



Staff Report

File #: 23-0222

REQUEST FOR CITY COUNCIL ACTION

DATE: 03/15/2023

TO: Honorable Mayor and City Council Members

FROM: Planning & Development Department

SUBJECT:

REIMBURSEMENT AGREEMENT UNDER THE TRANSPORTATION UNIFORM MITIGATION FEE PROGRAM FOR PARCEL MAP 37747, LOCATED NORTH OF PARKRIDGE AVENUE ON THE WEST SIDE OF MAIN STREET

EXECUTIVE SUMMARY:

This staff report asks the City Council to consider the execution of a Transportation Uniform Mitigation Fee (TUMF) Reimbursement Agreement between the City and the developer of Parcel Map 37747. The developer, CI Ranch II, LLC, has completed the construction of the missing public improvements adjacent to the project site on North Main Street, a regional roadway that is covered by the Western Riverside County Regional System of Highways and Arterials. The reimbursement agreement would allow the developer to receive a reimbursement from the Western Riverside County's TUMF program in an amount up to \$1,836,955.

RECOMMENDED ACTION:

That the City Council authorize the City Manager, or his designee, to execute the Reimbursement Agreement between the City and CI Rancho II, LLC, a California Limited Liability Company, under the Transportation and Uniform Mitigation Fee Program following the provisions of City Ordinance 3264.

BACKGROUND & HISTORY:

Parcel Map 37747 (PM 37747) subdivided 4.49 acres into four parcels for commercial purposes. The City Council originally approved PM 37747 on August 5, 2020. The parcel map has since been recorded and the project site has been developed, which contains several restaurants and a car wash. The City accepted the public improvements constructed by the developer on June 1, 2022.

Corona Municipal Code (CMC) 16.21 adopts the TUMF Program, which is managed by the Western Riverside Council of Governments (WRCOG). The City is a member agency of the TUMF program, which is a regional development impact fee that is required of new developments and paid by the

applicant. The applicant pays the TUMF directly to WRCOG. The TUMF program allows a developer to apply for a reimbursement under the TUMF program if the roadway improvement is identified in the TUMF program and allocated funding. Per the CMC, prior to a developer receiving credit towards the construction of a TUMF facility, a written credit agreement shall be executed between the City and the developer.

On March 17, 2021, the developer entered into an Improvement and Credit Agreement with the City for all eligible costs associated with the construction of the missing public improvements on North Main Street adjacent to the project site. The agreement provides a means by which the developer's costs can offset their obligation to pay the applicable TUMF for the project and receive reimbursement through a Reimbursement Agreement to the extent the costs of the improvement exceed the TUMF obligation.

ANALYSIS:

The developer submitted a request to WRCOG to evaluate the roadway improvements that were constructed on North Main Street as part of PM 37747 for a Reimbursement Agreement. WRCOG reviewed the request and verified the eligible expenses associated with the roadway improvement is at least \$1,173,103. Additionally, the developer made a TUMF payment for the project. Below is a summary of the developer's TUMF payment and eligible cost associated with the improvement.

TUMF Payments for PM 37747	Eligible Costs as of 1/24/2023
\$2,831	\$1,173,103

WRCOG has determined that the developer is eligible to receive a TUMF reimbursement in the amount of \$1,175,934, which is the sum of the TUMF payment and eligible cost. WRCOG has indicated that this amount may increase subject to the review of additional documents and clarification from the developer. However, the total amount of the reimbursement shall not exceed the funding allocated for the improvement under the TUMF program, which is calculated at \$1,836,955 (rounded to the nearest dollar). Below is a summary of the available funding and current reimbursement amount provided by WRCOG on January 24, 2023.

Phase	Available Funding	Eligible Expenses	Reimbursement
Planning	\$31,432	\$0	\$0
Engineering	\$78,579	\$0	\$0
Right-of-Way	\$1,256,068	\$702,228	\$702,228
Construction	\$313,715	\$478,695	\$313,715
Contingency	\$157,160	N/A	\$157,160
Total	\$1,836,955	\$1,180,923	\$1,173,103

WRCOG has recommended that the City enter into the TUMF Reimbursement Agreement with the developer, which would allow the developer to proceed with the reimbursement request at WRCOG.

FINANCIAL IMPACT:

The TUMF is a regional development impact fee that is paid directly to the Western Riverside Council of Governments to oversee and implement the local and regional roadway improvements identified in the TUMF program. The TUMF is not a City development impact fee that is kept by the City. Therefore, the Reimbursement Agreement will not have a fiscal impact on the City.

ENVIRONMENTAL ANALYSIS:

This action is exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the commonsense exemption that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. This action approves an agreement for a previously approved project. There is no possibility that this action will have a significant effect on the environment. Therefore, no environmental analysis is required.

PREPARED BY: CHRISTOPHER HORN, P.E., DEVELOPMENT SERVICES MANAGER

REVIEWED BY: JOANNE COLETTA, PLANNING & DEVELOPMENT DIRECTOR

Attachments:

1. Exhibit 1 - Location Map
2. Exhibit 2 - Reimbursement Agreement
3. Exhibit 3 - Improvement Depiction
4. Exhibit 4 - Improvement and Credit Agreement