

Western Riverside Council of Governments (WRCOG) Fee Comparison Study Review

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Christopher Gray
Director of Transportation & Planning
Western Riverside Council of Governments (WRCOG)

1

Fee Study Overview

- In 2016 WRCOG conducted a fee comparison analysis on fees/exactions required and collected by jurisdictions/agencies in-and-immediately adjacent to the WRCOG subregion.
 - Study also looked into the effect of other development costs (cost of land, interest rates) within the overall development framework, and analyzed the economic benefits of transportation investment in subregion.
- Update tried to follow same methodology with only updated fee structures.
 - Obtained direct feedback from Water District staff on water meter assumptions by use
- Study also analyzed fees in neighboring jurisdictions in San Bernardino and Coachella Valley



2

Development Types Analyzed



- **Single-Family Residential Development** – 50 unit residential subdivision with 2,700 square foot homes and 7,200 square foot lots.



- **Multi-Family Residential Development** – 200 unit market-rate, multi-family residential development in 260,000 gross square foot of building space.



3

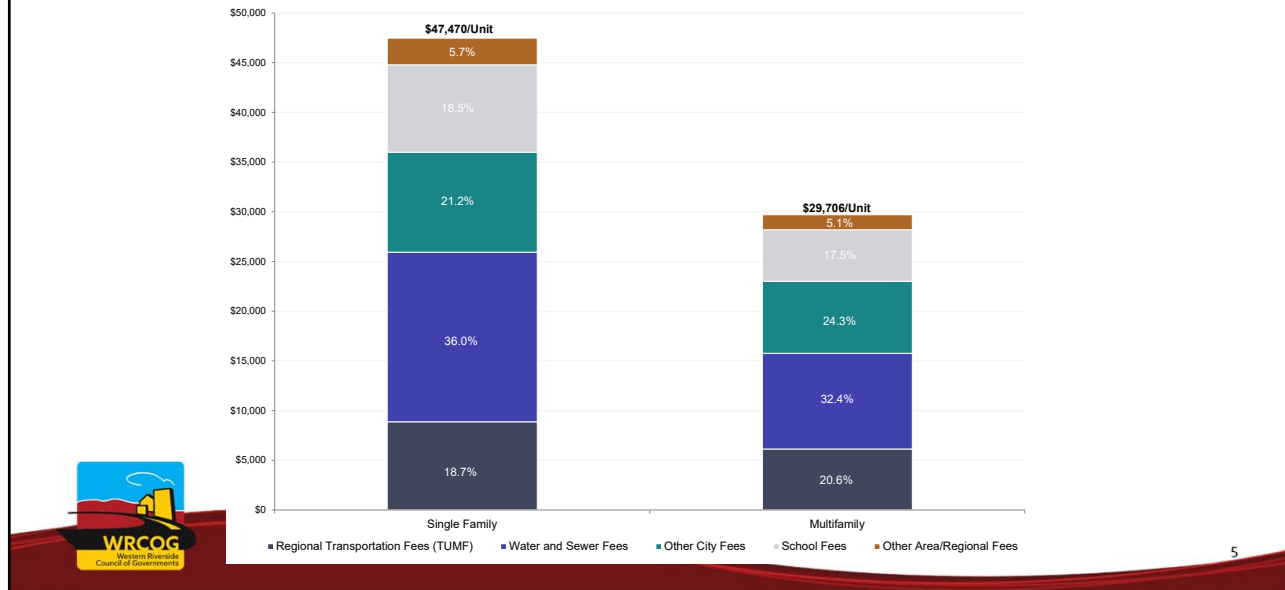
Development Types Analyzed – cont.

- **Retail Development** – 10,000 square foot retail building.
- **Office Development** – 20,000 square foot, Class A or Class B office building.
- **Industrial Development** – 265,000 square foot “high cube” industrial building.

