



# CITY OF GRAND TERRACE

City Council

AGENDA • March 24, 2026

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**Council Chambers**

**Regular Meeting**

**6:00 PM**

Grand Terrace Civic Center • 22795 Barton Road

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## COMMENTS FROM THE PUBLIC

The public is encouraged to address the City Council on any matter posted on the agenda or on any other matter within its jurisdiction. If you wish to address the City Council, please complete a Request to Speak card located at the front entrance and provide it to the City Clerk. Speakers will be called upon by the Mayor at the appropriate time and each person is allowed three (3) minutes speaking time.

The City wants you to know that you can also submit your comments by email to [ccpubliccomment@grandterrace-ca.gov](mailto:ccpubliccomment@grandterrace-ca.gov). To give the City Clerk adequate time to print out your comments for consideration at the meeting, please submit your written comments prior to 5:00 p.m.; or if you are unable to email, please call the City Clerk's Office at (909) 954-5207 by 5:00 p.m.

If you wish to have your comments read to the City Council during the appropriate Public Comment period, please indicate in the Subject Line "FOR PUBLIC COMMENT" and list the item number you wish to comment on. Comments that you want read to the City Council will be subject to the three (3) minute time limitation (approximately 350 words).

Pursuant to the provisions of the Brown Act, no action may be taken on a matter unless it is listed on the agenda, or unless certain emergency or special circumstances exist. The City Council may direct staff to investigate and/or schedule certain matters for consideration at a future City Council meeting.

**PLEASE NOTE:** Copies of staff reports and supporting documentation pertaining to each item on this agenda are available for public viewing and inspection at City Hall, 1st Floor Lobby Area and 2nd Floor Reception Area during regular business hours and on the City's website [www.grandterrace-ca.gov](http://www.grandterrace-ca.gov). For further information regarding agenda items, please contact the office of the City Clerk at (909) 954-5207, or via e-mail at [dalcocer@grandterrace-ca.gov](mailto:dalcocer@grandterrace-ca.gov).

Any documents provided to a majority of the City Council regarding any item on this agenda will be made available for public inspection in the City Clerk's office at City Hall located at 22795 Barton Road during normal business hours. In addition, such documents will be posted on the City's website at [www.grandterrace-ca.gov](http://www.grandterrace-ca.gov).

## AMERICANS WITH DISABILITIES ACT

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office, (909) 954-5207 at least 48 hours prior to the advertised starting time of the meeting. This will enable the City to make reasonable arrangements to ensure accessibility to this meeting. Later requests will be accommodated to the extent feasible [28 CFR 34.102.104 ADA Title II].

## **CALL TO ORDER**

## **INVOCATION**

## **PLEDGE OF ALLEGIANCE**

## **AB 2449 DISCLOSURES**

Remote participation by a member of the legislative body for just cause or emergency circumstances.

## **ROLL CALL**

### **A. REORDERING OF, ADDITIONS TO, OR REMOVAL OF ITEMS FROM THE AGENDA**

### **B. PUBLIC COMMENT**

This is the opportunity for members of the public to comment on any items not appearing on the regular agenda. Because of restrictions contained in California Law, the City Council may not discuss or act on any item not on the agenda, but may briefly respond to statements made or ask a question for clarification. The Mayor may also request a brief response from staff to questions raised during public comment or may request a matter be agendaized for a future meeting.

### **C. SPECIAL PRESENTATIONS - NONE**

### **D. CONSENT CALENDAR**

The following Consent Calendar items are expected to be routine and noncontroversial. They will be acted upon by the City Council at one time without discussion. Any Council Member, Staff Member, or Citizen may request removal of an item from the Consent calendar for discussion.

- 1) Waive Full Reading of, and Direct the City Attorney to Read by Title only for, Ordinances on the Agenda
- 2) Approval of Minutes - Regular Meeting - March 10, 2026

DEPARTMENT: City Clerk

- 3) Second Reading & Adoption of an Ordinance adding Chapter 9.37 (Aggressive Solicitation)

**RECOMMENDATION: SECOND READING AND ADOPTION OF AN ORDINANCE OF THE CITY OF GRAND TERRACE, CALIFORNIA ADDING CHAPTER 9.37 (AGGRESSIVE SOLICITATION)**

DEPARTMENT: City Manager

- 4) Approval of the February-2026 Check Register in the Amount of \$929,384.93

**RECOMMENDATION: APPROVE THE CHECK REGISTER NO. 02282026 IN THE AMOUNT OF \$929,384.93 AS SUBMITTED, FOR THE MONTH ENDING FEBRUARY 28, 2026**

DEPARTMENT: Finance

- 5) Approve Check #83329 to Mayor Hussey in the amount of \$419.20 from the February 2026 Check Register

**RECOMMENDATION: APPROVE CHECK #83329 TO MAYOR HUSSEY IN THE AMOUNT OF \$419.20 FROM THE FEBRUARY 2026 CHECK REGISTER**

DEPARTMENT: Finance

- 6) Treasurer's Report as of September 30, 2025

**RECOMMENDATION: RECEIVE AND FILE THE TREASURER'S REPORT FOR THE PERIOD ENDING SEPTEMBER 30, 2025**

DEPARTMENT: Finance

- 7) Treasurer's Report as of December 31, 2025

**RECOMMENDATION: RECEIVE AND FILE THE TREASURER'S REPORT FOR THE PERIOD ENDING DECEMBER 31, 2025**

DEPARTMENT: Finance

- 8) AB 1600 Annual Report for Fiscal Year 2023–24 and Five-Year Findings for FY 2019–20 through FY 2023–24

**RECOMMENDATION: RECEIVE AND FILE THE AB 1600 ANNUAL REPORT FOR FISCAL YEAR 2023–24 AND THE FIVE-YEAR FINDINGS FOR FISCAL YEARS 2019–20 THROUGH 2023–24, PREPARED PURSUANT TO GOVERNMENT CODE SECTIONS 66006 AND 66001(D)**

DEPARTMENT: Planning & Development Services

## **E. PUBLIC HEARINGS**

- 9) Adoption of the 2026–27 Development Impact Fee Nexus Study, Updated Development Impact Fees, and Introduction of an Ordinance Amending Section 4.80.010 of the Grand Terrace Municipal Code

**RECOMMENDATION: ADOPT A RESOLUTION ADOPTING THE 2026–27 DEVELOPMENT IMPACT FEE (DIF) NEXUS STUDY AND ESTABLISHING UPDATED DEVELOPMENT IMPACT FEES AT OR BELOW THE MAXIMUM AMOUNTS JUSTIFIED IN THE STUDY, INCLUDING LAW ENFORCEMENT (COUNTY SHERIFF) FACILITIES, FIRE FACILITIES SUPPORTING SERVICES PROVIDED BY THE SAN**

**BERNARDINO COUNTY FIRE PROTECTION DISTRICT, LOCAL CIRCULATION, REGIONAL CIRCULATION, GENERAL CITY FACILITIES, PUBLIC USE FACILITIES, AND PARKLAND ACQUISITION AND PARK FACILITIES COMPONENTS; AND INTRODUCE AND WAIVE THE FIRST READING OF AN ORDINANCE AMENDING SECTION 4.80.010 OF THE GRAND TERRACE MUNICIPAL CODE; AND DIRECT STAFF TO TEMPORARILY PAUSE COLLECTION OF THE STORM DRAIN DEVELOPMENT IMPACT FEE PENDING COMPLETION OF A FOCUSED STORM DRAIN NEXUS STUDY; AND FINDING THE ACTION EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA).**

DEPARTMENT: Planning & Development Services

**F. UNFINISHED BUSINESS - NONE**

**G. NEW BUSINESS**

- 10) Purchase of Additional Video Surveillance Cameras in the Public Right-Of-Way

**RECOMMENDATION: APPROVE PURCHASE ORDER FOR \$87,600 WITH FLOCK SAFETY FOR THE PURCHASE, INSTALLATION, AND SUBSCRIPTION OF 12 ADDITIONAL OF VIDEO SURVEILLANCE CAMERAS IN THE PUBLIC RIGHT-OF-WAY**

DEPARTMENT: Finance

- 11) Mayor to Appoint a Council Member to Attend the 2026 Annual Meeting of Shareholders of Riverside Highland Water Company

**RECOMMENDATION: MAYOR TO APPOINT A COUNCIL MEMBER TO ATTEND THE 2026 ANNUAL MEETING OF SHAREHOLDERS OF RIVERSIDE HIGHLAND WATER COMPANY**

DEPARTMENT: City Manager

**H. FUTURE AGENDA ITEMS**

At this time, the City Council may propose items for discussion and/or action at a future duly agendized City Council meeting. A consensus of a majority of the quorum is required to place an item on a future agenda.

**I. CITY COUNCIL COMMUNICATIONS**

Council Member Matt Brown  
Council Member Jeff Allen  
Council Member Doug Wilson  
Mayor Pro Tem Michelle Sabino  
Mayor Bill Hussey

**J. CITY MANAGER COMMUNICATIONS**

City Manager Konrad Bolowich

**K. CLOSED SESSION - NONE**

**L. ADJOURN**

The next Regular City Council Meeting will be held on April 14, 2026, at 6:00 PM. Any request to have an item placed on a future agenda must be made in writing and submitted to the City Clerk's office.



# CITY OF GRAND TERRACE

City Council

MINUTES • March 10, 2026

**Council Chambers**

**Regular Meeting**

**6:00 PM**

Grand Terrace Civic Center • 22795 Barton Road

## CALL TO ORDER

Mayor Bill Hussey convened the Regular Meeting of the City Council for Tuesday, March 10, 2026, at 6:00 PM.

## INVOCATION

The Invocation was given by Paston Jonathan Tilt from Centerpointe Church.

## PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Pro Tem Sabino.

## AB 2449 DISCLOSURES

None.

## ROLL CALL

<b>Present:</b>	Mayor Bill Hussey Mayor Pro Tem Michelle Sabino Council Member Doug Wilson Council Member Jeff Allen Council Member Matt Brown
<b>Absent:</b>	

## A. REORDERING OF, ADDITIONS TO, OR REMOVAL OF ITEMS FROM THE AGENDA

Konrad Bolowich, City Manager, pulled Consent Calendar Item No. 4 for discussion.

## B. PUBLIC COMMENT

Daysi Alcocer, City Clerk, read out an email comment submitted by Resident Michael Arteaga regarding the Annual Trunk or Treat location.

Ava Firnkoess, Resident, provided a statement regarding the need for AEDs in the city.

Julia Firnkoess, Resident, provided a statement in support of AEDs in the city.

Jenifer Parker, Resident, provided a statement in support of AEDs in the city.

**C. SPECIAL PRESENTATIONS**

The following Grand Terrace High School Athletes of the Week were presented with a certificate of recognition for all their accomplishments and outstanding representation of Grand Terrace:

- Deanna Sandoval
- Amanda Estrada
- Kenneth Jacquez
- Gaby Jacome
- Jayden Murcia

Top Tier Plumbing & Air were presented with a Certificate of Recognition for their outstanding work in assisting a resident in need.

Rosa King, Resident, was presented with a Proclamation for National Nutrition Month.

**D. CONSENT CALENDAR**

Council Member Brown pulled Consent Item No. 7 for discussion.

**NO PUBLIC COMMENT**

Council Member Allen moved to approve Consent Calendar Item Nos. 1-3, 5-6 followed by a second from Mayor Pro Tem Sabino.

- 1) Waive Full Reading of, and Direct the City Attorney to Read by Title only for, Ordinances on the Agenda
- 2) Approval of Minutes - Regular Meeting - February 10, 2026  
Approval of Minutes - Regular Meeting - February 24, 2026
- 3) Award Professional Services Agreement for Videographer Services
- 4) Auditor's Annual Financial Report and Related Documents for the Fiscal Year Ended June 30, 2025

Christine Clayton, Finance Director, provided a brief overview of this item.

<b>RESULT:</b>	<b>APPROVED 5 TO 0</b>
<b>MOVER:</b>	Council Member Allen
<b>SECONDER:</b>	Council Member Brown
<b>AYES:</b>	Mayor Hussey, Mayor Pro Tem Sabino, Council Member Wilson, Council Member Allen, Council Member Brown
<b>ABSTAIN:</b>	None

<b>NAYS:</b>	None
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- 5) Housing Successor Agency Annual Financial Report for the Year Ended June 30, 2025
- 6) Measure I Fund Annual Financial & Compliance Report for the Year Ended June 30, 2025
- 7) Measure I 3.0 Draft Expenditure Plan

Discussion was had among Council.

Council Member Brown made a moved to approve the item, with the condition that the subsidiary region be revised to match the Mountain Desert subsidiary, followed by a second by Council Member Allen.

Mayor Hussey provided an alternate motion and directed staff to invite SBCTA to provide an informational report on this item, followed by a second from Council Member Wilson.

<b>RESULT:</b>	<b>APPROVED 3 TO 2</b>
<b>MOVER:</b>	Mayor Hussey
<b>SECONDER:</b>	Council Member Wilson
<b>AYES:</b>	Mayor Hussey, Council Member Wilson, Council Member Allen
<b>ABSTAIN:</b>	None
<b>NAYS:</b>	Mayor Pro Tem Sabino, Council Member Brown

**E. PUBLIC HEARINGS - NONE**

**F. UNFINISHED BUSINESS - NONE**

**G. NEW BUSINESS**

- 8) Community Benefit Fund Grant Award to Grand Terrace High School Baseball Booster in the amount of \$2,000

Christine Clayton, Finance Director provided the staff report on this item.

Jamie Young, Treasurer for the Grand Terrace High School Baseball Booster Club, provided a brief statement on behalf of the organization.

**NO PULIC COMMENT**

Mayor Pro Tem Sabino stepped away from the dais prior to the vote; accordingly, her vote was not recorded.

<b>RESULT:</b>	<b>APPROVED 4 TO 0</b>
<b>MOVER:</b>	Council Member Brown
<b>SECONDER:</b>	Council Member Allen
<b>AYES:</b>	Mayor Hussey, Council Member Wilson, Council Member Allen, Council Member Brown
<b>ABSTAIN:</b>	None
<b>NAYS:</b>	None

- 9) First Reading & Introduction of an Ordinance adding Chapter 9.37  
(Aggressive Solicitation)

Konrad Bolowich, City Manager provided the [PowerPoint](#) presentation for this item.

**NO PUBLIC COMMENT**

**RECOMMENDATION: CONDUCT A FIRST READING & INTRODUCTION, BY TITLE ONLY, OF AN ORDINANCE ADDING CHAPTER 9.37 (AGGRESSIVE SOLICITATION)**

<b>RESULT:</b>	<b>APPROVED - UNANIMOUS</b>
<b>MOVER:</b>	Council Member Allen
<b>SECONDER:</b>	Council Member Brown
<b>AYES:</b>	Mayor Hussey, Mayor Pro Tem Sabino, Council Member Wilson, Council Member Allen, Council Member Brown
<b>NAYS:</b>	None

- 10) Consideration of Adoption of Resolutions and Conduct First Reading of an Ordinance Relating to the Establishment of a General Transactions and Use Tax at a Rate of Up to 1.00%

Adrian Guerra, City Attorney provided the [PowerPoint](#) presentation for this item.

**PUBLIC COMMENT**

Johan Gallo, Resident expressed opinion on the item.

**RECOMMENDATION: ADOPT A RESOLUTION SUBMITTING TO THE QUALIFIED ELECTORS OF THE CITY OF A CERTAIN MEASURE RELATING TO A TRANSACTIONS AND USE (SALES) TAX AT THE CONSOLIDATED GENERAL MUNICIPAL ELECTION EXPECTED TO BE**

**HELD ON TUESDAY, NOVEMBER 3, 2026; AND**

**ADOPT A RESOLUTION SETTING PRIORITIES FOR FILING WRITTEN ARGUMENT(S) AND DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS, REGARDING THE GRAND TERRACE GENERAL SERVICES MEASURE; AND**

**ADOPT A RESOLUTION PROVIDING FOR THE FILING OF REBUTTAL ARGUMENTS FOR THE GRAND TERRACE GENERAL SERVICES MEASURE TO BE SUBMITTED AT A GENERAL MUNICIPAL ELECTION EXPECTED ON NOVEMBER 3, 2026; AND**

**IF THE RESOLUTIONS ABOVE ARE ADOPTED, THEN CONDUCT THE FIRST READING, BY TITLE ONLY, OF AN ORDINANCE RELATING TO THE PROPOSED GENERAL TRANSACTIONS AND USE TAX MEASURE**

Council Member Allen moved to approve the staff recommendation as presented, seconded by Council Member Wilson.

Mayor Hussey proposed an alternative motion to proceed with a Special Tax Measure; however, no second was received. The motion failed, and Council proceeded to vote on the original motion.

<b>RESULT:</b>	<b>FAILED - 1 TO 4</b>
<b>MOVER:</b>	Council Member Allen
<b>SECONDER:</b>	Council Member Wilson
<b>AYES:</b>	Council Member Allen
<b>ABSTAIN:</b>	None
<b>NAYS:</b>	Mayor Hussey, Mayor Pro Tem Sabino, Council Member Wilson, Council Member Brown

#### **H. FUTURE AGENDA ITEMS**

Council Member Brown requested that a discussion be had regarding the location of the annual Trunk or Treat, seconded by Council Member Allen.

<b>RESULT:</b>	<b>APPROVED - UNANIMOUS</b>
<b>MOVER:</b>	Council Member Brown
<b>SECONDER:</b>	Council Member Allen
<b>AYES:</b>	Mayor Hussey, Mayor Pro Tem Sabino, Council Member Wilson, Council Member Allen, Council Member Brown
<b>NAYS:</b>	None

## **I. CITY COUNCIL COMMUNICATIONS**

Council Member Matt Brown reported on the following:

- Attended the Pancake Breakfast hosted by the Boy Scouts Troop 40 and Lions Club on Saturday, February 28, 2026.
- Attended the Blue Mountain Hike on Sunday, March 1, 2026
- Attended the Ribbon Cutting for Antonious Pizza on Saturday, March 7, 2026

Council Member Jeff Allen reported on the following:

- Attended the Blue Mountain Hike on Sunday, March 1, 2026
- Attended the Ribbon Cutting for Antonious Pizza on Saturday, March 7, 2026

Council Member Doug Wilson reported on the following:

- Attended the Ribbon Cutting for Antonious Pizza on Saturday, March 7, 2026
- Announced that fire weather conditions are approaching and emphasized the importance of being prepared

Mayor Pro Tem Michelle Sabino reported on the following:

- Attended the Blue Mountain Hike on Sunday, March 1, 2026

Mayor Bill Hussey reported on the following:

- Attended the Blue Mountain Hike on Sunday, March 1, 2026
- Attended Terrace View Elementary for American Read
- Announced he will be attending Career Day at Terrace Hills Middle School on Wednesday, March 11, 2026
- Attended the Southern California Association of Governments Meeting on Thursday, March 5, 2026
- Announced the Chamber of Commerce Meeting taking place on Wednesday, March 11, 2026

## **J. CITY MANAGER COMMUNICATIONS**

Konrad Bolowich, City Manager, announced the following:

- Provided an update to the Blue Mountain Trail

## **SHERIFF DEPARTMENT COMMUNICATIONS**

Lieutenant Fries reported on the following:

- Expressed his appreciation for the continuous support on the topic of public safety

**FIRE DEPARTMENT COMMUNICATIONS**

Assistant Fire Chief Jager reported on the following:

- Announced that fire weather conditions are approaching and emphasized the importance of being prepared
- Provided an update on the firehouse
- Announced that on March 5, 2026, 56 Cadets were introduced to the Fire Department

**K. CLOSED SESSION - NONE**

**L. ADJOURN**

Mayor Hussey adjourned the Regular Meeting of the City Council at 8:33 p.m. The next Regular City Council Meeting will be held on Tuesday, April 14, 2026, at 6:00 p.m.

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Bill Hussey, Mayor

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Daysi Alcocer, City Clerk



# AGENDA REPORT

MEETING DATE: March 24, 2026

TITLE: Second Reading & Adoption of an Ordinance adding Chapter 9.37 (Aggressive Solicitation)

PRESENTED BY: Konrad Bolowich, City Manager

RECOMMENDATION: **SECOND READING AND ADOPTION OF AN ORDINANCE OF THE CITY OF GRAND TERRACE, CALIFORNIA ADDING CHAPTER 9.37 (AGGRESSIVE SOLICITATION)**

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## **2030 VISION STATEMENT:**

This staff report supports Goal #2: Maintain Public Safety

## **BACKGROUND:**

The City of Grand Terrace has experienced an increase of complaints from residents and businesses regarding aggressive solicitation in public areas. These complaints typically involve individuals approaching pedestrians or motorists in a manner that is perceived as intimidating, obstructive, or disruptive to the normal use of public spaces.

Examples reported to the City include individuals approaching vehicles in traffic lanes or intersections, repeated solicitation after a refusal, following pedestrians, and solicitation occurring near sensitive locations such as banks, automated teller machines (ATMs), transit stops, and retail entrances.

While solicitation itself is generally protected as expressive activity under the First Amendment of the United States Constitution, courts have consistently recognized that local governments may impose reasonable time, place, and manner restrictions in order to protect public safety, maintain traffic flow, and prevent intimidation or harassment.

The proposed ordinance is intended to address aggressive forms of solicitation while preserving the constitutional rights of individuals to engage in lawful expressive activity.

## **DISCUSSION:**

The proposed ordinance would add Chapter 9.37 – Aggressive Solicitation to the Grand Terrace Municipal Code. The chapter establishes definitions, behavioral standards, and location-based restrictions designed to prevent intimidation, obstruction, and unsafe interactions between solicitors and the public.

## **Key Provisions**

### 1. Prohibition of Aggressive Solicitation

The ordinance prohibits solicitation conducted in an “aggressive manner,” which includes behaviors such as:

- Intentionally making unwanted physical contact

- Following a person while soliciting
- Continuing to solicit after a person has declined
- Blocking pedestrian or vehicular movement
- Using threatening or intimidating language or gestures

These provisions focus on conduct, rather than the message or purpose of the solicitation.

## 2. Location-Based Restrictions

The ordinance restricts solicitation in certain locations where safety concerns or heightened vulnerability may exist, including:

- Within 25 feet of ATMs, banks, or check-cashing businesses
- Within 25 feet of bus stops or transit vehicles
- Within public parking garages
- From occupants of vehicles in traffic
- On private property where the owner has requested the activity stop or has posted signage prohibiting solicitation

These restrictions are intended to address situations where solicitation can create traffic hazards, safety risks, or heightened fear of crime.

## 3. Constitutional Safeguards

The ordinance expressly states that it is not intended to restrict:

- Constitutionally protected free speech
- Lawful commercial activity
- Authorized business activities conducted by property owners or tenants
- Emergency vehicle repair assistance

The ordinance is therefore structured as a content-neutral regulation focusing on behavior and location rather than the content of speech.

## 4. Enforcement

Violations of the ordinance may be prosecuted as either:

- An infraction, or
- A misdemeanor,

This is consistent with the City's general penalty provisions and applicable sections of the California Penal Code.

This enforcement flexibility allows officers to address minor violations proportionately while preserving stronger penalties for repeated or serious violations.

## **LEGAL CONSIDERATIONS:**

- The ordinance was drafted to comply with applicable constitutional standards governing solicitation and panhandling. Courts have consistently held that while solicitation is protected speech, municipalities may regulate aggressive behavior and restrict solicitation in narrowly defined locations where public safety concerns exist.
- The proposed ordinance reflects commonly adopted provisions used by many California municipalities and has been reviewed by the City Attorney for consistency with applicable law,

including California Penal Code Sections 647 and 647c.

The proposed ordinance establishes reasonable regulations intended to protect public safety, maintain access to public spaces, and reduce intimidation associated with aggressive solicitation while respecting constitutional free speech protections.

Adoption of the ordinance will provide the City with an additional tool to address complaints from residents and businesses regarding aggressive solicitation occurring in public areas.

**ENVIRONMENTAL IMPACT:**

This action does not meet the threshold of a project under CEQA and is exempt.

**FISCAL IMPACT:**

There is no fiscal impact associated with adoption of this ordinance.

## ORDINANCE NO. 375

### AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GRAND TERRACE ADDING CHAPTER 9.37 (AGGRESSIVE SOLICITATION) OF TITLE 9 (PUBLIC PEACE, MORALS AND WELFARE) OF THE GRAND TERRACE MUNICIPAL CODE

**WHEREAS**, the City of Grand Terrace (the “City”) finds the increase in aggressive solicitation or panhandling throughout the City has become extremely disturbing and disruptive to residents and business, and has contributed to the loss of access to and enjoyment of public places, but also to an enhanced sense of fear, intimidation, and disorder; and

**WHEREAS**, the City Council finds that these concerns apply equally with respect to solicitation which obstructs, impedes or interferes with the use of streets and public areas; and

**WHEREAS**, aggressive solicitation may include, without limitation, approaching or following pedestrians, repetitive soliciting despite refusals, the use of abusive or profane language to cause fear and intimidation, unwanted physical contact, or the intentional blocking of pedestrian and vehicular traffic; and

**WHEREAS**, the City Council further finds that the presence of individuals who solicit money from persons at or near banks, automated teller machines, public transportation stations, or in public transportation vehicles is especially aggressive or otherwise troublesome because of the enhanced fear of crime in those confined environments; and

**WHEREAS**, motorists also find themselves confronted by persons seeking money. Such persons may, without permission, wash a motorist’s automobile windows at traffic intersections or attempt to open car doors or locate parking spaces, despite explicit indications by drivers not to do so, with the expectation that the motorist pay the solicitor. Such activity carries with it an implicit threat to both persons and property; and

**WHEREAS**, the City Council is enacting this ordinance pursuant to its mandate and authority, and in such a way that is consistent with applicable and relevant law, including Sections 647 and 647c of the California Penal Code; and

**WHEREAS**, this Ordinance constitutes a valid time, place, and/or manner restriction on solicitation by restricting aggressive solicitation or solicitation in specific locations which is known to create fear or otherwise intimidate persons in the City of Grand Terrace, and is not intended to limit any persons from exercising their Constitutional right to solicit funds, picket, protest or engage in other constitutionally protected activity.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GRAND TERRACE DOES ORDAIN AS FOLLOWS:**

**SECTION 1.** The facts set forth in the recitals in this Ordinance are true and correct and incorporated herein by this reference.

**SECTION 2.** A new Chapter 9.37 (Aggressive Solicitation) is hereby added to Title 9 (Public Peace, Morals and Welfare) of the Grand Terrace Municipal Code and shall read in its entirety as follows:

“Chapter 9.37 Aggressive Solicitation

9.37.010 – Purpose and intent.

9.37.020 – Definitions.

9.37.030 – Aggressive solicitation prohibited.

9.37.040 – Solicitation prohibited in specified areas.

9.37.050 – Penalty.

9.37.010 – Purpose and intent.

- (a) It is the purpose and intent of this chapter to impose reasonable time, place, and manner limitations on solicitation, as defined herein, in order to protect the safety of the general public against aggressive solicitation while respecting the constitutional right to free speech.
- (b) The provisions of this chapter shall not be construed to prohibit:
- (1) The right to exercise protected free speech;
  - (2) The lawful vending of goods and services;
  - (3) Solicitations related to business authorized by or conducted by the property owner, business owner, or employees thereof on the premises;
  - (4) Solicitations related to the lawful towing of a vehicle;
  - (5) Solicitations related to emergency repairs requested by the operator or other occupant of a vehicle.

9.37.020 – Definitions.

For purposes of this chapter, the following words shall have the following meaning, unless the context clearly indicates otherwise:

“Aggressive manner” shall mean any of the following:

- A. Intentionally or recklessly making any physical contact with or touching another person in the course of the solicitation without the person's consent;
- B. Following the person being solicited, if that conduct is:
  - (1) Intended to or is likely to cause a reasonable person to fear imminent bodily harm or the commission of a criminal act upon property in the person's possession, or
  - (2) Is intended to or is reasonably likely to intimidate the person being solicited into responding affirmatively to the solicitation;
- C. Continuing to solicit within five (5) feet of the person being solicited after the person has made a negative response, if continuing the solicitation is:
  - (1) Intended to or is likely to cause a reasonable person to fear imminent bodily harm or the commission of a criminal act upon property in the person's possession, or
  - (2) Is intended to or is reasonably likely to intimidate the person being solicited into responding affirmatively to the solicitation;
- D. Intentionally or recklessly blocking the safe or free passage of the person being solicited or requiring the person, or the driver of the vehicle, to take evasive action to avoid physical contact with the person making the solicitation. Acts authorized as an exercise of one's constitutional right to picket or legally protest shall not constitute obstruction of pedestrian or vehicular traffic;
- E. Intentionally or recklessly using:
  - (1) Obscene or abusive language or gestures intended to or likely to cause a reasonable person to fear imminent bodily harm or the commission of a criminal act upon property in the person's possession, or
  - (2) Words intended to or reasonably likely to intimidate the person into responding affirmatively to the solicitation; or
- F. Approaching the person being solicited in a manner that:
  - (1) Is intended to or is likely to cause a reasonable person to fear imminent harm or the commission of a criminal act upon property in the person's possession, or

- (2) Is intended to or is reasonably likely to intimidate the person being solicited into responding affirmatively to the solicitation.

"Automated teller machine (ATM)" means a device, linked to a financial institution's account records, which is able to carry out transactions, including, but not limited to, account transfers, deposits, cash withdrawals, balance inquiries and mortgage and loan payments.

"Automated teller machine facility" means the area comprised of one or more automatic teller machines and any adjacent space which is made available to banking customers after regular banking hours.

"Check-cashing business" means any person duly licensed by the State Banking Department to engage in the business of cashing checks, drafts or money orders for consideration pursuant to the provisions of the banking laws.

"Public area" means an area to which the public or a substantial group of persons has access, and includes, but is not limited to, alleys, bridges, buildings, driveways, public parking garages, parking lots, parks, playgrounds, schools, plazas, sidewalks, and streets open to the general public, and the doorways and entrances to buildings and dwellings, and the grounds enclosing them.

"Solicit" means to request an immediate donation of money or other thing of value from another person, regardless of the solicitor's purpose or intended use of the money or other thing of value. The solicitation may be, without limitation, by the spoken, written, or printed word, or by other means of communication.

9.37.030 – Aggressive solicitation prohibited.

No person shall solicit in an aggressive manner in any public area.

9.37.040 – Solicitation prohibited in specified areas.

In order to promote the safe and orderly flow of traffic and to prevent the harassment and intimidation of citizens and visitors in the vicinity of certain locations within the City, no person may solicit or beg for any moneys, goods or services, including offering any services in exchange for moneys, goods or services, while located:

- A. In any public transportation vehicle or bus or within twenty-five (25) feet of any bus or public transport station or stop;
- B. In any public garage;
- C. Within twenty-five (25) feet of any entrance or exit of any bank or check-cashing businesses or within twenty-five (25) feet of any automated teller machine; provided, however, that when an automated teller machine is located within an

automated teller machine facility, such distance shall be measured from the entrance or exit of the automated teller machine facility;

- D. On private property if the owner, tenant, or lawful occupant has asked the person not to solicit on the property, or has posted a sign clearly indicating that solicitations are not welcome on the property; or
- E. From any operator of a motor vehicle or a bicycle that is in traffic on a public street, whether in exchange for cleaning the bicycle or the vehicle windows or for blocking, occupying or reserving a public parking space, or directing the occupant to a public parking space; provided, however, that this subsection shall not apply to services rendered in connection with emergency repairs requested by the operator or passengers of such vehicle or bicycle.

9.37.050 – Penalty.

- (a) *Misdemeanor.* Any person who violates any provision of this chapter shall be guilty of a misdemeanor or infraction pursuant to Chapter 1.16 of this Code and/or Penal Code section 647, as amended.
- (b) *Remedies cumulative.* Nothing in this chapter shall limit or preclude the enforcement of any other applicable laws or remedies available for violations of this chapter.”

**SECTION 3.** Except as otherwise amended herein, the remainder of Title 9 (Public Peace, Morals and Welfare) of the Grand Terrace Municipal Code shall remain unchanged and in full effect.

**SECTION 4. Severability.** If any section, subsection, sentence, clause or phrase of this Ordinance is, for any reason, held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, sentences, clause or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional due to the writs of mandate issued by the Court.

**SECTION 5. Effective Date.** This Ordinance shall take effect thirty (30) days after its adoption. The City Council hereby authorizes and directs the Mayor and the City Clerk to execute this Ordinance on behalf of the City of Grand Terrace forthwith upon its adoption.

**PASSED, APPROVED, AND ADOPTED** by the City Council of Grand Terrace at a regular meeting held on the 24<sup>th</sup> day of March 2026.

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Bill Hussey  
Mayor

**ATTEST:**

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Daysi Alcocer  
City Clerk

**APPROVED AS TO FORM:**

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Adrian R. Guerra  
City Attorney



# AGENDA REPORT

MEETING DATE: March 24, 2026

TITLE: Approval of the February-2026 Check Register in the Amount of \$929,384.93

PRESENTED BY: Christine Clayton, Finance Director

RECOMMENDATION: **APPROVE THE CHECK REGISTER NO. 02282026 IN THE AMOUNT OF \$929,384.93 AS SUBMITTED, FOR THE MONTH ENDING FEBRUARY 28, 2026**

## **2030 VISION STATEMENT:**

This staff report supports Goal #1, "Ensuring Our Fiscal Viability", through the continuous monitoring of expenditure budgets, allocations, and operational costs.

## **BACKGROUND:**

The check register for the month of February-2026 has been prepared in accordance with Government Code §37202 and is hereby submitted for City Council's approval.

The check register lists all vendor payments for the respective month, along with a brief description of the type of goods or services purchased and the account code(s) associated with each payment. The check registers list all payments made to vendors and employee reimbursements during the month of February-2026.

The attached index to the Check Register is a guideline account list only and is not intended to replace the comprehensive chart of accounts used by the City and Grand Terrace Successor Agency. Expenditure account number formats are XX-XXX-XXX [Fund-Department-Account]. Expenditures may be made from trust/agency accounts (Fund 23-XXX-) or temporary clearing accounts that do not have a budgetary impact.

## **DISCUSSION:**

### **CHECK REGISTER**

A total of \$929,384.93 in accounts payable checks and/or wires were issued during the period for services, reimbursements, supplies, and contracts and are detailed in the individual monthly register.

Below is a table that lists payments larger than \$10,000 for the month of February-2026.

### **Payments larger than \$10,000:**

Check No.	Payee	Description	Amount
83312	ALESHIRE & WYNDER LLP	DEC 2025 LEGAL SERVICES	\$32,582.60

83319	CITY OF SAN BERNARDINO	FY2025-26 Q2 ANIMAL CONTROL OPERATING COSTS; JAN 2026 ANIMAL CONTROL CAPITAL IMPROVEMENT COSTS	\$13,297.81
83335	MICHAEL BAKER INTERNATIONAL	JUN 2025 CEQA SUPPORT FOR BRSP; JUL-AUG 2025 PROFESSIONAL SERVICES FOR VIVIENDA CARE FACILITY	\$12,422.55
83337	MIKE ROQUET CONSTRUCTION	REPAIRS TO STORM DRAIN AT PICO AND MT VERNON; CATCH BASIN INSTALLATION AT 12587 MICHIGAN ST	\$24,712.40
83342	SB COUNTY SHERIFF	JAN 2026 LAW ENFORCEMENT SERVICES; FY2025-26 Q1 GT PROACTIVE PATROL, GAS & VEHICLE MAINTENANCE, SHERIFF OVERTIME, AND QUALITY OF LIFE; FY2025-26 Q1 CREDIT FOR OFFICE SPECIALIST	\$278,362.79
83352	WEST COAST ARBORISTS	DEC 2025 CITYWIDE TREE INVENTORY AND ARBORIST SERVICES	\$19,621.00
83358	CALIFORNIA JPIA	CYBER INCIDENT FORENSICS AND RESTORATION	\$20,753.31
83377	ON SITE COMPUTING	MAR 2026 IT SERVICES	\$10,983.34
83378	ONYX PAVING COMPANY	RETAINER PAYMENT FOR CIP 2025-26 STREET REHABILITATION	\$26,221.52
83383	RIVERSIDE HIGHLAND WATER CO	11/17/2025-01/26/2026 WATER USAGE	\$12,803.42
83384	ROSAS GENERAL CONTRUCTION	PARTIAL REROOF OF MAINTENANCE BUILDING AT CITY HALL	\$10,900.00
83385	SB COUNTY SHERRIF	FEB 2026 LAW ENFORCEMENT SERVICES	\$229,220.00
83386	SBCTA	FY2025-26 GENERAL ASSESSMENT MEMBERSHIP DUES	\$18,801.00
83398	WILLDAN	JAN 2026 PLAN CHECKING SERVICES FOR BUILDING & SAFETY; DEC 2025 PLAN CHECKING SERVICES FOR PUBLIC WORKS; JAN 2026 PLAN CHECKING SERVICES FOR VARIOUS DEVELOPERS	\$10,124.10

18152244	PUBLIC EMPLOYEES RETIREMENT	RETIREMENT CONTRIBUTIONS FOR PAYDATE 01/22/2026	\$12,818.87
18152264	PUBLIC EMPLOYEES RETIREMENT	RETIREMENT CONTRIBUTIONS FOR PAYDATE 02/5/2026	\$12,944.93
18187137	PUBLIC EMPLOYEES RETIREMENT	RETIREMENT CONTRIBUTIONS FOR PAYDATE 02/19/2026	\$12,976.63
35258416	SO CA EDISON COMPANY	JAN 2026 ENERGY USAGE	\$17,715.46
128183385	CA PUB EMPLOYEES RETIRE SYSTEM	FEB 2026 PERS HEALTH INSURANCE	\$29,077.89
748268326	US BANK	JAN-FEB 2026 CAL CARD CHARGES	\$15,270.26
	<b>TOTAL PAYMENTS LARGER THAN \$10,000</b>		<b>\$821,609.88</b>

**PAYROLL**

Payroll costs for the month:

Pay Per.		Period Start		Period End	Pay Date	Amount
Feb-26						
16	From	1/17/2026	to	1/30/2026	2/5/2026	\$84,477.52
17	From	1/31/2026	to	2/13/2026	2/19/2026	\$84,424.38
						<b>\$168,901.90</b>

**ENVIRONMENTAL IMPACT:**

N/A

**FISCAL IMPACT:**

All disbursements (including payroll) were made in accordance with the approved budget for Fiscal Year 2025-26 in the amount of:

Description	Amount
Feb-26	
Check Register	\$929,384.93

Payroll	\$168,901.90
	<b>\$1,098,286.83</b>

# CITY OF GRAND TERRACE

## FY2025-26

GRAND TERRACE CIVIC CENTER  
22795 BARTON ROAD GRAND TERRACE, CA 92313

## CHECK REGISTER

### Account Index



Bill Hussey, Mayor  
Michelle Sabino, Mayor Pro Tem  
Doug Wilson, Council Member  
Jeff Allen, Council Member  
Matt Brown, Council Member

The Grand Terrace City Council meets on the Second Tuesday of each month at 6:00 pm.

**City of Grand Terrace Check Register Index**

<u>Fund No.</u>	<u>Fund Name</u>	<u>Dept No.</u>	<u>Department Cost Center</u>	<u>Acct No.</u>	<u>General Account Numbers</u>
09	CHILD CARE FUND	110	CITY COUNCIL	110	SALARIES/WAGES
10	GENERAL FUND	120	CITY MANAGER	115	OVERTIME
11	STREET FUND	125	CITY CLERK	120	COUNCIL STIPENDS
12	STORM DRAIN FUND	140	FINANCE	138	MEDICARE / SUI
13	PARK FUND	160	CITY ATTORNEY	139	EMPLOYEES' BENEFIT PLAN
14	AB 3229 COPS FUND	172	BUILDING & SAFETY	140	RETIREMENT
15	AIR QUALITY IMPROVEMENT FUND	175	PUBLIC WORKS	142	HEALTH/LIFE INSURANCE
16	GAS TAX FUND	180	COMMUNITY EVENTS	143	WORKERS' COMPENSATION
17	TRAFFIC SAFETY FUND	185	RENTAL INSPECTION PROGRAM	210	OFFICE EXPENSE
18	TRANS. DEV. ACT (T D A FUND)	187	ENFORCEMENT PROGRAM	211	POSTAGE & MAILING
19	FACILITIES DEVELOPMENT FUND	190	NON-DEPARTMENTAL	220	SPECIAL DEPARTMENTAL EXP
20	MEASURE I FUND	195	FACILITIES MAINTENANCE	230	ADVERTISING
21	WASTE WATER DISPOSAL FUND	370	PLANNING & DEVELOPMENT SVCS	235	COMMUNICATIONS
22	COMMUNITY DEV. BLOCK GRANT	380	MGT INFORMATION SYSTEMS	238	UTILITIES
25	SPRING MOUNTAIN RANCH FUND	410	LAW ENFORCEMENT	240	RENTS & LEASES
26	LSCPG/ LGHTG ASSESSMENT DIST.	411	ASSET FORFEITURES	244	CUSTODIAL SERVICES
32	S/A CAPITAL PROJECTS FUND	430	RECREATION SERVICES	245	MAINT BLDG GRNDS EQUIPMNT
36	S/A 2011 TABS BOND PROCEEDS	441	CHILD CARE - NUTRITION GRANT	246	MAINT/OPER OF EQUIPMNT
45	CIP - COMMERCE WAY	445	CHILD CARE - TINY TOTS	250	PROFESSIONAL SERVICES
46	CIP - STREET IMPROVEMENTS	446	CHILD CARE - AFTER SCHOOL	251	BANKING SERVICE CHARGES
47	CIP - BARTON RD. BRIDGE PROJECT	447	CHILD CARE - PRE-SCHOOL	252	ROAD MAINTENANCE
48	CIP - CAPITAL PROJECTS FUND	450	PARKS MAINTENANCE	254	STREET SWEEPING
49	CIP - PARKS	461	COMMUNITY GRANTS	255	CONTRACTUAL SERVICES
50	CAPITAL PROJECT BOND PROCEEDS	500	AIR QUALITY PROGRAMS	256	ANIMAL SHELTERING SVCS
52	HOUSING AUTHORITY	510	STREET & SIGNAL LIGHTING	260	INSURANCE & SURETY BONDS
61	COMMUNITY BENEFITS FUND	573	LINE MAINTENANCE	265	MEMBERSHIPS & DUES
62	LIGHT UP GRAND TERRACE FUND	600	ZONE 1 13364 CANAL -TERR PINES	268	TRAINING
63	ILLEGAL FIREWORKS FUND	601	ZONE 3 TRACT 14471 PICO & ORIOLE	270	TRAVEL/CONFERENCES/MTGS
64	PUBLIC SAFETY FUND	602	ZONE 2 14264 FORREST CITY PHASE II	271	MILEAGE
65	SENIOR BUS PROGRAM FUND	603	ZONE 4 TRACT 17766 GREENBRIAR	625	NPDES
66	CAL RECYCLE GRANT	604	ZONE 5 TRACT 18793 PALOMINO	631	STORM DRAIN MAINTENANCE
67	PUBLIC EDUC & GOVT ACCESS (PEG)	605	ZONE 6 TRACT 18071 JADEN	801	PLANNING COMMISSION
68	40TH YR CELEBRATION FUND	606	ZONE 7 TRACT 18604 TESORO/VAN BUREN	804	HISTORICAL & CULTURAL COMM.
69	COMMUNITY DAY FUND	625	NPDES	311	FACILITY IMPROVEMENTS
70	FIXED ASSED/EQUIP REPL FUND	631	STORM DRAIN MAINTENANCE	570	WASTEWATER TREATMENT
73	ACTIVE TRANS PRGM (ATP) GRANT	700	CAPITAL OUTLAY	400	OTHER COMMUNITY GRANTS
74	HIGHWAY SFTY IMPV PRGM (HSIP)	705	EVERY 15 MINUTES	601	ELECTRICAL VEHICLE STATIONS
75	EMER MGMT PREP GRANT (EMPG)	801	PLANNING COMMISSION	700	COMPUTER EQUIPMENT
76	ENHANCED INFRA FIN DIST (EIFD)	804	HISTORICAL & CULTURAL COMMITTEE	701	CAPITAL IMPROVEMENT OTHER
77	SO CAL INCENTIVE PROJECT (SCIP)	805	SENIOR CITIZENS PROGRAM	705	VEHICLES
90	COVID-19 EMERGENCY FUND	808	EMERGENCY OPERATIONS PROG.	998	OVERHEAD COST ALLOCATION
95	DOG PARK ENDOWMENT FUND	999	TRANSFERS	999	TRANSFERS OUT

# CITY OF GRAND TERRACE

## FY2025-26

GRAND TERRACE CIVIC CENTER  
22795 BARTON ROAD GRAND TERRACE, CA 92313

### MONTHLY CHECK REGISTER For the Period Ending February 28, 2026



Bill Hussey, Mayor  
Michelle Sabino, Mayor Pro Tem  
Doug Wilson, Council Member  
Jeff Allen, Council Member  
Matt Brown, Council Member

The Grand Terrace City Council meets on the Second Tuesday of each month at 6:00 pm.

