



## **REPORT TO CITY COUNCIL**

**To: Honorable Mayor and Members of the City Council**

**From: Grant Yates, City Manager**

**Date: November 12, 2019**

**Subject: Consideration of Municipal Code Amendment to Add Chapter 16.78 Permitting the Establishment of a Fee Within an Area of Benefit to Defray the Costs Related to the Construction of Major Thoroughfares and Bridges**

### **Recommendation**

Introduce by title only and waive further reading AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAKE ELSINORE, CALIFORNIA, ADDING CHAPTER 16.78 TO THE LAKE ELSINORE MUNICIPAL CODE TO PERMIT THE ESTABLISHMENT OF A FEE WITHIN AN AREA OF BENEFIT TO DEFRAY THE COSTS RELATED TO THE CONSTRUCTION OF MAJOR THOROUGHFARES AND BRIDGES

### **Background**

California Government Code Section 66484 *et seq.* authorizes cities to adopt local ordinances requiring the payment of a fee as a condition of approval to development for the purposes of defraying the actual or estimated cost of constructing major thoroughfares or bridges consistent with the Circulation Element of the City's General Plan and subject to certain procedural requirements.

### **Discussion**

The City of Lake Elsinore has experienced significant growth which is anticipated to continue and which is expected to impose additional demands on the City's traffic and circulation system. Consequently, the design and construction of additional thoroughfares, bridges and related facilities is necessary to meet the projected transportation and traffic needs resulting from anticipated development.

The City's executive staff have explored alternative mechanisms to finance such improvements that cannot be fully funded from traditional revenue sources. Since future development within prescribed areas will benefit from construction of specific transportation facilities, staff recommends adoption of the proposed Ordinance allowing for the establishment of road and bridge benefit districts. Once an area of benefit is established pursuant to the requisite procedures set forth in the Ordinance, future development within such area of benefit will be required to pay a portion of the costs of such transportation facilities.

**Environmental Determination**

Adoption of this Ordinance is not subject to the California Environmental Quality Act (CEQA) by virtue of Public Resources Code § 21080(b)(9) and CEQA Guideline 15378(b)(4), as the creation of a government funding mechanism which does not involve any commitment to any specific project is not a “project.” The individual projects to be funded by the fees and the individual development projects subject to the fees shall be subject to the appropriate environmental review under CEQA.

**Fiscal Impact**

There is no fiscal impact related to this action. Establishment of future districts pursuant to the proposed Ordinance will provide a financing mechanism to offset the costs of new transportation facilities.

**Exhibits**

Ordinance