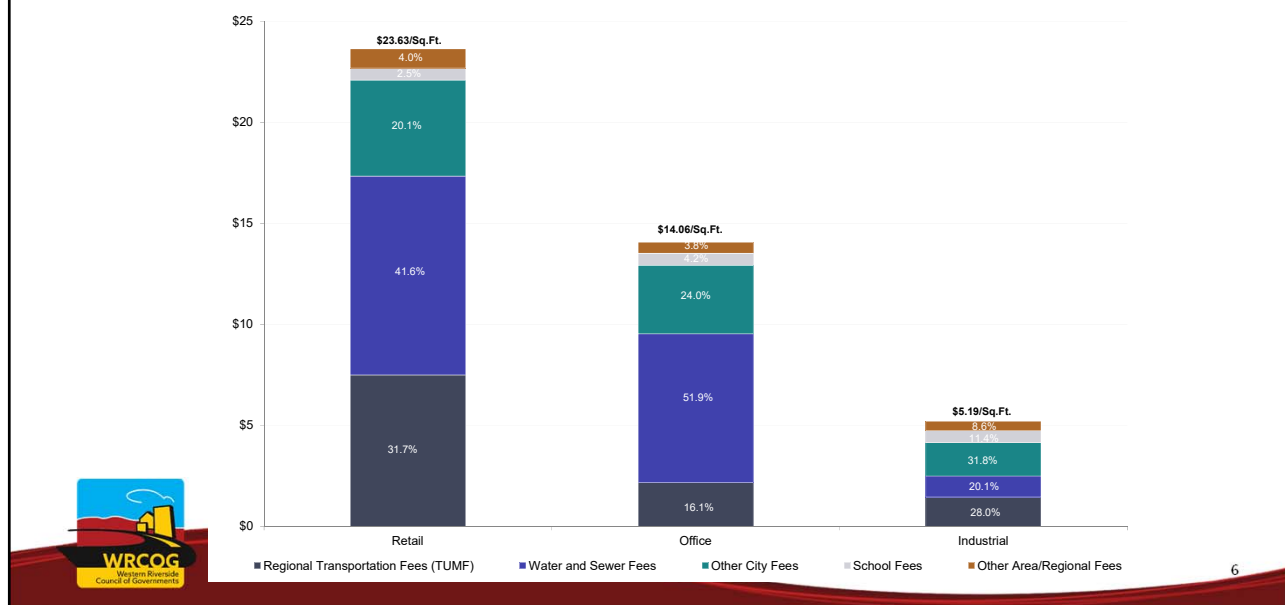


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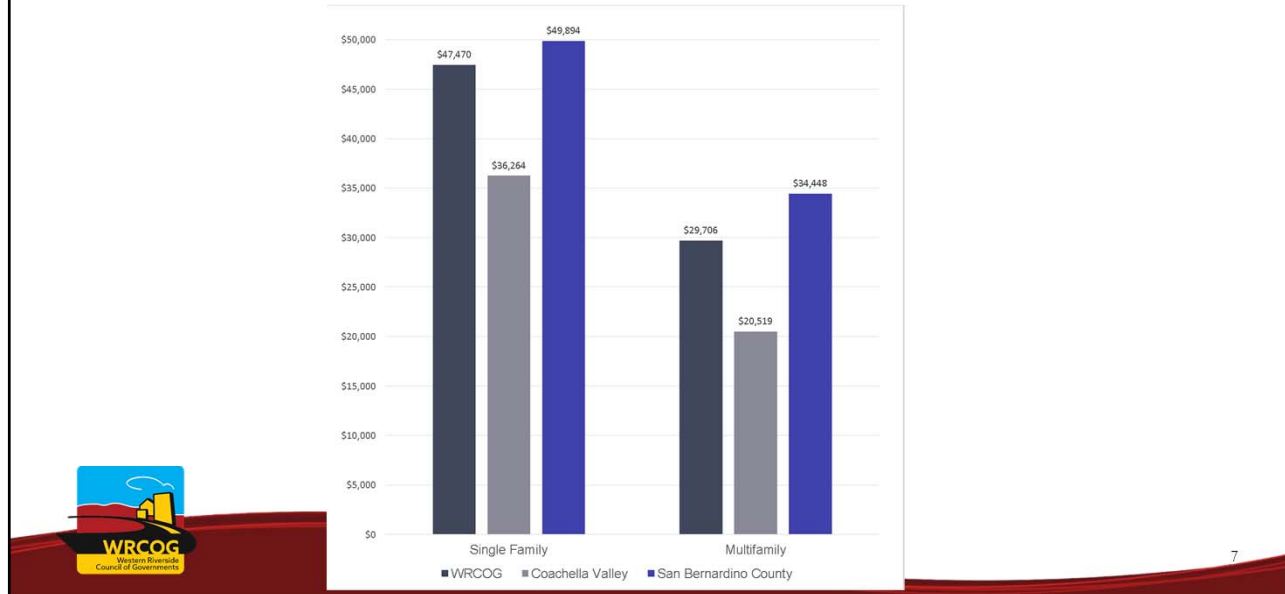
Development Impact Fee Breakdown – Residential