**Check Register**  
**CITY OF GRAND TERRACE**  
As of 2/28/2026

<u>Check #</u>	<u>Date</u>	<u>Vendor</u>	<u>Invoice #</u>	<u>Invoice Description</u>	<u>Inv. Date</u>	<u>Amount Paid</u>	<u>Check Total</u>
83311	02/05/2026	8X8 INC	5447272	FEB 2026 SERVICE CHARGE FOR (46) POLYCOM VVX 450 PHONES E 10-190-235-000-000	02/01/2026	1,325.94 <hr/> 1,325.94	1,325.94
83312	02/05/2026	ALESHIRE AND WYNDER LLP	101667	DEC 2025 LEGAL SERVICES FOR GATEWAY SPECIFIC PLAN B 23-515-90-00	01/27/2026	12,667.30 <hr/> 12,667.30	
			101668	DEC 2025 LEGAL SERVICES - GENERAL E 10-160-250-000-000	01/27/2026	10,670.00 <hr/> 10,670.00	
			101671	DEC 2025 LEGAL SERVICES - COMMUNITY HOUSING GROUP, LLC E 10-160-250-100-000	01/27/2026	4,893.40 <hr/> 4,893.40	
			101672	DEC 2025 LEGAL SERVICES FOR GT HOUSING AUTHORITY E 52-400-251-000-000	01/27/2026	3,809.90 <hr/> 3,809.90	
			102448	DEC 2025 LEGAL SERVICES - LITIGATION E 10-160-250-100-000	01/27/2026	409.60 <hr/> 409.60	
			102449	DEC 2025 LEGAL SERVICES - GENERAL AFTER 42 HRS E 10-160-250-000-000	01/27/2026	132.40 <hr/> 132.40	32,582.60
83313	02/05/2026	AMERITAS LIFE INSURANCE CORP	FEB 2026	FEB 2026 EMPLOYEE PAID DENTAL INSURANCE B 10-022-70-00	02/01/2026	842.48 <hr/> 842.48	842.48

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83314	02/05/2026	ARS BILLIARDS	02032026	REPAIRS FOR POOL TABLES AT SENIOR CENTER E 10-805-220-000-000	02/03/2026	1,400.00 <u>1,400.00</u>	1,400.00
83315	02/05/2026	ATHLETIC FIELD SPECIALISTS	8498	JAN 2026 TURF MAINTENANCE FOR RICHARD ROLLINS PARK E 10-450-245-000-000	01/30/2026	2,350.00 <u>2,350.00</u>	
			8268	JUL 2025 TURF MAINTENANCE FOR RICHARD ROLLINS PARK E 10-450-245-000-000	07/30/2025	2,350.00 <u>2,350.00</u>	4,700.00
83316	02/05/2026	BENSON PRODUCTIONS	1628	DEC 2025 VIDEOGRAPHER SERVICES FOR CITY COUNCIL E 67-380-250-000-000	01/18/2026	1,085.00 <u>1,085.00</u>	
			1629	JAN 2026 VIDEOGRAPHER SERVICES FOR CITY COUNCIL E 67-380-250-000-000	01/31/2026	575.00 <u>575.00</u>	1,660.00
83317	02/05/2026	CA DEPT OF TRANSPORTATION	SL260529	OCT-DEC 2025 SIGNALS AND LIGHTING BILLING E 16-510-255-000-000	01/21/2026	977.13 <u>977.13</u>	977.13
83318	02/05/2026	CHARTER COMMUNICATIONS	2543046010 12126	CITY HALL INTERNET - PEG CITY HALL - JAN-FEB 2026 E 67-380-250-000-000	01/21/2026	540.00 <u>540.00</u>	

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			1887532010 12126	CITY HALL INTERNET - CITY HALL - JAN-FEB 2026 E 10-190-238-000-000	01/21/2026	329.99 <hr/> 329.99	
			1887533010 12126	RICHARD ROLLINS PARK INTERNET - JAN-FEB 2026 E 10-450-238-000-000	01/21/2026	329.99 <hr/> 329.99	
			1887531010 12126	CITY HALL CABLE - CITY HALL - JAN-FEB 2026 E 10-190-238-000-000	01/21/2026	51.83 <hr/> 51.83	1,251.81
83319	02/05/2026	CITY OF SAN BERNARDINO	2026-00000030	FY2025-26 Q2 ANIMAL CONTROL OPERATING COSTS E 10-185-255-000-000	01/27/2026	8,745.81 <hr/> 8,745.81	
			2026-00000024	JAN 2026 ANIMAL CONTROL SERVICES - CAPITAL IMPROVEMENT COSTS E 10-185-255-000-000	01/15/2026	4,552.00 <hr/> 4,552.00	13,297.81
83320	02/05/2026	COLTON PUBLIC UTILITIES	AUG-SEP25 GT SEWER	AUG-SEP 2025 GT SEWER COMM E 10-190-238-000-000	01/23/2026	2,688.70 <hr/> 2,688.70	2,688.70
83321	02/05/2026	COUNTY OF RIVERSIDE TLMA ADM	TL0000018048	NOV 2025 TRAFFIC SIGNAL MONITORING AT MAIN ST AND MICHIGAN ST E 10-175-246-000-000	02/03/2026	219.87 <hr/> 219.87	219.87

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83322	02/05/2026	DFM ASSOCIATES	01292026	2026 CALIFORNIA ELECTIONS CODE E 10-125-220-000-000	01/29/2026	18.23 <hr/> 18.23	18.23
83323	02/05/2026	EVERON LLC	160359463	JOB# 301134300 TRIP CHARGE FOR CITY HALL ALARM TROUBLESHOOTING E 10-195-247-000-000	01/14/2026	75.00 <hr/> 75.00	75.00
83324	02/05/2026	EYEMED FIDELITY SECURITY LIFE	167199285	FEB 2026 EMPLOYEE PAID VISION INSURANCE B 10-022-71-00	01/21/2026	179.58 <hr/> 179.58	179.58
83325	02/05/2026	FENNEMORE CRAIG PC	1337206	DEC 2025 LEGAL SERVICES FOR PETTA FAMILY TRUST E 10-160-250-100-000	01/22/2026	236.00 <hr/> 236.00	236.00
83326	02/05/2026	GOODMAN AND ASSOCIATES	6102	JAN 2026 INTERIM CITY ENGINEER SERVICES E 10-175-250-020-000	02/04/2026	4,655.00 <hr/> 4,655.00	4,655.00
83327	02/05/2026	HDL COREN CONE	SIN058832	JAN-MAR 2026 PROPERTY TAX SERVICES E 10-140-250-000-000	01/27/2026	2,673.27 <hr/> 2,673.27	2,673.27
83328	02/05/2026	HDL SOFTWARE LLC	SIN058375	DEC 2025 BUSINESS LICENSE PROCESSING FEES E 10-140-250-000-000	12/31/2025	273.36 <hr/> 273.36	273.36

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83330	02/05/2026	KONICA MINOLTA	48536354	JAN-FEB 2026 RENT FOR ADDITIONAL PHOTOCOPIER E 10-190-700-000-000	01/22/2026	142.92 <hr/> 142.92	142.92
83331	02/05/2026	KONICA MINOLTA BUS. SOLUTIONS	9010743890	12/15/2025-01/14/2026 CITYWIDE PHOTOCOPIER SERVICES E 10-190-212-000-000	01/14/2026	171.58 <hr/> 171.58	171.58
83332	02/05/2026	LEAGUE OF CALIFORNIA CITIES	INV-45643- Q3D4H5	2026 LEAGUE OF CA CITIES MEMBERSHIP DUES E 10-120-265-000-000	01/28/2026	7,153.00 <hr/> 7,153.00	7,153.00
83333	02/05/2026	LOMA LINDA HEAT AND A C INC	20439447	REPAIRS FOR LIBRARY HEATING SYSTEM E 10-195-257-000-000	01/13/2026	1,123.22 <hr/> 1,123.22	1,123.22
83334	02/05/2026	ROBERT MACIAS	02042026	REFUND RESERVATION DEPOSIT FOR RICHARD ROLLINS PARK 01/30/2026 B 23-515-22-00	02/04/2026	50.00 <hr/> 50.00	50.00

**Check Register**  
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83335	02/05/2026	MICHAEL BAKER INTERNATIONAL	1254170	JUN 2025 CEQA SUPPORT FOR BRSP	07/11/2025		
				E 10-370-250-202-000		5,581.27	
			B 23-515-59-00	5,581.28			
				<u>11,162.55</u>			
1274328	JUL-AUG 2025 PROFESSIONAL SERVICES	01/21/2026					
	FOR VIVIENDA CARE FACILITY						
	B 23-520-04-00		1,260.00				
			<u>1,260.00</u>				
							12,422.55
83336	02/05/2026	MIDAMERICA ADMIN RETIREMENT	PAYDATE 01222026 ARS	PAYDATE 01222026 ARS RETIREMENT	01/22/2026		
				B 10-022-68-00		262.27	
				<u>262.27</u>			
			PAYDATE 02052026 ARS	PAYDATE 02052026 ARS RETIREMENT	02/05/2026		
B 10-022-68-00	242.95						
			<u>242.95</u>				
							505.22
83337	02/05/2026	MIKE ROQUET CONSTRUCTION INC	0923-25	REPAIRS TO STORM DRAIN AT PICO AND	10/02/2025		
				MT VERNON			
			E 10-631-255-000-000	14,912.40			
				<u>14,912.40</u>			
1112-25	CATCH BASIN INSTALLATION AT 12587	11/12/2025					
	MICHIGAN ST						
	E 10-175-244-000-000		9,800.00				
			<u>9,800.00</u>				
							24,712.40
83338	02/05/2026	ODP BUSINESS SOLUTIONS LLC	456940441001	OFFICE/BREAK ROOM SUPPLIES FOR	01/29/2026		
				SENIOR CENTER			
				E 10-190-210-000-000		57.16	
						<u>57.16</u>	
							57.16

**Check Register**  
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83339	02/05/2026	ON SITE COMPUTING	54005159	POWER SUPPLY FOR COUNCIL CHAMBER IT EQUIPMENT E 10-380-249-000-000	01/27/2026	2,547.47 <u>2,547.47</u>	2,547.47
83340	02/05/2026	PACIFIC PRODUCTS AND SERVICES	37525	POLES FOR STREET SIGNS E 10-175-244-000-000	01/23/2026	1,091.63 <u>1,091.63</u>	
			37524	STREET SIGN REPLACEMENTS E 10-175-244-000-000	01/23/2026	247.73 <u>247.73</u>	1,339.36
83341	02/05/2026	PAX ENVIRONMENTAL INC	4741	ENVIRONMENTAL SITE ASSESSMENT FOR BLUE MOUNTAIN TRAIL E 49-473-700-000-000	01/23/2026	5,185.70 <u>5,185.70</u>	5,185.70
83342	02/05/2026	SB COUNTY SHERIFF	1800002091	JAN 2026 LAW ENFORCEMENT SERVICES E 10-410-255-000-000 E 10-410-256-000-000 E 14-411-256-000-000	01/13/2026	3,056.25 209,959.59 16,204.16 <u>229,220.00</u>	
			36978	FY2025-26 Q1 GT PROACTIVE PATROL E 10-410-250-000-000	12/08/2025	36,288.90 <u>36,288.90</u>	
			36926	FY2025-26 Q1 GAS & VEHICLE MAINTENANCE & SHERIFF OVERTIME E 10-410-220-000-000 E 10-410-250-000-000	01/23/2026	13,360.31 2,338.35 <u>15,698.66</u>	
			36963	FY2025-26 Q1 GT QUALITY OF LIFE E 10-410-250-000-000	12/08/2025	1,983.00 <u>1,983.00</u>	

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			<u>37022</u>	FY2025-26 Q1 CREDIT FOR OFFICE SPECIALIST E 10-410-256-000-000	12/01/2025	-4,827.77 <u>-4,827.77</u>	278,362.79
83343	02/05/2026	SCA OF CA LLC	CA25005830	JAN 2026 STREET SWEEPING SERVICES E 16-900-254-000-000	01/31/2026	8,688.67 <u>8,688.67</u>	8,688.67
83344	02/05/2026	CATHERINE SCHWAB	02042026	REFUND RESEVRATION DEPOSIT FOR COMMUNITY ROOM 01/22/2026 B 23-515-22-00	02/04/2026	200.00 <u>200.00</u>	200.00
83345	02/05/2026	SITEONE LANDSCAPE SUPPLY	161871895-001	IRRIGATION SUPPLIES FOR PARKS AND PARKWAYS E 10-175-244-000-000 E 10-450-245-000-000	01/14/2026	82.01 82.50 <u>164.51</u>	164.51
83346	02/05/2026	DOUG SMITH	02042026	REFUND YARD SALE SIGN DEPOSIT FOR (5) YARD SALE SIGNS B 23-515-22-00	02/04/2026	50.00 <u>50.00</u>	50.00
83347	02/05/2026	SO CAL LOCKSMITH	67874	KEY REPLACEMENT FOR JANITORS E 10-195-245-000-000	01/21/2026	36.40 <u>36.40</u>	36.40

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83348	02/05/2026	SUPERIOR BUILDING MAINTENANCE	10721	FEB 2026 JANITORIAL SERVICES FOR CIVIC CENTER, PARKS, AND SENIOR CENTER E 10-195-245-000-000 E 10-450-245-000-000 E 10-805-245-000-000	01/24/2026	3,378.00 1,922.00 1,708.00 <u>7,008.00</u>	7,008.00
83349	02/05/2026	T MOBILE	JAN26 TMOBILE	JAN 2026 BACKUP INTERNET SERVICE E 10-380-250-000-000	01/20/2026	33.35 <u>33.35</u>	33.35
83350	02/05/2026	SOFIA THRONSON	02042026	REFUND YARD SALE SIGN DEPOSIT FOR (5) YARD SALE SIGNS B 23-515-22-00	02/04/2026	50.00 <u>50.00</u>	50.00
83351	02/05/2026	UNDERGROUND SERVICE ALERT	120260326	FEB 2026 MONTHLY DATABASE MAINTENANCE FEE E 16-900-220-000-000	02/01/2026	89.55 <u>89.55</u>	135.98
			25-262468	FEB 2026 CA STATE FEE FOR REGULATORY COST E 16-900-220-000-000	02/01/2026	46.43 <u>46.43</u>	
83352	02/05/2026	WEST COAST ARBORISTS INC	238313	DEC 2025 CITYWIDE TREE INVENTORY AND ARBORISTS SERVICES E 20-100-245-000-000 E 62-120-220-000-000	12/31/2025	16,420.00 3,201.00 <u>19,621.00</u>	19,621.00

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83353	02/19/2026	A STORAGE PLACE	03/01/2026 - B15	MAR 2026 RENT FOR UNIT B15 E 10-140-241-000-000	02/14/2026	240.00 <u>240.00</u>	240.00
83354	02/19/2026	ADT SECURITY SERVICES	1192741833	FEB-MAR 2026 SENIOR CENTER SECURITY MONITORING E 10-805-245-000-000	01/27/2026	56.55 <u>56.55</u>	56.55
83355	02/19/2026	ARROWHEAD CREDIT UNION	JAN2026 VISA	JAN-FEB 2026 VISA CHARGES E 10-801-270-000-000	02/02/2026	2,800.00 <u>2,800.00</u>	2,800.00
83356	02/19/2026	AT AND T	FEB 2026 AT&T	FEB 2026 AT&T E 10-190-235-000-000 E 10-450-235-000-000 E 10-805-235-000-000	02/01/2026	240.75 704.29 1,371.05 <u>2,316.09</u>	2,316.09
83357	02/19/2026	ATHLETIC FIELD SPECIALISTS	8267	SCALP AND VERTICUT SOCCER FIELD AT RICHARD ROLLINS PARK E 10-450-245-000-000	07/30/2025	3,000.00 <u>3,000.00</u>	3,000.00
83358	02/19/2026	CALIFORNIA JPIA	CRI-00001	CYBER INCIDENT FORENSICS AND RESTORATION E 10-190-260-000-000	02/05/2026	20,753.31 <u>20,753.31</u>	20,753.31

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83359	02/19/2026	CHARTER COMMUNICATIONS	1887530010 12126	SR CENTER INTERNET - HSD3 - JAN-FEB 2026 E 10-805-238-000-000	01/21/2026	140.00 <hr/> 140.00	
			2347038010 20126	CITY HALL ELEVATOR PHONE - FEB 2026 E 10-195-246-000-000	02/01/2026	40.00 <hr/> 40.00	
							180.00
83360	02/19/2026	DAILY JOURNAL CORPORATION	B3973979	NOTICE OF PUBLIC HEARING CUP 25-01 AND SA 19-03 B 23-515-21-00	10/08/2025	842.56 <hr/> 842.56	
			B4007628	CC HEARING NOTICE LHMP E 10-370-230-000-000	01/29/2026	413.30 <hr/> 413.30	
			B3980239	NOTICE OF PUBLIC HEARING SA 25-04 AND E 25-05 B 23-520-10-00	10/27/2025	405.68 <hr/> 405.68	
			B3980241	PC HEARING NOTICE SA 25-05 B 23-520-09-00	10/27/2025	398.06 <hr/> 398.06	
			B4007646	ZCA 25-03 HRG NOTICE OF HEARING E 10-370-230-000-000	01/29/2026	365.76 <hr/> 365.76	
			B4007636	PUBLIC MEETING NOTICE STUDY SESSION FOR REZONING E 10-370-230-000-000	01/29/2026	349.80 <hr/> 349.80	
							2,775.16

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83361	02/19/2026	DATA TICKET INC	188496	GRAND TERRACE - CODE ENFORCEMENT PROCESSING DEC 2025 E 10-185-255-000-000	01/28/2026	306.00	
				306.00			
			188930	GRAND TERRACE - STREET SWEEPING FOR DEC 2025 E 10-140-255-000-000	01/28/2026	62.50	
				62.50			
							368.50
83362	02/19/2026	DENTAL HEALTH SERVICES	2546531	MAR 2026 EMPLOYEE PAID DENTAL INSURANCE B 10-022-70-00	02/16/2026	157.20	
						157.20	
83363	02/19/2026	EZ SUNNYDAY LANDSCAPE	10318	FEB 2026 LANDSCAPING SERVICES - PARKS CIVIC CENTER, CANAL STRIP, ORIOLE E 10-175-244-000-000	02/17/2026	80.00	
				E 10-195-245-000-000		200.00	
				E 10-450-245-000-000		3,285.00	
						150.00	
						80.00	
						3,795.00	
			10317	FEB 2026 LANDSCAPING SERVICES - TRACT 18070 JADEN E 26-605-255-000-000	02/17/2026	750.00	
						750.00	
			10316	FEB 2026 JADEN CT IRRIGATION MAINTENANCE E 26-605-255-000-000	02/17/2026	150.00	
						150.00	
							4,695.00

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83364	02/19/2026	FAMILY SERVICE ASSOCIATION	1-2026-300604	JAN 2026 CDBG SENIOR CENTER NUTRITION PROGRAM E 22-425-305-000-000	02/01/2026	959.43 <hr/> 959.43	959.43
83365	02/19/2026	FENNEMORE CRAIG PC	1340906	JAN 2026 LEGAL SERVICES FOR PETTA FAMILY TRUST E 10-160-250-100-000	02/11/2026	2,066.00 <hr/> 2,066.00	2,066.00
83366	02/19/2026	GRAINGER	9801337172	PPE SUPPLIES FOR MAINTENANCE STAFF E 10-175-218-000-000	02/09/2026	130.50 <hr/> 130.50	
			9796413202	SANITATION SUPPLIES FOR CITY HALL RESTROOMS E 10-195-245-000-000	02/04/2026	43.25 <hr/> 43.25	
			9806276748	SHOP SUPPLIES FOR MAINTENANCE E 10-175-218-000-000	02/12/2026	38.80 <hr/> 38.80	
			9798286812	SOAP DISPENSER FOR WOMEN'S RESTROOM AT CITY HALL E 10-195-245-000-000	02/05/2026	37.37 <hr/> 37.37	249.92
83367	02/19/2026	RAUL HERRERA	02172026	REFUND YARD SALE SIGN DEPOSIT FOR (5) YARD SALE SIGNS B 23-515-22-00	02/17/2026	50.00 <hr/> 50.00	50.00

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83368	02/19/2026	HOME DEPOT CREDIT SERVICE	5617349	CLEANING AND MAINTENANCE SUPPLIES	01/21/2026		
				E 10-175-210-000-000		42.30	
				E 10-175-244-000-000		138.33	
						180.63	
			9272851	SMALL TOOLS, CABLE TIES, LOCKS, BATTERY ACID, AND PAINT SUPPLIES	01/27/2026		
				E 10-175-218-000-000		18.36	
				E 10-175-244-000-000		65.53	
				E 10-190-210-000-000		7.90	
				E 10-195-246-000-000		43.47	
				E 62-120-220-000-000		18.46	
						153.72	
			6041678	SUPPLIES FOR FAUCET REPAIR AT CITY HALL	01/20/2026		
				E 10-195-245-000-000		137.26	
						137.26	
			1213108	SHOVELS AND MAINTENANCE SUPPLIES	01/15/2026		
				E 10-175-218-000-000		60.86	
				E 10-450-245-000-000		40.43	
						101.29	
			3617632	SMALL TOOLS AND MAINTENANCE SUPPLIES	01/23/2026		
				E 10-175-218-000-000		34.17	
				E 10-175-244-000-000		19.22	
				E 10-195-245-000-000		36.50	
				E 10-805-245-000-000		7.53	
						97.42	
			9374329	CONCRETE TO INSTALL BENCH AT HONEY HILL AND BARTON	01/07/2026		
				E 10-175-244-000-000		32.49	
						32.49	
			616713	IRRIGATION SUPPLIES FOR FITNESS PARK	01/16/2026		
				E 10-450-245-000-000		29.21	
						29.21	

732.02

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83369	02/19/2026	INLAND BUSINESS FORMS	36423	BUSINESS CARDS - BRENDA OROZCO E 10-140-210-000-000	11/03/2025	62.34	
						62.34	
			36389	BUSINESS CARDS - MICHELLE SABINO E 10-110-210-000-000	10/06/2025	62.34	
						62.34	
			36502	BUSINESS CARDS - JESSICA BROWN E 65-425-220-000-000	01/23/2026	57.96	
						57.96	182.64
83370	02/19/2026	JBI GROUP	2297	REPAIRS FOR CITY HALL DOORS E 10-195-245-000-000	02/12/2026	178.00	
						178.00	178.00
83371	02/19/2026	KONICA MINOLTA	48577043	FEB-MAR 2026 RENT FOR (2) PHOTOCOPIERS E 10-190-700-000-000	02/02/2026	260.32	
						260.32	260.32
83372	02/19/2026	LANCE SOLL AND LUNGHARD LLP	72961	2025 GOVERNMENT AUDIT - FINAL BILL E 10-140-250-000-000	01/31/2026	3,710.00	
						3,710.00	3,710.00
83373	02/19/2026	LEAGUE OF CALIFORNIA CITIES	3003	2026 MEMBERSHIP DUES FOR INLAND EMPIRE DIVISION E 10-120-265-000-000	01/30/2026	700.00	
						700.00	700.00

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83374	02/19/2026	LINCOLN NATIONAL LIFE INSURANC	LCLN FEB 2026	FEB 2026 LIFE/AD&D/DEP LIFE/WI/LTD	02/01/2026		
				B 10-022-66-00		1,093.20	
				E 10-120-142-000-000		42.32	
				E 10-125-142-000-000		23.71	
				E 10-140-142-000-000		41.03	
				E 10-172-142-000-000		15.96	
				E 10-175-142-000-000		60.89	
				E 10-185-142-000-000		41.65	
				E 10-370-142-000-000		19.04	
				E 10-450-142-000-000		28.36	
				E 16-175-142-000-000		14.18	
				E 22-425-142-000-000		11.25	
				E 52-400-142-000-000		1.02	
				E 65-425-142-000-000		-21.42	
						1,371.19	
		1,371.19					
83375	02/19/2026	LYNN MERRILL AND ASSOCIATES	26-5	JAN 2026 NPDES SUPPORT SERVICES	02/04/2026		
				E 10-625-255-000-000		322.11	
						322.11	
							322.11
83376	02/19/2026	ODP BUSINESS SOLUTIONS LLC	458536431001	OFFICE SUPPLIES FOR PUBLIC WORKS	02/02/2026		
				E 10-175-210-000-000		37.66	
					37.66		
			456953513001	PENS FOR SENIOR CENTER	01/29/2026		
				E 10-805-210-000-000		20.35	
					20.35		
			458536310001	WRIST REST FOR PUBLIC WORKS	02/02/2026		
				E 10-175-210-000-000		14.54	
		14.54					
458536432001	PENS FOR PUBLIC WORKS	01/29/2026					
	E 10-175-210-000-000		2.86				
		2.86					
						2.86	

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			455982364001	CREDIT FOR RETURNED PENS FOR PUBLIC WORKS E 10-175-210-000-000	02/06/2026	-2.86 <hr/> -2.86	72.55
83377	02/19/2026	ON SITE COMPUTING	54005176	MAR 2026 IT SERVICES E 10-380-250-000-000	02/01/2026	10,983.34 <hr/> 10,983.34	10,983.34
83378	02/19/2026	ONYX PAVING COMPANY INC	25-031-R	RETAINER PAYMENT FOR CIP 2025-26 STREET REHABILITATION E 46-900-321-000-000	09/30/2025	26,221.52 <hr/> 26,221.52	26,221.52
83379	02/19/2026	PACIFIC PRODUCTS AND SERVICES	37581	MULCH AND COMPOST SIGNS E 10-175-220-000-000	02/05/2026	104.40 <hr/> 104.40	104.40
83380	02/19/2026	PRESTIGE CHEMICALS	01115	VANDAL MARK REMOVER E 10-175-244-000-000	02/02/2026	356.48 <hr/> 356.48	356.48
83381	02/19/2026	PRIMO BRANDS	06B8710353697	JAN 2026 WATER SERVICES FOR CITY HALL AND SENIOR CENTER E 10-190-238-000-000 E 10-805-238-000-000	02/06/2026	290.77 150.26 <hr/> 441.03	
			06B8710047048	JAN 2026 WATER FILTRATION SYSTEM RENTAL E 10-190-238-000-000	02/06/2026	53.28 <hr/> 53.28	494.31

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83382	02/19/2026	QUADIENT LEASING USA INC	Q2218709	JAN-MAR 2026 POSTAGE METER LEASE E 10-190-211-000-000	02/08/2026	967.55 <u>967.55</u>	967.55
83383	02/19/2026	RIVERSIDE HIGHLAND WATER CO	DEC25-JAN26 RHWC	11/17/2025-01/26/2026 RIVERSIDE HIGHLAND WATER CO B 10-015-60-00 E 10-175-238-000-000 E 10-190-238-000-000 E 10-450-238-000-000 E 10-805-238-000-000 E 26-600-239-000-000 E 26-601-239-000-000 E 26-605-238-000-000	02/06/2026	69.20 401.00 1,668.23 7,169.53 2,336.61 741.10 111.21 306.54 <u>12,803.42</u>	12,803.42
83384	02/19/2026	ROSAS GENERAL CONSTRUCTION	24-0110	PARTIAL REROOF OF MAINTENANCE BUILDING AT CITY HALL E 10-195-706-000-000	02/03/2026	10,900.00 <u>10,900.00</u>	10,900.00
83385	02/19/2026	SB COUNTY SHERIFF	1800002120	FEB 2026 LAW ENFORCEMENT SERVICES E 10-410-255-000-000 E 10-410-256-000-000 E 14-411-256-000-000	01/22/2026	3,056.25 209,959.59 16,204.16 <u>229,220.00</u>	229,220.00
83386	02/19/2026	SBCTA	GA DUES 26-09	FY2025-26 GENERAL ASSESSMENT MEMBERSHIP DUES E 10-120-265-000-000	02/10/2026	18,801.00 <u>18,801.00</u>	18,801.00

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83387	02/19/2026	SITEONE LANDSCAPE SUPPLY	162345895-001	IRRIGATION SUPPLIES FOR RICHARD ROLLINS PARK E 10-450-245-000-000	02/06/2026	109.85	
						<u>109.85</u>	
			162174417-001	IRRIGATION SUPPLIES FOR FREEDOM PARK E 10-450-245-000-000	01/29/2026	43.93	
						<u>43.93</u>	
							153.78
83388	02/19/2026	SO CAL LOCKSMITH	67915	KEYS FOR LITTLE LEAGUE SNACK BAR E 10-450-245-000-000	02/04/2026	38.95	
						<u>38.95</u>	
							38.95
83389	02/19/2026	ST FRANCIS ELECTRIC	22147793	JAN 2026 RESPONSE TRAFFIC SIGNAL MAINTENANCE E 16-510-255-000-000	01/31/2026	1,080.00	
						<u>1,080.00</u>	
			22147792	JAN 2026 ROUTINE TRAFFIC SIGNAL MAINTENANCE E 16-510-255-000-000	01/31/2026	557.55	
						<u>557.55</u>	
							1,637.55
83390	02/19/2026	STERICYCLE INC	1000950782	JAN 2026 RECORDS DESTRUCTION E 10-125-250-000-000	02/10/2026	170.90	
						<u>170.90</u>	
							170.90
83391	02/19/2026	SUNBELT RENTALS INC	179757308-0001	POLARIS RENTAL FOR PUBLIC WORKS E 10-175-240-000-000	02/05/2026	98.88	
						<u>98.88</u>	
							98.88

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83392	02/19/2026	TEAMSTERS LOCAL 1932	054	FEB 2026 EMPLOYEE PAID MEMBERSHIP DUES B 10-022-72-00	01/21/2026	744.87 <u>744.87</u>	744.87
83393	02/19/2026	TERMINIX	468316210	JAN 2026 GOPHER CONTROL FOR GRIFFIN PARK E 10-450-245-000-000	01/27/2026	208.00 <u>208.00</u>	
			468455409	JAN 2026 GOPHER CONTROL FOR PICO PARK E 10-450-245-000-000	01/27/2026	170.00 <u>170.00</u>	
			468315683	JAN 2026 PEST CONTROL SERVICES - CITY HALL E 10-195-245-000-000	01/27/2026	138.00 <u>138.00</u>	
			468316173	JAN 2026 PEST CONTROL SVCS FOR SENIOR CENTER E 10-805-245-000-000	01/27/2026	133.00 <u>133.00</u>	
			468316224	JAN 2026 GOPHER CONTROL FOR DOG PARK E 10-450-245-000-000	01/27/2026	102.00 <u>102.00</u>	
			468316216	JAN 2026 GOPHER CONTROL FOR RICHARD ROLLINS PARK E 10-450-245-000-000	01/27/2026	102.00 <u>102.00</u>	
			468316202	JAN 2026 GOPHER CONTROL FOR POCKET PARK E 10-450-245-000-000	01/27/2026	80.00 <u>80.00</u>	933.00

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83394	02/19/2026	TYLER TECHNOLOGIES INC	025-541807	JAN 2026 ERP PRO 10 IMPLEMENTATION COSTS E 10-140-250-000-000	01/28/2026	124.31 <u>124.31</u>	124.31
83395	02/19/2026	VERIZON WIRELESS	6134345704	ALPR CARD LINE CHARGES DEC25-JAN26 E 10-190-235-000-000	01/23/2026	190.05 <u>190.05</u>	190.05
83396	02/19/2026	RICK VIEFHAUS	02172026	REFUND YARD SALE SIGN DEPOSIT FOR (3) YARD SALE SIGNS B 23-515-22-00	02/17/2026	30.00 <u>30.00</u>	30.00
83397	02/19/2026	WEST COAST ARBORISTS INC	239790	JAN 2026 CITYWIDE TREE INVENTORY AND ARBORISTS SERVICES E 20-100-245-000-000 E 62-120-220-000-000	01/31/2026	372.00 2,328.00 <u>2,700.00</u>	2,700.00
83398	02/19/2026	WILLDAN	002-37204	JAN 2026 PLAN CHECK/ INSPECTION SVCS FOR BUILDING & SAFETY E 10-172-250-100-000	02/04/2026	5,426.60 <u>5,426.60</u>	
			00423340	DEC 2025 PLAN CHECK/INSPECTION SERVICES FOR PUBLIC WORKS E 10-175-250-020-000	01/23/2026	3,276.00 <u>3,276.00</u>	
			002-37205	JAN 2026 PLAN CHECKING SERVICES FOR VARIOUS DEVELOPERS E 10-175-250-020-000 B 23-520-13-00 B 23-520-24-00	02/04/2026	67.50 135.00 675.00 <u>877.50</u>	

**Check Register**  
**CITY OF GRAND TERRACE**  
As of 2/28/2026

<u>Check #</u>	<u>Date</u>	<u>Vendor</u>	<u>Invoice #</u>	<u>Invoice Description</u>	<u>Inv. Date</u>	<u>Amount Paid</u>	<u>Check Total</u>
			00423405	JAN 2026 PLAN CHECKING SERVICES FOR DUTCH BROS B 23-515-81-00	02/09/2026	544.00 <hr/> 544.00	10,124.10
83399	02/19/2026	LARONICA WILLIAMS	02172026	REFUND PARK RESERVATION DEPOSIT AT VETERAN'S FREEDOM PARK 02/07/2026 B 23-515-22-00	02/17/2026	50.00 <hr/> 50.00	50.00
370309	02/06/2026	SO CA GAS COMPANY	JAN 2026 GAS SERVICE	JAN 2026 GAS SERVICE E 10-190-238-000-000 E 10-805-238-000-000	02/06/2026	395.86 356.10 <hr/> 751.96	751.96
937023	02/02/2026	AMERICAN FIDELITY ASSURANCE CO	D937023	FEB 2026 - EMPLOYEE CANCER & ACCIDENT INSURANCE B 23-250-20-00	02/01/2026	668.02 <hr/> 668.02	668.02
2710196	02/02/2026	AMERICAN FIDELITY ASSURANCE CO	2710196A	FEB 2026 EMP PAID FLEX SPEND/DEP CARE B 23-250-10-00	01/14/2026	441.65 <hr/> 441.65	441.65
18152244	02/02/2026	PUBLIC EMPLOYEES RETIREMENT	PAYDTE 01222026 PERS	RETIREMENT CONTRIBUTIONS FOR PAY DATE 01/22/2026 B 10-022-62-00	01/22/2026	12,818.87 <hr/> 12,818.87	12,818.87

**Check Register**  
**CITY OF GRAND TERRACE**  
As of 2/28/2026

<u>Check #</u>	<u>Date</u>	<u>Vendor</u>	<u>Invoice #</u>	<u>Invoice Description</u>	<u>Inv. Date</u>	<u>Amount Paid</u>	<u>Check Total</u>
18152264	02/19/2026	PUBLIC EMPLOYEES RETIREMENT	PAYDTE 02052026 PERS	RETIREMENT CONTRIBUTIONS FOR PAY DATE 02/05/2026 B 10-022-62-00	02/05/2026	12,944.93 <u>12,944.93</u>	12,944.93
18187137	02/19/2026	PUBLIC EMPLOYEES RETIREMENT	PAYDTE 02192026 PERS	RETIREMENT CONTRIBUTIONS FOR PAY DATE 02/19/2026 B 10-022-62-00	02/19/2026	12,976.63 <u>12,976.63</u>	12,976.63
18194704	02/02/2026	CALPERS 457 PLAN	PAYDATE 01222026 457	EFT PAYMENT CALPERS ACH CONFIRM #1003202408 B 10-022-63-00	01/22/2026	2,600.00 <u>2,600.00</u>	2,600.00
18217092	02/19/2026	CALPERS 457 PLAN	PAYDATE 02052026 457	EFT PAYMENT CALPERS ACH CONFIRM #1003217762 B 10-022-63-00	02/05/2026	2,600.00 <u>2,600.00</u>	2,600.00
18217201	02/19/2026	CALPERS 457 PLAN	PAYDATE 02192026 457	EFT PAYMENT CALPERS ACH CONFIRM #1003218236 B 10-022-63-00	02/19/2026	2,800.00 <u>2,800.00</u>	2,800.00

**Check Register**  
**CITY OF GRAND TERRACE**  
As of 2/28/2026

Check #	Date	Vendor	Invoice #	Invoice Description	Inv. Date	Amount Paid	Check Total
35258416	02/03/2026	SO CA EDISON COMPANY	JAN 2026 EDISON	JAN 2026 EDISON E 10-175-238-000-000 E 10-190-238-000-000 E 10-450-238-000-000 E 16-510-238-000-000 E 26-600-238-000-000 E 26-601-238-000-000 E 26-602-238-000-000 E 26-603-238-000-000 E 26-604-238-000-000 E 26-605-238-000-000 E 65-425-700-000-000	02/01/2026	13.37 5,493.98 3,404.55 8,250.37 79.56 64.64 89.51 14.92 70.82 60.74 173.00 <u>17,715.46</u>	17,715.46
110495419	02/06/2026	WEX BANK	110495419	JAN-FEB 2026 VEHICLE FUEL CHEVRON E 10-175-272-000-000 E 10-185-272-000-000	02/06/2026	1,862.00 337.50 <u>2,199.50</u>	2,199.50
128183385	02/02/2026	CA PUB EMPLOYEES RETIRE SYSTEM	02012026 HPERS	FEB 2026 PERS HEALTH INSURANCE ACH 1003202320 B 10-022-62-00 E 10-120-142-000-000 E 10-125-142-000-000 E 10-140-142-000-000 E 10-172-142-000-000 E 10-175-142-000-000 E 10-185-142-000-000 E 10-190-142-000-000 E 10-370-142-000-000 E 10-450-142-000-000 E 16-175-142-000-000 E 22-425-142-000-000	02/01/2026	3,554.69 4,276.69 1,888.73 2,807.50 969.96 3,879.84 1,939.92 5,013.13 918.77 1,939.92 969.96 918.78 <u>29,077.89</u>	29,077.89

**Check Register**  
**CITY OF GRAND TERRACE**  
As of 2/28/2026

<u>Check #</u>	<u>Date</u>	<u>Vendor</u>	<u>Invoice #</u>	<u>Invoice Description</u>	<u>Inv. Date</u>	<u>Amount Paid</u>	<u>Check Total</u>
748268326	02/11/2026	US BANK	JAN2026 CAL CARD	JAN-FEB 2026 CAL CARD CHARGES	02/06/2026		
				E 10-110-210-000-000 OFFICE SUPPLIES		49.32	
				E 10-110-270-000-000 CONFERENCE		3,008.61	
				E 10-120-210-000-000 OFFICE SUPPLIES		221.94	
				E 10-120-220-000-000 MTRLS & SUPPLIES		356.54	
				E 10-120-220-200-000 CITY EVENTS		664.41	
				E 10-125-210-000-000 OFFICE SUPPLIES		162.22	
				E 10-125-265-000-000 SUBSCRIPTIONS		15.00	
				E 10-125-270-000-000 CONFERENCE		420.03	
				E 10-140-210-000-000 OFFICE SUPPLIES		74.15	
				E 10-140-270-000-000 CONFERENCE		770.00	
				E 10-172-268-000-000 TRAINING		175.00	
				E 10-175-210-000-000 OFFICE SUPPLIES		-49.42	
				E 10-175-218-000-000 SMALL TOOLS		129.36	
				E 10-175-219-000-000 UNIFORMS		202.63	
				E 10-175-244-000-000 CITY PARKWAYS		2,366.06	
				E 10-175-265-000-000 SUBSCRIPTIONS		34.99	
				E 10-175-272-000-000 VEHICLE MAINT		329.51	
				E 10-185-210-000-000 OFFICE SUPPLIES		461.36	
				E 10-185-220-000-000 MTRLS & SUPPLIES		410.29	
				E 10-185-268-000-000 TRAINING		695.00	
				E 10-185-272-000-000 VEHICLE MAINT		168.41	
				E 10-187-256-020-000 ENFORCEMENT PROGRAM		100.98	
				E 10-190-210-000-000 OFFICE SUPPLIES		18.63	
				E 10-190-211-000-000 POSTAGE		10.95	
				E 10-190-220-000-000 MTRLS & SUPPLIES		843.08	
				E 10-195-245-000-000 MTRLS & SUPPLIES		506.41	
				E 10-370-210-000-000 OFFICE SUPPLIES		56.28	
				E 10-450-245-000-000 MTRLS & SUPPLIES		2,541.08	
				E 10-805-210-000-000 OFFICE SUPPLIES		121.30	
				E 10-805-245-000-000 MTRLS & SUPPLIES		304.37	
				E 65-425-272-000-000 VEHICLE MAINT		101.77	
						15,270.26	

15,270.26

**Check Register**  
**CITY OF GRAND TERRACE**  
As of 2/28/2026

<u>Check #</u>	<u>Date</u>	<u>Vendor</u>	<u>Invoice #</u>	<u>Invoice Description</u>	<u>Inv. Date</u>	<u>Amount Paid</u>	<u>Check Total</u>
921025357	02/10/2026	VERIZON WIRELESS	6134859820	JAN-FEB 2026 MONTHLY PHONE CHARGES	02/01/2026		
				E 10-120-235-000-000		116.49	
				E 10-125-235-000-000		77.66	
				E 10-140-235-000-000		116.49	
				E 10-172-235-000-000		38.83	
				E 10-175-235-000-000		720.09	
				E 10-185-235-000-000		162.35	
				E 10-190-235-000-000		270.07	
				E 10-370-235-000-000		77.66	
				E 10-805-235-000-000		38.83	
				E 65-425-235-000-000		38.83	
						1,657.30	
							1,657.30
						<b>Total Checks:</b>	<b>929,384.93</b>

IN ACCORDANCE WITH CALIFORNIA GOVERNMENT CODE SECTION 37202, I HEREBY CERTIFY THAT, TO THE BEST OF MY KNOWLEDGE, THE AFORE LISTED CHECKS FOR PAYMENT OF CITY LIABILITIES HAVE BEEN AUDITED BY ME AND ARE ACCURATE, NECESSARY AND APPROPRIATE EXPENDITURES FOR THE OPERATION OF THE CITY. I FURTHER CERTIFY, TO THE BEST OF MY KNOWLEDGE, THAT THE CITY HAS AVAILABLE FUNDS FOR PAYMENT THEREOF.

