330	72	\$1,894,610
McLaughlin Rd	Encanto Dr to Alta Ave	736	11	\$160,179
McLaughlin Rd	Alta Ave to Trumble Rd	510	11	\$110,994
McLaughlin Rd	Trumble Rd to Sherman Rd	1,330	44	\$1,157,817
McLaughlin Rd	Sherman Rd to Antelope Rd	2,596	44	\$2,259,920
McLaughlin Rd	Antelope Rd to Matthews Rd	2,728	44	\$2,374,831
McLaughlin Rd	Matthews Rd to Menifee Rd	1,255	44	\$1,139,671
McLaughlin Rd	Menifee Rd to Briggs Rd	5,334	44	\$4,643,457
Menifee Rd	Mapes Rd to Watson Rd	2,620	86	\$4,524,576
Menifee Rd	Watson Rd to SR 74	2,640	86	\$4,559,115
Normandy Road	La Ladera Rd to Berea Rd	2,595	14	\$718,789
Palomar Rd	Mapes Rd to Watson Rd	2,640	18	\$940,183
Palomar Rd	Cider St to SR 74	1,503	14	\$416,316
Palomar Rd	Matthews Rd to Rouse Rd	3,556	44	\$3,095,638
Palomar Rd	Rouse Rd to Heritage Lake Dr	1,352	44	\$1,176,969
Palomar Rd	Holland Rd to Overland Ct	699	12	\$180,196
Palomar Rd	Craig Ave to Tupelo Rd	1,325	7	\$244,153
Palomar Rd	Garbani Rd to Scott Rd	5,280	44	\$4,596,448
Rouse Road	Valley Blvd to Byers Rd	700	76	\$1,052,561
Rouse Road	Byers Rd to Geary St	1,335	37	\$1,051,976
Rouse Road	Hull Rd to Barnett Rd	1,425	47	\$1,426,559
Rouse Road	Encanto Dr to Myles Ct	719	43	\$695,797
Rouse Road	Myles Ct to Dawson Rd	3,128	40	\$2,475,497
Rouse Road	Dawson Rd to Antelope Rd	1,539	72	\$2,192,335
Rouse Road	Palomar Rd to Menifee Rd	2,600	38	\$1,954,757
Sherman Road	Sr 74 to Jackson Ave	280	2	\$48,205
Sherman Road	Jackson Ave to Harrison Ave,	744	22	\$339,733
Sherman Road	Harrison Ave to Ethanac Rd	1,100	57	\$1,402,753
Shennan Road	Ethanac Rd to McLaughlin Rd	2,626	76	\$4,376,062
Shennan Road	McLaughlin Rd to Airstream Way	1,010	76	\$1,570,061
Shennan Road	Airstream Way to Vanilla Ct	1,214	43	\$1,292,187
Shennan Road	Rouse Rd to Chambers Ave	2,692	76	\$4,047,850
Shennan Road	Shadel Rd to McCall Blvd	672	24	\$407,965
Shennan Road	McCall Blvd to Alta Vista Way	774	12	\$203,470
Sherman Road	El Molina Viejo to Holland Rd	1,315	10	\$260,173
Shennan Road	Craig Ave to Tupelo St	1,312	44	\$1,142,148
Shennan Road	Garbani Rd to Diego Way	1,330	44	\$1,157,817
Shemian Road	Diego Way to Wickerd Rd	1,289	44	\$1,122,125

Segment	From: To	Segment Length (FT)	Curb (FT)	Project Cost
Simpson Road	Lindenberger Rd to Briggs Rd	1,980	14	\$548,440
Tres Lagos Drive	South Shore Dr to Briggs Rd	2,596	72	\$4,358,176
Trumble Road	Watson Rd to Illionis Ave	1,335	4	\$105,652
Trumble Road	Illionis Ave to Ethanac Rd	1,341	4	\$106,127
Trumble Road	Ethanac Rd to McLaughlin Rd	2,658	44	\$2,313,894
Trumble Road	McLaughlin Rd to Almaden Ln	2,195	12	\$744,399
Valley Blvd	Goldenrod Ave to Troy Ln	2,357	86	
Valley Blvd	Troy Ln to Thornton Ave	2,500	86	\$4,253,772
Valley Blvd	Thornton Ave to Chambers Ave	1,320	54	\$1,497,557
Valley Blvd	Missing Link 1			\$2,479,134
Valley Blvd	Missing Link 2			\$6,478,530
Watson Road	SR 74 to Shennan Rd	600	72	\$854,711
Watson Road	Sherman Rd to Antelope Rd	2,623	48	\$2,837,854
Watson Road	Antelope Rd to Palomar Rd	2,693	27	\$1,739,914
Watson Road	Palomar Rd to Menifee Rd	2,690	43	\$2,534,805
Watson Road	Menifee Rd to Cumming Ave	1,333	48	\$1,515,427
Walson Road	Cumming Ave to Briggs Rd	4,014	50	\$4,346,477
Wickerd Road	Ascot Way to Howard Rd	1,300	44	\$1,131,701
Wickerd Road	Howard Rd to Haun Rd	1,318	14	\$365,073
Wickerd Road	Antelope Rd to Haleblain Rd	3,685	44	\$3,207,938
Wickerd Road	Haleblain Rd to Menifee Rd	1,308	44	\$1,138,666
TOTAL				\$282,612,846

The final set of information for Transportation is some of the specific traffic projects. The following table lists by project name, the project type, and total estimated project cost:

Table 98: Traffic Project Listing

Project Name	Project Type	Estimated Cost
Holland and Murrieta	Intersection Realignment	\$5,000,000
Railway Grade Separation - Briggs Rd at Matthews Rd	At Grade Separation	\$3,000,000
Railway Grade Separation - Menifee Rd/S of Matthews R -	At Grade Separation	\$3,000,000
Railway Grade Separation - Sherman Rd/SW of Hwy 74	At Grade Separation	\$10,000,000
At Grade Separation Subtotal		\$16,000,000
Murrieta Bridge over Salt Creek	Bridge	\$15,000,000
Garbani Interchange	Interchange	\$65,000,000
Keller Interchange (West side)	Interchange	\$16,250,000
Scott Road/I-215 (West side) Interchange	Interchange	\$35,000,000
McCall Boulevard/I-215 Interchange	Interchange	\$35,000,000
Interchange Subtotal		\$151,250,000