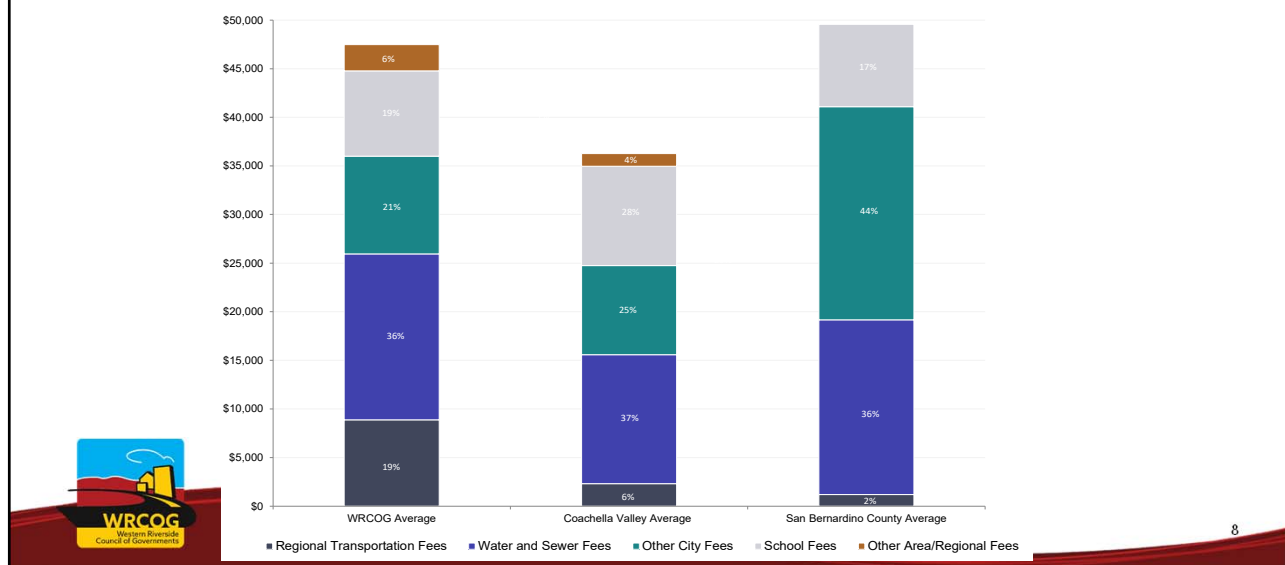
Development Impact Fee Breakdown – Retail, Office, and Industrial