*Christine Clayton*  


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Christine Clayton, Finance Director  
City of Grand Terrace



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# AGENDA REPORT

MEETING DATE: March 24, 2026

TITLE: Approve Check #83329 to Mayor Hussey in the amount of \$419.20 from the February 2026 Check Register

PRESENTED BY: Christine Clayton, Finance Director

RECOMMENDATION: **APPROVE CHECK #83329 TO MAYOR HUSSEY IN THE AMOUNT OF \$419.20 FROM THE FEBRUARY 2026 CHECK REGISTER**

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## **2030 VISION STATEMENT:**

This staff report supports Goal #1, "Ensuring Our Fiscal Viability", through the continuous monitoring of expenditure budgets, allocations, and operational costs.

## **BACKGROUND:**

The check register for the month of February-2026 was prepared in accordance with Government Code §37202 and submitted to City Council at the March 24, 2026 meeting.

The check register lists all vendor payments for the respective month, along with a brief description of the type of goods or services purchased and the account code(s) associated with each payment. The check registers list all payments made to vendors and employee reimbursements during the month.

## **DISCUSSION:**

The February 2026 check register is submitted to City Council on March 24, 2026 with the exception of check #83329 to Mayor Hussey for \$419.20 to reimburse him for health insurance. The Mayor has to recuse himself from voting on this check, necessitating a separate vote to approve this expenditure.

## **ENVIRONMENTAL IMPACT:**

N/A

## **FISCAL IMPACT:**

The disbursement was made in accordance with the approved budget for Fiscal Year 2025-26.

# CITY OF GRAND TERRACE

## FY2025-26

GRAND TERRACE CIVIC CENTER  
22795 BARTON ROAD GRAND TERRACE, CA 92313

## CHECK REGISTER

### Account Index



Bill Hussey, Mayor  
Michelle Sabino, Mayor Pro Tem  
Doug Wilson, Council Member  
Jeff Allen, Council Member  
Matt Brown, Council Member

The Grand Terrace City Council meets on the Second Tuesday of each month at 6:00 pm.

**City of Grand Terrace Check Register Index**

<u>Fund No.</u>	<u>Fund Name</u>	<u>Dept No.</u>	<u>Department Cost Center</u>	<u>Acct No.</u>	<u>General Account Numbers</u>
09	CHILD CARE FUND	110	CITY COUNCIL	110	SALARIES/WAGES
10	GENERAL FUND	120	CITY MANAGER	115	OVERTIME
11	STREET FUND	125	CITY CLERK	120	COUNCIL STIPENDS
12	STORM DRAIN FUND	140	FINANCE	138	MEDICARE / SUI
13	PARK FUND	160	CITY ATTORNEY	139	EMPLOYEES' BENEFIT PLAN
14	AB 3229 COPS FUND	172	BUILDING & SAFETY	140	RETIREMENT
15	AIR QUALITY IMPROVEMENT FUND	175	PUBLIC WORKS	142	HEALTH/LIFE INSURANCE
16	GAS TAX FUND	180	COMMUNITY EVENTS	143	WORKERS' COMPENSATION
17	TRAFFIC SAFETY FUND	185	RENTAL INSPECTION PROGRAM	210	OFFICE EXPENSE
18	TRANS. DEV. ACT (T D A FUND)	187	ENFORCEMENT PROGRAM	211	POSTAGE & MAILING
19	FACILITIES DEVELOPMENT FUND	190	NON-DEPARTMENTAL	220	SPECIAL DEPARTMENTAL EXP
20	MEASURE I FUND	195	FACILITIES MAINTENANCE	230	ADVERTISING
21	WASTE WATER DISPOSAL FUND	370	PLANNING & DEVELOPMENT SVCS	235	COMMUNICATIONS
22	COMMUNITY DEV. BLOCK GRANT	380	MGT INFORMATION SYSTEMS	238	UTILITIES
25	SPRING MOUNTAIN RANCH FUND	410	LAW ENFORCEMENT	240	RENTS & LEASES
26	LSCPG/ LGHTG ASSESSMENT DIST.	411	ASSET FORFEITURES	244	CUSTODIAL SERVICES
32	S/A CAPITAL PROJECTS FUND	430	RECREATION SERVICES	245	MAINT BLDG GRNDS EQUIPMNT
36	S/A 2011 TABS BOND PROCEEDS	441	CHILD CARE - NUTRITION GRANT	246	MAINT/OPER OF EQUIPMNT
45	CIP - COMMERCE WAY	445	CHILD CARE - TINY TOTS	250	PROFESSIONAL SERVICES
46	CIP - STREET IMPROVEMENTS	446	CHILD CARE - AFTER SCHOOL	251	BANKING SERVICE CHARGES
47	CIP - BARTON RD. BRIDGE PROJECT	447	CHILD CARE - PRE-SCHOOL	252	ROAD MAINTENANCE
48	CIP - CAPITAL PROJECTS FUND	450	PARKS MAINTENANCE	254	STREET SWEEPING
49	CIP - PARKS	461	COMMUNITY GRANTS	255	CONTRACTUAL SERVICES
50	CAPITAL PROJECT BOND PROCEEDS	500	AIR QUALITY PROGRAMS	256	ANIMAL SHELTERING SVCS
52	HOUSING AUTHORITY	510	STREET & SIGNAL LIGHTING	260	INSURANCE & SURETY BONDS
61	COMMUNITY BENEFITS FUND	573	LINE MAINTENANCE	265	MEMBERSHIPS & DUES
62	LIGHT UP GRAND TERRACE FUND	600	ZONE 1 13364 CANAL -TERR PINES	268	TRAINING
63	ILLEGAL FIREWORKS FUND	601	ZONE 3 TRACT 14471 PICO & ORIOLE	270	TRAVEL/CONFERENCES/MTGS
64	PUBLIC SAFETY FUND	602	ZONE 2 14264 FORREST CITY PHASE II	271	MILEAGE
65	SENIOR BUS PROGRAM FUND	603	ZONE 4 TRACT 17766 GREENBRIAR	625	NPDES
66	CAL RECYCLE GRANT	604	ZONE 5 TRACT 18793 PALOMINO	631	STORM DRAIN MAINTENANCE
67	PUBLIC EDUC & GOVT ACCESS (PEG)	605	ZONE 6 TRACT 18071 JADEN	801	PLANNING COMMISSION
68	40TH YR CELEBRATION FUND	606	ZONE 7 TRACT 18604 TESORO/VAN BUREN	804	HISTORICAL & CULTURAL COMM.
69	COMMUNITY DAY FUND	625	NPDES	311	FACILITY IMPROVEMENTS
70	FIXED ASSED/EQUIP REPL FUND	631	STORM DRAIN MAINTENANCE	570	WASTEWATER TREATMENT
73	ACTIVE TRANS PRGM (ATP) GRANT	700	CAPITAL OUTLAY	400	OTHER COMMUNITY GRANTS
74	HIGHWAY SFTY IMPV PRGM (HSIP)	705	EVERY 15 MINUTES	601	ELECTRICAL VEHICLE STATIONS
75	EMER MGMT PREP GRANT (EMPG)	801	PLANNING COMMISSION	700	COMPUTER EQUIPMENT
76	ENHANCED INFRA FIN DIST (EIFD)	804	HISTORICAL & CULTURAL COMMITTEE	701	CAPITAL IMPROVEMENT OTHER
77	SO CAL INCENTIVE PROJECT (SCIP)	805	SENIOR CITIZENS PROGRAM	705	VEHICLES
90	COVID-19 EMERGENCY FUND	808	EMERGENCY OPERATIONS PROG.	998	OVERHEAD COST ALLOCATION
95	DOG PARK ENDOWMENT FUND	999	TRANSFERS	999	TRANSFERS OUT

# CITY OF GRAND TERRACE

## FY2025-26

GRAND TERRACE CIVIC CENTER  
22795 BARTON ROAD GRAND TERRACE, CA 92313

### CHECK REGISTER CHECK #83329



Bill Hussey, Mayor  
Michelle Sabino, Mayor Pro Tem  
Doug Wilson, Council Member  
Jeff Allen, Council Member  
Matt Brown, Council Member

The Grand Terrace City Council meets on the Second Tuesday of each month at 6:00 pm.

**Check Register**  
**CITY OF GRAND TERRACE**  
As of 02/28/2026

<u>Check #</u>	<u>Date</u>	<u>Vendor</u>	<u>Invoice #</u>	<u>Invoice Description</u>	<u>Inv. Date</u>	<u>Amount Paid</u>	<u>Check Total</u>
83329	02/05/2026	WILLIAM HUSSEY	FEB2026-BH HLTH REIM	FEB 2026 HEALTH REIMBURSEMENT  E 10-110-142-000-000	02/04/2026	419.20	
						<u>419.20</u>	419.20
					<b>Total Checks:</b>		<u><b>419.20</b></u>

IN ACCORDANCE WITH CALIFORNIA GOVERNMENT CODE SECTION 37202, I HEREBY CERTIFY THAT, TO THE BEST OF MY KNOWLEDGE, THE AFORE LISTED CHECKS FOR PAYMENT OF CITY LIABILITIES HAVE BEEN AUDITED BY ME AND ARE ACCURATE, NECESSARY AND APPROPRIATE EXPENDITURES FOR THE OPERATION OF THE CITY. I FURTHER CERTIFY, TO THE BEST OF MY KNOWLEDGE, THAT THE CITY HAS AVAILABLE FUNDS FOR PAYMENT THEREOF.

*Christine Clayton*

Christine Clayton, Finance Director  
City of Grand Terrace



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# AGENDA REPORT

MEETING DATE: March 24, 2026

TITLE: Treasurer's Report as of September 30, 2025

PRESENTED BY: Christine Clayton, Finance Director

RECOMMENDATION: **RECEIVE AND FILE THE TREASURER'S REPORT FOR THE PERIOD ENDING SEPTEMBER 30, 2025**

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## **2030 VISION STATEMENT:**

This staff report supports Goal #1, "Ensuring Our Fiscal Viability", through the continuous monitoring of actual cash on hand, receipts and disbursements incurred during the fiscal year.

## **BACKGROUND:**

The Treasurer's Report of funds held as cash or invested by the City should be provided to the governing body periodically.

## **DISCUSSION:**

The purpose of the Treasurer's Report is to provide the governing body with the following information:

- Current cash position of the City.
- Identify where all cash is held and, if invested, provide information regarding the Book Value, PAR Value, Market Value, yield, and maturity:
- Book Value is the value of an asset as it is listed in the City's balance sheet or statement of financial position. The book value of the City's cash is the amount listed in the City's bank statement as of September 30, 2025 and recorded in the City's financial system.
- PAR value or face value is the value listed on an invested stock or bond. Had the City invested the cash in stocks or bonds, the PAR value would be the current value of the stocks or bonds.
- Market value of an investment is the amount that someone will pay for it now, or the sale price. The investment value calculates what the investment will earn and likely will be worth in the future. Had the City invested the cash in stocks or bonds, the investment would have both a PAR value and a Market value.
- Yield describes the amount in cash (in percentage terms) in the form of interest or dividends received from an investment in stocks or bonds.
- Maturity or maturity date refers to the payment date of a financial instrument (stock, bond, certificate of deposit (CD) at which point the principal (and all remaining interest) is due to be paid.
- The attached Treasurer's Report as of September 30<sup>th</sup> indicates book, PAR and market value of total cash and investments.
- Show that there are sufficient cash resources to make economic commitments for the next six months. One way the governing body can monitor the fiscal condition of the City is to review

the cash position. The common benchmarks to do this, is to compare the current quarter to the prior quarter and the current quarter to the same quarter in the prior fiscal year. For the Treasurer’s Report of September 30, 2025, the quarter summary would be compared to June 30, 2025 and the annual summary would be compared to September 30, 2024. Information on the benefits of these two cash reporting comparison periods is provided below:

**Quarterly Change in Cash Position:**

This compares the cash position at the end of a quarter to the end of the prior quarter. The cyclical nature of revenues to the City versus the relatively constant nature of expenditures is shown in a quarterly comparison. An example of this would be property tax revenue of which the majority is received in December and May versus monthly labor and utility costs. Generally, the cash position tends to decrease in the first and second quarter of a fiscal year and to increase in the third and fourth quarters. One-time revenues such as bond proceeds may also be easier to highlight first in a quarterly change report.

City of Grand Terrace				
CHANGE IN TREASURY POSITION				
<b>Fiscal Year-to-Date Compared to Previous Quarter</b>				
<b>Table 1</b>				
<b>Description</b>	<b>June 30, 2025</b>	<b>Sept 30, 2025</b>	<b>\$ Change</b>	<b>% Chg</b>
Total Cash and Investments	\$19,629,562	\$17,773,906	(\$1,855,656)	-9.45%
Funds with Fiscal Agent	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	
Total	<u>\$19,629,562</u>	<u>\$17,773,906</u>	<u>(\$1,855,656)</u>	-9.45%

- As shown in the Table 1 above, the Cash & Investments Report indicates a decrease of approximately \$1.8M. Below are the causes for the increase (revenue receipts) or decrease (expenditure disbursements) in the City’s cash balance:
- Payment of \$728,860 to SB County Sheriff for the July, August and September 2025 police services
- Payment of \$533,645 to CalPERs Unfunded Accrued Liability in July 2025
- Payment of \$524,430 to Onyx Paving Company Inc for the CIP 2025-26 Streets

City of Grand Terrace				
Change in Treasury Position				
<b>Fiscal Year-to-Date Compared to Previous Year (Same Quarter)</b>				
<b>Table 2</b>				
Description	Sept 30, 2024	Sept 30, 2025	\$ Change	% Chg
Total Cash and Investments	\$16,468,382	\$17,773,906	\$1,305,524	7.93%
Funds with Fiscal Agent	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	0%
Total	<u>\$16,468,382</u>	<u>\$17,773,906</u>	<u>\$1,305,524</u>	7.93%

- As shown in Table 2, the current cash position compared to a year ago on September 30, 2024 increased by approximately \$1.3 million. The increase in cash for the quarter ending September 2025 compared to September 2024 is largely due to the large deposits of Condor Energy Storage.

**Cash Balance by Fund**

City of Grand Terrace		
<b>CASH BALANCE by FUND</b>		
As of September 30, 2025		
<b>Table 3</b>		
<u>Fund</u>	<u>Fund Title</u>	<u>Cash Balances</u>
<b>City</b>		
09	CHILD CARE CENTER FUND	\$0
10	GENERAL FUND	\$6,127,926
11	STREET FUND	\$825,662
12	STORM DRAIN FUND	\$318,704
13	PARK FUND	\$104,739
14	SLESF (AB3229 COPS)	(\$20,091)

15	AIR QUALITY IMPROVEMENT FUND	\$106,625
16	GAS TAX FUND	\$335,921
17	TRAFFIC SAFETY FUND	\$33,689
19	FACILITIES FUND	\$193,611
20	MEASURE "I" FUND	\$527,952
21	WASTEWATER DISPOSAL FUND	\$1,750,763
22	CDBG	(\$55,286)
23	REFUNDABLE DEPOSITS TRUST FUND	\$2,880,295
25	SPRING MOUNTAIN RANCH	\$1,011,004
26	LNDSCP & LGTG ASSESSMENT DIST	\$203,399
45	COMMERCE WAY PROJECT	\$881,804
46	CAPITAL IMPROVEMENTS - STREETS	(\$537,082)
47	CAP.PRJ. BARTON/COLTON BRIDGE	(\$25,320)
48	CAPITAL PROJECTS FUND	(\$33,810)
49	CAPITAL PROJECTS FUND- PARKS	\$150,463
50	CAPITAL PROJECT BOND PROCEEDS	611,458
52	HOUSING AUTHORITY	\$1,511,303
56	ROAD MAINT & REHAB ACCT FUND	\$188,013
61	COMMUNITY BENEFITS FUND	\$77,360
62	LIGHT UP GRAND TERRACE	\$3,604
63	GT ILLEGAL FIREWORKS ENFORCEMENT	\$199
64	PUBLIC SAFETY FUND	\$24,029
65	SENIOR BUS PROGRAM FUND	(\$201,854)
66	CAL RECYCLE GRANT	\$1,361
67	PUBLIC, EDUCATIONAL& GOVT ACCESS	\$152,898
69	COMMUNITY DAY FUND	(\$8,072)
70	EQUIPMENT REPLACEMENT RESERVE FUND	(\$130,084)
71	FIRESTATION PROCEEDS	\$819,780
74	HIGHWAY SFTY IMPROV PRGRM GRANT	(\$68,018)
75	EMER MGMT PREP GRANT (EMPG) FUND	(\$7,291)
76	ENHANCED INFRA FIN DIST (EIFD) FUND	(\$10,560)

85	NATIONAL OPIOID SETTLEMENT FUND	\$50,935
92	CDBG COVID-19 FUND	(\$42,435)
93	COVID-19 SB CNTY INFRA ALLOC FND	\$0
94	ARPA (AMERICAN RESCUE PLAN ACT)	<u>\$0</u>
95	DOG PARK ENDOWMENT FUND	<u>\$20,312</u>
	<b>TOTAL CITY</b>	<b><u>\$17,773,906</u></b>
		-
	<b>TOTAL CASH AND INVESTMENTS</b>	<b><u>\$17,773,906</u></b>

The table below and the attached Treasurer’s Report also shows that the City of Grand Terrace can meet its expenditure requirements for the next six months and that sufficient funds are available to meet its operating needs.

City of Grand Terrace	
<b>CASH and INVESTMENT REPORT against adopted budget</b>	
As of September 30, 2025	
<b>Table 4</b>	
<u>Description</u>	<u>Amount</u>
Total Cash and Investments, City	\$17,773,906
FY2025-26 Adopted Budget	\$11,107,788
Less: Successor Agency Budget	<u>(\$0)</u>
Net, City budget	<u>\$11,107,788</u>
Cash required for six (6) months: (\$11,107,788 / 2)	\$5,553,894
At a cash balance of \$17,773,906, the City has sufficient cash	

to cover operating expenditures for a six-month period.

As stated earlier in the report, the cash balances shown above are as of a certain date in time, specifically, September 30, 2025.

**ENVIRONMENTAL IMPACT:**

This action does not meet the threshold of a project under CEQA and therefore is exempt.

**FISCAL IMPACT:**

The purpose of the Treasurer's Report is to provide information regarding the current cash and investment position of the City. There is no fiscal impact to receiving and filing the report.



# AGENDA REPORT

MEETING DATE: March 24, 2026

TITLE: Treasurer's Report as of December 31, 2025

PRESENTED BY: Christine Clayton, Finance Director

RECOMMENDATION: **RECEIVE AND FILE THE TREASURER'S REPORT FOR THE PERIOD ENDING DECEMBER 31, 2025**

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## **2030 VISION STATEMENT:**

This staff report supports Goal #1, "Ensuring Our Fiscal Viability", through the continuous monitoring of actual cash on hand, receipts and disbursements incurred during the fiscal year.

## **BACKGROUND:**

The Treasurer's Report of funds held as cash or invested by the City should be provided to the governing body periodically.

## **DISCUSSION:**

The purpose of the Treasurer's Report is to provide the governing body with the following information:

- Current cash position of the City.
- Identify where all cash is held and, if invested, provide information regarding the Book Value, PAR Value, Market Value, yield, and maturity:
- Book Value is the value of an asset as it is listed in the City's balance sheet or statement of financial position. The book value of the City's cash is the amount listed in the City's bank statement as of December 31, 2025 and recorded in the City's financial system.
- PAR value or face value is the value listed on an invested stock or bond. Had the City invested the cash in stocks or bonds, the PAR value would be the current value of the stocks or bonds.
- Market value of an investment is the amount that someone will pay for it now, or the sale price. The investment value calculates what the investment will earn and likely will be worth in the future. Had the City invested the cash in stocks or bonds, the investment would have both a PAR value and a Market value.
- Yield describes the amount in cash (in percentage terms) in the form of interest or dividends received from an investment in stocks or bonds.
- Maturity or maturity date refers to the payment date of a financial instrument (stock, bond, certificate of deposit (CD) at which point the principal (and all remaining interest) is due to be paid.
- The attached Treasurer's Report as of December 31<sup>st</sup> indicates book, PAR and market value of total cash and investments.
- Show that there are sufficient cash resources to make economic commitments for the next six months. One way the governing body can monitor the fiscal condition of the City is to review

the cash position. The common benchmarks to do this, is to compare the current quarter to the prior quarter and the current quarter to the same quarter in the prior fiscal year. For the Treasurer’s Report of December 31, 2025, the quarter summary would be compared to September 30, 2025 and the annual summary would be compared to December 31, 2024. Information on the benefits of these two cash reporting comparison periods is provided below:

Quarterly Change in Cash Position:

This compares the cash position at the end of a quarter to the end of the prior quarter. The cyclical nature of revenues to the City versus the relatively constant nature of expenditures is shown in a quarterly comparison. An example of this would be property tax revenue of which the majority is received in December and May versus monthly labor and utility costs. Generally, the cash position tends to decrease in the first and second quarter of a fiscal year and to increase in the third and fourth quarters.

City of Grand Terrace				
CHANGE IN TREASURY POSITION				
<b>Fiscal Year-to-Date Compared to Previous Quarter</b>				
<b>Table 1</b>				
<b>Description</b>	<b>Sept 30, 2025</b>	<b>Dec 31, 2025</b>	<b>\$ Change</b>	<b>% Chg</b>
Total Cash and Investments	\$17,773,906	\$19,583,800	\$1,809,894	10.18%
Funds with Fiscal Agent	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	
Total	<u>\$17,773,906</u>	<u>\$19,583,800</u>	<u>\$1,809,894</u>	10.18%

- As shown in the Table 1 above, the Cash & Investments Report indicates an increase of approximately \$1.8M. Below are the causes for the increase (revenue receipts) or decrease (expenditure disbursements) in the City’s cash balance:
- \$2,313,180 in total Property Taxes collected during the 4<sup>th</sup> quarter of 2025
- Payment of \$458,442 to SB County Sheriff for the October and November 2025 police services

City of Grand Terrace	
Change in Treasury Position	
<b>Fiscal Year-to-Date Compared to Previous Year (Same Quarter)</b>	
<b>Table 2</b>	

Description	Dec 31, 2024	Dec 31, 2025	\$ Change	% Chg
Total Cash and Investments	\$19,385,251	\$19,583,800	\$198,549	1.02%
Funds with Fiscal Agent	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	0%
Total	<u>\$19,385,251</u>	<u>\$19,583,800</u>	<u>\$198,549</u>	1.02%

- As shown in Table 2, the current cash position compared to a year ago on December 31, 2024 increased by approximately \$199K. The increase in cash for the quarter ending December 2025 compared to December 2024 was a result of the increased in property tax revenue.

**Cash Balance by Fund**

City of Grand Terrace		
<b>CASH BALANCE by FUND</b>		
As of December 31, 2025		
<b>Table 3</b>		
<u>Fund</u>	<u>Fund Title</u>	<u>Cash Balances</u>
<b>City</b>		
09	CHILD CARE CENTER FUND	\$0
10	GENERAL FUND	\$7,496,771
11	STREET FUND	\$825,662
12	STORM DRAIN FUND	\$318,704
13	PARK FUND	\$104,739
14	SLESF (AB3229 COPS)	\$114,190
15	AIR QUALITY IMPROVEMENT FUND	\$110,985
16	GAS TAX FUND	\$332,919
17	TRAFFIC SAFETY FUND	\$34,512
19	FACILITIES FUND	\$193,610

20	MEASURE "I" FUND	\$596,494
21	WASTEWATER DISPOSAL FUND	\$1,750,763
22	CDBG	(\$89,325)
23	REFUNDABLE DEPOSITS TRUST FUND	\$2,917,363
25	SPRING MOUNTAIN RANCH	\$1,011,004
26	LNDSCP & LGTG ASSESSMENT DIST	\$227,242
45	COMMERCE WAY PROJECT	\$881,804
46	CAPITAL IMPROVEMENTS - STREETS	(\$537,082)
47	CAP.PRJ. BARTON/COLTON BRIDGE	(\$25,320)
48	CAPITAL PROJECT FUND	(\$33,810)
49	CAPITAL PROJECTS FUND-PARKS	\$150,463
50	CAPITAL PROJECT BOND PROCEEDS	611,458
52	HOUSING AUTHORITY	\$1,500,560
56	ROAD MAINT & REHAB ACCT FUND	\$279,605
61	COMMUNITY BENEFITS FUND	\$75,360
62	LIGHT UP GRAND TERRACE	(\$10,621)
63	GT ILLEGAL FIREWORKS ENFORCEMENT	\$199
64	PUBLIC SAFETY FUND	\$24,029
65	SENIOR BUS PROGRAM FUND	(\$50,712)
66	CAL RECYCLE GRANT	\$1,361
67	PUBLIC, EDUCATIONAL & GOVT ACCESS	\$151,475
69	COMMUNITY DAY FUND	(\$8,072)
70	EQUIPMENT REPLACEMENT RESERVE	(\$135,400)

	FUND	
71	FIRESTATION PROCEEDS	819,780
74	HIGHWAY SFTY IMPROV PRGRM GRANT	(\$68,018)
75	EMER MGMT PREP GRANT (EMPG) FUND	(\$7,291)
76	ENHANCED INFRA FIN DIST (EIFD) FUND	(\$10,560)
85	NATIONAL OPIOD SETTLEMENT FUND	\$51,079
92	CDBG COVID-19 FUND	(\$42,435)
94	ARPA (AMERICAN RESCUE PLAN ACT)	<u>\$0</u>
95	DOG PARK ENDOWMENT FUND	<u>\$20,315</u>
	<b>TOTAL CITY</b>	<b><u>\$19,583,800</u></b>
<b>TOTAL CASH AND INVESTMENTS</b>		<b><u>\$19,583,800</u></b>

The table below and the attached Treasurer’s Report also shows that the City of Grand Terrace can meet its expenditure requirements for the next six months and that sufficient funds are available to meet its operating needs.

City of Grand Terrace	
<b>CASH and INVESTMENT REPORT against adopted budget</b>	
As of December 31, 2025	
<b>Table 4</b>	
<u>Description</u>	<u>Amount</u>
Total Cash and Investments, City	\$19,583,800
FY2025-26 Adopted Budget	\$11,107,788
Less: Successor Agency Budget	_____ (\$0)
Net, City budget	<u>\$11,107,788</u>

Cash required for six (6) months: (\$11,107,788 / 2)	\$5,553,894
At a cash balance of \$19,583,800, the City has sufficient cash to cover operating expenditures for a six-month period.	

As stated earlier in the report, the cash balances shown above are as of a certain date in time, specifically, December 31, 2025.

**ENVIRONMENTAL IMPACT:**

This action does not meet the threshold of a project under CEQA and is exempt.

**FISCAL IMPACT:**

The purpose of the Treasurer’s Report is to provide information regarding the current cash and investment position of the City. There is no fiscal impact to receiving and filing the report.



# AGENDA REPORT

MEETING DATE: March 24, 2026

TITLE: AB 1600 Annual Report for Fiscal Year 2023–24 and Five-Year Findings for FY 2019–20 through FY 2023–24

PRESENTED BY: Gabriel Arguelles, Assistant Planner

RECOMMENDATION: **RECEIVE AND FILE THE AB 1600 ANNUAL REPORT FOR FISCAL YEAR 2023–24 AND THE FIVE-YEAR FINDINGS FOR FISCAL YEARS 2019–20 THROUGH 2023–24, PREPARED PURSUANT TO GOVERNMENT CODE SECTIONS 66006 AND 66001(D)**

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## **2030 VISION STATEMENT:**

This item supports the City’s vision of maintaining long-term fiscal responsibility and transparency by providing clear annual accounting of development impact fee revenue, expenditures, project progress, and long-term capital planning consistent with State law.

## **BACKGROUND:**

The Mitigation Fee Act (Government Code Sections 66000–66025) establishes annual reporting requirements for each development impact fee (DIF) fund maintained by the City. Under Government Code Section 66006(b), the City must prepare an Annual Report summarizing, for each DIF fund:

- Beginning and ending fund balances
- Fee revenues received
- Interest earned
- Identified expenditures
- A description of each capital project funded
- The portion of each improvement funded with DIF revenue

In addition, Government Code Section 66001(d) requires the City to make Five-Year Findings when unspent or uncommitted DIF balances have been held for more than five years. These findings must:

1. Identify the purpose to which the fee is to be put.
2. Demonstrate a reasonable relationship between the fee and the purpose for which it was charged.
3. Identify all sources and amounts of funding anticipated to complete financing of incomplete improvements.
4. Designate the approximate dates on which the funding is expected to be deposited into the appropriate account or fund.

The City prepared the combined AB 1600 Annual Report and Five-Year Findings for all DIF funds for FY 2019–20 through FY 2023–24. This document satisfies both annual reporting requirements under Section 66006 and the longer-term findings required by Section 66001(d).

## **DISCUSSION:**

The AB 1600 Annual & Five-Year Report provides a comprehensive summary of the City's DIF activity over the five-year period, including:

- Annual beginning/ending balances
- Revenues and expenditures
- Interest earnings
- Project descriptions and funding allocations
- Five-year findings (purpose, nexus, need, and timing) for any fund retaining unspent balances for more than five years

The report was made available to the public in compliance with Government Code Section 66006(b)(2), which requires publication at least 15 days in advance of the public meeting. The City Council's action tonight will satisfy the statutory requirement to review the report at a noticed public meeting.

This action is informational only. No fee updates are being proposed or adopted as part of this item. Adoption of the Development Impact Fee Nexus Study and updated fee schedule is addressed in a separate agenda report.

**ATTACHMENTS:**

Attachment A – AB 1600 Annual Report (FY 2023–24) and Five-Year Findings (FY 2019–20 through FY 2023–24)

**ENVIRONMENTAL IMPACT:**

Reviewing and receiving the AB 1600 Annual Report and Five-Year Findings is not a “project” under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b)(5), because it involves administrative financial reporting activities and does not approve, authorize, or commit the City to any specific capital improvement project or other physical change to the environment.

**FISCAL IMPACT:**

There is no fiscal impact associated with this action. The report documents past financial activity and does not authorize new expenditures.

# Development Impact Fee Annual Report City of Grand Terrace

Fiscal Years 2019–20 through 2023–24



Prepared by:  
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Fullerton, CA 92831  
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## Introduction and Legal Authority

This Five-Year Development Impact Fee (DIF) Report has been prepared pursuant to the California Mitigation Fee Act (Government Code §§66000–66008 and §66001(d)). The Act requires local agencies that impose development impact fees to produce an annual accounting of fee revenues, expenditures, interest earnings, and beginning and ending fund balances, and to prepare specific findings every five years for any fee funds that remain unspent.

This report covers the five-year period from FY 2019–20 through FY 2023–24. All financial data presented in this report is sourced exclusively from the City of Grand Terrace’s Annual Comprehensive Financial Reports (ACFRs), including the budget-and-actual schedules and combining statements for the City’s non-major Development Impact Fee special revenue funds. No projections, reconstructed balances, or budget estimates are used. Where ACFR beginning balances differ from prior-year ending balances, this report follows the ACFR values exactly, as required by Government Code §66006.

The purpose of this document is to:

1. Disclose fee collections, expenditures, interest earnings, and fund balances for each DIF program.
2. Demonstrate that the City continues to retain DIF revenues only for the purposes for which they were collected.
3. Document the City’s continued need for the improvements funded by each DIF.
4. Identify remaining and anticipated funding sources needed to complete the planned improvements.
5. Establish that the improvements continue to be reasonably related to the impacts of new development.

This report addresses the following Development Impact Fee programs adopted by the City of Grand Terrace:

- Street Improvement Impact Fee
- Storm Drain Improvement Impact Fee
- Park Development Impact Fee
- Facilities Development Impact Fee (General City Facilities only)

The report also includes the required five-year findings under Government Code §66001(d) for each fee program.

This report also provides the findings required by Government Code Section 66001(d) for any development impact fee fund with unexpended balances held for five years or more,

including: (1) the purpose to which the fee is to be put; (2) the reasonable relationship between the fee and the purpose for which it was charged; (3) identification of all sources and amounts of funding anticipated to complete financing of incomplete improvements; and (4) the approximate dates on which such funding is expected to be deposited into the appropriate account or fund.

## Street Improvement Development Impact Fee – Fund 11

### **Purpose of the Fee**

The Street Improvement Development Impact Fee (Fund 11) is imposed to fund capital improvements necessary to accommodate traffic and circulation impacts generated by new development within the City. As development occurs, additional vehicle, bicycle, and pedestrian trips place increased demand on the City’s street network. The fee helps ensure that new development pays its fair share toward the expanded roadway and intersection capacity needed to maintain safe and efficient circulation.

### **Use of the Fee**

Eligible uses of Street Improvement DIF revenues include:

- Engineering design, environmental review, and permitting for capacity-related street, intersection, and traffic control improvements;
- Right-of-way acquisition;
- Construction of new roadway segments, turn lanes, intersection reconfiguration, traffic signalization, and multimodal circulation enhancements;
- Capital improvements that increase system capacity or mitigate growth-related impacts.

The fee **may not** be used for operations, routine maintenance, or like-for-like replacement of existing infrastructure that does not increase capacity or serve new development.

### **Five-Year Financial Activity (FY 2019–20 to FY 2023–24, ACFR-Based)**

The following summarizes the five-year financial activity of the Street Improvement DIF based solely on the City’s ACFRs. Beginning balances, revenues, expenditures, and ending balances are taken exactly as reported, including restatements.

A five-year summary of Street Improvement DIF activity is shown in the following table.

### Street Improvement Five-Year Financial Activity

Fiscal Year	Beginning Balance	DIF Revenues	Interest / Other	Total Revenues	Expenditures	Ending Balance
2019-20	\$611,577	\$80,567	\$11,705	\$92,272	\$40,457	\$663,392
2020-21	\$663,392	\$4,476	-\$927	\$3,549	\$0	\$666,941
2021-22	\$666,941	\$0	-\$5,991	-\$5,991	\$0	\$660,950
2022-23	\$660,950	\$60,228	\$13,566	\$73,794	\$0	\$734,744
2023-24	\$734,744	\$38,591	\$32,055	\$70,646	\$0	\$805,390

#### Summary of Financial Activity

Across the five-year period, the Street Improvement DIF remained active and stable, with revenues generated primarily from development activity (charges for services) and interest earnings. ACFR schedules show:

- FY 2019–20: Healthy fee revenue and interest earnings; minor expenditures on eligible street capital items.
- FY 2020–21 and 2021–22: Minimal fee activity; balances held for programming.
- FY 2022–23: Significant DIF revenue (over \$60,000), reflecting increased development activity; no expenditures.
- FY 2023–24: Strong revenue (\$70,646), aligned with ACFR screenshots provided; no expenditures.

All funds remain restricted for future street capacity improvements. No ineligible uses occurred.

#### Expenditures During the Five-Year Period

During FY 2019–20, the City expended \$40,457 from the Street Improvement DIF as a transfer to the Capital Improvement – Streets fund to support Barton Road improvements, as documented in the City’s ACFR budgetary comparison schedules. No additional Street Improvement DIF expenditures were recorded from FY 2020–21 through FY 2023–24. All remaining funds are being accumulated for future circulation capacity projects consistent with the purpose of the fee.

## **Ten-Year Capital Planning and Timing of Expenditures**

Street Improvement DIF revenues are accumulated and programmed into the City's long-term circulation and capital improvement planning process. Improvements funded through this DIF are typically large-scale capital projects with multi-year planning, design, and construction cycles. As such, the City employs a 10-year programming horizon to ensure that sufficient funds can be accumulated to construct meaningful circulation improvements.

The timing of expenditures will depend on:

- Completion of engineering studies and project design;
- Availability of right-of-way;
- Coordination with adjacent jurisdictions and regional agencies;
- Availability of complementary funding sources;
- Actual development pace and resulting fee inflow.

Based on current ACFR balances, the City anticipates deploying Street DIF revenues on eligible projects within the upcoming capital planning cycle, consistent with the ten-year programming window.

## **Storm Drain Development Impact Fee – Fund 12**

### **Purpose of the Fee**

The Storm Drain Development Impact Fee (Fund 12) is imposed to fund capital improvements to the City’s storm drainage system that are required to accommodate runoff generated by new development. As additional impervious surfaces are constructed, peak flows and system loading increase. The fee ensures that new development contributes its fair share toward the capacity improvements needed to protect public health, safety, and property from flooding and drainage system failures.

### **Use of the Fee**

Storm Drain DIF revenues are restricted to storm drainage capital improvements and related capital costs. Eligible uses include:

- Planning, engineering, and design for storm drain capacity projects;
- Land or easement acquisition for drainage facilities;
- Construction of new or upsized storm drain pipes, channels, inlets, culverts, and related appurtenances;
- Capital improvements that increase system capacity or mitigate growth-related drainage impacts.

The fee may not be used for routine maintenance, operations, or like-for-like replacement of existing facilities that do not increase system capacity or serve development-related needs.

### **Five-Year Financial Activity (FY 2019–20 to FY 2023–24, ACFR-Based)**

The following table summarizes the five-year financial activity of the Storm Drain DIF based solely on the City’s ACFRs for FY 2019–20 through FY 2023–24. All beginning balances, revenues, and ending balances are taken directly from the ACFR budgetary comparison schedules and non-major fund combining statements.

### Storm Drain Five-Year Financial Activity

Fiscal Year	Beginning Balance	DIF Revenues	Interest / Other	Total Revenues	Expenditures	Ending Balance
2019-20	\$251,735	\$0	\$4,231	\$4,231	\$0	\$255,966
2020-21	\$255,966	\$0	\$935	\$935	\$0	\$256,901
2021-22	\$298,972	\$0	-\$86	-\$86	\$0	\$298,886
2022-23	\$298,886	\$0	\$6,228	\$6,228	\$0	\$305,114
2023-24	\$305,114	\$0	\$9,896	\$9,896	\$0	\$315,010

#### Summary of Financial Activity

- The fund began FY 2019–20 with a balance of \$251,735 and grew to \$315,010 by FY 2023–24.
- All increases over the period are from interest earnings; no DIF revenues (charges for services) are reported in the ACFR during this five-year window.
- No expenditures or transfers out are reported in the ACFR for this fund in any of the five years.
- The FY 2021–22 beginning balance (\$298,972) differs from the FY 2020–21 ending balance (\$256,901), indicating an accounting restatement by the City; this report follows the ACFR values as required.

#### Expenditures During the Five-Year Period

According to the ACFR schedules for the Storm Drain fund, no expenditures were made from this fund between FY 2019–20 and FY 2023–24. There were no capital outlays, transfers out, or other uses of Storm Drain Improvement DIF revenues recorded during the five-year period.

As a result, all Storm Drain DIF revenues and interest earnings remain on deposit and available for future storm drainage capacity projects. No ineligible uses were identified in the ACFR.

#### Ten-Year Capital Planning and Timing of Expenditures

Although no Storm Drain DIF expenditures occurred during the five-year period covered by this report, the need for growth-related drainage improvements remains. Storm drainage projects tend to be large, corridor- or basin-scale improvements that require significant

planning, design, and construction lead time, as well as coordination with other infrastructure and development activity.

Consistent with the City's broader capital planning approach, the Storm Drain DIF is programmed over an approximate ten-year horizon. During this period, the City will:

- Continue to accumulate Storm Drain DIF revenues and interest;
- Identify and prioritize storm drain capacity projects through its capital planning and engineering efforts;
- Deploy accumulated funds on specific capital projects once they are fully scoped and ready for construction;
- Coordinate Storm Drain DIF uses with other funding sources, as available.

The retention of funds over this period is therefore necessary to ensure that sufficient resources are available to deliver meaningful, system-level capacity improvements when projects are ready to proceed.

The City is currently evaluating potential updates to the Storm Drain Development Impact Fee through a forthcoming nexus study. Until that process is completed, the City will continue to retain existing Storm Drain DIF balances in the restricted fund and will program expenditures consistent with applicable law and adopted findings.

## Park Development Impact Fee – Fund 13

### **Purpose of the Fee**

The Park Development Impact Fee (Fund 13) is imposed on new development to fund capital improvements required to maintain adequate parkland and recreational facilities as the City grows. As new residents and employees are added, demand increases for park acreage, active and passive recreation amenities, restrooms, playgrounds, athletic fields, and related public improvements. The fee ensures that new development contributes its fair share toward the cost of expanding and improving the City’s park system to maintain service levels for the community.

### **Use of the Fee**

Revenues collected through the Park Development DIF are restricted to capital improvements that expand or enhance park and recreation facilities. Eligible uses include:

- Acquisition of parkland or easements;
- Development or expansion of active and passive recreational areas;
- Construction of capital amenities such as fields, courts, playgrounds, trails, restrooms, shade structures, lighting, and parking;
- Capital improvements that increase the capacity of the City’s park and recreation system to serve new development.

Park DIF revenues **may not** be used for general operations, ongoing maintenance, or repair of existing facilities unless such work is part of an eligible capacity-increasing capital project.

### **Five-Year Financial Activity (FY 2019–20 to FY 2023–24, ACFR-Based)**

The Park Development DIF financial activity for FY 2019–20 through FY 2023–24 is summarized below using only the City’s ACFR budgetary comparison schedules and non-major governmental fund combining statements. All values reflect audited actuals.

A five-year summary of Park Development Impact Fee activity is shown in the following table.

**Park Development Impact Fee Fund Five-Year Financial Activity**

Fiscal Year	Beginning Balance	DIF Revenues	Interest / Other	Total Revenues	Expenditures	Ending Balance
2019–20	\$136,105	\$0	\$2,256	\$2,256	\$100,000	\$38,361
2020–21	\$38,361	\$0	\$304	\$304	\$0	\$38,665
2021–22	\$38,195	\$0	-\$941	-\$941	\$0	\$37,254
2022–23	\$37,254	\$272	\$1,842	\$2,114	\$0	\$39,368
2023–24	\$39,368	\$0	\$4,330	\$4,330	\$0	\$43,698

**Summary of Financial Activity**

Park Development DIF activity over the five-year period reflects:

- One capital expenditure in FY 2019–20 (\$100,000), as documented in the ACFR;
- Interest earnings in all years except FY 2021–22 (which shows a small negative interest adjustment of -\$941, as reported in the ACFR);
- The FY 2021–22 beginning balance of \$38,195 differs from the FY 2020–21 ending balance of \$38,665, indicating an accounting adjustment; this report follows the balances reported in the City’s Annual Comprehensive Financial Report (ACFR).
- Minimal DIF revenue (charges for services) during the period, with the only recorded DIF revenue being \$272 in FY 2022–23;
- No expenditures from FY 2020–21 through FY 2023–24.
- The fund balance increased modestly through interest earnings and ended FY 2023–24 with \$43,698.

**Expenditures During the Five-Year Period**

The ACFR shows a single expenditure during FY 2019–20, consisting of a \$100,000 capital outlay for park improvements. The ACFR classifies this expenditure as capital outlay within the Park Development DIF fund, consistent with the restricted purpose of park development capital improvements.

No additional Park Development DIF expenditures were recorded from FY 2020–21 through FY 2023–24. All unspent revenues remain restricted for future parkland or recreational facility enhancements that support growth and maintain the City’s level of service.

## **Ten-Year Capital Planning and Timing of Expenditures**

Park development projects often require multi-year planning, environmental review, design, community engagement, and construction. In addition, meaningful improvements frequently require the accumulation of sufficient resources to fund full facilities or large-scale enhancements.

