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Developers may face heavier fees

By Mark Wheeler / Hi-Desert Star

YUCCA VALLEY — Yucca Valley's Town Council will be reviewing its development impact fee structure on Thursday. Adopted in October 2005 after much committee and public hearing discussion, the fees were enacted in January 2006 with the proviso they would be reviewed annually thereafter.

The financial consulting firm MuniFinancial was contracted in 2005 to study the Town's revenue streams and the projected costs for its future development. Its final objective was the identification of a development impact fee structure with a list of legally defensible fees the Town could charge different categories of development for the resource impacts they would have.

Development impact fees are carefully regulated according to Assembly Bill 1600. No fee, for instance, may be imposed on a development for any community improvement purposes other than those that can be directly associated with the development.

The money raised in fees can only be spent for general facilities, park facilities, trails, storm drains and streets and traffic.

Through these regulations, it is expected that the people actually paying the fees — developers and the consumers of their products — will only pay for the share of impacts they cause and for improvements by which they may enjoy benefit.

In addition, the fee imposed may not exceed a cost for improvements that is based on reasonable market costs for materials and labor.

MuniFinancial's fee recommendations for the different categories of development broke out in this fashion.

- Commercial development: \$19,488 per 1,000 square feet.
- Office development: \$17,543 per 1,000 square feet.
- Industrial development: \$7,497 per 1,000 square feet.
- Single-family residence: \$15,615 per unit.
- Multi-family residence: \$10,820 per unit.

During the summer of 2005, the Town convened a blue ribbon committee of officials, business professionals and citizens to review and discuss MuniFinancial's recommendations.

At the end of those meetings, the Town Council elected to implement the fees selectively and tentatively, with the provision to review the matter annually.

At that time, the council declined to apply fees for commercial, office and industrial projects.

Single-family residences were rated for \$5,200 per unit and multi-family residences for \$3,600 per unit.

The subject of much debate during its original hearing before the council, the fee program will no doubt be cause

for some similar discussion on Thursday.

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Mark Wheeler covers Yucca Valley government for the Star. You may reach him at mwheeler@hidesertstar.com.

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