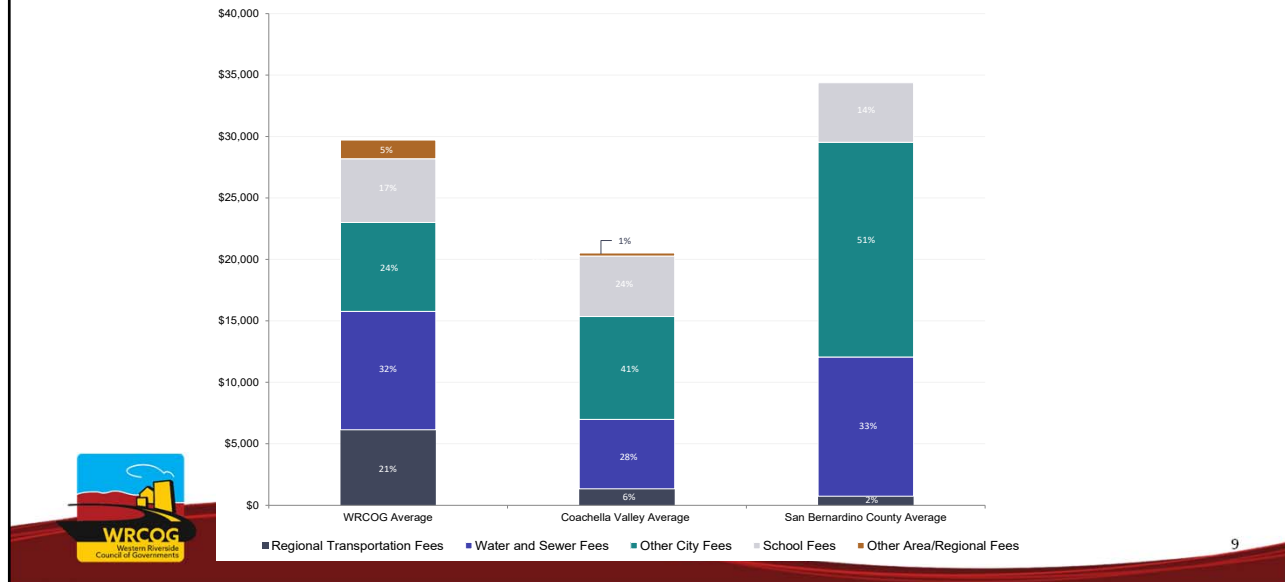
Average Residential Development Impact Fees in Neighboring Jurisdictions



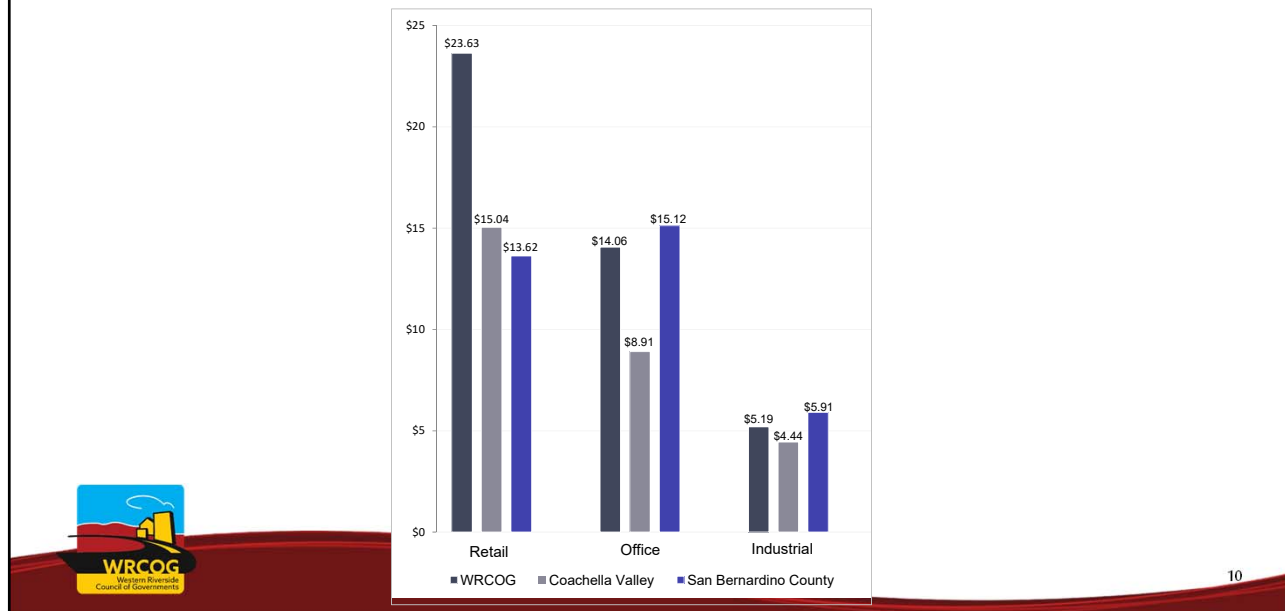
Average SF Residential DIFs in Neighboring Jurisdictions