Accordingly, the City manages the Park Development DIF on an approximate ten-year capital planning horizon, during which it:

- Identifies future park and recreation needs tied to development;
- Accumulates DIF revenues and interest earnings;
- Sequences projects when sufficient funds are available and projects are ready to move forward;
- Coordinates DIF uses with grants, General Fund contributions, or other sources, as appropriate.

The retention of funds over this period is necessary to assemble adequate resources for park development projects that maintain the City's service standards as growth occurs.

## Facilities Development Impact Fee – Fund 19

### **Purpose of the Fee**

The Facilities Development Impact Fee (Fund 19) is imposed on new development to fund capital improvements necessary to expand or upgrade general City facilities as population and employment increase. Growth places additional demands on administrative, regulatory, and public-facing facilities that support City operations. The fee ensures that new development contributes its fair share toward expanding or improving City facilities required to maintain service levels.

Facilities supported by this fee generally include City Hall, administrative offices, public works facilities, and other general government buildings that provide essential municipal services.

### **Use of the Fee**

Facilities Development DIF revenues are restricted to capital improvements that expand the capacity of general City facilities or enhance their ability to serve new development. Eligible uses include:

- Construction or expansion of general government buildings;
- Renovations, upgrades, or capital improvements that increase functional capacity;
- Land or easement acquisition for new or expanded facilities;
- Capital furnishings, equipment, and systems required for facility operation that support increased service demand caused by development.

The fee may **not** be used for routine maintenance, staff salaries, or like-for-like replacement of existing facilities unless the work is part of a capacity-increasing capital improvement.

### **Five-Year Financial Activity (FY 2019–20 to FY 2023–24, ACFR-Based)**

The following summarizes the Facilities Development DIF activity for FY 2019–20 through FY 2023–24 using only audited ACFR data. Each year’s beginning balance, revenues, expenditures, and ending balance are taken directly from the City’s ACFR budgetary comparison schedules or non-major fund combining statements.

**Facilities Development Impact Fee Fund Five-Year Financial Activity**

Fiscal Year	Beginning Balance	DIF Revenues	Interest / Other	Total Revenues	Expenditures	Ending Balance
2019-20	\$356,797	\$30,866	\$5,808	\$36,674	\$93,100	\$300,371
2020-21	\$300,371	\$60,425	\$1,139	\$61,564	\$60,425	\$301,510
2021-22	\$301,510	\$0	-\$3,556	-\$3,556	\$766	\$297,954
2022-23	\$297,954	\$0	\$1,113	\$1,113	\$3,999	\$295,068
2023-24	\$295,068	\$0	\$5,000	\$5,000	\$5,000	\$295,068

**Summary of Financial Activity**

Facilities Development DIF activity shows a pattern of recurring, ACFR-documented capital expenditures, unlike the other DIF funds:

- FY 2019–20: \$93,100 (capital outlay)
- FY 2020–21: \$60,425
- FY 2021–22: \$766
- FY 2022–23: \$3,999
- FY 2023–24: \$5,000

These transactions represent the only DIF program with continuous capital activity throughout the five-year period. Revenues consisted primarily of DIF collections in 2019–20 and 2020–21 and ongoing interest adjustments thereafter.

Ending fund balance at FY 2023–24: \$295,068.

**Expenditures During the Five-Year Period**

The ACFR schedules report Facilities Development DIF expenditures in all five years. Because these amounts were recorded within the Facilities Development DIF special revenue fund—which is legally restricted to general City facility capital improvements—this report treats these amounts as eligible capital uses, consistent with Government Code §66006 and the purpose of the Facilities Development DIF.

The ACFR does not list project-level detail for each expenditure. However, no ineligible uses (such as operations, maintenance, or General Fund transfers) were disclosed, and all expenditures are classified as capital or capital-related within this restricted fund.

### **Ten-Year Capital Planning and Timing of Expenditures**

General City facility projects often require multi-year planning, design, permitting, and funding coordination. Because facilities improvements vary in cost and scope, the City programs Facilities Development DIF revenues over an approximate ten-year capital horizon, allowing funds to accumulate sufficiently to deliver meaningful improvements. This horizon also aligns with typical building renovation and expansion cycles.

During the next ten years, the City will continue to:

- Identify facility needs driven by population and employment growth;
- Prioritize improvements that increase capacity or functionality;
- Combine DIF revenues with other sources when appropriate;
- Deploy funds when project scoping and design are complete.

The retention of DIF balances during this period is necessary to fund significant capital upgrades to general City facilities as growth occurs.

## **Conclusion**

This Five-Year Development Impact Fee Report demonstrates that the City of Grand Terrace has complied with the Mitigation Fee Act requirements governing the collection, accounting, and expenditure of development impact fees for the Street Improvement, Storm Drain Improvement, Park Development, and Facilities Development programs. For each development impact fee fund, the City has documented beginning and ending balances, fee revenues, interest earnings, and expenditures based on its audited financial statements.

Where fee revenues remain unexpended for five years or more, this report provides the findings required by Government Code §66001(d), including the continued purpose of each fee, the relationship between the fee and the funded improvements, and the anticipated timing and sources of funding needed to construct those improvements. The City will continue to monitor development impact fee balances, update its capital planning, and report development impact fee activity annually in accordance with State law.



# AGENDA REPORT

MEETING DATE: March 24, 2026

TITLE: Adoption of the 2026–27 Development Impact Fee Nexus Study, Updated Development Impact Fees, and Introduction of an Ordinance Amending Section 4.80.010 of the Grand Terrace Municipal Code

PRESENTED BY: Greg Brown Vice President, Gabriel Arguelles, Assistant Planner

RECOMMENDATION: **ADOPT A RESOLUTION ADOPTING THE 2026–27 DEVELOPMENT IMPACT FEE (DIF) NEXUS STUDY AND ESTABLISHING UPDATED DEVELOPMENT IMPACT FEES AT OR BELOW THE MAXIMUM AMOUNTS JUSTIFIED IN THE STUDY, INCLUDING LAW ENFORCEMENT (COUNTY SHERIFF) FACILITIES, FIRE FACILITIES SUPPORTING SERVICES PROVIDED BY THE SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT, LOCAL CIRCULATION, REGIONAL CIRCULATION, GENERAL CITY FACILITIES, PUBLIC USE FACILITIES, AND PARKLAND ACQUISITION AND PARK FACILITIES COMPONENTS; AND INTRODUCE AND WAIVE THE FIRST READING OF AN ORDINANCE AMENDING SECTION 4.80.010 OF THE GRAND TERRACE MUNICIPAL CODE; AND DIRECT STAFF TO TEMPORARILY PAUSE COLLECTION OF THE STORM DRAIN DEVELOPMENT IMPACT FEE PENDING COMPLETION OF A FOCUSED STORM DRAIN NEXUS STUDY; AND FINDING THE ACTION EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA).**

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## **2030 VISION STATEMENT:**

This item supports the City’s 2030 Vision Goal of ensuring long-term fiscal viability by aligning development impact fees with current legal requirements so that new development funds its fair, proportional share of growth-related capital improvements, rather than shifting those costs onto existing residents and businesses.

## **BACKGROUND:**

The City of Grand Terrace imposes Development Impact Fees (DIFs) pursuant to the Mitigation Fee Act (Government Code Sections 66000 through 66025) to ensure that new development pays its fair, proportional share of the cost of growth-related public facilities. The current fee structure for several categories was last comprehensively updated in 2006 and no longer reflects the City’s facility needs, cost basis, growth projections, or the contemporary legal and documentation requirements established under AB 1600 and, more recently, Assembly Bill 602 (AB 602), which took effect on January 1, 2022. As a result, the City’s legacy fee program predates these standards, lacks the level of detail now required for fee calculation and disclosure, and includes obsolete fee amounts and formats that are not aligned with current law or practice.

To complete a comprehensive update and restore a legally defensible DIF program, the City retained Revenue & Cost Specialists (RCS) to prepare the 2026–27 Development Impact Fee Calculation and

Nexus Report (“Nexus Study”). The Nexus Study updates the City’s fee calculations, land use and growth assumptions, growth projections, facility needs, and cost basis to reflect present service conditions and capital requirements. It applies the Mitigation Fee Act nexus methodology by documenting existing levels of service, identifying the facilities required to maintain those levels as development occurs, allocating the growth-related share of facility costs to new development, and converting that share into maximum justified fees. The Study also provides the detailed calculation tables, cost support, and statutory findings required under AB 1600 and AB 602, including residential fees expressed on a per-square-foot basis. The Nexus Study establishes maximum legally defensible development impact fees for Law Enforcement (County Sheriff) Facilities; Fire Facilities supporting services provided by the San Bernardino County Fire Protection District; Local Circulation; Regional Circulation; General City Facilities; Public Use Facilities; and Parkland Acquisition and Park Facilities and includes an Accessory Dwelling Unit (ADU) impact fee application appendix.

The Nexus Study introduces updated Law Enforcement (County Sheriff) Facilities and Fire Facilities fee components to address growth-related facility needs associated with contracted public safety services. The Law Enforcement component funds eligible City-owned facilities and capital improvements that support contracted law enforcement services provided by the County Sheriff. The Fire component funds growth-related, capacity-increasing capital improvements that support fire protection services provided within the City by the San Bernardino County Fire Protection District. Adoption of these fee components does not create or imply the formation of independent municipal police or fire departments and does not fund operations, staffing, or routine maintenance.

The Ordinance would amend Grand Terrace Municipal Code Section 4.80.010. That section currently contains specific fee amounts adopted in 1989 and 2006 for several public facility categories. These amounts are obsolete and no longer aligned with the updated Nexus Study. Consistent with the Mitigation Fee Act and AB 1600 implementation practice, fee schedules are adopted by resolution and supported by a current nexus study, rather than embedding specific dollar amounts directly in the Municipal Code, so that future updates can be made transparently when supported by updated documentation.

Finally, State law under the Mitigation Fee Act (Government Code §§66000–66025) requires the City to prepare an Annual Development Impact Fee Report each year (Gov. Code §66006) and to review and update its DIF program and findings at least every five years to confirm the continued nexus and proportionality of the fees (Gov. Code §66001(d)). As part of this update cycle, RCS is preparing and submitting the required annual DIF report(s) and the five-year DIF review so that, upon adoption of the Nexus Study and updated fees, the City will be brought current with these statutory requirements. Following adoption, the City’s Finance Department in adherence to state law will continue to prepare the Annual Development Impact Fee Report each year and complete the required five-year review and update process on an ongoing basis to maintain compliance and ensure that DIFs remain current and proportionate as conditions change.

## **DISCUSSION:**

When new homes or businesses are built, they create more demand for City public facilities and services. Development Impact Fees (DIFs) are one-time fees paid by new development so the City can fund the capital facilities needed to serve that growth, helping maintain established service levels while ensuring that growth pays its fair, proportional share rather than shifting those costs to existing residents and businesses.

The 2026–27 Development Impact Fee Calculation and Nexus Report (“Nexus Study”) is provided as "**Attachment C**" to this staff report, and is based on the principle that growth creates additional demand for public facilities. As Grand Terrace grows, new homes and businesses add residents,

employees, visitors, vehicles on local streets, and calls-for-service for public safety, increasing demand on City facilities. If facilities are not expanded to serve this growth, the level of service available to the community will decline, or the cost of maintaining current service levels would otherwise fall on existing residents and businesses. The Nexus Study identifies the growth expected to occur, determines the facilities needed to maintain existing service levels as growth occurs, estimates the cost of those facilities, and calculates maximum justified Development Impact Fees so new development pays its fair share of growth-related costs. The Study also establishes the maximum fee amounts the City may charge by category, and the City Council may adopt fees at or below these maximums.

The Nexus Study establishes maximum justified DIFs for the following infrastructure categories: Law Enforcement (County Sheriff) Facilities; Fire Facilities supporting services provided by the San Bernardino County Fire Protection District; Local Circulation; Regional Circulation; General City Facilities; Public Use Facilities; and Parkland Acquisition and Park Facilities. The Development Impact Fee Schedule is provided as "**Attachment D**" to this agenda staff report.

Law Enforcement (County Sheriff) Facilities Fee: This fee pays for growth-related facilities that support contracted law enforcement services provided by the County Sheriff. Eligible uses include expansion or improvement of City-owned space and related capital improvements necessary to maintain service levels as calls-for-service increase with new development. For example, if a new housing project adds residents and increases calls-for-service, this fee helps fund the City-owned Sheriff facility space and improvements needed to handle that added demand.

Fire Facilities Fee: This fee funds growth-related facilities that support fire protection services provided within the City by the San Bernardino County Fire Protection District. Eligible uses are limited to growth-related, capacity-increasing capital improvements and do not include operations, staffing, or routine maintenance, consistent with the Nexus Study. For example, if new residential development increases calls-for-service and emergency response demand, this fee helps fund facility upgrades or expansion necessary to maintain established fire service levels.

Local Circulation Fee: This fee addresses growth-related demands placed on the City's local street system. In this update cycle, the fee supports preparation and updating of the Circulation (Street Improvements) Master Plan, consistent with City direction. Future construction projects will be identified and programmed through that planning effort once growth-related capacity improvements are clearly defined and supported by updated analysis.

Regional Circulation Fee: This component addresses growth-related participation in regional transportation improvements that serve development within the City. Funds may be used for the City's proportionate share of regional transportation improvements identified in coordination with regional agencies, consistent with the Nexus Study and applicable agreements.

General City Facilities Fee: This fee funds growth-related improvements to City administrative and operational facilities that serve the community as a whole. Eligible uses include capital improvements that expand capacity for Citywide services as development increases demand for administrative and operational functions. For example, as new homes are built and demand increases for permitting, inspections, and related services, the fee helps fund growth-related expansion or upgrades to City facilities and supporting systems needed to maintain service levels.

Public Use Facilities Fee: This fee funds growth-related public meeting and community facility space. Eligible uses include capital improvements that expand or provide public meeting and community space required to maintain the City's public use facilities service standard as population and development increase. For example, as development adds residents and service population, the fee supports construction or expansion of public meeting and community space needed to serve that

added demand.

Parkland Acquisition and Park Facilities Fee: This fee funds growth-related parkland acquisition and capacity-adding park improvements needed to maintain the City's adopted parks level of service as development occurs. Eligible uses are limited to capital projects that add usable recreation capacity and exclude operations, routine maintenance, and like-for-like replacement that does not increase capacity. For example, when new housing adds residents, the Parks DIF can be used to acquire additional parkland and construct new or expanded park facilities to maintain the existing service level for parks. Subdivision parkland dedication and in-lieu fees under Quimby are administered separately from this Parks DIF program; where Quimby statutory findings are met, those subdivision resources may be applied to rehabilitate existing parks serving the subdivision area.

Storm Drain Development Impact Fee: During preparation of the 2026–27 Development Impact Fee Nexus Study, the City evaluated the existing Storm Drain Development Impact Fee program. While the City has adopted the required five-year findings and may retain existing Storm Drain DIF balances in compliance with the Mitigation Fee Act, additional analysis is needed to clearly identify and cost growth-related, capacity-increasing storm drainage capital projects that would support continued fee collection. Accordingly, staff recommends temporarily pausing collection of the Storm Drain Development Impact Fee while a focused Storm Drain nexus study is prepared. Existing Storm Drain DIF balances will remain in the restricted fund and may only be used for eligible capacity-related capital improvements supported by adopted findings.

The appendices to the Nexus Study provide the technical backup and application materials that support the fee program and City Council adoption, including the Development Impact Fee Master Fee Schedule, Grand Terrace Land Use Crosswalk, Persons-Per-Household Methodology, Average Residential Unit Size Documentation, Net New Fee Application, Accessory Dwelling Unit Impact Fee Application, Public Safety Building Model Support, Quality-of-Life Cost Basis, Development Impact Fee Capital Improvement Plan, and Development Feasibility Analysis.

The accompanying Resolution provided as "**Attachment A**" to this staff report adopts the Nexus Study and an updated Development Impact Fee schedule that may be set at or below the maximum justified amounts identified in the Study. This provides flexibility for the City Council to consider market conditions and policy direction while ensuring that no adopted fee exceeds the legally justified maximum.

The accompanying Ordinance provided as "**Attachment B**" to this staff report amends Section 4.80.010 of the Grand Terrace Municipal Code to remove obsolete fee amounts and to provide that DIF schedules under Chapter 4.80 will be established and amended by resolution of the City Council, supported by a current nexus study, consistent with the Mitigation Fee Act and current practice. The Ordinance does not itself impose or increase any DIF; it updates only the mechanism by which fee schedules are adopted.

#### **OPTIONS FOR CITY COUNCIL:**

**Option 1:** Approve the Nexus Study, Development Impact Fee schedule, Resolution, and Ordinance as recommended.

**Option 2:** Approve the Nexus Study, Resolution, and Ordinance with modifications, provided that any adopted fee amounts do not exceed the maximum justified amounts in the Study, and direct staff on the specific changes.

**Option 3:** Do not update the Development Impact Fees at this time.

#### **ATTACHMENTS:**

**Attachment A** – Resolution Adopting the 2026–27 Development Impact Fee Nexus Study and

Updated Development Impact Fees

**Attachment B** – Ordinance Amending Section 4.80.010 of the Grand Terrace Municipal Code

**Attachment C** – 2026–27 Development Impact Fee Calculation and Nexus Report

**Attachment D** – Exhibit A: Development Impact Fee Schedule

**ENVIRONMENTAL IMPACT:**

Approval of the Resolution and introduction of the Ordinance is not a project under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b)(4), because the action involves the creation of a government funding mechanism and does not commit the City to any specific capital improvement project. Any future capital projects funded in whole or in part with Development Impact Fees will be evaluated for CEQA compliance on a project-specific basis.

**FISCAL IMPACT:**

The adoption of the resolution will increase DIF revenue and ensure full cost recovery.

# ATTACHMENT A

## RESOLUTION NO. 2026-xx

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAND TERRACE, CALIFORNIA, ADOPTING THE 2026–27 DEVELOPMENT IMPACT FEE (DIF) NEXUS STUDY; ESTABLISHING UPDATED DEVELOPMENT IMPACT FEES AT OR BELOW THE MAXIMUM AMOUNTS JUSTIFIED IN THE NEXUS STUDY, INCLUDING LAW ENFORCEMENT (COUNTY SHERIFF) FACILITIES, FIRE FACILITIES (SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT), LOCAL CIRCULATION, AND REGIONAL CIRCULATION COMPONENTS; AND DIRECTING IMPLEMENTATION CONSISTENT WITH THE MITIGATION FEE ACT AND AB-602; AND FINDING THE ACTION EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA).**

**WHEREAS**, the City of Grand Terrace imposes development impact fees (“DIFs”) pursuant to the Mitigation Fee Act (Government Code Sections 66000 through 66025) to ensure that new development funds its proportional fair share of needed public facilities; and

**WHEREAS**, the City retained Revenue & Cost Specialists (RCS) to prepare the 2026–27 Development Impact Fee Calculation and Nexus Report (“Nexus Study”), which analyzes land use, growth projections, service demand factors, capital facility needs, and cost allocation methodologies and establishes the maximum legally defensible DIF amounts for various land uses; and

**WHEREAS**, the Nexus Study evaluates and documents the relationship between new development and the need for public facilities in the following categories: Law Enforcement (County Sheriff) Facilities, Fire Facilities (San Bernardino County Fire Protection District), Local Circulation, Regional Circulation, General City Facilities, Public Use Facilities, and Parkland Acquisition and Park Facilities; and

**WHEREAS**, pursuant to Section 15164 of the California Environmental Quality Act (CEQA) Guidelines, an Addendum to the Initial Study/Mitigated Negative Declaration (“Addendum”) previously adopted for the Project has been prepared; and

**WHEREAS**, the Nexus Study demonstrates the reasonable relationship required by the Mitigation Fee Act between: (1) the type of development and the public facilities for which the DIFs are imposed; (2) the need for the public facilities and the impacts of new development; and (3) the amount of the DIFs and the costs of the public facilities attributable to new development; and

**WHEREAS**, the Mitigation Fee Act allows development impact fees to be adopted by resolution, and Grand Terrace Municipal Code Chapter 4.104 provides that circulation-related impact fee schedules, including local and regional circulation components, may be established by resolution of the City Council; and

**WHEREAS**, the City Council desires to adopt updated Development Impact Fees at or below the maximum levels justified in the Nexus Study, in order to balance legal defensibility, infrastructure needs, economic development, and community priorities; and

**WHEREAS**, adopting fees in amounts that are lower than the maximum justified amounts does not affect the legal adequacy of the Nexus Study or the City's compliance with the Mitigation Fee Act; and

**WHEREAS**, notice of the public meeting at which this Resolution is being considered was given in accordance with Government Code Section 66016; and

**WHEREAS**, the Nexus Study and CIP identify categories of capital improvements and planning-level cost estimates for the limited purpose of establishing the maximum legally justified Development Impact Fee amounts under the Mitigation Fee Act and Assembly Bill 602 (AB-602); and

**WHEREAS**, adoption of this Resolution establishes a funding mechanism to ensure that new development pays its proportionate share of the cost of capital facilities needed to maintain the City's established level of service; and

**WHEREAS**, adoption of this Resolution does not approve, authorize, or commit the City to the construction, expansion, or modification of any specific capital improvement project, site, design, or other physical change to the environment, and does not constitute discretionary approval of any such project; and

**WHEREAS**, the City retains full discretion to modify, defer, re-scope, or decline any capital improvement project identified in the Nexus Study or CIP; and

**WHEREAS**, any future capital improvement project funded in whole or in part with Development Impact Fees will undergo separate environmental review under the California Environmental Quality Act (CEQA) prior to discretionary approval of such project, as required by law; and

**WHEREAS**, the City Council finds that adoption of this Resolution is not a "project" within the meaning of CEQA Guidelines Section 15378 because it involves the establishment of a government funding mechanism that does not itself authorize any physical change in the environment (CEQA Guidelines §15378(b)(4)); and

**WHEREAS**, all legal prerequisites to the adoption of this Resolution have occurred.

**NOW THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF GRAND TERRACE DOES RESOLVE, DETERMINE, FIND AND ORDER AS FOLLOWS:**

**SECTION 1.** The foregoing recitals set forth above are true and correct and incorporated herein by this reference and made a part hereof.

**SECTION 2.** Adoption of Nexus Study.

The City Council hereby adopts the 2026–27 Development Impact Fee Calculation and Nexus Report as the technical documentation supporting the City’s Development Impact Fees and establishing the maximum justified fee amounts under the Mitigation Fee Act.

Adoption of the Nexus Study does not constitute approval, authorization, or commitment to the construction, expansion, or modification of any specific capital improvement project and does not commit the City to undertake any physical change to the environment.

**SECTION 3.** Adoption of Development Impact Fee Schedule.

- A. The City Council hereby adopts the Development Impact Fee schedule attached to this Resolution as Exhibit A, including the Law Enforcement (County Sheriff) Facilities, Fire Facilities, Local Circulation, Regional Circulation, General City Facilities, Public Use Facilities, and Parkland Acquisition and Park Facilities components.
- B. The fees set forth in Exhibit A may be established at or below the maximum amounts justified in the Nexus Study.
- C. The Development Impact Fee schedule in Exhibit A may be amended from time to time by resolution of the City Council, consistent with the Mitigation Fee Act and any updated nexus studies.

**SECTION 4.** Use of Funds.

- A. All Development Impact Fees collected pursuant to this Resolution shall be deposited into separate accounts or funds in accordance with the Mitigation Fee Act and the City’s accounting practices.
- B. Revenues from each fee category shall be used exclusively for eligible growth-related capital improvements identified in the Nexus Study or any future updates thereto, including related design, engineering, right-of-way, and other eligible

capital costs. Eligible capital improvements may include facilities implemented by the City or by other public agencies that provide service to development within the City, to the extent described in the Nexus Study and permitted by law.

- C. Nothing in this Resolution obligates the City to construct any specific capital improvement or to complete any improvement on a fixed schedule or timeline. The timing and priority of improvements shall be determined through future capital planning, budget processes, and City Council direction.

**SECTION 5.** Law Enforcement (County Sheriff) Facilities Fee.

- A. The Development Impact Fee schedule adopted by this Resolution includes a Law Enforcement (County Sheriff) Facilities component supported by the Nexus Study.
- B. Revenues from the Law Enforcement Facilities component may be used for eligible growth-related capital facilities and improvements that support contracted Sheriff services within the City, including City-owned facilities, as described in the Nexus Study and any subsequent updates, consistent with the Mitigation Fee Act.
- C. Adoption of the Law Enforcement Facilities fee does not create or imply any obligation to establish a standalone municipal police department or construct any particular facility.

**SECTION 6.** Fire Facilities (San Bernardino County Fire Protection District) Fee.

- A. The Development Impact Fee schedule adopted by this Resolution includes a Fire Facilities component supported by the Nexus Study.
- B. Revenues from the Fire Facilities component may be used for eligible growth-related capital facilities and improvements that support fire protection services serving development within the City, as described in the Nexus Study and any subsequent updates, consistent with the Mitigation Fee Act.
- C. The Fire Facilities fee is collected in connection with development within the City and may be expended by the City or transferred to the San Bernardino County Fire Protection District for eligible capital facilities and improvements serving development within the City, to the extent described in the Nexus Study and permitted by law.
- D. Adoption of the Fire Facilities fee does not create or imply any obligation to establish a City-operated fire department or construct any particular facility.

**SECTION 7.** Administrative and Indexing.

The City Manager, Finance Director, and Development Services Director, or their designees, are authorized to:

1. Publish and maintain the Development Impact Fee schedule adopted by this Resolution;
2. Administer collection of the fees, which shall generally occur at the time of building permit issuance unless otherwise required by law, development agreement, or separate City Council action;
3. Implement annual fee adjustments based on a recognized construction cost index or other inflationary factor approved by the City Manager, provided that no adjustment shall cause the fees to exceed the maximum amounts justified in the applicable nexus study; and
4. Take such additional administrative actions as are necessary or appropriate to implement this Resolution, including the execution of agreements and transfer of funds consistent with the Nexus Study and applicable law, and to ensure ongoing compliance with the Mitigation Fee Act, AB-602, and related reporting requirements.

**SECTION 8.** Effective Date

This Resolution shall take effect immediately upon its adoption.

**PASSED, APPROVED AND ADOPTED** by the City Council of the City of Grand Terrace, California, at a regular meeting held on the 24th day of March 2026.

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Bill Hussey  
Mayor

**ATTEST:**

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Daysi Alcocer  
City Clerk

**APPROVED AS TO FORM:**

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Adrian Guerra  
City Attorney

## ATTACHMENT B

### ORDINANCE NO. xxx

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GRAND TERRACE, CALIFORNIA, AMENDING CHAPTER 4.80 OF THE GRAND TERRACE MUNICIPAL CODE TO UPDATE THE CITY'S DEVELOPMENT IMPACT FEE PROGRAM, REMOVE OBSOLETE FEE AMOUNTS, AND PROVIDE THAT DEVELOPMENT IMPACT FEES SHALL BE ESTABLISHED BY CITY COUNCIL RESOLUTION CONSISTENT WITH THE MITIGATION FEE ACT AND ASSEMBLY BILL 602 (AB-602). AND FINDING THE ACTION EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA).**

**WHEREAS**, Grand Terrace Municipal Code Chapter 4.80 currently includes specific development impact fee amounts adopted in prior years for various categories of public facilities. These amounts are no longer current and do not reflect the City's updated capital needs, cost basis, or the 2026–27 Development Impact Fee Calculation and Nexus Report; and

**WHEREAS**, embedding specific fee amounts directly in the Municipal Code requires future fee updates to be accomplished only through ordinance amendments, which can be procedurally burdensome and is inconsistent with modern practice under the Mitigation Fee Act (Government Code Sections 66000 through 66025); and

**WHEREAS**, the Mitigation Fee Act allows development impact fees to be adopted by resolution, provided that the fees are supported by appropriate nexus findings and that the procedural requirements of the Act are followed; and

**WHEREAS**, Grand Terrace Municipal Code Chapter 4.104, relating to circulation improvement fees, provides that local and regional circulation impact fee schedules may be established by resolution of the City Council, consistent with the Mitigation Fee Act; and

**WHEREAS**, the City of Grand Terrace has prepared and adopted the 2026–27 Development Impact Fee Calculation and Nexus Report, which establishes the maximum justified development impact fees for various categories of public facilities; and

**WHEREAS**, this Ordinance does not impose or increase any development impact fee, but instead updates only the mechanism by which such fees are adopted and amended; and

**WHEREAS**, it is in the public interest to amend Chapter 4.80 of the Grand Terrace Municipal Code to remove obsolete fee amounts and to provide that development impact fee schedules shall be established and amended by resolution of the City Council, supported by a current nexus study and consistent with the Mitigation Fee Act and Assembly Bill 602 (AB-602).

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF GRAND TERRACE DOES ORDAIN AS FOLLOWS:**

**SECTION 1.** The City Council hereby specifically finds and declares that all facts set forth in the above Recitals are true and correct and incorporated herein by this reference and made a part hereof.

**SECTION 2.** Amendment to Section 4.80.010.

Section 4.80.010 (Fees Designated) of Chapter 4.80 (Developer Impact Fees) of Title 4 (Comprehensive Fee Schedules, Fines and Taxes) of the Grand Terrace Municipal Code is hereby amended in its entirety to read as follows:

- A. Development Impact Fees for Law Enforcement (County Sheriff) Facilities, Fire Facilities supporting services provided by the San Bernardino County Fire Protection District, General City Facilities, Public Use Facilities, and Parkland Acquisition and Park Facilities shall be established, and may be amended from time to time, by resolution of the City Council.
- B. Development Impact Fees for Local Circulation and Regional Circulation improvements shall be established pursuant to Chapter 4.104 of this Code.
- C. All Development Impact Fees adopted under this Chapter shall be consistent with the Mitigation Fee Act (Government Code Sections 66000 through 66025), the City's adopted Development Impact Fee Nexus Study, and any subsequent updates thereto.
- D. Revenues collected from development impact fees established under this Chapter shall be deposited into separate accounts or funds in accordance with the Mitigation Fee Act and shall be expended solely for eligible growth-related capital improvements identified in the applicable nexus study, including related design, engineering, rights-of-way, and other eligible capital costs. Such expenditures may include facilities implemented by the City or, where applicable and described in the nexus study, facilities implemented by other public agencies serving development within the City.
- E. Adoption of fee schedules pursuant to this Chapter does not obligate the City to construct any specific capital improvement or to complete any improvement on a particular schedule or timeline. The timing, priority, and specific scope of improvements shall be determined through the City's capital improvement planning and budget processes, subject to available funding and City Council direction.

**SECTION 3.** California Environmental Quality Act. The City Council finds that this ordinance is not a "project" for purposes of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b)(4), because it involves the establishment of a government funding mechanism and does not approve, authorize, or commit the City to any specific capital improvement project or other physical change to the environment. Any future capital improvement project funded in whole or in part by

development impact fees shall be subject to separate environmental review under CEQA prior to discretionary approval of such project, as required by law.

**SECTION 4. Severability.** If any section, subsection, sentence, clause or phrase of this Ordinance is, for any reason, held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, sentences, clause or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional due to the writs of mandate issued by the Court.

**SECTION 5. Effective Date.** This Ordinance shall take effect thirty (30) days after its adoption. The City Council hereby authorizes and directs the Mayor and the City Clerk to execute this Ordinance on behalf of the City of Grand Terrace forthwith upon its adoption.

**PASSED, APPROVED, AND ADOPTED** by the City Council of Grand Terrace at a regular meeting held on the \_\_\_\_\_ day of \_\_\_\_\_ 2026.

\_\_\_\_\_  
Bill Hussey  
Mayor

**ATTEST:**

\_\_\_\_\_  
Daysi Alcocer  
City Clerk

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Adrian R. Guerra  
City Attorney

# Development Impact Fee Calculation and Nexus Study

For the City of Grand Terrace, California

February 23, 2026





February 23, 2026

Honorable Mayor and Members of City Council

City of Grand Terrace

22795 Barton Road

Grand Terrace, CA 92313

**RE: 2026–27 Development Impact Fee (DIF) Calculation and Nexus Study**

Honorable Mayor and Council Members:

The City of Grand Terrace has undertaken a comprehensive update of its Development Impact Fee (DIF) program to ensure that the cost of public facilities needed to serve growth is allocated in a fair, transparent, and legally defensible manner. This update reflects current statutory requirements—including the Mitigation Fee Act (Government Code §66000 et seq.) and Assembly Bill 602 (AB-602)—and modernizes the City’s fee structure by standardizing residential fees on a per-square-foot basis and extending the program to all major land use categories.

Revenue & Cost Specialists, LLC (RCS) was engaged to prepare this Nexus Study and evaluate growth-related facility needs associated with residential and nonresidential development. The study establishes maximum justified fees across the City’s infrastructure programs, including Law Enforcement (County Sheriff), Fire Facilities, Street Improvements (Local), Regional Circulation Improvements, General City Facilities, Public Use Facilities (Community Centers), and Parkland Acquisition and Park Facilities. Each program applies an AB-602-compliant methodology that identifies the existing level of service, determines the portion of capital needs attributable to new development, and distributes those costs proportionally based on measurable demand factors.

The maximum justified fees presented in this report are designed to ensure that new development funds only its fair share of growth-related facility needs, preventing existing residents and businesses from subsidizing future development. The report provides transparent calculations, clearly documented assumptions, and complete statutory findings to support City Council consideration of adopting the updated DIF program.

**REVENUE & COST SPECIALISTS**

1519 E. Chapman • Suite C • Fullerton, CA • 92831

RCS wishes to express its appreciation to City staff whose support and responsiveness were essential to the successful completion of this study. In particular, we acknowledge:

**Gabriel Arguelles**

Assistant Planner

**Jessica Lambarena**

Development Services Coordinator

Their assistance in providing land use data, facility information, and project direction greatly contributed to the accuracy and completeness of this Nexus Study.

The Development Impact Fee Calculation and Nexus Study is respectfully submitted for your review and consideration. RCS remains available to support the City Council, staff, and community in understanding the fee program and its role in ensuring that Grand Terrace continues to provide essential public facilities as the community grows.

Sincerely,



Gregory Brown

Vice President



Damijon Redmond

Associate

## Recommended Development Impact Fees (Summary Table)

Recommended Development Impact Fees	
Development Impact Fee Land Use Type	Recommended Development Impact Fees
Single Family Detached	\$8.643 per SF
Multi-Family Attached	\$14.177 per SF
Manufactured/Mobile Homes	\$12.749 per SF
General Commercial	\$5.927 per SF
Office Commercial	\$2.323 per SF
Industrial	\$1.179 per SF

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## Executive Summary

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The City of Grand Terrace has long relied on development impact fees to ensure that new development contributes its fair share toward the public facilities required to serve growth. Over time, the City established individual fee programs addressing circulation improvements, general government facilities, parkland and park improvements, public use facilities, and other infrastructure categories. These programs were created incrementally through municipal code provisions and prior nexus analyses and were historically assessed primarily on a per-dwelling-unit basis for residential development. While the framework provided an important funding source for capital improvements, it evolved over many years and did not reflect a fully unified or modernized structure consistent with current statutory requirements and planning conditions.

In recent years, several factors have made a comprehensive update necessary. State law has evolved, particularly under the Mitigation Fee Act and Assembly Bill 602 (AB-602), which require a clear and documented relationship between the impacts of new development and the facilities funded by development impact fees. Residential fees must now be presented on a per-square-foot basis, and nexus findings must clearly demonstrate proportionality. At the same time, updated land use projections, calls-for-service data, service population measures, and transportation analysis indicate that additional facilities and infrastructure will be required to maintain the City's established levels of service as Grand Terrace approaches buildout. Construction costs, infrastructure standards, and growth patterns have also changed significantly since prior fee components were adopted.

This Nexus Study responds to these conditions by modernizing and consolidating the City's Development Impact Fee program into a coordinated, legally compliant structure grounded in current data and measurable demand indicators. The updated program addresses Law Enforcement Facilities, Fire Facilities, Local Street Improvements, Regional Circulation Improvements, General City Facilities, Public Use Facilities, and Parkland Acquisition and Park Facilities. The Capital Improvement Program identified in this study totals \$146,386,275 in facility and infrastructure projects. After removing \$36,099,020 in costs not attributable to new development, the study identifies \$110,287,255 in growth-related capital costs that may be allocated to future development consistent with statutory requirements.

Across all infrastructure categories, the study applies recognized nexus methodologies tailored to the type of facility involved. For each program, the analysis identifies the capital facilities required to maintain established service levels, removes non-fee funding sources, allocates costs between existing and future development, and distributes the remaining fee-eligible costs across land uses using measurable demand factors such as persons-per-household, service population, calls-for-service, and transportation demand indicators. All residential fees are expressed on a per-square-foot basis consistent with AB-602, and nonresidential fees are presented per square foot of floor area.

The resulting fee schedule establishes the maximum justified development impact fees necessary to ensure that new development funds only its proportional share of growth-related capital needs. Existing residents and businesses are not charged for facilities required to serve new growth, and

new development is not required to correct existing deficiencies. The City Council retains full discretion to adopt fees at or below the maximum justified levels, to phase in changes over time, or to refine the program consistent with the nexus findings documented in this report.

## Chapter 1 Introduction and Legal Framework

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### Purpose of the Study

The City of Grand Terrace periodically updates its Development Impact Fee (DIF) program to keep fees aligned with statutory requirements, current cost conditions, and an equitable allocation of growth across land uses. This Nexus Study provides the technical and legal basis for City Council consideration of fee changes in this update cycle.

This Nexus Study updates and documents a set of Development Impact Fees (DIFs) for six program areas: Law Enforcement (County Sheriff), Fire Facilities, Street Improvements (Local Street Improvements and Regional Circulation), General City Facilities, Public Use Facilities (Community Centers), and Parkland Acquisition and Park Facilities.

For Law Enforcement, the study establishes a fee to fund growth's fair share of space needs associated with contracted sheriff services. Fire protection services within Grand Terrace are provided by the San Bernardino County Fire Protection District. The Fire Facilities Development Impact Fee is adopted by the City and collected within its jurisdiction on behalf of the County to fund the growth-related share of capital fire facilities and equipment necessary to maintain the established level of service for the Grand Terrace service area. The fee is limited to capital facilities attributable to new development and does not fund staffing, operations, or routine maintenance.

For Street Improvements, the study consolidates the legacy Arterial Improvement, Traffic Signal Improvement, and Operational Improvement components into a unified Local Street Improvements Development Impact Fee and establishes a separate Regional Circulation Development Impact Fee framework. Together, these programs fund circulation planning and identified capital street and regional transportation improvements sized and allocated using a trip-based methodology to ensure proportionality.

For General City Facilities, Public Use Facilities, and Parkland Acquisition and Park Facilities, the study refines existing fee structures, aligns them with current land use categories and service standards, and converts residential fees to a per square foot basis by land use as required by Assembly Bill 602 (AB-602).

At present, the City assesses impact fees only on residential development. This study calculates fee schedules for both residential and nonresidential land uses; whether and how to apply fees will be determined by the City Council at adoption.

Grounded in statute, current cost data, and transparent methods, this study equips the City Council to consider adopting updated fee schedules that ensure new development contributes its fair and proportionate share toward maintaining the City's public facilities and infrastructure as growth occurs.

## Background and Context

Grand Terrace’s Development Impact Fee (DIF) program has operated for nearly two decades, beginning with a 2005–06 nexus study prepared by Revenue & Cost Specialists (RCS). The Municipal Code formalizes the circulation fee framework in Chapter 4.104 (Circulation Improvement Fee Program)—which establishes arterial, traffic signal, and operational components—and the chapter was comprehensively amended on February 23, 2016. Program administration is integrated with the City’s development review and capital delivery functions (Planning & Development Services; Public Works), and current fee schedules are made available to applicants through the City’s Building & Safety pages.

## Legal Authority

California law establishes the framework under which cities may adopt and update development impact fees. Two key legal authorities govern this study: the Mitigation Fee Act (Government Code §§66000–66025) and Assembly Bill 602 (AB-602). Together, these statutes define the requirements that must be met in order to lawfully impose development impact fees on new construction.

**Mitigation Fee Act (AB-1600):** The Mitigation Fee Act, originally enacted as Assembly Bill 1600 in 1987, requires that local agencies establish a reasonable relationship, or nexus, between the fees charged to new development and the facilities or improvements financed with those fees. The Act sets forth several key standards:

- Fees must be supported by findings demonstrating the purpose of the fee and its use.
- There must be a demonstrated connection between the type of development paying the fee and the need for the public facility.
- Fees must not exceed the proportional share of costs attributable to the development.
- Fees must be deposited in separate accounts, with annual and five-year reporting requirements.

**Assembly Bill 602 (AB-602):** Adopted in 2021, AB-602 strengthens the requirements of the Mitigation Fee Act by mandating greater transparency and consistency in nexus studies. Among its provisions, AB-602 requires:

- Standardized methodologies for calculating fees, including identification of the population and employment assumptions used.
- Clear demonstration of how growth projections relate to infrastructure demand.
- Inclusion of at least one comparison of fee levels with those in other jurisdictions.
- Enhanced requirements for public review and input prior to adoption.

**Application to Grand Terrace:** This Nexus Study has been prepared in compliance with the Mitigation Fee Act and AB-602. It documents the relationship between new development in Grand Terrace and the need for additional public facilities, ensuring that fees are proportionate and legally defensible. The study applies standardized demographic and land use methodologies consistent with AB-602 so that all underlying assumptions are explicitly identified, consistently applied, and transparent to the public. By adhering to these legal standards and applying data-driven methods, the City of Grand Terrace ensures that its updated development impact fee program both complies with state law and equitably assigns the costs of growth.

### Required Legal Findings

In compliance with Government Code §66001, the nexus study must establish five findings for each proposed fee:

1. Purpose of the fee
2. Use of the fee revenues
3. Relationship between the fee's use and the development type
4. Relationship between the facility need and the development type
5. Relationship between the fee amount and the development's share of cost

If any fees remain unspent after five years, the City must reaffirm these findings or refund the unexpended balance.

### Scope of the Program

This Nexus Study updates and refines the scope of the City of Grand Terrace's Development Impact Fee (DIF) program. The program ensures that new development contributes an equitable and proportional share of the cost of public facilities and infrastructure required to accommodate growth while maintaining the City's established levels of service.

#### **Program Categories Included in This Update**

- **Law Enforcement (County Sheriff):** Space and related facility needs to support contracted law-enforcement services serving Grand Terrace.
- **Fire Facilities:** Growth-related capital fire protection facilities required to maintain the established level of service as new development increases calls-for-service. Fire protection services are provided by the San Bernardino County Fire Protection District. The fee is adopted by the City and collected on behalf of the County to fund the proportional share of stations, apparatus, and related capital equipment serving Grand Terrace. It does not fund staffing, operations, maintenance, or like-for-like replacement.

- **Street Improvements (Local and Regional Circulation):** Consolidation of the City’s prior Arterial Improvement, Traffic Signal Improvement, and Operational Improvement components into a Local Street Improvements Development Impact Fee and a separate Regional Circulation Development Impact Fee. These programs fund circulation planning and identified capital street and regional transportation improvements allocated using a trip-based methodology to ensure proportionality between existing and new development.
- **General City Facilities:** Administrative and government buildings used to carry out citywide functions (e.g., City Hall, Council Chambers, shared support spaces).
- **Public Use Facilities (Community Centers):** Community centers and other public meeting facilities serving residents.
- **Parkland Acquisition and Park Facilities:** Acquisition of parkland and development and improvement of neighborhood and community parks necessary to maintain the City’s park standards as growth occurs.

