

**COUNTY OF RIVERSIDE, CALIFORNIA
BOARD OF SUPERVISORS POLICY**

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Purpose:

Per Ordinance No. 659, a developer is required to pay Development Impact Fees to help alleviate the impacts to the community caused by their development. The fees assessed are based on the anticipated needs of the community due to future development and are used for specific purposes, including such things as fire protection, library construction, trails, traffic signals, and transportation improvements within the County. Those funds are then expended generally within the Area Plan in which they are collected for the stated purposes described in Ordinance No. 659.

Proposed development projects that contribute to traffic in a community are also conditioned for the construction of appropriate transportation improvements, through Conditions of Approval placed on the project. In some circumstances the Transportation Department may enter into a Cash-In-Lieu of construction agreement (CIL) with the Developer. A CIL is where the County receives funding instead of the actual construction of an improvement. CIL is used by the Transportation Department as a last resort to satisfy the intent of a condition of approval that may be placed on a project at the entitlement phase or determined during the plan check phase when a more detailed design is available. Once a nexus is determined related to the project traffic impacts, a condition may be placed on a project if a necessary improvement is planned yet not quite ready for full construction, or as a contribution to a larger improvement, 'fair share' of an improvement. It can also be used when it may not be feasible to construct an improvement that is required of a project.

The Board recognizes the need for CIL in limited situations, as these agreements allow projects to move forward when large improvements are being planned yet cannot be the financial responsibility of one project developer. However, the County wants to ensure that those communities that are affected by new development are the beneficiaries of the improvements.

This policy applies to the Transportation Department CIL in all instances, unless specifically exempted by the Board of Supervisors.

Policy:

- A. The Cash-In-Lieu deposited funds shall be for the intended (conditioned) improvement first. Second, and only if the intended improvement has been completed or has been replaced with an in-kind improvement, CIL funds shall be expended on a transportation project within the vicinity of the contributing project's location. Lastly, in all cases, CIL funds shall be used within the Area Plan (as defined in Riverside County Ordinance No. 659) where the contributing project is located.

- B. The Transportation Department will update and present a Cash-In-Lieu report annually to the Board of Supervisors as a companion document to the county annual operating budget. The report will document projects that were started or completed in the previous Fiscal Year utilizing Cash-In-Lieu funding.

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Reference:
Minute Order 3.5 of 04/02/2024