Average MF Residential DIFs in Neighboring Jurisdictions



Average Retail, Office, and Industrial DIFs in Neighboring Jurisdictions



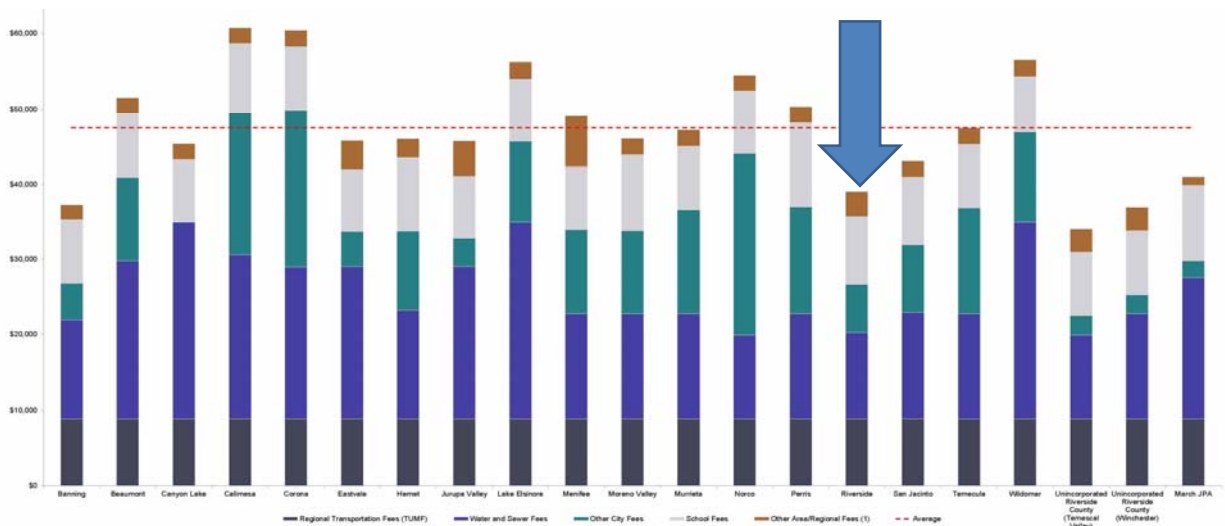
DIFs as a Percent of Total Developments Costs and Returns

Development Impact Fees	Single Family	Multifamily	Industrial	Retail	Office
TUMF	1.6%	1.8%	1.1%	2.2%	0.7%
Other Development Impact Fees	<u>6.9%</u>	<u>7.0%</u>	<u>2.7%</u>	<u>4.7%</u>	<u>3.6%</u>
Total Development Fees	8.5%	8.9%	3.8%	6.9%	4.3%