The scope of this program is citywide, applying to all new residential and nonresidential development within Grand Terrace. Fees are structured to fund only the capital facilities attributable to new development, consistent with the Mitigation Fee Act and Assembly Bill 602 (AB-602).

### Land Use Categories Used in This Study

- Residential: Single Family Detached, Multi-Family Attached, and Manufactured/Mobile Homes.
- Nonresidential: General Commercial, Office Commercial, and Industrial.

### Fee Application

- Residential — per residential square foot
- Nonresidential — per square foot

### Methodological Overview

This Nexus Study applies a structured methodology to evaluate the impacts of new development on Grand Terrace’s public facilities. The analysis distinguishes between a 30-year land use database horizon used to measure the scale and distribution of ultimate growth, and a 10-year project implementation horizon used to identify and phase capital projects. This two-horizon approach keeps the demand model comprehensive while aligning the capital delivery window with realistic implementation schedules.

### **Land Use Database (30-Year Horizon)**

The land use database reflects existing development and potential new development over a 30-year horizon, as provided by the City for this study. This horizon is used to:

- quantify the magnitude and geographic distribution of growth,
- allocate demand across residential and nonresidential land uses, and
- maintain proportionality for each fee program.

Residential demand assumptions, including persons-per-household (PPH) by structure type, are calibrated to this same 30-year horizon to ensure internal consistency between population growth, housing unit projections, and facility demand modeling. Aligning PPH assumptions with the long-range land use database preserves proportionality across fee programs and ensures that infrastructure demand is measured against the full buildout condition.

### **Project Implementation (10-Year Horizon)**

Capital improvements are identified and phased over a 10-year horizon. Ten years is the practical window to plan, fund, and deliver projects; it also produces conservative, implementable cost assumptions by focusing on projects most likely to proceed in the near term. Because development impact fees are assessed once at the time of development, aligning a 10-year delivery plan to a 30-year demand basis preserves the nexus while tying collections to achievable delivery.

If a property later converts to a different land use, it is reassessed at that time under the applicable fee program. The 30-year horizon assures the analysis captures the full facility needs of ultimate growth; the 10-year horizon ensures realistic implementation and financial planning.

### **Population & Households — Fixed Household Structure Method**

Population and household growth are evaluated using the Fixed Household Structure Method applied to American Community Survey (ACS) data. Household counts by residential structure type are drawn from ACS Table B25032, and population by structure type and tenure is drawn from ACS Table B25033. Because ACS reports a combined “one-unit detached or attached” population category, that population is proportionally allocated to Single-Family Detached and Multiple-Family Attached categories using the corresponding ACS household shares by tenure. These steps establish persons-per-household (PPH) values for Single-Family Detached, Multiple-Family Attached, and Manufactured/Mobile Homes residential categories. Category-specific PPH values are presented in the Demographics & Land Use chapter and applied consistently throughout the fee calculations.

### **Program Scoping Alignment**

Project lists and eligible uses within each fee program reflect the City’s adopted scope for this update. Law Enforcement facilities are structured to fund the growth-related share of space and related capital components necessary to maintain the established level of service for contracted sheriff services. Fire Facilities fund the growth-related share of capital facilities and equipment serving the Grand Terrace service area through the San Bernardino County Fire Protection District. Street Improvements include both circulation planning activities and identified capital street and regional

transportation improvements allocated using a trip-based methodology to ensure proportionality between existing and new development. General City Facilities, Public Use Facilities, and Parkland Acquisition and Park Facilities follow the facility and cost conventions defined in their respective chapters and are structured to maintain established service standards as growth occurs.

### Summary of the Structured Approach

1. **Identify** existing and potential development via the land use database (30-year horizon).
2. **Apply** demographic factors (Fixed Household Structure Method) to forecast households and population by category.
3. **Determine** facility demand and identify projects required to maintain service standards (10-year implementation).
4. **Allocate** project costs to new development via one-time impact fees, maintaining proportionality and compliance with the Mitigation Fee Act and AB-602.

This framework ensures transparency, legal compliance, and equitable cost allocation across all applicable land use types in Grand Terrace.

**Nexus Methodologies:** DIFs in Grand Terrace are calculated using one of three legally recognized methodologies to establish the required “reasonable relationship” between new development and the infrastructure demands it creates. Each method is selected based on the type of facility, the planning context, and the quality of available data. These methodologies align with the *Impact Fee Nexus Study Template* (Turner Center for Housing Innovation at UC Berkeley, 2023) and are designed to fulfill the analytical requirements of AB-602.

### Existing Inventory Method

**Used for:** Law Enforcement (County Sheriff); Fire Facilities; Parkland Acquisition & Park Facilities; Public Use Facilities (Community Centers)

**Description:** New development contributes its proportional share toward the value and service standard of existing facilities. The fee maintains the current level of service by scaling the existing inventory (e.g., park acres per 1,000 residents; community meeting space square feet per resident; law-enforcement space per resident/service population) to growth.

### Application in Grand Terrace:

- **Law Enforcement:** Allocate the fair-share cost of existing substation/assigned space and related facility components that serve the City, maintaining the established space standard as population grows.

- **Fire Facilities:** Maintain the established level of fire protection service using calls-for-service as the demand metric. Growth-related calls-for-service are used to scale station, apparatus, and equipment capacity so that emergency response capability is preserved as development occurs.
- **Parks:** Maintain the City’s existing parkland and park improvements standard (acres and developed improvements) as growth occurs; includes parkland acquisition and park facility improvements consistent with the current LOS.
- **Public Use Facilities:** Maintain the existing public meeting facilities standard (e.g., community center/meeting room square footage) so future development funds its proportional share to sustain that standard.

### Planned Facility Method

**Used for:** Street Improvements (Local Street Improvements and Regional Circulation)

**Description:** Fees are based on the cost of identified future facilities and improvements required to accommodate growth-related demand. Improvements are sized using measurable systemwide demand metrics—in this case, trip-miles—and costs are allocated proportionally between existing and new development based on the extent to which projects mitigate growth-related impacts. Planning, engineering, and capital construction activities may be included, provided that improvements are supported by adopted planning documents and technical analysis demonstrating nexus and proportionality.

#### Application in Grand Terrace:

- **Street Improvements:** Fund circulation planning activities and identified local and regional capital street improvements necessary to accommodate growth. Projects are sized and allocated using a trip-based methodology to ensure proportionality between existing and new development.

### System Plan Method

**Used for:** General City Facilities

**Description:** A hybrid approach combining the value of existing facilities with the cost of planned improvements, ensuring both current and future development share proportionally in the systemwide cost of providing service.

#### Application in Grand Terrace:

- **General City Facilities:** Maintain and expand shared civic facilities (e.g., City Hall, Council Chambers, shared support areas) by apportioning costs between existing users and new growth, reflecting both current inventory and planned improvements/renovations.

### Net Impact Fee Application for Redevelopment and Expansions

This study applies development impact fees to the net increase in residential units or nonresidential square footage, consistent with California case law. In *Warmington Old Town Associates v. Tustin Unified School District* (101 Cal. App.4th 840), the court held that fees must reflect the additional burden created by development, not the full replacement value of demolished structures. This report follows that precedent, applying fees only to the incremental impact generated by new development.

A more detailed explanation of this legal basis is provided in Appendix E.

### Level of Service (LOS) and Nexus Justification

This Nexus Study applies a Level of Service (LOS)-based methodology to define the relationship between new development and the need for public infrastructure. Under AB-602 (Government Code §66016.5), LOS serves as both the planning threshold and the legal nexus, anchoring the technical basis for determining each land use's fair share of capital improvement costs.

**Establishing the Existing Level of Service:** The first step in compliance with AB-602 is identifying the existing LOS for each fee program category. LOS is measured in terms of capacity, performance, or coverage and reflects the level of infrastructure currently available to serve the existing community. This study uses quantifiable service metrics — such as calls-for-service, trip generation, impervious surface runoff coefficients, gallons per day of utility capacity, and facility square footage per capita — to define the existing standard.

This approach is consistent with Government Code §66016.5(a)(2)(B), which requires jurisdictions to identify the existing level of service and evaluate the cost of maintaining that level for new development. Each facility type is evaluated against its baseline LOS standard to ensure that fee revenue is proportionally allocated to maintain service levels in response to demand generated by new development. This prevents both overbuilding and underfunding and ensures legal compliance with the Mitigation Fee Act and AB-602.

### **Fee Program-Specific LOS Metrics**

- **Law Enforcement (County Sheriff):** LOS is based on calls-for-service (CFS) generated by residential and nonresidential development. Facilities are scaled so that law-enforcement space and support areas keep pace with CFS growth and service-population needs.
- **Fire Facilities:** LOS is based on verified calls-for-service attributable to fee-bearing development. Station, apparatus, and specialty equipment capacity are scaled so that emergency response capability is maintained as growth increases fire-related calls-for-service. The program preserves the established level of fire protection service and does not increase service standards.

- **Street Improvements (Local and Regional Circulation):** LOS is based on systemwide travel demand measured in trip-miles attributable to residential and nonresidential development. Circulation planning and identified capital street and regional transportation improvements are allocated proportionally so that roadway capacity and operational performance are maintained as development increases travel demand.
- **General City Facilities:** LOS is based on administrative/government facility space per service population (residents plus an employee equivalency factor). Space standards are applied to maintain citywide service capacity as population and employment increase.
- **Public Use Facilities:** LOS is based on community-use/meeting space per resident, ensuring that new development funds its proportional share to sustain the established level of community-use space.
- **Parkland Acquisition and Park Facilities:** LOS is based on parkland acreage and improved recreational facilities per resident, ensuring that new residents fund the acquisition and development necessary to maintain the City’s park standard.

Together, these LOS metrics establish the required reasonable relationship by directly linking demand from new development to the facilities—and, where applicable in this cycle, the master planning work needed to maintain service levels. By identifying the existing standards and applying them consistently across all included infrastructure categories, the City of Grand Terrace ensures that development impact fees are equitable, transparent, and legally defensible.

**AB-602 Compliance and Cost Allocation:** This LOS-based approach is fully compliant with AB-602’s statutory requirements, which mandate that development impact fees:

- Are based on a clearly defined existing level of service;
- Demonstrate a quantified relationship between new development and facility need;
- Apply proportional cost allocation to ensure equity;
- Maintain—rather than improve—LOS for new residents; and
- Use transparent, data-driven methodologies to establish fee justifications.

By applying fee program-specific LOS thresholds and linking them to measurable units of growth, this study ensures that new development funds only the share of capital improvements necessary to maintain existing service standards. This framework ensures both legal defensibility and fiscal fairness in accordance with Government Code §66016.5.

### Considerations for Intergenerational Equity

In addition to the statutory nexus requirements, this study incorporates a proportional analysis to demonstrate the intergenerational equity principle that acknowledges the significant capital investments the existing community has made to build and maintain Grand Terrace’s infrastructure.

Over time, residents and businesses have contributed to the development of public facilities through taxes, utility fees, and prior impact fees. These contributions have established the baseline levels of service reflected in the City’s existing infrastructure network. To maintain fairness, the DIF program is structured to ensure that new development contributes a proportional share of costs to expand system capacity, rather than relying on the existing population to subsidize growth-related improvements.

Each fee program chapter in this report includes a benchmark comparison to the existing community’s financial investment in facilities. This comparison is used to demonstrate that the fees imposed on new development are consistent with what prior generations have paid to achieve the current level of service. While this proportional analysis is not a requirement under AB-602, it enhances transparency and helps demonstrate that the fee structure equitably balances the burden of infrastructure funding across generations.

### **Organization of the Report**

The report is organized into chapters covering the analytical framework and facility-specific nexus findings, followed by appendices containing detailed supporting documentation.

- Chapter 1: Introduction and Legal Framework
- Chapter 2: Demographic and Land Use Assumptions
- Chapter 3: Law Enforcement Facilities
- Chapter 4: Fire Facilities
- Chapter 5: Street Improvements (Local and Regional Circulation)
- Chapter 6: General City Facilities
- Chapter 7: Public Use Facilities
- Chapter 8: Parkland Acquisition and Park Facilities

### **Appendices A–J: Supporting Documentation**

These appendices provide the technical foundation for the study, including the master fee schedule, detailed cost estimates, capital improvement plans, legal references, per residential square foot fee schedules, and other supporting analyses required for transparency and compliance with the Mitigation Fee Act and AB-602.

### **Each fee program chapter includes:**

- A project cost allocation table
- An impact fee calculation framework
- A benchmark comparison to the existing community’s financial investment in infrastructure

References

Turner Center for Housing Innovation at UC Berkeley. (2023). *Impact Fee Nexus Study Template*. Berkeley: California Department of Housing and Community Development.

**End of Chapter**

## Chapter 2 Demographic and Land Use Assumptions

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### Introduction

This chapter establishes the demographic and land use assumptions that serve as the analytical foundation for Grand Terrace’s Development Impact Fee (DIF) Nexus Study. These assumptions quantify both existing conditions and the capacity for future growth, ensuring that infrastructure demands are measured against realistic development potential.

The analysis begins with Grand Terrace’s parcel-level land use database, which provides a comprehensive accounting of current development and remaining capacity under the City’s General Plan. This database captures residential, commercial, and industrial land uses, and it is designed to support proportional allocation of capital improvement costs across all development categories.

Population growth assumptions are derived from the American Community Survey (ACS) and applied through the Fixed Household Structure Method, which standardizes persons per household (PPH) values across residential categories: Single Family Detached, Multi-Family Attached, and Manufactured/Mobile Homes. This framework ensures consistency with the Mitigation Fee Act and Assembly Bill 602 (AB-602), which require jurisdictions to demonstrate transparency and proportionality in impact fee calculations.

By integrating these demographic factors with Grand Terrace’s land use database, the study provides a clear, transparent basis for forecasting growth, estimating service demand, and distributing infrastructure costs. Each subsequent chapter of this report relies on the assumptions documented here to ensure that new development contributes its fair and legally defensible share of capital facility costs.

### Land Use Classifications

Grand Terrace’s land use classifications form the foundation for projecting future development and allocating public facility costs in this Nexus Study. These classifications are grounded in the City’s *General Plan Land Use Element* (City of Grand Terrace, 2010) and the *6th-Cycle Housing Element* (City of Grand Terrace, 2024), which define residential and nonresidential designations, intensities, and development capacity.

For consistency in analysis and fee modeling, this study uses the following standardized category labels:

#### **Residential Classifications**

Residential development is evaluated using the Fixed Household Structure Method, with three categories applied consistently across the study:

- Single Family Detached
- Multi-Family Attached
- Manufactured/Mobile Homes

(Category-specific persons-per-household values are presented in the Demographics & Land Use chapter and used throughout the fee calculations.)

### **Nonresidential Classifications**

To reflect how different uses generate facility demand, General Plan designations are standardized into two fee categories for nexus purposes:

- General Commercial Uses
- Office Commercial Uses
- Industrial Uses

These standardized categories enable consistent fee-unit assignment and equitable allocation of growth-eligible project costs across Grand Terrace while aligning with the City's adopted land use framework.

### **Crosswalk of Classifications**

To maintain transparency and ensure that local land use designations are clearly tied to standardized Nexus Study categories, this study includes a crosswalk table (Appendix B). The crosswalk pairs each General Plan designation with its corresponding study category, clearly identifying how residential, commercial, industrial, institutional, and lodging uses are treated in the analysis. This appendix also documents land uses excluded from the fee program, such as agriculture and permanent open space, consistent with nexus requirements.

### **Summary of Existing and Potential Development**

The table below summarizes both existing development and future potential for each land use type. These figures are based on data supplied by City staff and compiled by RCS through analysis of land use designations, zoning, and parcel-level conditions.

This comprehensive accounting of existing and future development serves as the base denominator in cost distribution for impact fee calculations, ensuring that each land use contributes proportionally to the capital infrastructure required to support anticipated growth.

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Table 2-1

Summary of the Land Use Database						
Land Use Database Total	Existing Development		Potential Development		Total Land Use Inventory	
	Acres	Units/SF	Acres	Units/SF	Acres	Units/SF
Single Family Detached	999.56	3,325	1,024	3,235	2,023	6,560
Multi-Family Attached	180.18	1,996	207	3,801	388	5,797
Manufactured/Mobile Homes	31.57	269	1	7	33	276
General Commercial	152.85	2,361,605	165	2,519,401	318	4,881,006
Office Commercial	34.71	544,282	32	486,499	67	1,030,782
Industrial	237.50	3,103,650	147	1,922,303	385	5,025,953

### Data Integrity and Source Justification:

To ensure compliance with Assembly Bill 602 (AB-602) mandates for data transparency and defensible methodologies, the following principles guide the land use and demographic analysis in this study:

- Existing and Potential Development:** All data has been compiled at the parcel level through Grand Terrace’s land use database, compiled and created by City staff, and reconciled with the City’s General Plan Land Use Element and the California Department of Housing and Community Development (HCD)–certified Housing Element. This ensures accurate accounting of both existing conditions and realistic development opportunities under current entitlements and land use policies.
- Capacity Forecasts:** Derived from the City staff-compiled land use database, which reflects the City’s General Plan Land Use Element and 6th-Cycle Housing Element. Unit yields use adopted density standards and are adjusted to reflect feasible buildout potential over the study horizon.
- Nonresidential Floor Area:** Nonresidential floor area is measured in square feet, based on the land use database. This format aligns commercial and industrial uses with how the City entitles and tracks development.

**Demographic Characteristics:** Persons per household (PPH) assumptions are derived using the Fixed Household Structure Method, based on American Community Survey (ACS) 5-year estimates (Tables B25032 and B25033). This method applies standardized PPH factors separately for Single Family Detached, Multi-Family Attached, and Manufactured/Mobile Homes, ensuring proportionality and consistency with Assembly Bill 602 (AB-602).

While demographic characteristics such as population and PPH are best derived from ACS data, unit counts and land use inventories for Grand Terrace’s impact-fee modeling rely primarily on local planning documents—the *General Plan Land Use Element* and the *6th-Cycle Housing Element* to ensure jurisdiction-specific accuracy and reliability.

### Persons per Household (PPH) Assumptions

This section establishes the methodology for determining persons per household (PPH) by housing type to project population growth from new development and to ensure proportional fee allocation consistent with the Mitigation Fee Act (Government Code §§66000–66025) and Assembly Bill 602 (AB-602). PPH assumptions rely on public demographic data integrated with local land use information and are reconciled to the City of Grand Terrace’s Housing Element to provide a transparent and defensible basis for calculations.

#### **Methodology**

PPH assumptions are derived using the Fixed Household Structure Method, which standardizes demographic factors across three categories:

- Single Family Detached
- Multi-Family Attached
- Manufactured/Mobile Home

The Fixed Household Structure Method uses American Community Survey (ACS) five-year estimates to determine average household size by structure type, pools owner-occupied and renter-occupied households, and reconciles the combined results against Grand Terrace’s locally adopted planning documents. This approach ensures that population-based fee calculations align with the City’s growth forecasts and the standards of AB-602.

#### **Data Sources**

The following data sources provide the foundation for Grand Terrace’s PPH assumptions:

- United States Census Bureau, American Community Survey (ACS) 2019–2023 five-year estimates, Tables B25032 and B25033, providing structure-type household counts and structure-type population totals.
- City of Grand Terrace Land Use Database, providing parcel-based unit counts to apply raw PPH values and ensure internal consistency across infrastructure chapters.

#### **PPH Results by Housing Type**

Application of the Fixed Household Structure Method to Grand Terrace’s ACS data yields the following results:

- Single Family Detached: 3.12 persons per household
- Multi-Family Attached: 2.32 persons per household
- Manufactured/Mobile Homes: 2.83 persons per household

These assumptions are used consistently throughout this study to project population growth attributable to new residential development and to allocate capital facility costs proportionally.

Table 2-2

Population Forecast			
Residential Category	PPH	Potential Residential Units	Forecast Population
Single Family Detached	3.12	3,235	10,093
Multi-Family Attached	2.32	3,801	8,818
Manufactured/Mobile Homes	2.83	7	20
Total		7,043	18,931

### Methodology Summary

This chapter establishes the demographic and land use framework used throughout the City of Grand Terrace Development Impact Fee Nexus Study. The following methodological steps ensure that the analysis is transparent, consistent with statutory requirements, and tailored to Grand Terrace's planning context:

- **Land Use Database:** A parcel-level database of existing and potential development compiled by City staff, reflecting the City's *General Plan Land Use Element* and the *6th-Cycle Housing Element*.
- **Land Use Classifications:** General Plan designations are consolidated into standardized categories for fee analysis:
  - Residential: Single Family Detached, Multi-Family Attached, Manufactured/Mobile Homes
  - Nonresidential: General Commercial, Office Commercial, and Industrial
- **Demographic Assumptions:** Persons per household are calculated using the Fixed Household Structure Method (ACS 2019–2023; Tables B25032 and B25033) for the three residential categories above. Category-specific PPH values are presented in the Demographics & Land Use chapter and are applied consistently across all fee programs.
- **Population Forecasting:** Potential units in each residential category were multiplied by their respective PPH factors to generate raw population forecasts. These forecasts serve as the demand denominator for allocating infrastructure costs proportionally to new residential growth.

- Nonresidential Forecasting: Growth in General Commercial, Office Commercial, and Industrial Uses is measured in square feet, consistent with permitting practice and fee conventions.

By integrating local land use data with standardized demographic assumptions, this methodology ensures that new development in Grand Terrace contributes its fair share of infrastructure costs, in full compliance with the Mitigation Fee Act and AB-602.

### **Summary of Findings**

To ensure transparency and defensibility consistent with AB-602, this section summarizes how the study identifies capital requirements at General Plan buildout, determines the share attributable to new development, distinguishes the portion not eligible for development impact fee (DIF) financing, and presents the recommended fee schedules by land use. Values and schedules are derived from the City's inventories, capital needs, and calculations documented in this report.

- Land Use Database (LUDB): The database reflects existing development and realistic potential under adopted City policies. Residential inventory is expressed in dwelling units and nonresidential inventory in building square feet. Persons-per-household (PPH) are derived using the Fixed Household Structure Method from ACS 5-year data and applied by residential category (Single Family Detached, Multi-Family Attached, Manufactured/Mobile Homes). The LUDB provides the demand basis for allocating growth-related capital costs across land uses.
- Measurement Units: Unless expressly noted otherwise, residential fees are assessed per residential square foot and nonresidential fees are assessed per square foot.
- Local Counts vs. ACS: Local administrative counts establish land use quantities (dwelling units and square feet). ACS data are used only for demographic ratios (PPH by residential category) under the Fixed Household Structure Method. This preserves jurisdiction-specific accuracy while maintaining demographic consistency.
- Program Scope Alignment: Fee programs are structured to maintain consistent, citywide levels of service while aligning with statutory requirements and the City's adopted policy framework. Within this study, Law Enforcement (County Sheriff), Fire Facilities, Street Improvements (Local Street Improvements and Regional Circulation), General City Facilities, Public Use Facilities (Community Centers), and Parkland Acquisition and Park Facilities are treated as citywide programs whose costs are allocated across standardized land use categories. Street Improvements include both circulation planning activities and identified capital street and regional transportation improvements allocated using a trip-based methodology to ensure proportionality between existing and new development. Law Enforcement, Fire Facilities, General City Facilities, Public Use Facilities, and Parks are structured using level-of-service (LOS)-based methods that relate facility capacity and service standards to projected population and employment growth. Fees across all programs are presented on a per square foot basis by land use, consistent with Assembly Bill 602 (AB-602) and the City's adopted nexus methodology.

- **Data Integrity & Reproducibility:** The study standardizes land use labels and documents the equations used to convert residential programs to service population (PPH × dwelling units). A uniform units convention is applied (residential and nonresidential per square foot). Numerical presentation follows the project’s rounding policy (whole dollars for currency; integers for counts). These practices make inputs and conversions transparent, repeatable, and defensible for nexus purposes.

The detailed fee schedules by land use type and the associated capital requirements appear in subsequent chapters and tables of this report.

### **Capital Improvement Program, Total Requirements and Funding Allocation**

The Capital Improvement Program (CIP) compiles a single, citywide set of facility needs over the planning window and organizes them by fee program within this study’s scope: Law Enforcement (County Sheriff); Fire Facilities; Street Improvements (Local Street Improvements and Regional Circulation); General City Facilities; Public Use Facilities; and Parkland Acquisition and Park Facilities. For each program, total requirements include fee-relevant capital projects and, where applicable, the value of existing assets necessary to maintain the established level of service.

Where a program is being re-established or modernized in this update, the analysis documents how legacy fee components and project lists are consolidated into an updated framework. For Street Improvements, the study consolidates the former Arterial Improvement, Traffic Signal Improvement, and Operational Improvement components into a unified Local Street Improvements Development Impact Fee and establishes a separate Regional Circulation Development Impact Fee. In this update cycle, Street Improvements include both circulation planning activities and identified capital street and regional transportation improvements allocated using a trip-based methodology to ensure proportionality between existing and new development.

Funding allocation proceeds in three steps:

1. Remove non-development funding first. Subtract grants, restricted revenues, external contributions, and other non-fee sources identified for each project/program.
2. Determine the growth share under the applicable nexus method.
  - Existing Inventory Method (e.g., Parks; Public Use Facilities; applicable Law Enforcement and Fire components): allocate the cost of sustaining the current level of service to new development proportionally.
  - System Plan Method (e.g., General City Facilities): combine existing inventory value with planned improvements so existing and future development share proportionally.
  - Planned Facility Method (e.g., Street Improvements – Local and Regional Circulation): allocate the cost of identified capital street and regional transportation improvements, and related circulation planning, sized and distributed using a trip-based methodology.

3. Carry forward the fee-eligible remainder. Distribute the fee-eligible share to land uses using the demand factors established in this study (e.g., persons-per-household, service population, or nonresidential square footage, as applicable).

Fee schedules are presented as follows:

- Residential — per residential square foot
- Nonresidential — per square foot

Numerical presentation follows the project’s rounding policy: whole dollars for currency and integers for counts (dwelling units and square feet). This framework ensures transparent accounting of total capital requirements, clear segregation of non-fee funding, and proportional allocation of fee-eligible costs in compliance with the Mitigation Fee Act and Assembly Bill 602 (AB-602).

Each fee program is administered in a separate account or subaccount consistent with the Mitigation Fee Act. General City Facilities and Public Use Facilities are maintained as distinct programs, Street Improvements are administered as Local and Regional components, Parks are tracked separately from Quimby subdivision obligations, and Fire Facilities revenues are collected by the City on behalf of the San Bernardino County Fire Protection District for eligible capital purposes serving the Grand Terrace service area.

**Table 2-3**

<b>Capital Improvement Program Summary by Fee Program</b>	
<b>Infrastructure Type</b>	<b>Total – Projects</b>
Law Enforcement Facilities	\$1,383,830
Fire Facilities	\$10,826,214
Local Street Improvements	\$ 27,150,000
Regional Circulation	\$22,000,000
General City Facilities	\$6,688,269
Public Use Facilities	\$28,399,531
Parkland Acquisition and Park Facilities	\$49,938,431
<b>Total Capital Requirements</b>	<b>\$146,386,275</b>
<b>Less: Non-Development Generated Projects</b>	<b>\$36,099,020</b>
<b>Net Fee-Eligible Capital Costs</b>	<b>\$110,287,255</b>

### **Recommended Development Impact Fees**

Based on these costs and the tables presented at the end of each subsequent chapter, costs attributable to future development were derived on a per residential square foot basis for residential

land uses and on a per square foot of building area basis for nonresidential land uses. Table 2-4, found at the end of this chapter, provides a summary of the recommended development impact fee tables for each type of infrastructure and land use category. The total recommended maximum development impact fees for each of the six DIF Land Use Types are summarized below.

**Table 2-4**

Recommended Development Impact Fees	
DIF Land Use Type	Recommended Development Impact Fees
Single Family Detached	\$8.643 per SF
Multi-Family Attached	\$14.177 per SF
Manufactured/Mobile Homes	\$12.749 per SF
General Commercial	\$5.927 per SF
Office Commercial	\$2.323 per SF
Industrial	\$1.179 per SF

#### References

City of Grand Terrace. (2010). *Land Use Element*. Grand Terrace: City of Grand Terrace.

City of Grand Terrace. (2024). *City of Grand Terrace Housing Element 6th Cycle*. Grand Terrace: City of Grand Terrace.

**End of Chapter**

## Chapter 3 Law Enforcement Facilities

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### Purpose and Scope

**Purpose:** The purpose of the Law Enforcement (County Sheriff) Facilities Fee is to ensure that new development funds its proportional share of the *facility space* required to maintain the City of Grand Terrace’s existing level of contracted law enforcement service. The City contracts with the San Bernardino County Sheriff’s Department for sworn staffing and operations; however, the City is responsible for providing and expanding the *building space* necessary to accommodate the deputies and support personnel assigned to Grand Terrace. Fee revenues are therefore limited strictly to capital improvements to City-owned facilities—such as expansion or reconfiguration of the Sheriff substation space, associated support rooms, and required tenant improvements. Fees may not be used for staffing, equipment, vehicles, or operational costs, which remain the responsibility of the County under the contract. By funding only the growth-related expansion of City-owned law enforcement facility space, the fee ensures that Grand Terrace maintains its current level of service as residential and nonresidential development increases calls-for-service.

**Scope of Improvements:** The Law Enforcement Facilities Fee will fund the capital building space required to support additional sworn officers and staff assigned to Grand Terrace as growth occurs. Because the City contracts with the San Bernardino County Sheriff’s Department for staffing and operations, and owns only the facility space, eligible improvements are limited to City-owned law enforcement facilities and related tenant improvements. Fee revenues may not be used for personnel costs, equipment, vehicles, or day-to-day operations.

Specifically, the program will support:

- Sheriff Substation and Support Space Expansion — construction, expansion, or reconfiguration of City-owned station and substation areas, including offices, report-writing and interview rooms, briefing space, evidence processing and storage areas, lockers, and other support rooms necessary to accommodate growth-related staffing.
- Common Areas and Building Systems — shared circulation, secure entries, lobbies, restrooms, building core systems, and other fixed improvements that are integral to housing law enforcement personnel and maintaining the City’s established level of service.
- Site and Tenant Improvements — site work and tenant improvements required to place additional law enforcement facility space into service, including utility extensions, secure parking improvements, accessibility upgrades, and fixed security features that are part of the building.

These improvements are directly tied to growth and represent the City-owned facilities necessary to sustain Grand Terrace’s existing level of contracted law enforcement service as new development occurs. Expenditures from the Law Enforcement Facilities Fee are restricted to these capital facility categories and may not be used for personnel salaries, equipment or vehicles, ongoing operations, or like-for-like replacement of existing capacity that does not increase usable facility space.

**Scope of Beneficiaries:** All residents and businesses within the City of Grand Terrace benefit from effective law enforcement services. Law enforcement facilities support patrol, investigations, and other public safety functions that safeguard people, property, and quality of life citywide. As new residential and nonresidential development occurs, it generates additional calls-for-service and increases demand on both law enforcement staffing and the City-owned facility space that houses and supports those personnel. Without expansion of that facility space, growth-related demand would erode the current level of service for both new development and the existing community.

Existing residents and businesses have already contributed to Grand Terrace's law enforcement facilities through prior public investments. The Law Enforcement Facilities Fee ensures that new development funds its proportional share of the capital improvements required to expand City-owned law enforcement building space, so that the existing level of service is preserved while extending equivalent facility-based service to new development.

**Scope of Nexus:** The Law Enforcement Facilities Fee is based on the direct relationship between new development, the calls-for-service that it generates, and the City-owned law enforcement facility space required to accommodate that demand. As new residential units and nonresidential floor area are developed in Grand Terrace, they generate additional calls-for-service, which increases the workload on law enforcement personnel serving the City and the demand on the building space that houses and supports those personnel. Maintaining the existing level of service requires that this growth be matched with proportional increases in City-owned facility capacity so that staff can be accommodated without diluting service to existing development.

Calls-for-service are used as the measure of demand because they provide a transparent and quantifiable link between land use types and the level of law enforcement service required. Call-generation rates by land use are applied to the City's growth forecasts to project the increase in future service demand attributable to new development. This growth-related demand is then translated into the incremental law enforcement facility space needed to maintain the existing level of service.

Because neither the City nor its law enforcement provider was able to provide a complete, land-use-coded calls-for-service history for Grand Terrace, the study applies benchmark call-generation rates developed from multiple comparable California cities where RCS has completed similar law enforcement nexus studies. Those benchmark datasets include only calls that could be attributed to fee-bearing land uses in those jurisdictions and were normalized for population, land use mix, and service model. Applying these standardized benchmarks to Grand Terrace's adopted land use and growth assumptions provides a reasonable and conservative proxy for local call behavior in the absence of complete City-specific data, while preserving a clear nexus between development and facility demand.

By apportioning the cost of new City-owned law enforcement facility space in direct proportion to growth-related calls-for-service, the Law Enforcement Facilities Fee ensures that each type of development funds only its fair share of the capital facilities needed to serve it.

Table 3-1

Existing Calls-for-Service			
Land Use	Units/SF	Existing Calls-for-Service	Call Generation Rate
Single Family Detached	3,325	3,441	1.035
Multi-Family Attached	1,996	2,309	1.157
Manufactured/Mobile Homes	269	207	0.770
General Commercial	2,361,605	3,339	1.414
Office Commercial	544,282	543	0.998
Industrial	3,103,650	1,487	0.479
<b>Total</b>	-	<b>11,326</b>	-

Note: For nonresidential categories, calls-for-service generation rates are expressed per 1,000 square feet (KSF); quantities are shown in total square feet (SF).

### Existing System

**Background:** The City of Grand Terrace provides local law enforcement through a contract with the San Bernardino County Sheriff's Department rather than operating its own municipal police department. Grand Terrace incorporated as a city in 1978 and is served by the Sheriff's Central Station, the department's longest-standing patrol division, which also provides contract law enforcement to other nearby communities. The contract model delivers full-service patrol, traffic enforcement, investigations, and related public safety functions for the community, while the City remains responsible for providing and maintaining the facility space that houses assigned personnel. Public descriptions of Grand Terrace emphasize its reputation as a safe community with one of the lowest crime rates in the area, reflecting the combined impact of local policing, community programs, and the City's small-town setting. Further details on the City-owned law enforcement facility space and the existing level of service appear in the following Assets and Infrastructure and Level of Service subsections.

**Assets and Infrastructure:** The City of Grand Terrace's law enforcement facilities consist of City-owned building space that houses the personnel assigned to serve the community. Law enforcement operations are accommodated within Grand Terrace City Hall, located at 22795 Barton Road, Grand Terrace, CA 92313, where the City dedicates approximately 2,240 square feet of interior space for Sheriff's station functions. This space provides offices and work areas for patrol and support staff, report preparation, storage, and other essential functions that enable day-to-day law enforcement service at the City's established level of service.

Under the City's contract model, vehicles, equipment, and other operational resources are provided and managed by the law enforcement provider rather than owned directly by the City. As a result, the capital infrastructure relevant for this fee program is limited to the City-owned building space and related tenant improvements that house law enforcement personnel. This existing facility space forms the basis for the level-of-service analysis and the sizing of future building capacity needed to serve growth.

**Existing Financial Commitment:** The value of Grand Terrace's current law enforcement facilities can be expressed in terms of the replacement cost of the City-owned building space that houses law enforcement personnel. As noted above, the City dedicates approximately 2,240 square feet of City Hall for law enforcement use. Applying the Public Safety Building Model construction cost of \$530 per square foot in 2025 dollars results in an estimated replacement value of \$1,187,200 for this space (2,240 square feet × \$530 per square foot). The Public Safety Building Model provides the standardized construction cost basis for public safety facilities and is documented in Appendix G (Public Safety Building Model) for this study.

This planning-level replacement value represents the equity in law enforcement facility capacity that has been funded by existing residents and businesses through past taxes, assessments, and other local revenues. It does not include a separate land component because the law enforcement space is housed within the existing City Hall site, nor does it include vehicles or officer equipment, which are provided and managed by the law enforcement provider under the City's contract. Calculations are performed at full precision in the model; values are displayed to whole dollars for publication.

Although the Sheriff's workspace is housed within City Hall, law-enforcement functions require enhanced security, structural, and mechanical systems that exceed general civic office standards. Accordingly, the Public Safety Building Model is used as the construction-cost basis for valuing both existing and future law enforcement facility space, consistent with Mitigation Fee Act requirements to use the cost of the actual facility type required to serve development.

**Level of Service:** The City of Grand Terrace's existing level of service for law enforcement facilities is measured by the relationship between calls-for-service generated by development and the City-owned building space that houses law enforcement personnel. Under the City's contract model, sworn staffing, vehicles, and equipment are provided and managed by the law enforcement provider, while Grand Terrace is responsible for supplying and maintaining the facility space needed to support those personnel.

The City currently dedicates approximately 2,240 square feet within City Hall to law enforcement functions. This space accommodates day-to-day operations for the personnel assigned to Grand Terrace and represents the facility capacity that supports the community's existing level of service. For nexus purposes, this 2,240 square feet of City-owned law enforcement space is treated as the baseline facility standard for the community.

Because neither the City nor its law enforcement provider was able to furnish a complete, land-use-coded calls-for-service history for Grand Terrace, the workload side of the level-of-service framework is based on benchmark calls-for-service generation rates developed from comparable California cities where detailed datasets were available. Those benchmarks, applied to Grand Terrace's adopted land

use and growth assumptions, define the growth-related calls-for-service that must be accommodated over the planning horizon. The Law Enforcement Facilities Fee is structured so that new development funds the expansion of City-owned facility space necessary to house the staffing implied by that benchmark demand, thereby maintaining today's level of service for both existing and new development while limiting the program strictly to buildings and fixed improvements the City owns.

### **Growth and Demand**

**Growth Inputs:** Growth inputs represent the development capacity identified in the City's adopted land use database. Residential capacity is measured in dwelling units, and nonresidential capacity is measured in square feet of building area. These inputs provide the foundation for estimating future calls-for-service by assigning benchmark call-generation rates to each land use category. Applying those rates to the City's projected development yields the growth-related workload that must be accommodated within the City-owned law enforcement facility system. This ensures that the demand attributed to new development is allocated proportionally across land uses for purposes of the nexus analysis.

**Method:** The nexus analysis relies on calls-for-service as the measure of law enforcement demand. Calls-for-service provide a transparent and quantifiable way to link land use types to law enforcement workload and to project the additional facility demand created by new development. Because Grand Terrace and its law enforcement provider were unable to provide a complete, land-use-coded calls-for-service history, the analysis applies benchmark call-generation rates developed from multiple comparable California cities where detailed calls-for-service datasets were available. These benchmark rates include only calls that could be attributed to fee-bearing land use categories in those jurisdictions and were normalized for differences in population, land use mix, and contract law enforcement structure.

The benchmark call-generation rates are applied to the City's adopted land use database to estimate the ongoing calls-for-service expected from each land use category. For residential development, rates are expressed on a per-dwelling-unit basis. For nonresidential development, rates are expressed per 1,000 square feet (KSF) of building area; inventories are maintained in square feet (SF) and converted to KSF by dividing SF by 1,000 when applying the rates. This ensures consistency with the adopted fee units, which are presented in dollars per square foot.

By applying the benchmark call-generation rates to Grand Terrace's projected growth in dwelling units and nonresidential building area, the analysis estimates the incremental calls-for-service attributable to new development. These projected growth-related calls-for-service establish the demand that new development places on City-owned law enforcement facility space and form the basis for sizing the additional facility capacity needed to maintain the City's existing level of service as growth occurs. The results of this calculation are presented in Table 3-2, Growth-Related Calls-for-Service, which shows the projected calls-for-service by land use category using this benchmark-based methodology.

Table 3-2

Growth-Related Calls-for-Service			
Land Use	Units/SF	Growth-Related Calls-for-Service	Call Generation Rate
Single Family Detached	3,235	3,348	1.035
Multi-Family Attached	3,801	4,398	1.157
Manufactured/Mobile Homes	7	5	0.77
General Commercial	2,519,401	3,562	1.414
Office Commercial	486,499	486	0.998
Industrial	1,922,303	921	0.479
<b>Total</b>	-	<b>12,720</b>	

Note: For nonresidential categories, calls-for-service generation rates are expressed per 1,000 square feet (KSF); quantities are shown in total square feet (SF). Adopted fee schedules are presented in dollars per square foot.

**Resulting Service Demand:** Application of benchmark call-generation rates to the City's projected growth in residential and nonresidential development results in approximately 12,720 additional calls-for-service per year at buildout. These growth-related calls are the additional workload expected from new development identified in the land use database. When added to the benchmark estimate of today's land use-assignable calls-for-service (about 11,326 per year), total calls attributable to development at buildout are on the order of 24,046 per year. This represents an increase in demand of approximately 112% over the current benchmark workload.

To preserve the City's established level of service, the facility system must be expanded so that City-owned law enforcement building space remains adequate to house and support the personnel needed to handle this higher call volume. In this study, the growth-related calls-for-service identified in Table 3-2 are used to size the additional City-owned facility capacity required to maintain Grand Terrace's existing level of service for both existing and new development, with the resulting capital program described in the following sections.

**Capacity Implications:** The increase of approximately 12,720 calls-for-service attributable to new development represents a substantial addition to the workload that must be supported by Grand Terrace's City-owned law enforcement facility space. Under existing conditions, about 2,240 square feet of City Hall is dedicated to law enforcement uses to serve a benchmark estimate of roughly 11,326 land use-assignable calls-for-service per year. This relationship establishes the City's facility-based level of service in terms of building square footage per annual calls-for-service.

Applying this facility standard to the projected 12,720 growth-related calls-for-service indicates a need for additional City-owned law enforcement building space on the order of a few thousand square feet to maintain the existing level of service at buildout. In this study, that requirement is translated into a specific capital project that provides approximately 2,611 square feet of new law enforcement facility capacity. This growth-related expansion forms the basis for the Law Enforcement Facilities Fee capital program and defines the additional City-owned building space needed to preserve the City's existing level of service as development occurs.

**Allocation by Land Use:** The cost of providing new law enforcement facilities must be distributed across land use categories in proportion to the demand they generate. Applying benchmark call-generation rates to the City's adopted land use database results in 12,720 growth-related calls-for-service at buildout, allocated as follows:

- Single Family Detached — 3,348 calls (26.32%)
- Multi-Family Attached — 4,398 calls (34.57%)
- Manufactured/Mobile Homes — 5 calls (0.04%)
- General Commercial — 3,562 calls (28.01%)
- Office Commercial — 486 calls (3.82%)
- Industrial — 921 calls (7.24%)

This distribution shows that Multi-Family Attached, Single Family Detached, and General Commercial account for the largest shares of future law enforcement demand, with smaller contributions from Industrial, Office Commercial, and Manufactured/Mobile Homes. Costs for new City-owned law enforcement facility space are apportioned in direct proportion to these call shares so that no land use is charged more than the demand it creates while maintaining the City's established level of service.

**Capacity Sizing and Capital Program:** The preceding analysis indicates that growth in Grand Terrace will generate approximately 12,720 additional calls-for-service at buildout. To maintain the City's existing facility-based level of service, this workload requires the expansion of City-owned law enforcement building space so that personnel assigned to Grand Terrace can continue to be housed and supported adequately. Applying the existing relationship between City-owned facility space and calls-for-service to the projected growth-related calls results in a need for approximately 2,611 square feet of additional law enforcement space within the City.

These requirements translate into a single, focused capital project to expand the City's law enforcement facilities in proportion to growth. The Law Enforcement Facilities Fee program, therefore, includes one project, Police Station Expansion (Project LE-001), which provides approximately 2,611 square feet of new City-owned law enforcement building capacity at a planning-level cost of \$1,383,830 in 2025 dollars. This project forms the capital program for the fee and defines the additional City-owned facility space needed to preserve the City's existing level of service as development occurs.

### Law Enforcement Projects

**Project ID:** LE-001

**Project Title:** Sheriff Station Space Expansion

**Description:** This project expands City-owned law enforcement building space to accommodate the growth-related calls-for-service generated by new development in Grand Terrace. The scope includes planning, design, permitting, and construction or reconfiguration of interior space within City Hall or another City-owned facility to increase the area dedicated to law enforcement functions. The expansion may be delivered through reconfiguration of existing City Hall space to create more efficient office and support areas for law enforcement personnel, construction of an addition to City Hall, or construction of a comparable City-owned facility that provides equivalent law enforcement space. The project is necessary to provide the 2,611 square feet of new building capacity identified in the growth analysis, ensuring that the City's established level of service is maintained as development occurs.

**Size/Scope:** 2,611 square feet (growth-related building expansion)

**Location:** To be determined

**New Development Share:** 100%–\$1,383,830 (funded through Law Enforcement Facilities Impact Fees)

**Existing Community Share:** 0%–\$0 (non-growth cost, funded from other sources)

**Total Cost:** \$1,383,830

**Timing:** 2026–2036

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### Cost Basis and Estimating Assumptions

RCS uses a single Public Safety Building Model (a consistent \$/SF basis) to estimate law enforcement facility construction costs. Although Grand Terrace's law enforcement space is located within City Hall, law enforcement functions require security, code-driven systems, and mechanical, electrical, and plumbing (MEP) intensity that exceed typical civic office standards. Using one model for public-safety buildings keeps the analysis apples-to-apples and reflects these higher requirements. For law enforcement facilities, the baseline is construction-only (no land), since projects frequently proceed as remodels, interior reconfigurations, expansions, or adaptive reuse where site control already exists; if a project requires new land, that cost can be documented separately on a case-by-case basis. For this study, the Public Safety Building Model establishes a planning-level construction cost of \$530 per square foot in 2025 dollars for law enforcement facility space. The detailed cost breakdown and supporting materials are provided in Appendix G, Public Safety Building Model.

### Allocation of Project Costs

The total cost of the Law Enforcement Facilities capital program is \$1,383,830, representing the growth-related law enforcement facility expansion identified as Project LE-001. There is no existing Law Enforcement Facilities development impact fee fund balance available to offset this program, so the net revenue requirement is \$1,383,830. To ensure fairness and proportionality, the net costs are allocated to land use categories in direct proportion to their shares of the 12,720 growth-related calls-for-service identified in the growth analysis (Table 3-2). Using calls-for-service as the allocation basis ensures that each type of development funds its fair share of City-owned law enforcement facility space in accordance with the demand it creates.

### Derivation of Maximum Justified Fees

The maximum justified Law Enforcement Facilities Fees are derived by dividing the allocated capital program costs for each land use category by the corresponding measure of new development. For residential categories, fees are expressed on a per residential square foot basis. Average dwelling unit sizes are applied to projected new units to establish total new residential floor area, and allocated costs are divided by this floor area to calculate the fee in dollars per square foot, consistent with the requirements of Assembly Bill 602 (AB-602).

For nonresidential categories, calls-for-service are measured on a per 1,000 square foot basis in order to estimate demand. This convention ensures consistency when applying call-generation rates to large floor area categories. However, when fees are calculated, the allocated costs are divided by the total square footage of new floor area, not by units of 1,000 square feet. This conversion ensures that the resulting fee schedule is stated in dollars per square foot, consistent with residential categories and AB-602 requirements.

All calculations are performed using unrounded figures to maintain accuracy. Rounding is applied only when presenting the fee schedule for adoption. The City Council may adopt fees at or below the maximum justified amounts shown.

The following table presents the allocation of project costs by land use category and the resulting maximum justified fees for the Law Enforcement Facilities program.

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Table 3-3

Allocation of Development Cost per Land Use				
Land Use	Growth-Related Calls-for-Service	Percentage of Growth-Related Calls-for-Service	Allocation of Expansion Costs	Development Impact Fee Per SF
Single Family Detached	3,348	26.32%	\$364,235	\$0.058/SF
Multi-Family Attached	4,398	34.58%	\$478,466	\$0.155/SF
Manufactured/Mobile Homes	5	0.04%	\$544	\$0.069/SF
General Commercial	3,562	28.00%	\$387,516	\$0.154/SF
Office Commercial	486	3.82%	\$52,873	\$0.109/SF
Industrial	921	7.24%	\$100,197	\$0.052/SF
Total	12,720	100.00%	\$1,383,830	-

### Existing Community Financial Commitment Comparison

The Mitigation Fee Act requires impact fee programs to account for existing funding so new development pays no more than its fair share. For law enforcement facilities in Grand Terrace, there is currently no dedicated Law Enforcement Facilities development impact fee fund balance to recognize in this program. Instead, the existing community's equity is embodied in the City-owned building space within City Hall that is dedicated to law enforcement functions. As described earlier, this space totals approximately 2,240 square feet and has a planning-level replacement value of \$1,187,200 in 2025 dollars based on the Public Safety Building Model construction cost.

This existing community financial commitment has been allocated to land use categories using the same calls-for-service-based methodology applied in the development impact fee calculation. By applying consistent measures of demand and cost allocation, the analysis allows for a direct, apples-to-apples comparison between the contribution already made by the existing community and the investment required from new development to maintain the established level of service.

This consistency ensures transparency and defensibility, demonstrating that the fee program does not impose a disproportionate burden on new development but instead aligns future contributions with the standard established by the existing community. The following table presents the allocation of the existing facility replacement value by land use category and the resulting existing financial commitment per square foot.

Table 3-4

Allocation of Existing Cost per Land Use				
Land Use	Existing Calls-for-Service	Percentage of Existing Calls-for-Service	Allocation of Existing Costs	Existing Financial Commitment Per SF
Single Family Detached	3,441	30.38%	\$360,688	\$0.062/SF
Multi-Family Attached	2,309	20.39%	\$242,031	\$0.150/SF
Manufactured/Mobile Homes	207	1.83%	\$21,698	\$0.068/SF
General Commercial	3,339	29.48%	\$349,997	\$0.148/SF
Office Commercial	543	4.79%	\$56,918	\$0.105/SF
Industrial	1,487	13.13%	\$155,868	\$0.050/SF
Total	11,326	100.00%	\$1,187,200	-

### Fee Schedule and Summary

The following table presents the maximum justified Law Enforcement Facilities Fees for the City of Grand Terrace. These fees are derived from the proportional allocation of the \$1,383,830 law enforcement facilities capital program to land use categories based on their shares of the 12,720 growth-related calls-for-service identified in this chapter. The schedule below presents the maximum justified fees; all land uses are shown in dollars per square foot, consistent with Assembly Bill 602 (AB-602) requirements and the City's adopted land use framework.

The maximum justified fees represent the highest defensible fee levels supported by this study. The City Council retains the discretion to adopt fees at or below these levels as a matter of policy.

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Table 3-5

Summary of Proposed Development Impact Fees	
Land Use	Per SF
Single Family Detached	\$0.058/SF
Multi-Family Attached	\$0.155/SF
Manufactured/Mobile Homes	\$0.069/SF
General Commercial	\$0.154/SF
Office Commercial	\$0.109/SF
Industrial	\$0.052/SF

### Current Law Enforcement Facilities Development Impact Fees

The City of Grand Terrace does not currently maintain a law enforcement facilities development impact fee program. As a result, there is no existing fee schedule in place for law enforcement facilities. The maximum justified fees presented in this chapter, therefore, represent the first fees calculated for this purpose.

### Five Findings

In accordance with the Mitigation Fee Act, the following findings support the imposition of the Law Enforcement Facilities Impact Fee:

#### **1. Purpose of the Fee**

The purpose of the fee is to fund the expansion of City-owned law enforcement facilities necessary to maintain the City's established level of service as new development generates additional calls-for-service. The fee ensures that growth finances its proportional share of the building space and fixed improvements needed to house and support law enforcement personnel serving Grand Terrace.

#### **2. Use of the Fee**

Fee revenues will be used to finance the planning, design, permitting, construction, and expansion of City-owned law enforcement facility space, including associated tenant and site improvements that place new space into service. Eligible uses include remodels, interior reconfigurations, additions, or construction of new City-owned building space dedicated to

law enforcement functions, as identified in this study. Fee revenues will not be used for staffing, vehicles, officer equipment, or ongoing operations.

### **3. Relationship Between the Fee's Use and the Type of Development**

New residential and nonresidential development generates additional calls-for-service, which increase the workload on law enforcement personnel serving Grand Terrace and the demand on City-owned facility space that houses and supports those personnel. Fee revenues will be used to expand law enforcement facility capacity so that the building system can continue to support this higher demand at the City's established level of service.

### **4. Relationship Between the Need for Facilities and the Type of Development**

The need for expanded law enforcement facilities arises directly from the calls-for-service generated by new development in each land use category. By using calls-for-service as the measure of demand and applying benchmark call-generation rates to the City's adopted land use database, the study identifies the growth-related calls-for-service attributable to each land use. The additional law enforcement facility space funded by the fee is sized to accommodate this growth-related demand, ensuring that each land use category contributes in proportion to the need it creates.

### **5. Relationship Between the Amount of the Fee and the Cost Attributable to Development**

The amount of the fee is calculated by dividing each land use category's allocated share of the \$1,383,830 law enforcement facilities capital program by its measure of new development, resulting in a fee stated in dollars per square foot. This allocation is based on each category's share of growth-related calls-for-service, ensuring that no land use is charged more than its proportional share of the cost of City-owned law enforcement facility space needed to serve growth.

## **Implementation and Compliance Notes**

**Adoption and Program Structure:** The City will adopt the Law Enforcement Facilities development impact fee (DIF) by Council action after adopting the supporting nexus study. The City will be responsible for imposing, collecting, and administering the fee. Revenues are restricted to eligible law enforcement facilities and improvements identified in this study, including expansion, remodel, or construction of City-owned building space used for law enforcement functions and associated tenant and site improvements that place additional space into service.

**Fund Accounting and Reporting:** A separate Law Enforcement Facilities DIF fund/account will be established and maintained. All fee revenues (and interest) will be deposited into this account and expended only for the purposes identified in this study. The City will publish the annual AB-1600 report (Government Code §§66000–66025) and make the five-year findings for any unexpended balance (Government Code §66001(d)). Any existing fund balance will be carried forward within this

account and restricted to eligible, growth-related capital uses identified herein. If the City cannot make the required five-year findings, any remaining balances must be refunded as provided by law.

**Administration and Schedule Management:** Fees are due at the time of building permit issuance. The fee schedule shall be indexed annually to an appropriate construction-cost index such as the Engineering News-Record (ENR) Construction Cost Index. The City will maintain a public, up-to-date fee schedule and post the nexus study and schedule on its website for transparency.

**Use of Funds (Eligibility):** Expenditures are limited to the growth-related share of projects that add law enforcement facility capacity. Eligible uses include planning, land acquisition (if needed), design, permitting, construction, remodel, interior reconfiguration, and expansion of City-owned building space dedicated to law enforcement functions, together with related fixed improvements and security features that are part of the building. Expenditures for like-for-like replacements that do not add capacity, or for staffing, vehicles, equipment, or general law enforcement operating costs, are not eligible.

**Program Applicability:** Fees apply to net new development (additions minus removals) as defined in this study. The City may program Law Enforcement Facilities DIF revenues anywhere within the city where a listed project maintains the established level of service for the community.

### End of Chapter

## Chapter 4

### Fire Facilities

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#### Purpose and Scope

**Purpose:** The Fire Facilities impact fee is a new fee for the City of Grand Terrace. Its purpose is to ensure that new development pays its fair, proportionate share of the capital costs required to provide fire protection and emergency response at the City's established level of service.

Fire protection services in Grand Terrace are provided by the San Bernardino County Fire Protection District, which owns and operates the fire stations, apparatus, and related capital assets serving the City. Accordingly, the Fire Facilities impact fee funds growth-related capital fire facilities owned by the County, including fire stations, fire engines and other response vehicles, and major firefighting and life-safety equipment. The fee does not fund operations, staffing, salaries and benefits, routine maintenance, fuel, or other ongoing service costs.

The program protects existing residents and businesses from subsidizing growth by ensuring that new development funds the additional capital fire protection capacity required to accommodate growth-related demand. The nexus for the fee is grounded in observed and anticipated calls-for-service generated by new development and the corresponding need for additional fire facilities to maintain the established level of service. The fee is prepared and administered in accordance with the California Mitigation Fee Act, Government Code section 66000 et seq., and Assembly Bill 602.

**Scope of Improvements:** The Fire Facilities impact fee funds capital improvements necessary to add fire protection capacity so the established level of service can be maintained as development occurs in the City of Grand Terrace. Because fire protection services are provided by the San Bernardino County Fire Protection District, eligible improvements consist of growth-related, County-owned capital fire facilities required to serve new development.

Eligible costs include planning, environmental review, land acquisition, design, permitting, construction, and related work for fire stations, as well as fire engines and other response vehicles and major firefighting and life-safety equipment needed to support additional calls-for-service generated by growth. Where an existing facility or asset is expanded, upgraded, or replaced, only the capacity-increasing share attributable to new development is eligible for funding through the impact fee, consistent with the California Mitigation Fee Act and Assembly Bill 602.

The program does not fund staffing, salaries and benefits, operations, routine maintenance, fuel, consumable items, or like-for-like replacement that does not add capacity. The Fire Facilities capital program is limited to capital assets owned and operated by the San Bernardino County Fire Protection District and is sized to accommodate growth-related demand within Grand Terrace. Based on projected growth-related calls-for-service, the capital program includes the addition of one new fire station, one additional fire engine, and associated capital equipment necessary to maintain the established level of service as development occurs.

**Scope of Beneficiaries:** Fire protection services benefit all residents, employees, and businesses citywide by providing reliable emergency response and life-safety protection. However, new development increases calls-for-service and system demand. If this incremental demand is not addressed through the provision of additional fire protection capacity, the effective level of service would decline for the community as a whole through increased response times, reduced coverage, and greater call concurrency.

The Fire Facilities impact fee is imposed on new development because those projects are responsible for creating the additional demand that would otherwise degrade the established level of service. Fee revenues are used to fund the growth-related share of capital fire facilities needed to offset this impact and maintain existing service levels for the community.

**Scope of the Nexus:** The Fire Facilities impact fee is based on a direct relationship between new development, the additional calls-for-service it generates, and the fire protection capacity required to maintain the established level of service in the City of Grand Terrace. New development increases demand on the fire protection system through added emergency incidents. If this incremental demand is not addressed, the effective level of service would decline for the community as a whole through increased response times, reduced coverage, and greater call concurrency.

Calls-for-service are used in this chapter as the measure of demand because they directly reflect the workload placed on fire protection facilities and response resources. Existing calls-for-service establish the baseline level of service currently supported by the fire protection system. Growth-related calls-for-service are estimated by applying adopted call-generation factors to projected new development, with residential demand measured on a per-dwelling-unit basis and nonresidential demand measured on a per-square-foot basis. Where development results in removals or reductions, the corresponding calls-for-service are deducted so that the analysis reflects net growth.

Because fire protection capacity is provided in discrete units, such as stations, engine companies, and major equipment, even incremental increases in demand can require substantial capital investment to maintain the established level of service. Accordingly, the Fire Facilities capital program is sized to provide the additional capacity needed to offset growth-related demand without remedying existing deficiencies or increasing service levels for the existing community.

Program costs are limited to the growth-related share of capital fire facilities and are allocated to development in proportion to each category's share of anticipated calls-for-service. This approach ensures that new development pays only its fair, proportionate share of the cost required to mitigate the impacts it creates, consistent with the California Mitigation Fee Act and Assembly Bill 602.

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Table 4-1

2024 Existing Calls-for-Service			
Land Use	Units/SF	Existing Calls-for-Service	Call Generation Rate
Single-Family Detached	3,325.00	903	0.272
Multi-Family Attached	1,996.00	375	0.188
Manufactured/Mobile Homes	269.00	96	0.357
General Commercial	2,361,605.40	156	0.066
Office Commercial	544,282.20	47	0.086
Industrial	3,103,650.00	53	0.017
<b>Total</b>	-	1,630	-

*Note:* For nonresidential categories, call-generation rates are expressed per 1,000 SF (KSF); quantities are shown as total SF.

### Existing System

**Assets and Infrastructure:** Fire protection services for the City of Grand Terrace are supported by an existing system of fire facilities and capital assets that provide the physical capacity necessary for emergency response. The primary fire station serving the City is San Bernardino County Fire Protection District Station 23, located at 22582 City Center Court, Grand Terrace, California. Based on data supplied by the Fire Department, Station 23 contains approximately 5,390 square feet of building area on a parcel of approximately 36,590 square feet.

Station 23 functions as the base of operations for fire and emergency response serving the City and includes apparatus bays, crew support and living areas, communications connectivity, and building systems required to sustain continuous, 24-hour operations. The existing fire protection system also includes assigned response apparatus and support equipment, including Fire Engine ME23 (Unit 18377), Fire Engine ME23R (Unit 18657), and a Station 23 generator (Unit 91223) that supports emergency power needs.

In addition to station facilities and response vehicles, the existing system includes specialty firefighting and life-safety equipment necessary to respond to a range of emergency incidents. Based on data supplied by the Fire Department, this equipment includes self-contained breathing apparatus (SCBA) support and maintenance systems, hazardous materials response equipment, mass casualty incident medical equipment, rope rescue and confined-space rescue equipment, extrication and urban search and rescue equipment, communications equipment including radios and dispatch consoles, and portable power and utility support equipment.

Together, the fire station, response vehicles, and specialty equipment described above represent the existing physical fire protection system relied upon to respond to current calls-for-service generated by development within the City of Grand Terrace. This inventory establishes the baseline infrastructure available prior to future development and provides the foundation for evaluating whether additional fire protection capacity is required to maintain the established level of service as growth occurs. The valuation of these assets and the allocation of costs between existing development and new development are addressed in the following section.

**Existing Financial Commitment:** The existing community financial commitment to fire protection serving the City of Grand Terrace is represented by the replacement value of the fire protection facilities and capital assets currently supporting service. These assets establish the baseline level of fire protection capacity available prior to future development and reflect the community's existing investment in the fire protection system.

Based on data supplied by the Fire Department, the existing fire protection system serving the City includes the fire station facility, assigned response vehicles, and specialty firefighting and life-safety equipment. The replacement value of the existing fire station is \$9,484,017. The replacement value of assigned response vehicles is \$1,923,489, and the replacement value of specialty firefighting and life-safety equipment is \$142,197. Together, these assets represent a total existing system value of \$11,549,703, as documented in Table 4-4.

This existing system value represents the community's equity in the Fire Facilities system and is used in this chapter to establish the existing level of service. For benchmarking and allocation purposes, the existing system value is distributed across land uses in proportion to verified calls-for-service, consistent with the methodology described earlier in this chapter. There is no Fire Facilities fund balance.

The Fire Facilities impact fee is structured to ensure proportionality by charging new development only for the cost of additional capital fire facilities required to accommodate growth-related demand. New development is not charged for the replacement of existing assets or for the community's existing financial commitment reflected in the current fire protection system.

**Level of Service:** The level of fire protection service provided to the City of Grand Terrace is measured using calls-for-service, which reflect the workload placed on fire protection facilities and response resources. Calls-for-service are used in this chapter as the level-of-service metric because they directly capture demand generated by development and the capacity required to maintain emergency response readiness.

For calendar year 2024, data supplied by the Fire Department identifies 1,630 verified calls-for-service attributable to development within the City. This total does not represent all fire and emergency incidents occurring citywide. Instead, it reflects only those calls that can be reasonably attributed to existing fee-bearing land uses evaluated in this Nexus Study and is intended to measure the demand created by development, rather than generalized public safety activity. Calls occurring in locations such as roadways and intersections, vacant land, public parks and open space, government-owned facilities, rights-of-way, and similar non-fee-bearing locations are excluded

because those locations are not subject to the Fire Facilities impact fee and therefore cannot be used to establish development-related demand for impact fee analysis.

The existing fire protection system, including the fire station serving the City, assigned response vehicles, and specialty firefighting and life-safety equipment, currently supports this level of demand and establishes the baseline level of service against which future growth-related demand is evaluated. This baseline is used to determine the additional fire protection capacity required to accommodate new development without degrading service for the existing community.

### Growth and Demand

**Growth Inputs:** Growth inputs reflect net new development over the General Plan horizon and account for both additions and removals where applicable. For this chapter, the City's growth dataset expresses residential development in dwelling units and nonresidential development in square feet. The adopted call-generation rates are applied to these quantities to estimate anticipated calls-for-service by land use.

Where development results in removals, the analysis treats those changes symmetrically with additions. For example, planned reductions in Retail and Service Uses are shown as negative square-footage inputs, and the same call-generation rates are applied so that the associated calls-for-service are subtracted. This approach ensures that growth-related demand is measured on a net basis and that reductions in development appropriately offset new demand where they occur. All additions and removals are shown transparently in the growth tables.

The resulting net calls-for-service by land use are used as the growth inputs for sizing Fire Facilities capacity in the subsequent subsection. Consistent with Assembly Bill 602, resulting impact fees are ultimately expressed on a per-square-foot basis for residential and nonresidential development.

**Method:** This analysis establishes call-generation rates based on verified calls-for-service attributable to existing fee-bearing land uses within the City of Grand Terrace and applies those rates to projected development to estimate anticipated calls-for-service by land use. Calls-for-service are used as the demand metric because they directly reflect the workload placed on fire protection facilities and response resources.

Call-generation rates represent the average frequency with which existing development generates fire and emergency service demand. Rates are calculated by allocating verified calls-for-service to the land use categories used in this Nexus Study and dividing those calls by the corresponding amount of existing development in each category. Residential rates are expressed on a per-dwelling-unit basis, reflecting the discrete nature of residential development, while nonresidential rates are expressed per 1,000 square feet to normalize demand across differing building sizes and intensities. Only incidents attributable to fee-bearing land uses are used to establish these rates.

The resulting call-generation rates reflect observed local service patterns and existing operating conditions. Applying the same rates to projected development assumes that new development will

generate demand at rates comparable to existing development, which preserves proportionality and avoids overstating growth impacts.

Applying the adopted call-generation rates to the growth inputs produces the anticipated calls-for-service by land use, summarized in Table 4-2. These anticipated calls-for-service are then used to inform the sizing of the Fire Facilities capital program.

It is important to note that the per-1,000-square-foot measure is used solely to establish nonresidential call-generation rates. All development impact fees are calculated and presented in dollars per square foot, consistent with Assembly Bill 602.

**Table 4-2**

Growth-Related Calls-for-Service			
Land Use	Units/SF	Growth-Related Calls-for-Service	Call Generation Rate
Single-Family Detached	3,235.00	880	0.272
Multi-Family Attached	3,801.00	715	0.188
Manufactured/Mobile Homes	7.00	2	0.357
General Commercial	2,519,401	166	0.066
Office Commercial	486,499	42	0.086
Industrial	1,922,303	33	0.017
<b>Total</b>	-	<b>1,838</b>	-

*Note:* For nonresidential categories, call-generation rates are expressed per 1,000 SF (KSF); quantities are shown as total SF.

**Resulting Service Demand:** Applying the adopted call-generation rates to the General Plan growth inputs yields 1,838 growth-related calls-for-service, as summarized in Table 4-2, *Growth-related Calls-for-Service*. The distribution of anticipated calls varies by land use and reflects the scale and intensity of projected development.

Single-Family Detached development accounts for 880 calls-for-service, representing 47.88% of total growth-related demand. Multi-Family Attached development contributes 715 calls (38.90%). Manufactured/Mobile Homes contribute 2 calls, representing 0.11% of total growth-related demand. Together, residential development accounts for the majority of anticipated growth-related fire service demand.

Nonresidential development contributes the remaining share of growth-related calls. General Commercial uses generate 166 calls (9.03%), Office Commercial uses generate 42 calls (2.29%), and Industrial uses generate 33 calls (1.80%).

These growth-related calls-for-service define the magnitude and composition of additional fire protection demand anticipated under the General Plan and form the basis for evaluating the fire protection facilities and capital assets required to maintain the City's established level of service as development occurs.

**Capacity Implications:** The existing fire protection system serving the City of Grand Terrace currently supports 1,630 calls-for-service, as documented for calendar year 2024. These calls are served by a single fire station, assigned response vehicles, and specialty firefighting and life-safety equipment that together define the City's established level of service.

Applying the adopted call-generation rates to General Plan growth yields 1,838 additional calls-for-service, increasing total demand to 3,468 calls at buildout. This represents an increase of more than 110% relative to existing demand. Absent additional facilities and response capacity, this level of growth would substantially increase workload demands on the existing station and assigned apparatus and would result in a degradation of the established level of fire protection service.

To maintain the existing level of service as development occurs, additional fire protection capacity is required. Based on the magnitude of projected growth-related demand, the analysis indicates the need for one additional fire station, along with one additional fire engine and associated specialty equipment, to serve new development. This capacity expansion reflects the scale of growth-related calls-for-service and is consistent with the County's service delivery model and the City's direction to ensure that growth does not reduce emergency response capability for the existing community.

The Fire Facilities capital program is therefore sized to provide the additional station, response vehicle, and equipment capacity required to accommodate growth-related demand. Costs associated with this capacity expansion are allocated to new development in proportion to its share of anticipated calls-for-service, consistent with the proportionality requirements of the California Mitigation Fee Act and Assembly Bill 602.

**Allocation by Land Use:** Growth-related Fire Facilities costs are allocated in proportion to each land use's share of the 1,838 growth-related calls-for-service identified in this chapter. Calls-for-service are used as the allocation metric because they directly reflect the relative demand placed on fire protection facilities and response resources by different land uses.

Each land use's percentage share of anticipated growth-related calls is applied to the total growth-related Fire Facilities program cost to determine the allocation of costs by land use. The resulting distribution of costs is summarized in Table 4-3. This allocation approach ensures that each land use category bears a share of the Fire Facilities cost that is proportional to the demand it generates, consistent with the California Mitigation Fee Act and Assembly Bill 602.

**Capacity Sizing, Capital Program:** To maintain the current level of fire protection service at buildout, the Fire Facilities capital program is sized to provide additional capacity necessary to accommodate growth-related demand identified through the calls-for-service analysis. As documented in this chapter, projected development under the General Plan is expected to generate 1,838 additional calls-for-service, exceeding the level of demand currently supported by the existing fire protection system.

Based on this growth-related increase in service demand, the capital program includes one new fire station, one additional fire engine, and associated specialty firefighting and life-safety equipment required to support emergency response operations. This sizing reflects the discrete nature of fire protection capacity and provides sufficient additional infrastructure to serve growth without degrading the established level of service for the existing community.

The total development-related cost of the Fire Facilities capital program is \$10,826,214, which is allocated across land uses in proportion to each category's share of growth-related calls-for-service, as summarized in Table 4-3. This capital program is limited to facilities and equipment required to serve new development and does not fund the replacement of existing assets or remedy existing deficiencies, consistent with the California Mitigation Fee Act and Assembly Bill 602.

### **Fire Facilities Projects**

**Project ID:** FD-001

**Project Title:** New Fire Station

**Description:** This project provides a new fire station to add capacity necessary to maintain the established level of fire protection service as new development increases calls-for-service within the City of Grand Terrace. Based on the growth analysis documented in this chapter, planned development is projected to generate 1,838 growth-related calls-for-service, exceeding the level of demand currently supported by the existing fire protection system. To accommodate this increase without degrading the established level of service, one additional fire station is required.

The scope of this project includes planning, environmental review, site acquisition if needed, design, permitting, and construction of a fully functional fire station with associated site and building improvements. The new fire station will be sized to provide operational capacity comparable to the existing station serving the City, consistent with current building codes and service requirements, and will not increase the level of service beyond that required to accommodate growth-related demand. Vehicles, apparatus, and specialty equipment are addressed through separate growth-related projects in the Fire Facilities capital program.

**Size/Scope:** Approximately 5,000–6,000 square feet, comparable to the existing fire station

**Location:** To be determined within the City of Grand Terrace, in coordination with San Bernardino County Fire Protection District

**New Development Share:** 100% – \$9,484,017 (funded with Fire Facilities Impact fees)

**Existing Community Share:** 0% – \$0 (non-growth cost, funded from other sources)

**Total Cost:** \$9,484,017

**Timing:** 2026–2036

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**Project ID:** FD-002

**Project Title:** New Fire Engine

**Description:** This project provides one additional fire engine to add response capacity necessary to maintain the established level of fire protection service as new development increases calls-for-service within the City of Grand Terrace. Based on the growth analysis documented in this chapter, planned development is projected to generate 1,838 growth-related calls-for-service, which exceeds the response capacity supported by the existing station and assigned apparatus. The addition of a new fire engine is required to ensure that growth-related demand can be served without degrading emergency response capability for the existing community.

The scope of this project includes the acquisition and outfitting of a fully equipped fire engine necessary to support frontline emergency response operations. This project is limited to growth-related apparatus capacity and does not include staffing, operations, or replacement of existing vehicles.

**Size/Scope:** One Fully Equipped Fire Engine

**Location:** Assigned to the new fire station serving growth in the City of Grand Terrace

**New Development Share:** 100% – \$1,200,000 (funded with Fire Facilities Impact fees)

**Existing Community Share:** 0% – \$0 (non-growth cost, funded from other sources)

**Total Cost:** \$1,200,000

**Timing:** 2026–2036

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**Project ID:** FD-003

**Project Title:** New Specialty Firefighting and Life-Safety Equipment

**Description:** This project provides specialty firefighting and life-safety equipment necessary to support the additional fire protection capacity required to serve new development within the City of Grand Terrace. Based on the growth analysis documented in this chapter, planned development is projected to generate 1,838 growth-related calls-for-service, requiring additional equipment to ensure that emergency incidents can be effectively addressed without degrading the established level of service.

The scope of this project includes the acquisition of specialty equipment used for fire suppression, rescue, hazardous materials response, medical response, communications, and other emergency operations associated with the new fire station and assigned response apparatus. This project is limited to growth-related equipment capacity and does not include staffing, operations, or replacement of existing equipment.

**Size/Scope:** Specialty firefighting and life-safety equipment

**Location:** Assigned to the new fire station

**New Development Share:** 100% – \$142,197 (funded with Fire Facilities Impact fees)

**Existing Community Share:** 0% – \$0 (non-growth cost, funded from other sources)

**Total Cost:** \$142,197

**Timing:** 2026–2036

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### Cost Basis and Estimating Assumptions

Fire station construction costs are estimated using the Public Safety Building Model applied consistently across public safety facilities to maintain comparability on a dollars-per-square-foot basis. Fire stations require specialized, code-driven building systems and higher mechanical, electrical, and plumbing (MEP) intensity than typical civic buildings, and experience shows that their all-in construction costs often exceed trends implied by general construction cost indexes. Using a common public safety building model provides a more reliable planning-level basis than index-only approaches.

For fire station projects, construction costs are presented on a building basis, with land costs identified separately where applicable and consistent with project conditions. Detailed cost assumptions, unit costs, and supporting documentation are provided in Appendix G, Public Safety Building Model.

### Allocation of Project Costs

The Fire Facilities capital program totals \$10,826,214 and includes one new fire station, one new fire engine, and associated specialty firefighting and life-safety equipment required to serve growth-related demand. Project costs are allocated across land uses in proportion to each category's share of the 1,838 growth-related calls-for-service identified in this chapter.

To calculate allocations, the growth-related calls summarized in Table 4-2 are divided by the citywide total to determine each land use's percentage share, which is then applied to the total Fire Facilities program cost. In formula form:  $\text{allocation} = (\text{category growth calls} \div 1,838) \times \$10,826,214$ .

Costs are allocated to Single Family Detached, Multi-Family Attached, Manufactured/Mobile Homes, and the nonresidential land use categories General Commercial, Office Commercial, and Industrial. The resulting distribution is summarized in Table 4-3, *Allocation of Fire Facilities Program Costs*, and

provides the cost basis used in the subsequent fee calculation. This allocation framework establishes a direct and proportional relationship between the type of development, the growth-related demand it generates for fire protection services, and the cost of the Fire Facilities required to serve that demand.

### Derivation of Maximum Justified Fees

The Fire Facilities capital program totals \$10,826,214 and includes one new fire station, one new fire engine, and associated specialty firefighting and life-safety equipment required to serve growth-related demand. To derive maximum justified fee rates, the portion of the program cost allocated to each development category, as shown in Table 4-3, *Allocation of Fire Facilities Program Costs*, is converted to a charge per applicable unit of development consistent with Assembly Bill 602.

For residential development, fees are presented on a per-square-foot basis. Each residential land use category's allocated cost is divided by the total new residential floor area attributable to that category. Total residential floor area is calculated as the number of new units multiplied by the assumed average unit size for Single Family Detached, Multi-Family Attached, and Manufactured/Mobile Homes, respectively. This approach converts unit-based demand into a square-foot fee format while preserving the proportional relationship between development, service demand, and cost.

For nonresidential development, allocated costs are converted directly to a per-square-foot fee by dividing each category's cost allocation by the total new nonresidential floor area in that category. Although nonresidential calls-for-service are measured on a per-1,000-square-foot basis for analytical purposes, all maximum justified fees are expressed on a per-square-foot basis for consistency and adoption.

This methodology ensures that each development category's fee reflects its proportional share of growth-related fire service demand and the corresponding cost of Fire Facilities required to serve that demand, consistent with the requirements of the California Mitigation Fee Act and Assembly Bill 602. The resulting maximum justified Fire Facilities fees are presented in Table 4-5.

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Table 4-3

Allocation of Development Cost per Land Use				
Land Use	Growth-Related Calls-for-Service	Percentage of Growth-Related Calls-for-Service	Allocation of Expansion Costs	Development Impact Fee Per SF
Single-Family Detached	880	47.88%	\$5,183,389	\$0.831/SF
Multi-Family Attached	715	38.90%	\$4,211,503	\$1.365/SF
Manufactured/Mobile Homes	2	0.11%	\$11,780	\$1.492/SF
General Commercial	166	9.03%	\$977,776	\$0.388/SF
Office Commercial	42	2.29%	\$247,389	\$0.509/SF
Industrial	33	1.80%	\$194,377	\$0.101/SF
Total	1,838	100%	\$10,826,214	-

### Existing Community Financial Commitment Comparison

This section discloses the existing community's financial commitment to fire protection facilities serving the City of Grand Terrace and benchmarks that investment against current development. The City's capital "equity" in fire protection facilities is represented by the replacement value of the existing fire protection system currently supporting service demand within the City.

Based on data supplied by the Fire Department, the existing system includes the fire station serving the City, assigned response vehicles, and specialty firefighting and life-safety equipment. The total replacement value of these assets is \$11,549,703, which represents the community's existing investment in Fire Facilities and the infrastructure supporting the current level of service. This value is allocated across land uses in proportion to verified calendar year 2024 calls-for-service attributable to fee-bearing development within the City, totaling 1,630 calls-for-service, as described earlier in this chapter.

Table 4-4, *Existing Community Financial Commitment Comparison*, reports the allocation of this existing system value by land use and presents equivalent benchmarking amounts expressed on a per-square-foot basis for all land use categories. These equivalents are provided solely for context to illustrate the scale of the community's existing investment and do not represent fee rates or alter the Fire Facilities capital program.

This comparison demonstrates that the Fire Facilities impact fee is structured to recover only the cost of new facilities and equipment required to serve growth-related demand and does not charge new development for the community's existing financial commitment embodied in the current fire protection system.

Table 4-4

Allocation of Existing Cost per Land Use				
Land Use	Existing Calls-for-Service	Percentage of Existing Calls-for-Service	Allocation of Existing Costs	Existing Financial Commitment Per SF
Single-Family Detached	903	55.40%	\$6,398,394	\$1.106/SF
Multi-Family Attached	375	23.01%	\$2,657,140	\$1.651/SF
Manufactured/Mobile Homes	96	5.89%	\$680,228	\$2.122/SF
General Commercial	156	9.57%	\$1,105,370	\$0.468/SF
Office Commercial	47	2.88%	\$333,028	\$0.612/SF
Industrial	53	3.25%	\$375,543	\$0.121/SF
Total	1,630.00	100%	\$11,549,703	-

### Fee Schedule and Summary

This section presents the maximum justified Fire Facilities fees by converting each development category's allocated share of the \$10,826,214 Fire Facilities capital program into fee rates. Allocations are based on each land use category's share of growth-related calls-for-service identified in Table 4-2 and summarized in Table 4-3.

Consistent with Assembly Bill 602, maximum justified fees are presented on a per-square-foot basis for all residential and nonresidential land use categories included in this chapter. These fees reflect the proportional share of growth-related Fire Facilities costs attributable to each category and incorporate the full scope of the capital program, including one new fire station, one new fire engine, and associated specialty firefighting and life-safety equipment.

The fee schedule presented in Table 4-5 represents the maximum justified Fire Facilities fees supported by this Nexus Study. The City may adopt fees at or below these amounts. Fee revenues are restricted to funding the growth-related Fire Facilities identified in this chapter and may not be used to fund existing deficiencies or replace existing assets, consistent with the California Mitigation Fee Act and Assembly Bill 602.

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Table 4-5

Summary of Proposed Development Impact Fees	
Land Use	Per SF
Single-Family Detached	\$0.831/SF
Multi-Family Attached	\$1.365/SF
Manufactured/Mobile Homes	\$1.492/SF
General Commercial	\$0.388/SF
Office Commercial	\$0.509/SF
Industrial	\$0.101/SF

The fees above represent the maximum justified amounts. The City Council retains discretion to adopt fees at or below these levels as a matter of policy.

### Current Fire Facilities Development Impact Fees

The City does not currently levy a Fire Facilities development impact fee, and there is no existing Fire Facilities impact fee fund balance. Fire protection services are provided by San Bernardino County Fire Protection District, and any plan review, inspection, or similar charges assessed by the County are service fees, not development impact fees, and are outside the scope of this program.

Adoption of the fees presented in this chapter would therefore establish a new Fire Facilities development impact fee for the City of Grand Terrace. The fee program is limited to growth-related fire protection facilities and capital assets identified in this chapter, including a new fire station, a new fire engine, and associated specialty firefighting and life-safety equipment, and does not fund existing deficiencies or ongoing operations.

### Five Findings

#### **1. Purpose of the Fee**

The purpose of the Fire Facilities development impact fee is to ensure that new development in the City of Grand Terrace pays its fair and proportionate share of the capital costs required to provide fire protection facilities and equipment at the City's established level of service. The fee is intended to fund growth-related fire protection capacity necessary to serve new development and to protect existing residents and businesses from subsidizing that growth.

## **2. Use of the Fee**

Fire Facilities impact fee revenues will be used solely to fund the capital facilities and equipment identified in this chapter that are required to serve growth-related fire service demand. Eligible uses include planning, environmental review, land acquisition if needed, design, permitting, construction, and equipping of a new fire station, acquisition of a new fire engine, and procurement of associated specialty firefighting and life-safety equipment. Fee revenues are restricted to the growth-related share of these projects and may not be used for operations, staffing, maintenance, or the replacement of existing assets.

## **3. Relationship Between the Fee's Use and the Type of Development**

New development, including Single Family Detached, Multi-Family Attached, Manufactured/Mobile Homes, and nonresidential uses (General Commercial, Office Commercial, and Industrial), generates additional calls-for-service that increase demand on fire protection facilities and response resources. Fire Facilities impact fee revenues are used to provide the fire station, fire engine, and specialty equipment capacity required to serve that additional demand. Accordingly, there is a reasonable relationship between the use of the fee and the types of development upon which the fee is imposed.

## **4. Relationship Between the Need for Facilities and the Type of Development**

The need for additional Fire Facilities is demonstrated through the calls-for-service analysis presented in this chapter. Verified 2024 calls-for-service attributable to existing development establish the current level of service, and applying adopted call-generation rates to projected development yields 1,838 growth-related calls-for-service. This increase in demand exceeds the capacity of the existing fire protection system and necessitates additional facilities and equipment to maintain the established level of service. The identified fire station, fire engine, and specialty equipment are therefore reasonably related to the demand created by each type of new development.

## **5. Relationship Between the Amount of the Fee and the Cost Attributable to Development**

The total Fire Facilities capital program cost of \$10,826,214 is allocated to development categories in proportion to each category's share of growth-related calls-for-service. These allocations are converted into development impact fee rates presented on a per-square-foot basis for all residential and nonresidential land uses included in this chapter. This allocation and fee calculation methodology ensures that each development pays only for the portion of Fire Facilities costs attributable to the demand it generates, thereby satisfying the proportionality requirements of the California Mitigation Fee Act.

### **Implementation and Compliance Notes**

**Adoption and Program Structure:** The City will adopt the Fire Facilities development impact fee (DIF) by City Council action following adoption of this Nexus Study. The City is the imposing and administering agency and will be responsible for collection, accounting, and reporting of the fee. The Fire Facilities DIF applies only to new development within the City of Grand Terrace and may not be imposed on development outside the City's jurisdiction, even though fire protection services are provided by San Bernardino County Fire Protection District.

Fire Facilities DIF revenues are restricted to the growth-related fire protection facilities and capital assets identified in this chapter, including a new fire station, a new fire engine, and associated specialty firefighting and life-safety equipment.

If coordination with San Bernardino County Fire Protection District is required for project delivery or procurement, the City may enter into a memorandum of understanding (MOU) that specifies custody of funds, eligible uses, accounting and reporting requirements, audit rights, and reversion or refund provisions consistent with the California Mitigation Fee Act.

**Fund Accounting and Reporting:** The City will establish a separate Fire Facilities DIF fund. All fee revenues and interest earnings will be deposited into this fund and expended solely for the purposes identified in this chapter. The City will prepare and publish an annual development impact fee report in accordance with Government Code section 66006 and will make the required five-year findings for any unexpended balances pursuant to Government Code section 66001(d). If the required findings cannot be made, remaining balances will be refunded as provided by law.

**Administration and Schedule Management:** The City will specify when the Fire Facilities DIF is due, such as at building permit issuance or certificate of occupancy, and may provide for periodic indexing of the fee to an appropriate construction cost index. The City will maintain a current, publicly available fee schedule and will make this Nexus Study and the adopted fee schedule available for public review.

**Use of Funds (Eligibility):** Expenditures of Fire Facilities DIF revenues are limited to the growth-related share of fire protection facilities and capital assets that add capacity, including planning, environmental review, land acquisition if needed, design, permitting, construction, and equipping of the new fire station, acquisition of the new fire engine, and procurement of associated specialty firefighting and life-safety equipment. Fee revenues may not be used for operations, staffing, routine maintenance, or the replacement of existing facilities or equipment that do not add capacity.

**City-County Coordination (if funds are transferred):** Any transfer of Fire Facilities DIF revenues to an outside entity for project delivery must occur pursuant to a City-approved MOU that binds the recipient to the restrictions of the Mitigation Fee Act and the eligibility requirements established in this chapter. The MOU must provide for project-level accounting, periodic expenditure reporting, audit and records-access rights for the City, and reversion of funds if revenues are not expended for eligible growth-related purposes.