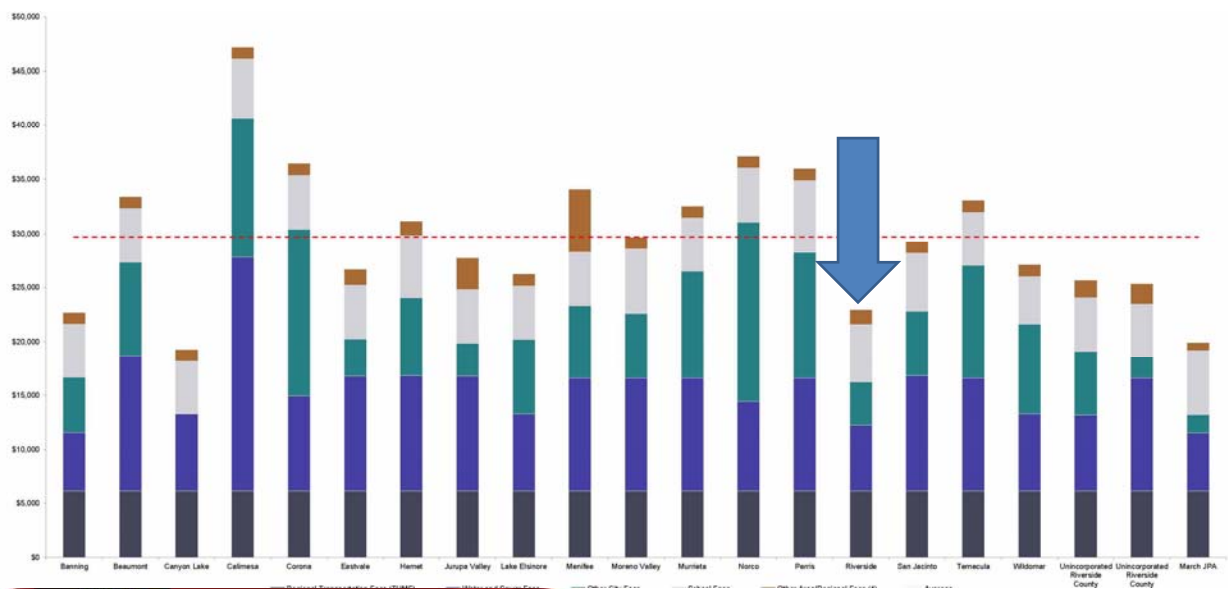
11

Single Family Detached Prototype Comparison

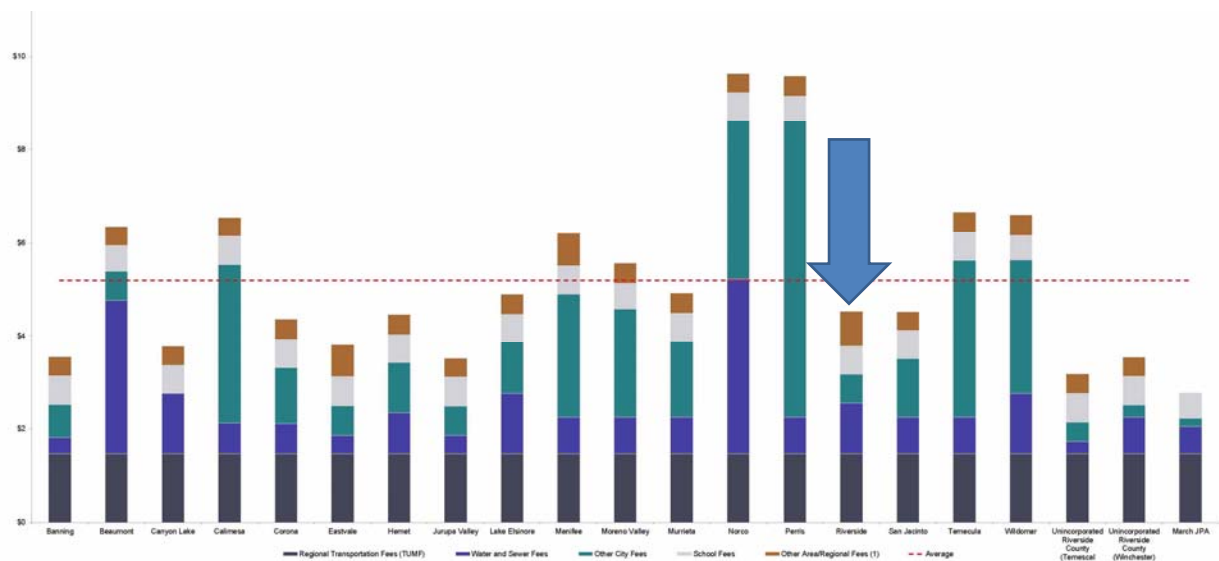


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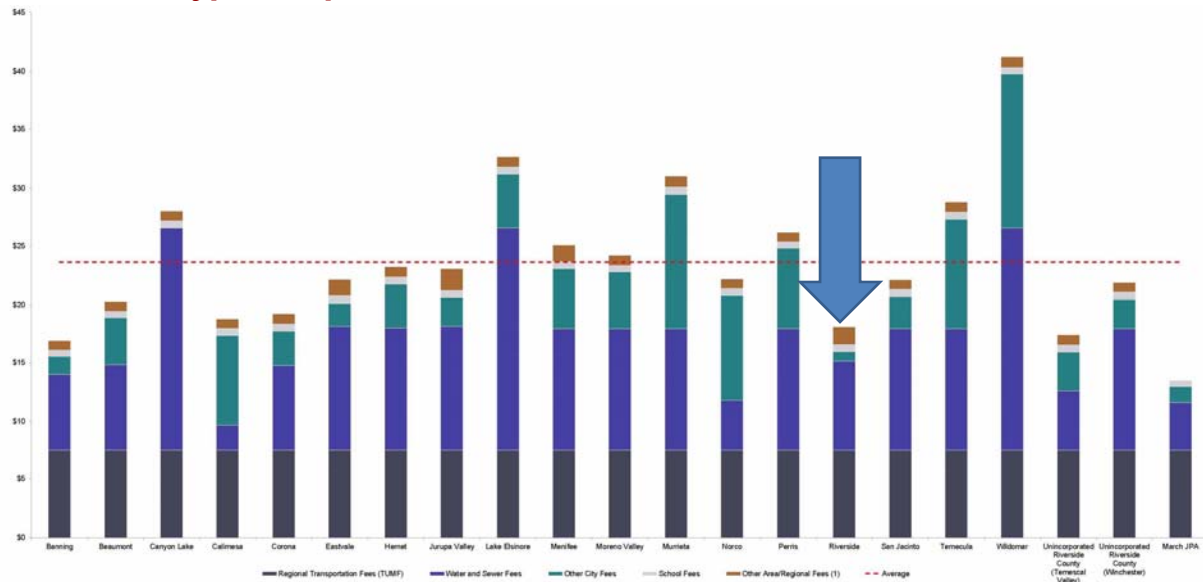
Multi Family Prototype Comparison



Industrial Prototype Comparison



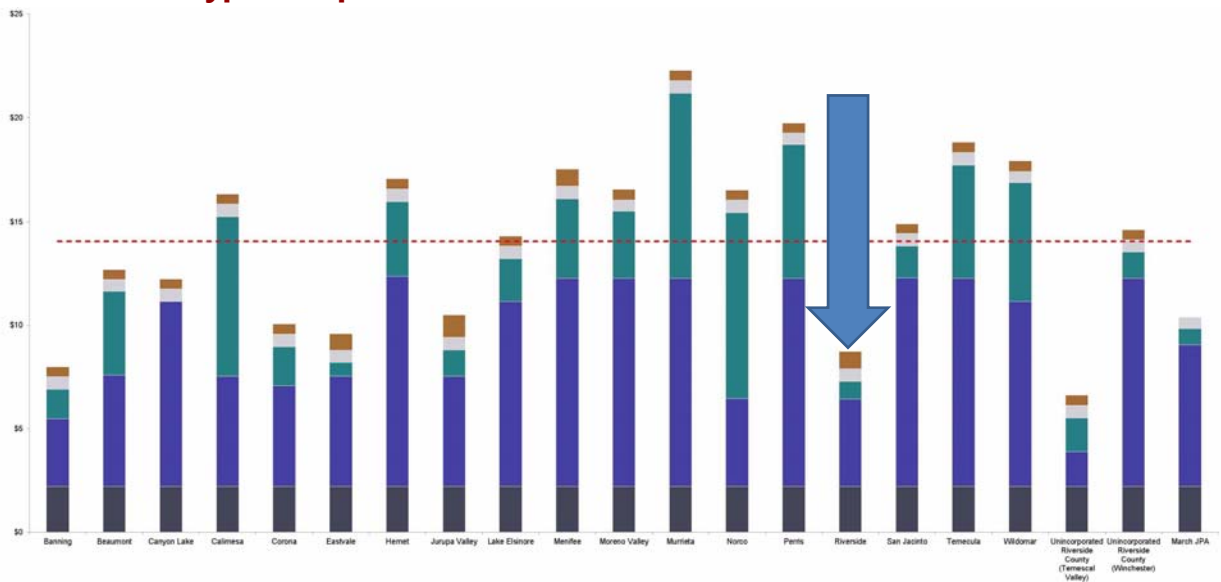
Retail Prototype Comparison



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15

Office Prototype Comparison



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16

Overall Conclusions

- Fees are on element of development costs but not the main driver of development costs
- Water/sewer connection fees are generally the largest line item for overall fees
- Fees vary significantly by jurisdiction
- Whether a jurisdiction has higher fee levels than its neighbors has limited impact on the level of development activity
- Other factors like location, school quality, and other quality of life elements have a much larger impact on development decisions