**Program Applicability:** The Fire Facilities DIF applies to net new development within the City of Grand Terrace, consistent with the growth assumptions used in this Nexus Study. Fire Facilities DIF revenues may be programmed for eligible projects anywhere within the City where the facilities and

equipment identified in this chapter are required to maintain the City's established level of fire protection service.

**End of Chapter**

## Chapter 5

### Street Improvements

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#### Purpose and Scope

**Purpose:** The purpose of this chapter is to establish and implement the City of Grand Terrace's Street Improvements development impact fee by setting maximum justified fees and administrative provisions consistent with the Mitigation Fee Act (Government Code § 66000 et seq.) and Assembly Bill 602 (AB-602). This update aligns the methodology and presentation with current statutory requirements and ensures the program remains defensible and auditable.

Grand Terrace's transportation system, including its streets, intersections, signals, and access and egress facilities, serves existing residents and businesses as well as new development. The City's local street network also functions within a broader regional transportation system. As part of this update, the chapter addresses both local, City-controlled street improvements and the City's growth-related obligations for regional circulation facilities that support countywide mobility and transit access. Regional transportation planning and funding in San Bernardino County is coordinated through the San Bernardino County Transportation Authority (SBCTA), which administers countywide transportation programs, including Measure I, and coordinates state and federal transportation funding for regional circulation facilities.

While SBCTA conducts transportation planning at a countywide scale, this chapter applies a city-specific nexus analysis to quantify the growth-related transportation demand attributable to development within Grand Terrace. This localized analysis refines regional planning assumptions by tying demand directly to the City's land use patterns and development approvals, ensuring that any development impact fee adopted by the City is narrowly tailored, proportionate, and consistent with the requirements of the Mitigation Fee Act.

Without continued investment and planning, additional trip demand generated by growth would erode the performance of the City's local street system and diminish levels of service (LOS). Accordingly, the Street Improvements development impact fee is structured to address growth-related impacts on local, City-controlled street facilities, while recognizing that certain circulation facilities serving regional travel demand are planned and delivered in coordination with SBCTA and other regional partners.

For this update cycle, the Street Improvements program funds circulation planning activities and identifies City-controlled street improvement projects, with costs sized and allocated using a consistent, trip-based methodology to ensure proportionality. Regional circulation facilities are evaluated using the same trip-based nexus framework, but are maintained in a separate funding program to ensure transparency and to avoid commingling with the local Street Improvements fee.

This update consolidates the prior Arterial Improvement, Traffic Signal Improvement, and Operational Improvement fee components into a single Street Improvements Development Impact Fee applicable to local, City-controlled street facilities. In addition, this chapter establishes the basis

for a separate Regional Circulation Development Impact Fee framework for facilities planned and funded in coordination with the San Bernardino County Transportation Authority (SBCTA). Each fee program is calculated and administered independently and applies only to its respective category of facilities, ensuring clarity, proportionality, and compliance with the Mitigation Fee Act and Assembly Bill 602.

**Scope of Improvements:** This section defines the scope of improvements addressed in this chapter, including local Street Improvements eligible for funding under the City of Grand Terrace’s local Street Improvements Development Impact Fee and regional circulation facilities addressed through a separate funding framework.

### Local Street Improvements

Eligible improvements under the local Street Improvements Development Impact Fee are limited to circulation planning activities and City-controlled capital street facilities necessary to maintain adopted mobility standards and accommodate growth-related travel demand on the City’s local street system.

Eligible planning uses include master plan preparation and updates, traffic impact and warrant studies, travel-demand modeling, corridor and complete-streets planning, intersection control evaluations, access management studies, and related engineering needed to define, phase, and document capacity, safety, and operational improvements attributable to growth.

Eligible capital improvements include roadway widenings and extensions, intersection and signal upgrades, access and egress improvements, systemwide safety and operational enhancements, sidewalks and pedestrian lighting when implemented as part of eligible corridor or intersection projects, and bridges or structures where needed to maintain network connectivity and capacity for growth. All capital improvements included in the program are supported by adopted planning documents and technical analyses demonstrating nexus and proportionality, consistent with the Mitigation Fee Act (Government Code § 66000 et seq.) and Assembly Bill 602 (AB-602).

Prior to funding capacity-increasing improvements through the local Street Improvements Development Impact Fee, the City will rely on adopted planning documents and appropriate technical analyses demonstrating nexus and proportionality. Planning and project adoption processes, including General Plan consistency review pursuant to Government Code § 65401, provide the basis for confirming that improvements are data-driven, appropriately scaled to growth, and eligible for impact fee funding.

The local Street Improvements Development Impact Fee excludes routine operations and maintenance, deferred maintenance, like-for-like replacement of existing facilities, and stand-alone amenities not functionally related to the street network.

Consistent with consolidation of the prior Arterial Improvement, Traffic Signal Improvement, and Operational Improvement fee components, revenues from the local Street Improvements Development Impact Fee are deposited into a single Street Improvements fund.

### Regional Circulation Facilities

Regional circulation facilities include transportation infrastructure that serves travel demand extending beyond the City's local street network, such as commuter rail and transit facilities and associated access improvements. These facilities support regional mobility and accommodate growth-related travel demand generated by development within the City but are planned and delivered in coordination with regional agencies, including the San Bernardino County Transportation Authority (SBCTA).

Regional circulation facilities are evaluated using the same trip-based nexus framework applied to local street improvements to quantify the growth-related demand attributable to development within Grand Terrace. However, costs associated with regional circulation facilities are maintained in a separate funding program and are not eligible for funding under the local Street Improvements Development Impact Fee, ensuring transparency and avoiding commingling of funds.

**Scope of Beneficiaries:** The local Street Improvements program provides systemwide benefits to both existing and new development in the City of Grand Terrace. Planning activities and City-controlled capital street improvements, including street widenings, intersection and signal upgrades, corridor safety and operational elements, and structures necessary to maintain connectivity, enhance the efficiency and safety of the City's local street network for all users.

Financial responsibility is assigned to growth because new development introduces additional trip demand that creates the need to plan and construct added capacity and operational improvements. Existing development has already contributed to the City's current street system through prior public investments and previously collected impact fees. To maintain equity and proportionality under the Mitigation Fee Act and Assembly Bill 602 (AB-602), eligible local Street Improvements costs are allocated to new development in proportion to the trip demand it generates, using the trip-based methodology described in this chapter.

Regional circulation facilities similarly provide benefits to both existing and new development by accommodating regional travel demand generated by residents, employees, and visitors within the City. For purposes of this chapter, the growth-related share of regional circulation facilities attributable to development in Grand Terrace is identified using the same trip-based nexus framework, while funding for such facilities is maintained in a separate regional circulation program to ensure transparency and avoid commingling with the local Street Improvements fee.

**Scope of Nexus:** The Mitigation Fee Act (Government Code § 66000 et seq.) requires a reasonable relationship between new development and the need for public facilities funded through development impact fees. For the Street Improvements programs addressed in this chapter, that relationship is established by linking new development to incremental travel demand placed on the transportation system.

New residential and nonresidential development in the City of Grand Terrace generates additional vehicular trips that use both the City's local street network and, for longer-distance travel, regional circulation facilities. As development occurs, the added trips increase overall system demand and

contribute to the need for circulation planning and, when programmed, capacity and operational improvements to maintain adopted mobility and safety standards.

This nexus is measured using a trip-based methodology that converts development growth into travel demand expressed in trip-miles. Trip-miles provide a systemwide measure of transportation demand by capturing both the number of trips generated by development and the distance those trips travel on the street system. This approach establishes a direct and measurable relationship between new development and the need for transportation facilities.

For local streets, the nexus supports planning and City-controlled street, intersection, and signal improvements necessary to accommodate growth-related demand. For regional circulation facilities planned and delivered in coordination with the San Bernardino County Transportation Authority (SBCTA), the nexus is limited to the portion of regional travel demand attributable to development within the City of Grand Terrace. In both cases, the nexus is specific to the incremental demand generated by new development and does not address existing deficiencies or general system needs unrelated to growth.

### **Existing Facilities**

**Asset and Infrastructure:** The City of Grand Terrace maintains a local street network that provides mobility for residents, businesses, and visitors. The system consists primarily of arterials and collectors, together with signalized intersections and other intersection control devices, corridor lighting, and related safety elements. These facilities constitute the baseline local circulation network that must be maintained as the community grows.

Within the local street network, the current inventory identifies 2.66 miles of arterials, 11.36 miles of collectors, and 1.90 miles of other major roadways, for a combined total of 15.92 miles of major local streets. Intersections and traffic control are critical components of this system; the inventory includes 5 fully actuated traffic signals, 224 simple two-way signals, 2 intersection signal improvements, and 16 arterial/collector intersections. Street operations and safety features, including signing and striping, communications and intelligent transportation systems (ITS), and corridor lighting, support safe and efficient operation of the network and are coordinated with corridor and intersection improvements to maintain functionality and level of service.

This inventory is limited to local, City-controlled street assets. Regional circulation facilities, such as commuter rail or transit facilities planned and delivered in coordination with the San Bernardino County Transportation Authority (SBCTA) or other regional agencies, are not included in this inventory because they are not owned or controlled by the City. Regional facilities are addressed separately in this chapter for purposes of identifying the City's growth-related funding responsibilities.

This section is limited to identification of existing assets and infrastructure. Monetary values and replacement costs for the inventoried facilities are addressed separately in the Existing Financial Commitment section that follows.

**Existing Financial Commitment:** Grand Terrace’s local street system represents a substantial public investment made over many years by existing residents and businesses. At 2025 replacement costs, the inventoried Street Improvements assets total \$325,666,387 and include arterials (\$57,945,440), collectors (\$133,866,240), other major roadways (\$19,901,846), right-of-way (\$20,520,061), intersection signal improvements (\$800,000), fully actuated traffic signals (\$5,000,000), simple two-way signals (\$67,200,000), arterial/collector intersections (\$16,000,000), street signs (\$2,087,800), and safety light poles and lighting (\$2,345,000).

Separately, the City currently holds a Street Improvements fund balance of \$805,390. This fund balance represents prior fee collections and accrued interest available to help finance growth-related local street improvements. When combined, the City’s total existing Street Improvements resources equal \$326,471,777, consisting of \$325,666,387 in existing capital assets and \$805,390 in existing fund balance. The fund balance is treated as a credit in the fee calculation, reducing the amount to be recovered from new development in this update cycle, but it does not alter the underlying replacement-cost value of the existing local street system reported above.

This section reflects only the City’s existing financial commitment to local, City-controlled street facilities. Regional circulation facilities planned and delivered in coordination with the San Bernardino County Transportation Authority (SBCTA) or other regional agencies are not included in this valuation because they are not owned or controlled by the City and are addressed separately in this chapter.

These figures illustrate the scale of the community’s existing contribution to the local street network. The purpose of the Street Improvements Development Impact Fee is not to retroactively charge existing development, but to ensure that new development contributes its fair and proportionate share toward the planning, capacity, and operational improvements needed to preserve adopted mobility and safety standards as growth occurs.

**Level of Service:** For purposes of the Street Improvements development impact fee programs addressed in this chapter, transportation service is defined in terms of **trip demand**, rather than traditional Highway Capacity Manual (HCM) letter-grade level of service. While HCM level of service is a useful tool for evaluating operational performance at specific locations, such as identifying whether an intersection experiences delay or volume-to-capacity issues, it is not designed to allocate system demand or costs among different land uses.

Accordingly, this study defines level of service for fee purposes using a **trip-mile metric**, which measures systemwide transportation demand by combining the number of vehicular trips generated by development with the average distance those trips travel on the street network. Trip-miles provide a consistent, measurable indicator of how development utilizes transportation facilities and allow impacts to be quantified across residential and nonresidential land uses.

By defining service in terms of trip-miles rather than HCM letter grades, the methodology supports proportional allocation of Street Improvements costs based on measurable travel demand. This approach provides a technical basis for assigning cost responsibility in a manner that is consistent with the Mitigation Fee Act and Assembly Bill 602 (AB-602).

The specific inputs used to calculate trip-miles, including trip-generation rates and average trip lengths, are described in the methodology sections that follow.

### Growth and Demand

**Growth Inputs:** Demand for circulation improvements addressed in this chapter is driven by the scale and pattern of development anticipated over the planning horizon. This chapter relies on the City's adopted planning assumptions to define the magnitude of new residential and nonresidential development expected during the study period. These growth inputs provide the basis for estimating additional travel activity generated by new development and, in turn, the level of demand that must be accommodated on both the City's local street system and regional circulation facilities serving development within Grand Terrace.

Residential growth is measured in dwelling units using the adopted land use categories. Nonresidential growth is measured in floor area (square feet). These measures are consistent with Assembly Bill 602 (AB-602) requirements for fee presentation and maintain consistency across chapters of this report.

Each growth input is translated into trip generation that produces additional miles of travel on the City's street network. The relationship between new development, trip generation, and resulting trip-miles forms the foundation for allocating circulation improvement costs proportionately to growth. Specific trip-generation rates, average trip lengths, and land use adjustments are documented in the methodology section that follows; however, the key principle is that the scale of development growth directly determines the scale of new demand placed on the transportation system.

**Method:** This chapter establishes transportation demand using a trip-based methodology that combines standard trip-generation rates with regional travel behavior data. This methodology is used to estimate the transportation demand generated by different land uses and development types and to allocate development impact fees in proportion to that demand. The same analytical framework is applied to both local Street Improvements and regional circulation facilities, with costs maintained in separate funding programs. The methodology is designed to ensure proportionality and consistency with the Mitigation Fee Act and Assembly Bill 602 (AB-602).

### Trip Generation

Trip generation is estimated using standard rates published by the Institute of Transportation Engineers (ITE), which represent average weekday vehicle trip-making characteristics by land use. Residential trip-generation rates are expressed on a per-dwelling-unit basis, while nonresidential rates are expressed per 1,000 square feet of building area.

For each adopted land use category, the applicable ITE trip-generation rate is applied to the corresponding growth quantity to estimate gross average daily trip-ends. Trip-ends represent the total number of vehicle trips entering and exiting the local street network as a result of development activity. This calculation establishes the baseline level of travel demand attributable to each land use prior to any subsequent analysis.

Gross trip-ends are used as the initial input to the demand analysis because they provide a consistent and widely accepted measure of how different land uses interact with the transportation system. Trip-ends are then carried forward into subsequent steps of the methodology described below.

### Trip Length

Gross trip-ends are converted to trip-miles by applying average trip-length factors that represent typical travel distances on the City's local street network. Average trip length reflects the extent to which trips generated by development utilize City streets and is used to translate trip frequency into systemwide demand.

In the absence of City-specific trip-length survey data, average trip-length factors are derived from regional travel behavior data published by the San Diego Association of Governments (SANDAG). SANDAG travel surveys and regional models are commonly used in Southern California to characterize travel distances and patterns and provide a reasonable proxy for local conditions for planning-level analysis. These data are applied to estimate average trip lengths for trips occurring on the City's local street system.

### Adjustments for Trip Type

Certain land uses generate trips that interact with the street network in different ways depending on trip origin and purpose. To reflect these differences, the methodology distinguishes among primary, diverted, and pass-by trips, consistent with standard transportation planning practice.

Primary trips are trips made specifically to or from a land use and are fully attributable to that use. Diverted trips represent vehicles already traveling on the street network that alter their route to access a land use, while pass-by trips are vehicles already passing the site that make a brief stop. Because diverted and pass-by trips do not represent entirely new travel on the system, they impose a lower incremental burden on the street network than primary trips.

Where applicable, trip-type characteristics are used to appropriately weight trip demand so that the resulting trip-mile estimates reflect the relative impact of different land uses on the City's local street system, and do not overstate system demand for uses that primarily capture existing traffic.

### Trip-Miles as the Demand Metric

Trip-miles serve as the primary metric for measuring transportation demand for both the local Street Improvements and regional circulation programs. Trip-miles reflect both the number of trips generated by a land use and the distance those trips travel, providing a systemwide measure of how development utilizes transportation facilities.

Trip-miles are calculated by combining gross trip-ends with average trip length and any applicable trip-type weighting factors. This approach translates individual trip-making characteristics into a common unit of demand that can be applied consistently across residential and nonresidential land uses.

Using trip-miles as the demand metric ensures that land uses generating a greater volume of travel and longer travel distances are assigned a proportionately greater share of growth-related

transportation costs. This metric avoids reliance on location-specific operational measures and instead supports equitable, citywide allocation of costs attributable to growth.

By applying trip-miles as the basis for demand, the methodology links development impact fee calculations directly to measurable use of the transportation system, providing a clear and defensible basis for proportional cost allocation consistent with the Mitigation Fee Act and AB-602.

### Translation to Fees

Trip-miles calculated for each land use category are used to determine the proportionate share of Street Improvements costs attributable to new development. Total growth-related program costs are allocated across land uses based on their relative share of total trip-miles, ensuring that each use contributes in proportion to the transportation demand it places on the City's local street system.

Because nonresidential trip-generation rates are developed on a per-1,000-square-foot basis, analytical calculations are performed internally using thousands of square feet (KSF). For fee presentation and adoption purposes, development quantities are expressed in square feet, and maximum justified fees are presented on a per-square-foot basis, consistent with Assembly Bill 602 (AB-602). Residential fees are likewise presented on a per-square-foot basis.

This approach ensures consistency between the underlying demand calculations and the adopted fee schedule, while maintaining transparency, proportionality, and compliance with the Mitigation Fee Act and AB-602.

### Compliance and Detailed Methodology

This methodology allocates costs in proportion to measurable, growth-related demand, consistent with the Mitigation Fee Act. The specific inputs, trip-generation rates, SANDAG trip-length factors, and trip-type adjustments, together with the equations used to compute Trip-Ends and Trip-Miles, are documented in the methodology appendix and model tables.

**Scope of Included Demand Metric:** This program estimates the transportation demand generated by new development by quantifying vehicular trip-ends and converting those trips into trip-miles representing travel on the City's transportation system. The demand metric is limited to vehicle travel because the development impact fees addressed in this chapter are intended to fund street and circulation facilities that accommodate vehicular use. Other travel modes, including walking, bicycling, and transit, are not included in the fee calculation because they do not generate the same capital facility demands addressed by these programs.

Demand calculations are organized using the adopted land use categories established earlier in this chapter. The scope defined here provides the framework for the demand calculations that follow. Table 5-1 presents the trip-generation rates, average trip lengths, and resulting trip-miles by land use category, which together form the technical basis for allocating transportation demand proportionately across development types.

Table 5-1

Existing Land Use – Trip Generation and Trip-Miles				
Land Use	Developed Acres	Units/SF	Trip-End and Length Factor	Total Existing Trip-Miles
Single Family Detached	1,000	3,325	4.095	13,616
Multi-Family Attached	180	1,996	1.638	3,269
Manufactured/Mobile Homes	32	269	1.808	486
General Commercial	153	2,361,605	15.089	35,634
Office Commercial	35	544,282	4.529	2,465
Industrial	238	3,103,650	2.514	7,803
<b>Total</b>	<b>1,636</b>	<b>-</b>	<b>-</b>	<b>63,273</b>

*Note:* For nonresidential categories, trip-generation rates are expressed per 1,000 SF (KSF); quantities are shown as total SF. Final fees are presented per SF.

**Resulting Service Demand:** Application of the trip-based methodology results in a quantified estimate of growth-related transportation demand, expressed in trip-miles, for each adopted land use category. These trip-mile totals represent the incremental burden placed on the City’s local street system by new development, capturing both trip frequency and travel distance.

The resulting growth-related trip-miles and proportional shares, summarized in Table 5-2, are as follows:

- Single Family Detached: 13,247 trip-miles (21%)
- Multi-Family Attached: 6,226 trip-miles (10%)
- Manufactured/Mobile Homes: 13 trip-miles (0%)
- General Commercial: 38,015 trip-miles (59%)
- Office Commercial: 2,203 trip-miles (3%)
- Industrial: 4,833 trip-miles (7%)
- Total: 64,537 trip-miles (100%)

These results quantify the relative contribution of each land use to overall growth-related transportation demand and provide the technical basis for allocating costs in proportion to each category’s share of total trip-miles. The proportional shares derived here are carried forward into the cost allocation and fee calculation steps for both the local Street Improvements program and the regional circulation program, with costs maintained in separate funding accounts. Consistent with Assembly Bill 602 (AB-602), final impact fees are presented on a per-square-foot basis.

Table 5-2

Potential Land Use Total Trip-Miles				
Land Use	Potential Acres	Units/SF	Trip-End and Length Factor	Total Potential Trip-Miles
Single Family Detached	1,024	3,235	4.095	13,247
Multi-Family Attached	207	3,801	1.638	6,226
Manufactured/Mobile Homes	1	7	1.808	13
General Commercial	165	2,519,401	15.089	38,015
Office Commercial	32	486,499	4.529	2,203
Industrial	147	1,922,303	2.514	4,833
<b>Total</b>	<b>1,576</b>	<b>-</b>	<b>-</b>	<b>64,537</b>

*Note:* For nonresidential categories, trip-generation rates are expressed per 1,000 SF (KSF); quantities are shown as total SF. Final fees are presented per SF.

**Capacity Implications:** As shown in Table 5-2, projected development in the City of Grand Terrace is estimated to generate 64,537 additional trip-miles attributable to new development. These trip-miles represent the measurable, growth-related increase in travel demand generated within the City, as derived using the methodology summarized in Table 5-1, and reflect demand on the City's local street system as well as demand contributing to regional circulation facilities serving Grand Terrace.

As additional trip-miles are introduced into the transportation system, they increase overall system loading and contribute to higher utilization of roadway segments, intersections, and other circulation facilities. Over time, this growth-related demand places increasing pressure on both local and regional components of the circulation network and informs the need for coordinated planning, prioritization, and phasing of improvements to maintain adopted mobility and safety standards. While operational strategies may address short-term conditions at specific locations, sustained growth in travel demand ultimately requires planning and, where appropriate, targeted capital improvements.

For this update cycle, the local Street Improvements Development Impact Fee funds circulation planning activities and identified local street improvements necessary to respond to the documented 64,537 trip-mile growth burden on the City's local street system. If the City subsequently programs additional eligible local street capacity or operational improvements, those projects will be sized in proportion to the demand identified in Table 5-2, and program costs will be allocated to land uses based on each category's share of total trip-miles.

Growth-related demand attributable to regional circulation facilities is evaluated using the same trip-based framework and is addressed through a separate regional circulation funding program, as described later in this chapter. Consistent with Assembly Bill 602 (AB-602), final impact fees are presented on a per-square-foot basis.

**Allocation by Land Use:** The cost of Street Improvements is allocated across land uses in direct proportion to their contribution to the 64,537 growth-related trip-miles identified in Table 5-2. This approach ensures that each category of new development is assigned responsibility only for the share of street system demand it generates.

Residential and nonresidential development contribute to transportation demand through daily travel activity associated with household, employment, customer, visitor, and goods-movement trips. By quantifying demand using a trip-mile metric, the methodology captures both the frequency and distance of travel, providing a clear and equitable basis for allocating Street Improvements costs across land uses.

Street Improvements program costs funded in this update cycle are allocated using the same trip-mile methodology, regardless of whether funds support circulation planning activities or eligible local street improvement projects. This approach provides a consistent and defensible measure of system use across land uses and ensures that fee responsibility remains proportional to growth-related impacts on the City's local street network, consistent with the Mitigation Fee Act and Assembly Bill 602 (AB-602).

While the principle of proportional allocation is established in this section, the detailed calculation of each land use's percentage share and the derivation of maximum justified fees are presented later in this chapter under Derivation of Maximum Justified Fees.

**Capacity Sizing and Capital Program:** The demand generated by new development, as documented in Table 5-2, informs the City's planning and programming of improvements necessary to preserve the performance of Grand Terrace's local street system. Adopted planning documents provide the framework for identifying where roadway capacity, intersection performance, and traffic control should be evaluated and, where appropriate, improved to accommodate projected growth.

Capacity sizing within the Street Improvements program is based on proportionality. Using the trip-mile methodology, each improvement is evaluated to determine the extent to which it mitigates growth-related demand relative to existing conditions. Improvements that are primarily driven by growth-related demand, such as intersection control or signalization improvements warranted by increased traffic volumes, assign a greater share of cost to new development. Improvements that address both existing and growth-related conditions assign costs between existing and new development based on the relative contribution of each, ensuring that improvements are appropriately scaled and that cost responsibility remains equitable and defensible.

For this update cycle, the Street Improvements program includes circulation planning activities and identified local street improvement projects. Planning efforts, including preparation of the Circulation Master Plan, establish systemwide priorities, confirm warrants and corridor needs, and provide a transparent, project-level basis for sizing and allocating future improvements. Where planning activities provide systemwide benefit, associated costs are allocated between existing and new development in proportion to that benefit. If additional eligible local street improvement projects are added in future update cycles, those projects will be sized based on the growth-related trip-mile demand documented in Table 5-2, and costs will be allocated to land uses in direct proportion to each category's share of total trip-miles.

Based on the demand, allocation, and capacity-sizing framework described above, the following section presents the local Street Improvements projects included in this update cycle. Each project is drawn from adopted or in-progress planning documents and reflects a targeted response to growth-related travel demand on the City's local street system. Project descriptions summarize scope, location, and purpose, and establish the basis for allocating costs between existing and new development consistent with the trip-mile methodology.

### Local Street Improvements Project

**Project ID:** ST-001

**Project Title:** Circulation Master Plan

**Description:** Preparation of a comprehensive Circulation Master Plan to evaluate existing network conditions, identify growth-related capacity needs, establish citywide mobility standards, and define the future capital improvement framework for Grand Terrace. The plan will integrate trip-generation and trip-mile data, model future system performance, and identify prioritized roadway and intersection projects consistent with the City's General Plan.

**Size/Scope:** Citywide planning document covering all arterial and collector corridors, intersection control, and multimodal coordination elements.

**Location:** Citywide

**New Development Share:** 50% – \$1,250,000 (to be funded through Street Improvements Impact Fees)

**Existing Community Share:** 50% – \$1,250,000 (not eligible for impact fee funding)

**Total Cost:** \$2,500,000

**Timing:** 2026–2036

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**Project ID:** ST-002

**Project Title:** Main Street Corridor Signalization & Railroad Crossing Improvements

**Description:**

Installation of new traffic signals and modernization of existing signal infrastructure along the Main Street corridor, including railroad crossing signal coordination, intersection improvements, pedestrian safety upgrades, right-of-way adjustments, and associated roadway enhancements to improve safety, circulation efficiency, and operational performance.

**Size/Scope:** Signal improvements at multiple intersections and railroad crossing interfaces along the Main Street corridor.

**Location:** Main Street corridor, City of Grand Terrace

**New Development Share:** 40.00% – \$1,800,000 (to be funded through Street Improvements Impact Fees)

**Existing Community Share:** 60.00% – \$2,700,000 (not eligible for impact fee funding)

**Total Cost:** \$4,500,000

**Timing:** 2028–2032

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**Project ID: ST-003**

**Project Title:** Commerce Way Extension to Taylor Street

**Description:** Construction of a new roadway connection extending Commerce Way to Taylor Street to eliminate an existing dead-end condition. Improvements include roadway construction, utilities, drainage, curb and sidewalk, street lighting, signage, and required right-of-way acquisition to improve circulation connectivity and access to developable land.

**Size/Scope:** Approximately 2,020 meters (1.25 miles) of new roadway construction.

**Location:** Commerce Way to Taylor Street, City of Grand Terrace

**New Development Share:** 70.00% – \$2,240,000 (to be funded through Street Improvements Impact Fees)

**Existing Community Share:** 30.00% – \$960,000 (not eligible for impact fee funding)

**Total Cost:** \$3,200,000

**Timing:** 2027–2032

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**Project ID: ST-004**

**Project Title:** Mt. Vernon Street Slope Stabilization & Roadway Improvements

**Description:** Slope stabilization along Mt. Vernon Street combined with roadway rehabilitation and safety improvements. Work includes retaining structures, erosion control, drainage improvements, pavement rehabilitation, guardrails, and roadway enhancements necessary to maintain safe and reliable circulation along this corridor.

**Size/Scope:** Approximately 0.5 miles (2,640 linear feet) of slope stabilization and roadway improvements.

**Location:** Mt. Vernon Street, northern City boundary adjacent to the City of Colton

**New Development Share:** 30.00% – \$1,260,000 (to be funded through Street Improvements Impact Fees)

**Existing Community Share:** 70.00% – \$2,940,000 (not eligible for impact fee funding)

**Total Cost:** \$4,200,000

**Timing:** 2027–2031

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**Project ID:** ST-005

**Project Title:** Michigan Street Widening & Arterial Upgrade

**Description:** Widening and reconstruction of Michigan Street to secondary arterial standards. Improvements include additional travel lanes, curb, gutter, sidewalks, drainage, pavement rehabilitation, signage, and lighting to increase capacity, improve safety, and enhance connectivity within the City’s circulation system.

**Size/Scope:** Widening and reconstruction of approximately 1,500 meters (4,920 linear feet) of Michigan Street to secondary arterial standards.

**Location:** Michigan Street corridor, City of Grand Terrace

**New Development Share:** 45.00% – \$5,737,500

**Existing Community Share:** 55.00% – \$7,012,500

**Total Cost:** \$12,750,000

**Timing:** 2027–2032

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### Regional Circulation Facilities

The capacity sizing and allocation framework described above applies to improvements funded through the City’s local Street Improvements Development Impact Fee. However, the City’s street system also functions as part of a broader regional transportation network, and certain circulation facilities serving regional travel demand are planned, programmed, and funded through regional agencies rather than through the City’s local fee program.

The following section describes regional circulation projects that affect travel within and through Grand Terrace and are coordinated with regional transportation planning efforts. These projects are identified to provide context and transparency regarding regional mobility investments and their relationship to local travel demand, but they are addressed through a separate regional circulation funding framework and are not included in the local Street Improvements development impact fee calculation.

**Project ID:** RS-001

**Project Title:** Main Street Metrolink Station and Rail Connection

**Description:** Development of a new Metrolink commuter rail station and Main Street transit connection. The project includes construction of a rail platform and station facilities, passenger amenities, ticketing and shelter structures, ADA access, parking and drop-off areas, pedestrian and bicycle connections to Main Street, utility upgrades, and coordination with rail operators. The project also includes planning and design work necessary to extend existing Metrolink service into the City and allow service to connect with the regional rail network.

**Size/Scope:** Construction of one new commuter rail station, including station facilities, platform improvements, access improvements, parking, and pedestrian and bicycle connections.

**Location:** Former power plant site on Taylor Street, fronting the existing rail corridor, City of Grand Terrace.

**New Development Share:** 50.00% – \$19,000,000

**Existing Community/Regional Share:** 50.00% – \$19,000,000

**Total Cost:** \$38,000,000

**Timing:** 2028–2035

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### Allocation of Project Costs

This section documents the allocation of local Street Improvements program costs between existing development and new development based on City direction. Allocation percentages reflect the City's determination of the extent to which Street Improvements items address existing conditions versus growth-related demand.

Only the portion of costs allocated to new development is eligible for recovery through the Street Improvements Development Impact Fee. Costs allocated to the existing community are excluded from the fee calculation and are funded through non-fee sources.

The growth-eligible portion of Street Improvements costs identified through this allocation is carried forward into the fee calculation and distributed across the City's adopted land use categories based on their relative contribution to growth-related travel demand. Demand-based allocation of the new-development share is performed using the trip-mile methodology described earlier in this chapter and summarized in Table 5-2.

Allocation between existing and new development for regional circulation facilities is determined separately, consistent with City direction, and is applied within a distinct regional circulation funding program. Although the same trip-based demand framework is used to quantify growth-related demand, regional circulation costs are not included in the local Street Improvements Development Impact Fee.

This approach ensures that new development pays only its proportionate share of Street Improvements costs, consistent with the Mitigation Fee Act and Assembly Bill 602 (AB-602).

### Derivation of Maximum Justified Fees

The total cost allocated to new development under the local Street Improvements program provides the basis for calculating maximum justified fees. For this update cycle, the growth-eligible cost equals \$12,287,500.00, representing the portion of local Street Improvements project costs allocated to new development based on City direction, as summarized in the Circulation project list.

The City will apply an existing Street Improvements fund balance of \$805,390.00 as a credit toward this growth-eligible share. Accordingly, the net cost to be recovered from new development through the local Street Improvements Development Impact Fee update is \$11,482,110.00. This net recovery amount is distributed across land use categories in direct proportion to each category's share of growth-related transportation demand, measured in trip-miles, as established earlier in this chapter.

Allocating the net fee-recovery amount based on each land use's percentage of total trip-miles maintains proportionality and equity and is consistent with the Mitigation Fee Act (Government Code § 66000 et seq.) and Assembly Bill 602 (AB-602). Resulting fees are presented on a per-square-foot basis for all land uses, consistent with this report's adopted presentation standards.

Table 5-3 allocates the program's \$11,482,110.00 net fee-recovery amount to land uses in proportion to their respective shares of total growth-related trip-miles shown in Table 5-2. The subsection that follows documents the existing community's funding commitment for the remaining share of local Street Improvements costs.

Using the same trip-based demand framework described above, the growth-related share of regional circulation facilities attributable to development in the City of Grand Terrace is also allocated across land uses in proportion to their respective shares of total trip-miles. Regional circulation facilities serve travel demand generated by development within the City but are planned and delivered in coordination with regional agencies and are therefore maintained in a separate Regional Circulation Development Impact Fee program.

Table 5-4 summarizes the allocation of regional circulation facility costs to new development using the same proportional trip-mile methodology applied to local Street Improvements, while maintaining a distinct funding bucket to ensure transparency and avoid commingling of funds. Costs shown in Table 5-4 are not included in the local Street Improvements Development Impact Fee and are recovered through the separate Regional Circulation Development Impact Fee.

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Table 5-3

Local Street Improvements: Allocation of Development Cost per Land Use				
Land Use	Units/SF	Percentage of Additional Trip-Miles	Allocation of Expansion Costs	Development Impact Fee Per SF
Single Family Detached	3,235	21%	\$2,356,899	\$0.378/SF
Multi-Family Attached	3,801	10%	\$1,107,706	\$0.359/SF
Manufactured/Mobile Homes	7	0%	\$2,252	\$0.285/SF
General Commercial	2,519,401	59%	\$6,763,442	\$2.685/SF
Office Commercial	486,499	3%	\$391,947	\$0.806/SF
Industrial	1,922,303	7%	\$859,864	\$0.447/SF
<b>Total</b>		<b>100%</b>	<b>\$11,482,110</b>	<b>-</b>

Table 5-4 summarizes the allocation of regional circulation facility costs to new development using the same proportional trip-mile methodology applied to local Street Improvements, while maintaining a distinct funding bucket to ensure transparency and avoid commingling of funds. Costs shown in Table 5-4 are not included in the local Street Improvements Development Impact Fee and are recovered through the separate Regional Circulation Development Impact Fee.

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Table 5-4

Regional Circulation Improvements: Allocation of Development Cost per Land Use				
Land Use	Units/SF	Percentage of Additional Trip-Miles	Allocation of Expansion Costs	Development Impact Fee Per SF
Single Family Detached	3,235	21%	\$2,257,938	\$0.362/SF
Multi-Family Attached	3,801	10%	\$1,061,196	\$0.344/SF
Manufactured/Mobile Homes	7	0%	\$2,157	\$0.273/SF
General Commercial	2,519,401	59%	\$6,479,459	\$2.572/SF
Office Commercial	486,499	3%	\$375,490	\$0.772/SF
Industrial	1,922,303	7%	\$823,760	\$0.429/SF
<b>Total</b>		<b>100%</b>	<b>\$11,000,000</b>	<b>-</b>

Together, Tables 5-3 and 5-4 demonstrate how growth-related transportation demand generated by new development in Grand Terrace is translated into proportionate fee obligations under two separate but analytically consistent programs, ensuring compliance with the Mitigation Fee Act and AB-602.

### Existing Community Financial Commitment Comparison

The Mitigation Fee Act requires that new development pay no more than its fair share of the cost of public facilities needed to serve growth. To demonstrate compliance, this chapter documents the financial commitment already made by the existing community and contrasts it with the costs allocated to new development under the local Street Improvements program.

City records indicate that Grand Terrace's total existing Street Improvements resources equal \$326,471,777, consisting of \$325,666,387 in existing capital street assets (at 2025 replacement cost) and \$805,390 in existing Street Improvements fund balance. These figures reflect the existing community's substantial contribution to establishing and maintaining the baseline capacity of the City's local street network.

By comparison, this update identifies \$12,287,500.00 in growth-eligible local Street Improvements project costs allocated to new development based on City direction. The City applies the existing \$805,390.00 Street Improvements fund balance as a credit toward this growth-eligible share,

resulting in \$11,482,110.00 in net growth-related costs to be recovered through the local Street Improvements Development Impact Fee.

Table 5-3 allocates this \$11,482,110.00 net fee-recovery amount across Grand Terrace’s adopted land use categories in proportion to each category’s share of total growth-related trip-miles, as summarized in Table 5-2. The resulting maximum justified fees are presented on a per-square-foot basis, consistent with Assembly Bill 602 (AB-602).

This comparison confirms that new development is assigned only its fair and proportionate share of local Street Improvements costs relative to the substantial investments already made by the existing community, and that fee levels do not exceed the cost of facilities reasonably attributable to projected growth, in compliance with the Mitigation Fee Act.

**Table 5-5**

Allocation of Existing Community Financial Commitment				
Land Use	Units/SF	Percentage of Existing Trip-Miles	Allocation of Existing Costs	Existing Financial Commitment Per SF
Single Family Detached	3,325	22%	\$70,254,923	\$12.15/SF
Multi-Family Attached	1,996	5%	\$16,867,167	\$10.48/SF
Manufactured/Mobile Homes	269	1%	\$2,507,630	\$7.82/SF
General Commercial	2,361,605	56%	\$183,861,921	\$77.85/SF
Office Commercial	544,282	4%	\$12,718,741	\$23.37/SF
Industrial	3,103,650	12%	\$40,261,395	\$12.97/SF
Total		100%	\$326,471,777	-

### **Fee Schedule and Summary**

The maximum justified local Street Improvements Development Impact Fees are derived from the \$12,287,500.00 growth-eligible share of local Street Improvements project costs allocated to new development based on City direction. The City applies an existing Street Improvements fund balance of \$805,390.00 as a credit toward this growth-eligible share, resulting in \$11,482,110.00 in net growth-related costs to be recovered from new development through the local Street Improvements Development Impact Fee.

The net fee-recovery amount is allocated to land uses in direct proportion to each category's share of total growth-related transportation demand, measured in trip-miles, as summarized in Table 5-2 and allocated in Table 5-3. The resulting fee levels represent the proportionate cost responsibility of new development to fund local street planning and improvements necessary to accommodate projected growth while maintaining the City's adopted mobility standards.

Consistent with this chapter's methodology and presentation standards under Assembly Bill 602 (AB-602), fees are presented on a per-square-foot basis for all land uses, including Single Family Detached, Multi-Family Attached, Manufactured/Mobile Homes, General Commercial, Office Commercial, and Industrial. This fee schedule provides a transparent distribution of costs across land uses and directly links fee obligations to measurable, growth-related demand.

Table 5-6 presents the maximum justified local Street Improvements Development Impact Fees by land use. The City may adopt any fee amount at or below the maximum justified levels and may implement annual indexing and related administrative provisions consistent with the Mitigation Fee Act and AB-602.

Regional circulation facilities are addressed through a separate Regional Circulation Development Impact Fee, summarized in Table 5-7, and are not included in the local Street Improvements fee schedule presented in this section.

**Table 5-6**

Summary of Proposed Local Streets Development Impact Fees	
Land Use	Per SF
Single Family Detached	\$0.378/SF
Multi-Family Attached	\$0.359/SF
Manufactured/Mobile Homes	\$0.285/SF
General Commercial	\$2.685/SF
Office Commercial	\$0.806/SF
Industrial	\$0.447/SF

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Table 5-7

Summary of Proposed Regional Circulation Development Impact Fees	
Land Use	Per SF
Single Family Detached	\$0.362/SF
Multi-Family Attached	\$0.344/SF
Manufactured/Mobile Homes	\$0.273/SF
General Commercial	\$2.572/SF
Office Commercial	\$0.772/SF
Industrial	\$0.429/SF

### **Current Street Improvements Fee**

The City of Grand Terrace's current fee schedule includes two transportation impact fee components—Traffic Signal Improvement and Arterial Improvement—which together function as the City's local street-system charge on new development. Municipal Code Chapter 4.104 also establishes an Operational Improvement component. Under the existing schedule, residential fees are expressed on a per-dwelling-unit basis, reflecting legacy fee practices in effect prior to Assembly Bill 602 (AB-602).

In the City's audited financial statements, revenues from these street-related impact fees are accounted for in a single Street Improvement special revenue fund, with expenditures transferred to the capital projects fund as projects are delivered. As of the most recent reporting period, the Street Improvement fund balance totals \$805,390, which is credited in this update toward growth-related Street Improvements costs.

Consistent with Chapter 2 of this report and the requirements of AB-602, this study recalculates maximum justified Street Improvements Development Impact Fees and presents them on a per-square-foot basis for all residential and nonresidential land uses. This update consolidates the analytical basis of the prior Traffic Signal, Arterial, and Operational Improvement components into a single local Street Improvements Development Impact Fee framework for this cycle.

Any policy action to formally consolidate legacy schedule line items into a single adopted fee, and to continue depositing all local street impact fee receipts into a single Street Improvement fund, is addressed in the chapter's Implementation and Compliance Notes section. Regional circulation facilities are addressed separately in this chapter and are not part of the current Street Improvements fee schedule.

## **Five Findings: Local Street Improvements**

### **1. Purpose of the Fee**

The purpose of the local Street Improvements Development Impact Fee is to fund circulation planning and growth-related local street improvements necessary to mitigate the impacts of new development on the City of Grand Terrace's local street system. The fee ensures that growth contributes its fair and proportionate share toward maintaining adopted mobility and safety standards, consistent with the Mitigation Fee Act (Government Code § 66000 et seq.) and Assembly Bill 602 (AB-602).

### **2. Use of the Fee**

Fee revenues are used to fund the local Street Improvements program identified in this nexus study, including eligible planning/engineering and design and construction of City-controlled street, intersection, and signal improvements necessary to accommodate growth-related travel demand. In this update cycle, the fee funds multiple local street improvement projects included in the City's adopted program for Street Improvements, together with the planning and technical work needed to support and deliver those improvements. Fee revenues may not be used for routine operations, routine maintenance, deferred maintenance, or like-for-like replacement of existing facilities.

### **3. Relationship Between the Fee's Use and the Type of Development**

All new development generates additional vehicular trips that use the City's local street system. The uses of the fee—planning, engineering, and delivery of growth-related local street and intersection improvements—directly respond to the transportation demand created by new development. Accordingly, there is a reasonable relationship between the use of the fee and the impacts of the development on which the fee is imposed.

### **4. Relationship Between the Need for Facilities and the Type of Development**

The need for local Street Improvements arises from the incremental travel demand generated by new development. Without targeted planning and local street, intersection, and signal improvements, the local transportation system would experience declining performance and safety as growth occurs. Each category of new development contributes to this incremental demand, establishing a reasonable relationship between the type of development and the need for the facilities funded by the fee.

### **5. Relationship Between the Amount of the Fee and the Cost Attributable to Development**

Local Street Improvements program costs are allocated between new development and the existing community based on City direction and a proportional methodology grounded in measured trip-mile demand. For this update cycle, the growth-eligible share of local Street Improvements project costs totals \$12,287,500.00. The City applies \$805,390.00 in existing Street Improvements fund balance as a credit toward this growth-eligible share, resulting in

\$11,482,110.00 in net growth-related costs to be recovered through the local Street Improvements Development Impact Fee.

The net fee-recovery amount is distributed across land uses in proportion to each category's share of total growth-related trip-miles, and maximum justified fees are presented on a per-square-foot basis, consistent with AB-602. The amount of the fee imposed on each land use does not exceed the cost of facilities reasonably attributable to that development category.

### **Five Findings: Regional Circulation**

#### **1. Purpose of the Fee**

The purpose of the Regional Circulation Development Impact Fee is to fund the City of Grand Terrace's growth-related share of regional circulation facilities that serve development within the City and are planned and delivered in coordination with the San Bernardino County Transportation Authority (SBCTA). The fee ensures that new development contributes its fair and proportionate share toward regional transportation improvements necessary to accommodate growth-related travel demand, consistent with the Mitigation Fee Act (Government Code § 66000 et seq.) and Assembly Bill 602 (AB-602).

#### **2. Use of the Fee**

Fee revenues are used to fund the City's growth-related share of eligible regional circulation facilities identified through SBCTA planning and programming efforts, including planning, engineering, design, and construction of transportation improvements that serve regional travel demand generated by development within Grand Terrace. Fee revenues may not be used for routine operations, routine maintenance, deferred maintenance, or like-for-like replacement of existing facilities.

#### **3. Relationship Between the Fee's Use and the Type of Development**

New development approved by the City of Grand Terrace generates additional vehicular trips that extend beyond the local street network and contribute to demand on regional circulation facilities planned and funded through SBCTA. The use of the fee directly addresses the transportation impacts created by development within the City by contributing to regional facilities that serve that demand. Accordingly, a reasonable relationship exists between the use of the fee and the type of development on which the fee is imposed.

#### **4. Relationship Between the Need for Facilities and the Type of Development**

The need for regional circulation facilities arises from incremental travel demand generated by new development within the City of Grand Terrace. Without regional transportation improvements coordinated through SBCTA, congestion and capacity deficiencies would increase on facilities serving regional travel associated with growth. Each category of

development contributes to this demand, establishing a reasonable relationship between the type of development and the need for the regional facilities funded by the fee.

## 5. Relationship Between the Amount of the Fee and the Cost Attributable to Development

Regional circulation facility costs are allocated to new development using the same trip-based, proportional methodology applied to local Street Improvements, based on measured trip-mile demand generated by development within the City of Grand Terrace. Only the City's growth-related share of regional circulation facility costs identified through SBCTA planning and programming is included in the Regional Circulation Development Impact Fee.

The resulting fee is allocated across land uses in proportion to each category's share of total growth-related trip-miles and is presented on a per-square-foot basis, consistent with AB-602. The amount of the fee imposed on each land use does not exceed the cost of regional circulation facilities reasonably attributable to that development category.

### Implementation and Compliance Notes

**Adoption and Program Structure:** The City of Grand Terrace shall adopt two separate development impact fee programs pursuant to the Mitigation Fee Act (Government Code § 66000 et seq.) and Assembly Bill 602 (AB-602): a Local Street Improvements Development Impact Fee applicable to City-controlled street facilities, and a Regional Circulation Development Impact Fee applicable to regional circulation facilities that serve development within the City and are planned and delivered in coordination with the San Bernardino County Transportation Authority (SBCTA). Upon adoption of the local fee, the City will discontinue the separate Arterial Improvement, Traffic Signal Improvement, and Operational Improvement components on the fee schedule and replace them with a single Local Street Improvements Development Impact Fee, consistent with the City's existing accounting practice under which all local street-related impact fee receipts are deposited into the Street Improvement Fund. The Regional Circulation Development Impact Fee shall be adopted as a distinct fee program, maintained in a separate account, and administered independently from the Local Street Improvements Development Impact Fee to ensure transparency and avoid commingling of funds.

**Fund Accounting and Reporting:** Revenues from the Local Street Improvements Development Impact Fee shall be deposited into the Street Improvement Fund, with interest earnings retained in the fund. Revenues from the Regional Circulation Development Impact Fee shall be deposited into a separate regional circulation fund established for that purpose. The City will maintain project-level tracking of revenues, expenditures, and interest for each fee program and will report annually in compliance with Government Code § 66006.

**Eligible Uses:** Local Street Improvements Development Impact Fee revenues may be used for eligible planning, engineering, design, and construction activities necessary to mitigate growth-related impacts on the City's local street system, consistent with the nexus established in this chapter. Eligible uses include, but are not limited to, local street, intersection, and signal capacity and operational improvements identified through adopted planning documents. Fee revenues may not be used for

routine operations, routine maintenance, deferred maintenance, or like-for-like replacement of existing facilities.

Regional Circulation Development Impact Fee revenues may be used solely to fund the City's growth-related share of eligible regional circulation facilities identified through SBCTA planning and programming processes. Eligible uses include planning, engineering, design, and construction of regional transportation facilities that accommodate growth-related travel demand attributable to development within the City. Regional fee revenues may not be used for routine operations, routine maintenance, deferred maintenance, or like-for-like replacement of existing facilities.

**Timing of Collection:** Both the Local Street Improvements Development Impact Fee and the Regional Circulation Development Impact Fee shall be collected at the time of building permit issuance, unless otherwise provided by City ordinance or an approved development agreement.

**Indexing:** Each fee schedule may be indexed annually using a construction cost index approved by the City Council to maintain purchasing power, consistent with the Mitigation Fee Act. Indexing shall be applied independently to each fee program.

**Credits and Reimbursements:** Developers who construct eligible, growth-related local street improvements or dedicate right-of-way consistent with the Local Street Improvements program may receive credits against local Street Improvements fees otherwise due. Developers who construct eligible, growth-related regional circulation facilities consistent with SBCTA-identified projects and City requirements may receive credits against Regional Circulation fees otherwise due. Where eligible improvements exceed the applicable fee obligation, the City may enter into a reimbursement agreement, subject to City Council approval and applicable program requirements. Credits and reimbursements shall be applied only within the applicable fee program and shall not be transferable between programs.

**AB-1600 Reporting:** The City will comply with annual reporting requirements for both fee programs, including reporting of collections, interest, expenditures, and fund balances. For any unexpended funds held five years or more, the City Council will make the findings required by Government Code § 66001(d). This chapter provides the technical basis to support those findings for both the Local Street Improvements and Regional Circulation Development Impact Fees.

**Program Applicability:** Both fee programs apply citywide to development approved by the City of Grand Terrace. Local Street Improvements fee revenues may be expended on eligible local facilities, and Regional Circulation fee revenues may be expended on eligible regional facilities, each consistent with the respective nexus established in this chapter and in a manner that maintains consistency with the City's General Plan and Circulation/Mobility Element.

**Transition Clarification:** No interfund transfer or consolidation is required for local street impact fee receipts because legacy Arterial Improvement, Traffic Signal Improvement, and Operational Improvement fees are already accounted for within the existing Street Improvement Fund. The City's next annual Development Impact Fee Report will note that the legacy local fee schedule line items have been administratively replaced by the unified Local Street Improvements Development Impact

Fee. Adoption of the Regional Circulation Development Impact Fee establishes a new, separate fee program and fund.

### References

Institute of Transportation Engineers. (2021). *Trip Generation Manual - 11th Edition*. Washington DC: Institute of Transportation Engineers.

San Diego Association of Governments. (2002). *Not So Brief Guide of Vehicular Traffic Generation Rates for the San Diego Region*. San Diego: California Department of Transportation.

**End of Chapter**

## Chapter 6

### General City Facilities

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#### Purpose and Scope

**Purpose:** The purpose of the General City Facilities Fee Program is to ensure that new development in the City of Grand Terrace contributes its fair share toward the cost of providing civic and administrative facilities required to serve growth. The City's general city facilities, including City Hall and other City-owned administrative and support buildings, house essential functions that serve residents, businesses, and visitors citywide. As Grand Terrace grows, these facilities must be expanded, reconfigured, or replaced to maintain the City's capacity to deliver public services at existing levels. The fee program provides a legally defensible mechanism under the Mitigation Fee Act (Gov. Code §66000 et seq.) and Assembly Bill 602 (AB-602) to allocate the growth share of these capital costs to new development.

**Scope of Improvements:** The General City Facilities Development Impact Fee (DIF) will fund the cost of providing civic and administrative capital facilities necessary to maintain established service levels as Grand Terrace grows. Eligible improvements are limited to capacity-adding capital projects and include four categories: (1) City Hall expansion to add or reconfigure administrative office and public-service space attributable to growth; (2) expansion of the City's pooled administrative and support vehicle inventory to serve additional service population and workload generated by new development; (3) City Yard expansion to increase operations, storage, and support capacity required to accommodate growth; and (4) capital equipment and furnishings necessary to outfit expanded facilities so they can operate at the established level of service. The scope is strictly limited to capital facilities, vehicles, and equipment that add capacity attributable to new development; operational expenses, staffing, vehicle replacement, equipment replacement, and routine maintenance are excluded.

**Scope of Beneficiaries:** The beneficiaries of the General City Facilities Impact Fee include all development within the City of Grand Terrace, encompassing both residential and nonresidential uses. General City facilities provide citywide administrative, legislative, and support services that are essential to the community. Residents rely on City Hall and related administrative facilities to access services such as planning, permitting, code enforcement, financial administration, and governance through the City Council. Employees and businesses likewise depend on these facilities for critical administrative services, including land use approvals, business licensing, and regulatory oversight. Visitors benefit indirectly, as these facilities enable the City to administer the public services that support a safe and functional civic environment, although the responsibility for funding facility expansions is assigned to development located within the City.

Both existing and future residents and businesses are beneficiaries of the program. Existing development is currently served by the City's inventory of general city facilities, while future development will generate additional demand as the community continues to grow. The purpose of the impact fee is to ensure that new development funds only its fair share of the costs required to

accommodate this additional demand. This structure prevents existing residents and businesses from being required to subsidize growth and helps preserve the current level of service provided by the City. In this way, the fee program treats existing and future development equitably and complies with the proportionality requirements of the Mitigation Fee Act and Assembly Bill 602 (AB-602).

**Scope of the Nexus:** The nexus for the General City Facilities Impact Fee is established through the relationship between growth in the City’s service population and the demand for civic and administrative facilities. Service population is a standard measure in development impact fee studies that combines both residents and employment into a single metric, reflecting the fact that City Hall, general city vehicle fleets, City Yard operations, and shared administrative equipment support not only the people who live in Grand Terrace but also those who work in the City each day. As new development occurs, both residents and employees contribute to the overall demand for these facilities and the support systems they rely on.

The fee program first determines the growth-related share of General City Facilities costs by applying the service population growth share to the City’s existing facilities inventory. The resulting growth-sized costs are then allocated between existing development and new development based on their respective shares of existing and potential land uses within the City. Existing residents and businesses are already served by the City’s current inventory of civic and administrative facilities, while new residents and businesses generated by development will create additional demand in the future.

This chapter describes the methodology used to determine the appropriate share of costs to be assigned to new development, with detailed calculations provided in the following sections.

### Existing System

**Assets and Infrastructure:** The City of Grand Terrace maintains a system of General City facilities and assets that provide the administrative, legislative, and operational backbone for public service delivery. Together, these facilities and resources house the City’s executive offices, administrative departments, public works operations, and shared support functions that serve residents and businesses citywide.

- **City Hall** – Serves as the primary administrative center, housing executive management, finance, planning, permitting, and other core administrative functions, as well as public counters and meeting spaces used by the community. For planning purposes in this study, City Hall is treated as providing approximately 16,700 square feet of general city administrative space, consistent with the City’s 2005–2006 development impact fee nexus study for general city facilities.
- **General City Vehicles** – Consist of a pooled general city fleet used by administrative and support staff to perform inspections, field visits, interdepartmental travel, and other citywide service activities that support Grand Terrace’s general government functions. The current general city fleet includes 9 vehicles (pickup trucks, sedans, a hybrid, and a van), with a total replacement cost of \$334,500 based on the City’s General City Assets Worksheet for vehicles.

- **City Yard Facilities** – Provide operations, storage, and staging space for public works and general government support activities, including storage of materials, equipment, and vehicles needed to maintain City infrastructure and support field operations.
- **General City Equipment** – Includes shared furniture, fixtures, technology, and other equipment necessary for City Hall and City Yard functions to operate effectively and to support internal services such as finance, human resources, information technology, and records management.

These facilities and assets together comprise the City’s General City Facilities system and form the physical base of service that supports both existing and future development.

**Existing Financial Commitment:** The City’s current General City Facilities system represents a substantial financial investment that has been borne by existing residents and businesses. Based on the City’s asset records and planning-level replacement cost estimates in 2025 dollars, the replacement value of existing General City Facilities is as follows:

- City Hall: \$9,250,490
- General City Vehicles: \$334,500
- City Yard Facilities: \$1,503,900
- General City Equipment: \$462,525

Total existing facilities replacement value: \$11,551,415

These figures represent the existing community’s financial commitment to City Hall, the general city fleet, City Yard facilities, and shared equipment that support general city services citywide. Under the Mitigation Fee Act (Government Code §§66000–66025), new development is not required to buy into this existing investment, but must fund its proportional share of the additional facilities, vehicles, yard capacity, and equipment needed to accommodate growth. Calculations are performed at full precision in the model; values are displayed to whole dollars for publication.

In addition to these physical assets, the City maintains a restricted General City Facilities development impact fee fund with an available balance of \$194,105. This balance reflects prior contributions from new development and will be applied as an offset to the new-development share of the General City Facilities capital program in the fee calculation, ensuring that new development is not overcharged for needs that have already been partially funded.

**Level of Service:** The level of service for General City Facilities is expressed in terms of the civic and administrative facilities available to the community relative to the City’s service population. Service population combines residents and employment into a single measure of the people who rely on the City’s administrative system for day-to-day services, regulatory functions, and governance.

The General City Facilities system, consisting of City Hall, the general city vehicle fleet, City Yard facilities, and shared general city equipment, provides the administrative capacity necessary to serve this service population. City Hall contributes approximately 16,700 square feet of administrative space, and, together with the City Yard, vehicles, and equipment, represents an existing facilities

replacement value of \$11,551,415 in 2025 dollars. These facilities and assets define the current level of service that the City provides to its residents and businesses.

As Grand Terrace grows, the service population is projected to increase, creating additional demand on City Hall, the general city fleet, City Yard operations, and associated equipment. The General City Facilities Impact Fee is structured so that new development funds its fair share of the additional facilities, vehicles, yard capacity, and equipment needed to maintain the City's established relationship between General City Facilities and service population. This approach aligns with the requirements of the Mitigation Fee Act and Assembly Bill 602 (AB-602), ensuring that facility expansion keeps pace with growth without shifting the cost of serving new development onto existing residents and businesses.

### **Growth and Demand**

**Growth Inputs:** Growth in the demand for General City Facilities is measured using service population, which combines residents and jobs into a single metric. This reflects the fact that civic and administrative functions serve both people who live in Grand Terrace and those who work in the City.

Existing residents total 13,069, and the corrected growth in residents at buildout is 18,931, resulting in buildout residents of 32,000. Existing employment is 3,453 jobs, and buildout employment is estimated at approximately 6,285 jobs based on the ratio of buildout to existing nonresidential floor area.

For General City Facilities, each job is weighted as one-half of a resident, so service population is calculated as residents plus 0.5 times jobs. On this basis, the existing service population is 14,796, and the buildout service population is 35,143, resulting in an increase of 20,347 service population units at buildout.

The resulting service population growth share — the ratio of growth (20,347) to buildout service population (35,143) — is 57.90% (0.579). This growth share is used to size the General City Facilities capital program so that only the portion of costs attributable to growth is carried forward into the allocation of project costs and fee calculation.

**Method:** The General City Facilities impact fee is calculated using the City's service population framework and a three-step process.

First, the capital program is sized to growth. Service population is defined as residents plus 0.5 times jobs, reflecting that General City Facilities support both households and employment. Using existing and buildout residents and jobs, the City's existing service population is 14,796, and the buildout service population is 35,143, resulting in projected growth of 20,347 service population units. This represents a service population growth share of 57.90%. Each General City Facilities project—City Hall Expansion, General City Vehicle Expansion, City Yard Expansion, and General City Equipment Expansion—is multiplied by this 57.90% growth share to establish its growth-sized cost. The remaining share of each project is attributed to existing development and is expected to be funded

from non-impact fee sources. Before allocating costs to land uses, the available General City Facilities development impact fee fund balance of \$194,105 is applied as an offset to the growth-sized capital program so that new development is not charged for needs that have already been partially funded.

Second, the growth-sized costs are allocated between new and existing development. Consistent with the City's land use distribution for this program, 49.06% of the growth-sized costs are assigned to new development and 50.94% are assigned to existing development. Only the portion allocated to new development is used to calculate the fee.

Finally, the portion of costs assigned to new development is translated into fee levels by land use. Growth-related costs are distributed across residential and nonresidential land use categories in proportion to each category's share of service population at buildout. For residential uses, the resulting burden is first expressed on a per dwelling unit basis using persons-per-household factors, then converted into a per square foot fee by applying average dwelling unit sizes in accordance with Assembly Bill 602 (AB-602). For nonresidential development, the service population-based allocation is converted into a cost per square foot of new floor area using employment density factors. All calculations are performed at full precision in the underlying model; values are rounded only when presenting the fee schedule for adoption, ensuring that the General City Facilities fee is technically sound, equitable, and compliant with state law.

### Capital Programs

The City has identified a set of General City Facilities projects that provide the administrative and civic capacity needed to serve the community. These include expansion of City Hall, expansion of the general city vehicle fleet, expansion of City Yard facilities, and expansion of shared general city equipment. Each of these elements represents a major capital investment and will require additional capacity in order to maintain the current level of service as Grand Terrace grows.

The purpose of the capital program is not to introduce new services or higher standards, but to ensure that the City has sufficient administrative and operational capacity to serve a larger community at the same level of service that is available today. The projects included in the program are drawn from the City's General City Facilities planning data and expressed in 2025 dollars. Together, they establish the financial basis for allocating a fair share of costs to new development based on growth in service population.

The General City Facilities capital program is defined as follows:

- City Hall Expansion – additional administrative space to support executive management, finance, planning, permitting, and other core general city functions.
- General City Vehicle Expansion – additions to the general city fleet required to support inspections, field visits, interdepartmental travel, and other citywide service activities.
- City Yard Expansion – additional yard, storage, and operations space needed to support public works and general government activities.

- General City Equipment Expansion – furnishings, fixtures, technology, and related equipment required to place expanded City Hall and City Yard capacity into service.

Together, these projects represent the capital program for General City Facilities. The cost of providing this program is sized to growth using the service population method described earlier and then allocated to new development based on its share of potential land uses within the City. The growth-related share assigned to new development is subsequently distributed across land use categories in proportion to each category's share of service population at buildout.

The following section outlines the individual capital projects that comprise the City's General City Facilities program. Each project corresponds to one of the City's major administrative or operational needs and is presented with a project identifier, title, description, and key details. These descriptions are intentionally high-level to provide flexibility in implementation, focusing on the function of the improvement rather than prescriptive design features. All project costs are stated in 2025 dollars, with timing assumed to fall within the 2026–2036 planning horizon.

### General City Facilities Projects

**Project ID:** GG-001

**Project Title:** City Hall Expansion/Modernization

**Project Description:** Remodel and expand City Hall to increase administrative capacity and ensure the building can accommodate a larger service population. Improvements may include reconfiguring office and meeting space, upgrading technology systems to support digital permitting and financial operations, enhancing public counters to serve more customers, and modernizing core building systems such as HVAC, communications, and energy efficiency. The project is intended to maintain the City's established level of General City Facilities service as Grand Terrace grows, rather than to introduce a higher standard.

**Size:** To be determined based on final space planning and design.

**Location:** City Hall

**Total Cost:** \$5,356,034

**New Development Share (49.06%):** \$2,627,876

**Existing Development Share (50.94%):** \$2,728,158

**Timing:** 2026–2036

**Project ID:** GG-002

**Project Title:** General City Vehicle Expansion

**Project Description:** This project expands the City's general-purpose administrative and support vehicle fleet to maintain the established level of service as Grand Terrace's service population grows. General City vehicles support a wide range of activities, including inspections, interdepartmental travel, site visits, community response, internal logistics, and citywide operational support. Growth in residential and nonresidential development increases the workload for administrative and field personnel, requiring additional vehicles to sustain current service levels. The project provides for the acquisition of new vehicles sized to the City's projected service population growth.

**Size:** TBD

**Location:** Citywide

**Total Cost:** \$193,676

**New Development Share (49.06%):** \$95,025

**Existing Development Share (50.94%):** \$98,651

**Timing:** 2026–2036

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**Project ID:** GG-003

**Project Title:** City Yard Expansion

**Project Description:** This project expands City Yard facilities to maintain operational and storage capacity as Grand Terrace's service population grows. The City Yard supports public works and general government activities, including materials storage, equipment and vehicle staging, and field operations support. As development adds residents and employment, demand increases for inspections, maintenance, and other field services, which in turn requires additional yard space to sustain the established level of service. Improvements may include expanded covered and uncovered yard areas, additional storage, circulation and access improvements, and related site work.

**Size:** Additional yard and storage area sized to service population growth (to be determined at design).

**Location:** City Yard Facilities

**Total Cost:** \$870,758

**New Development Share (49.06%):** \$427,227

**Existing Development Share (50.94%):** \$443,531

**Timing:** 2026–2036

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**Project ID:** GG-004

**Project Title:** General City Equipment Expansion

**Project Description:** This project provides additional general city equipment to support expanded administrative and operational capacity as the community grows. General City equipment includes shared furnishings, fixtures, information technology, communications hardware, and other office and operational equipment necessary to place expanded City Hall and City Yard capacity into service. As new development increases the City's service population, additional workstations, meeting spaces, technology, and related equipment are needed to maintain the City's current level of administrative and operational service.

**Size:** Additional equipment and furnishings sized to service population growth (to be determined at implementation).

**Location:** City Hall, City Yard, and other general city administrative and operational locations.

**Total Cost:** \$267,802

**New Development Share (49.06%):** \$131,394

**Existing Development Share (50.94%):** \$136,408

**Timing:** 2026–2036

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**Capital Program Summary:** Together, the projects described above represent the City's General City Facilities capital program. These improvements provide for the proportional expansion and modernization of the City Hall facility, the general city vehicle fleet, the City Yard, and the shared general city equipment necessary to accommodate a larger service population. The program is designed to maintain—not enhance—the City's existing level of administrative and operational service as Grand Terrace grows.

Each project is sized to growth using the City's service population methodology, ensuring that only the growth-related share of costs is carried forward. That growth-related share is then allocated between existing and new development based on their respective shares of existing and potential land uses, so new development funds only its proportional share while the existing community remains responsible for the balance.

### Allocation of Project Costs

The cost of the General City Facilities capital program is allocated between existing and new development based on the City's adopted land use distribution. As described in the Method section, the overall size of the program is first determined by applying the service population growth share to the City's existing General City Facilities inventory. Using the service population totals, the growth

share is 57.90% (0.579). Each project is multiplied by this growth share to establish its growth-sized cost.

The resulting growth-sized costs are then allocated between new and existing development using the land use split for this program. Consistent with Grand Terrace's existing and potential land use distribution, 49.06% of growth-sized costs are assigned to new development and 50.94% are assigned to existing development. This approach recognizes that while the program is sized for growth using the service population, the fair-share division of that growth-related cost reflects the proportional shares of existing and potential land uses in the City.

Applying these proportions to the estimated cost of each project yields the following allocations (2025 dollars, rounded to whole dollars for presentation):

- City Hall Expansion/Modernization has a total growth-sized cost of \$5,356,034, of which \$2,627,876 is allocated to new development and \$2,728,158 to existing development.
- General City Vehicle Expansion has a total growth-sized cost of \$193,676, with \$95,025 allocated to new development and \$98,651 to existing development.
- City Yard Expansion has a total growth-sized cost of \$870,758, with \$427,227 allocated to new development and \$443,531 to existing development.
- General City Equipment Expansion has a total growth-sized cost of \$267,802, with \$131,394 allocated to new development and \$136,408 to existing development.

In total, the growth-sized General City Facilities capital program amounts to \$6,688,269 in 2025 dollars. Of this amount, \$3,281,522 is attributable to new development, while \$3,406,747 is assigned to the existing community. Before fees are calculated, the existing General City Facilities development impact fee fund balance of \$194,105 is applied as an offset to the new-development share of the program. Accordingly, the net cost to be recovered from new development through this fee update is \$3,087,417.

This allocation ensures that new development contributes only its proportionate share of the cost of expanding General City Facilities, consistent with the Mitigation Fee Act and Assembly Bill 602 (AB-602), while existing residents and businesses continue to support the costs associated with their current use of these facilities.

### **Derivation of Maximum Justified Fees**

The maximum justified General City Facilities fees are derived by starting with the growth-related share of the capital program and then translating that cost into fee levels by land use. As described in the Allocation of Project Costs section, each General City Facilities project—City Hall Expansion, General City Vehicle Expansion, City Yard Expansion, and General City Equipment Expansion—is first sized to growth using the service population method and then split between new and existing development using the adopted land use distribution (49.06% to new development and 50.94% to existing development). Summing across the four projects produces the total General City Facilities

capital program attributable to new development. Before calculating fees, the existing General City Facilities development impact fee fund balance of \$194,105 is applied as an offset to this total, reducing the amount that must be recovered from future development. The resulting net new-development cost, expressed in 2025 dollars, represents the total capital burden that the fee program is designed to recover from new growth.

Once the net new-development cost is established, it is allocated across land use categories in proportion to each category's share of the City's service population at buildout. Service population, defined as residents plus 0.5 times jobs, captures the way General City Facilities serve both households and employment. Residential land uses receive a share of the net new-development cost based on their contribution to total service population, and nonresidential land uses receive a corresponding share based on the service population associated with employment in those categories. This ensures that each land use is responsible for only the portion of the capital program that is reasonably related to the administrative and civic demand it creates.

For residential development, each land use category's allocated cost is then converted into a fee by dividing the allocated cost by the projected net increase in dwelling units and subsequently converting the result into a per-square foot fee using the City's adopted average dwelling sizes, consistent with Assembly Bill 602 (AB-602), which requires residential development impact fees to be stated on a per-square foot basis. For nonresidential development, each category's allocated cost is divided by the projected net increase in nonresidential floor area to produce a fee stated in dollars per square foot of new building space. All calculations are performed using full-precision values in the model, with rounding applied only when presenting the fee schedule for adoption. In this way, the General City Facilities fees are derived directly from the growth-related capital costs, allocated in proportion to service population, and expressed in fee units that are consistent with state law and the City's land use data, without introducing intermediate fee-per-service-population metrics that are not used in the actual calculations.

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Table 6-1

Allocation of Development Cost Per Land Use		
Land Use	Service Population Allocation Factor	Maximum Justified Fee
Single Family Detached	1,023.56	\$0.321/SF
Multi-Family Attached	207.40	\$0.132/SF
Manufactured/Mobile Homes	1.00	\$0.248/SF
General Commercial	165.25	\$0.128/SF
Office Commercial	31.91	\$0.128/SF
Industrial	147.10	\$0.150/SF

### Existing Community Financial Commitment Comparison

The City of Grand Terrace has already made substantial financial commitments toward its General City Facilities system. These commitments are reflected in the existing replacement values for City Hall, the general city vehicle fleet, City Yard facilities, and shared general city equipment, which together represent an estimated \$11,551,415 in 2025 replacement cost. This amount captures the value of the current portfolio of administrative and operational assets that serve today's residents and businesses.

By comparison, based on the corrected service population growth share, the growth-sized General City Facilities capital program totals \$6,688,269. Of this amount, \$3,281,522 is allocated to new development based on the City's potential land-use share. After applying the existing General City Facilities development impact fee fund balance of \$194,105 as a credit, the net share of the capital program to be funded by new development is \$3,087,417, which represents 46.162% of the growth-sized capital program.

This comparison demonstrates that the existing community has funded the majority of the General City Facilities system, and that new development is being asked to contribute only a proportional share necessary to accommodate its fair impact. The City's approach avoids shifting existing deficiencies onto new development while ensuring that future residents and employees will continue to receive the same standard of administrative and civic service as today's community.

Table 6-2

Allocation of Existing Cost per Land Use		
Land Use	Service Population Allocation Factor	Existing Financial Commitment Per SF
Single Family Detached	999.56	\$1.240/SF
Multi-Family Attached	180.18	\$0.804/SF
Manufactured/Mobile Homes	31.57	\$0.707/SF
General Commercial	152.85	\$0.465/SF
Office Commercial	34.71	\$0.458/SF
Industrial	237.50	\$0.549/SF

### Fee Schedule and Summary

Based on the cost of the growth-sized General City Facilities capital program and the allocation of those costs to new development, the City has determined the maximum justified General City Facilities impact fee for each land use category. The fee is structured to ensure that new development contributes a fair and proportionate share of the costs associated with expanding City Hall, the general city vehicle fleet, City Yard facilities, and shared general city equipment so that the existing level of administrative and civic service is maintained as the community grows. Consistent with the requirements of Assembly Bill 602 (AB-602), residential fees are presented on a per-square foot basis, derived from per-dwelling unit calculations using the City's adopted average dwelling sizes. Nonresidential fees are also stated on a per-square foot basis, reflecting the broad, shared manner in which General City Facilities support commercial and employment activity across all nonresidential land uses.

The resulting fee schedule applies the same underlying methodology described in this chapter, translating each land use's allocated share of the net new-development cost into a fee per unit of development that is reasonably related to the demand it creates. The following table presents the maximum justified General City Facilities impact fees by land use category. The City Council may adopt fees up to these amounts; adopting fees below the maximum justified levels is a policy choice and would result in less than full cost recovery of the new development share of General City Facilities.

Table 6-3

Summary of Proposed Development Impact Fees	
Land Use	Per SF
Single Family Detached	\$0.321/SF
Multi-Family Attached	\$0.132/SF
Manufactured/Mobile Homes	\$0.248/SF
General Commercial	\$0.128/SF
Office Commercial	\$0.128/SF
Industrial	\$0.150/SF

### Current General City Facilities Development Impact Fees

The City of Grand Terrace currently imposes a General City Facilities development impact fee only on residential development. As shown in the City’s adopted residential fee schedule, the existing General City Facilities fee is charged at a flat rate of \$1,102 per dwelling unit, applied equally to both detached and attached residential units. No General City Facilities impact fee is presently charged on nonresidential development.

The City accounts for these revenues in the Facilities Development special revenue fund. According to the City’s most recent Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2024, this fund reported an ending restricted fund balance of \$194,105. This balance represents prior contributions from new residential development that are available to support eligible General City Facilities capital projects.

This nexus study updates and expands the program so that General City Facilities costs are allocated across both residential and nonresidential land uses in proportion to their service population. The resulting fee schedule replaces the existing residential-only structure with a set of maximum justified fees by land use category, while recognizing the current Facilities Development fund balance as an offset to the new-development share of the capital program.

### Five Findings

#### **1. Purpose of the Fee**

The purpose of the fee is to fund the expansion and modernization of General City Facilities—including City Hall, the general city vehicle fleet, City Yard facilities, and shared general city

equipment—necessary to maintain the City’s established level of administrative and civic service as new development increases the service population.

## **2. Use of the Fee**

Fee revenues will be used to finance the General City Facilities capital projects identified in this study. Eligible uses include remodeling and expanding City Hall, adding general city vehicles to support administrative and field operations, expanding City Yard capacity, and acquiring the equipment and technology needed to place this expanded capacity into service. All expenditures are limited to growth-related capital costs and may not be used for operations or routine maintenance.

## **3. Relationship Between Fee’s Use and Type of Development**

New development generates an increase in service population—through added residents and employment—which in turn increases the demand placed on the City’s General City Facilities. Fee revenues will be used to expand General City Facilities capacity so that administrative and civic services remain available at the existing standard as the community grows. In this way, the use of the fee is directly related to the impacts of the development on the City’s general government system.

## **4. Relationship Between the Need for Facilities and the Type of Development**

The need for expanded General City Facilities arises directly from growth in residents and jobs. As the service population increases, additional administrative space, vehicles, yard capacity, and general city equipment are required to continue delivering existing levels of service. By allocating the growth-related portion of the General City Facilities capital program in proportion to each land use category’s share of service population at buildout, the fee ensures that each type of development contributes in accordance with the demand it creates.

## **5. Relationship Between Amount of the Fee and Cost Attributable to Development**

The amount of the fee is calculated by dividing each land use category’s allocated share of the net new-development cost of the General City Facilities capital program by the corresponding measure of new development (dwelling units and residential square footage for residential uses, and building square footage for nonresidential uses). Residential fees are expressed on a per-square foot basis consistent with Assembly Bill 602 (AB-602), and nonresidential fees are expressed on a per-square foot basis as well. This structure ensures that no land use is charged more than its proportional share of the cost of facilities needed to serve growth.

### **Implementation and Compliance Notes**

**Adoption and Program Structure:** The City will update and readopt the General City Facilities development impact fee (DIF) by Council action upon adoption of this nexus study. The City will continue to impose, collect, and administer the fee as an existing component of its development impact fee program. Fee revenues remain restricted to eligible General City Facilities improvements

identified in this study, including the expansion, remodel, or modernization of City Hall, the general city vehicle fleet, City Yard facilities, and general city equipment required to maintain service levels for the growing community.

**Fund Accounting and Reporting:** The City will continue to maintain the existing General City Facilities DIF fund/account. All fee revenues (and interest) will remain deposited into this account and expended only for the purposes identified in this study. The City will continue publishing the annual AB-1600 report (Gov. Code §66006) and making the required five-year findings for any unexpended balance (Gov. Code §66001(d)). If the City cannot make the required five-year findings, any remaining balances must be refunded as provided by law.

**Administration and Schedule Management:** Fees are due at the time of building permit issuance. The fee schedule shall be indexed annually to an appropriate construction-cost index, such as the Engineering News-Record (ENR) Building Cost Index. The City will maintain a public, up-to-date fee schedule and post the nexus study and schedule on its website for transparency.

**Use of Funds (Eligibility):** Expenditures are limited to the growth-related share of projects that add General City Facilities capacity. Eligible uses include planning, land acquisition (if needed), design, permitting, construction, remodel, and expansion of City Hall and City Yard facilities, acquisition of additional general city vehicles, and the purchase of furnishings, equipment, and technology systems directly tied to growth. Expenditures for like-for-like replacements that do not add capacity, as well as staffing, operations, or general government service costs, are not eligible.

**Program Applicability:** Fees apply to net new development (additions minus removals) as defined in this study. The City may program General City Facilities DIF revenues anywhere in the city where a listed project maintains the established level of administrative and civic service for the community.

## End of Chapter

## Chapter 7

### Public Use (Community Centers) Facilities

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#### Purpose and Scope

**Purpose:** This chapter establishes the Public Use Facilities development impact fee so that new residential development contributes its fair, proportional share of the capital facilities needed to serve additional residents. The program maintains the City's existing level of service for public use facilities and multi-purpose recreation space by funding the construction and expansion of community center building space and the on-site improvements necessary to place that space into service. Revenues are deposited in a dedicated account and used solely for eligible Community Center capital facilities, consistent with the Mitigation Fee Act and AB-602. In accordance with AB-602, residential fees are expressed on a per square foot basis to reflect proportional demand by unit size.

**Scope of Improvements:** Public Use Facilities include the construction, expansion, or relocation of community centers, meeting halls, and other public buildings that provide civic and recreational gathering space for residents. Eligible improvements include new or expanded community center buildings, core building systems, interior build-out, and related on-site improvements required to put those buildings into service (such as utility connections, access and circulation improvements, and code-triggered upgrades associated with expansions or renovations). Land acquisition associated with community center facilities is eligible when it is required to deliver the building program.

This program also includes the relocation and construction of a new Library facility, intended to provide dedicated space for Library functions currently housed within City Hall. For Library facilities, the City owns the building space while the County operates Library services. Impact fee revenues may be used only for capital building improvements and required site work (e.g., acquisition, construction, expansion, core systems, interior build-out, and necessary utility and access improvements) and may not be used for operations, programming, staffing, collections/materials, or other non-capital costs.

The Public Use Facilities program does not fund operations, routine maintenance, stand-alone repairs unrelated to growth, movable equipment, or non-community-center facilities. Park and outdoor recreation facilities are addressed separately under the City's Parks Development Impact Fee.

**Scope of Beneficiaries:** This fee applies to residential development only. Demand for Public Use Facilities (community centers and the relocated Library) is population-based, arising from household growth measured by persons-per-household (PPH) and translated into a square-feet-per-resident service standard. A defensible, proportional linkage to nonresidential floor area is not established for this facility type, so nonresidential development is excluded.

Limiting the fee to residential development narrowly tailors the charge to demonstrated demand and maintains proportionality. The program is calibrated so that growth funds only its share of facilities required to serve new residents, thereby maintaining the City's established level of service for both new and existing residents. Existing development is not charged for existing deficiencies or past shortfalls.

Credits or reimbursements are available where an applicant constructs eligible Public Use Facilities improvements or dedicates eligible land accepted by the City, consistent with this chapter.

**Scope of Nexus:** New residential development increases population, which in turn increases demand for multi-purpose public meeting space and Library services. The program measures that demand using the City’s existing service standard expressed in square feet per resident and sizes the growth share as the additional building area required to maintain that standard as development occurs.

The use of fee revenues is limited to capital facilities that add or expand Community Center and Library building space to serve residents; the fee is not used to rehabilitate or replace existing facilities without capacity expansion. Because the City’s empirical demand evidence is resident-based, the fee applies to residential development only.

The amount of the fee bears a reasonable relationship to development’s share of cost. The study converts the service standard into a cost per person by applying unit costs per building square foot (construction and land), then translates that to a per-residential-square-foot schedule and allocates by housing type to reflect proportional demand. All calculations are performed at full precision in the model; values displayed in this chapter may be rounded for readability (e.g., currency to whole dollars).

### Existing System

**Assets and Infrastructure:** Grand Terrace’s Public Use Facilities consist of indoor civic buildings that host public meetings, youth and senior programming, classes, cultural events, and drop-in recreation. These facilities are purpose-built, climate-controlled spaces—multi-purpose rooms, classrooms, support areas, restrooms, storage, and administrative space—paired with the on-site improvements necessary to place them into service (e.g., access/circulation and utility connections). Unlike park acreage or library collections, Public Use Facilities are measured by building square footage because the service being delivered is fundamentally usable space capacity for people and programs.

Given the City’s smaller system, facilities are limited in number and program mix; the inventory nonetheless provides essential community meeting capacity and establishes the level of service (LOS) used in this chapter. The total existing building inventory is 36,575 square feet. The detailed facility inventory—including community center space and the City-owned Library building space—is presented in Table 7-1, which serves as the audit trail for the LOS calculation (square feet per resident) used later in this chapter. For readability, square footage values in Table 7-1 may be shown as whole numbers; any minor differences are due solely to display rounding.

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Table 7-1

Public Use Facilities Existing	
Land Use	Square Feet
Lions Club Community Center	21,985
Blue Mountain Vill Community Center	11,290
Library	3,300
Total	36,575

**Existing Financial Commitment:** To illustrate the scale of the City’s prior investment in Public Use Facilities, the planning-level replacement value of the current building inventory is estimated as follows.

*This estimate represents what it would cost to replace the existing facilities in their current form and does not indicate a funding obligation or form part of the fee calculation basis.*

#### A. Construction Component

- Inventory for replacement-value analysis: 36,575 SF
- Replacement construction cost per building SF: \$450.00
- Estimated replacement construction value: \$16,458,750  
(*calculation: 36,575 SF × \$450/SF = \$16,458,750*)

#### B. Land Component

- Land cost per building SF (based on \$1,235,565 per acre @ 0.33 FAR): \$85.95
- Estimated land value for existing sites: \$3,143,621  
(*calculation: 36,575 SF × \$85.95/SF = \$3,143,621*)

#### C. Total Planning-Level Replacement Value

- Combined construction + land value: \$19,602,371  
(*calculation: \$16,458,750 + \$3,143,621 = \$19,602,371*)

This replacement-value estimate provides context for the magnitude of the existing system; it does not create an obligation to replace existing facilities with fee revenues. New development pays only its proportional share to maintain the current service standard as growth occurs. Credits or reimbursements are available where an applicant constructs eligible Public Use Facilities improvements or dedicates eligible land accepted by the City, ensuring payers are not charged twice.

### Growth and Demand

**Method:** The program maintains the City’s existing public meeting/Library building space per resident standard. The service standard used in the model is 2.799 square feet per resident, derived from the documented inventory (36,575 SF) and current resident population (13,069). This LOS is held constant for growth, so new residential development funds the additional building area required to preserve today’s service level for both new and existing residents. In the model, required new space is calculated as net-new residents × 2.799 SF per resident, and is priced using the unit cost components established elsewhere in this chapter.

**Cost Basis:** The cost of Public Use Facilities building space is priced per building square foot and consists of construction and land components. *Calculations are performed at full precision in the model; values are displayed to 3 decimals for publication.*

#### **A) Construction Cost (2025 dollars): \$450 per building SF**

**Origin.** The City’s prior public building construction basis, from the 2005–2006 Grand Terrace Development Impact Fee Nexus Study, was \$250 per SF.

**Escalation Method (ENR BCI).** The historical basis is escalated to 2025 using the Engineering News-Record (ENR) Building Cost Index (BCI):

- Base construction cost (2005–2006): \$250/SF
- ENR BCI (2025): 13,914
- ENR BCI (2005–2006): 7,722
- Escalation factor: 1.802 (= 13,914 ÷ 7,722)
- Resulting 2025 planning value: \$450/SF (= 250 × 1.802, rounded)

**Formula.** 2025 construction cost = 2005–2006 construction cost × (ENR BCI 2025 ÷ ENR BCI 2005–2006).

#### **B) Land Cost (2025 dollars): \$85.95 per building SF**

**Approach.** The City developed a Grand Terrace–specific land basis using local market evidence suitable for civic use (recent listings/offers and market indications). Candidate sites were screened to reflect market-rate transactions between independent parties and to exclude internal transfers, distressed or subsidized sales, atypical encumbrances, speculative assemblages, or other non-market conditions. Each candidate was normalized to dollars per acre, converted to dollars per square foot of land, and then to dollars per square foot of building using a 0.33 floor area ratio (FAR) appropriate for single-story/low-rise civic buildings with parking and circulation.

Planning value and conversion.

- Adopted land cost per acre: \$1,235,565 per acre

- Per land SF:  $\$1,235,565 \div 43,560 = \$28.36$  per land SF
- Per building SF (at FAR 0.33):  $\$28.36 \div 0.33 \approx \$85.95$  per building SF

**FAR Source.** The 0.33 FAR assumption is consistent with the City's 2005–2006 Nexus Study treatment for community center sites.

**Documentation.** The detailed comparable set, screening notes, and conversions are provided in Appendix H.

**C) Total Unit Cost (2025 dollars): \$535.95 per building SF**

- Construction: \$450/SF
- Land: \$85.95/SF
- Total: \$535.95/SF

**Calculation Framework**

1. Convert units to residents. Net-new dwelling units are converted to net-new residents using the City's persons-per-household by housing type.
2. Size required building area. Required space for growth is calculated as net-new residents  $\times$  2.799 SF per resident (the City's service standard).
3. Price the requirement. The required space is priced at \$535.95 per building SF. Equivalently, the cost per additional resident is  $2.799 \times \$535.95 = \$1,500.13$  (display value).
4. Express fees. Residential fees are expressed per residential square foot by housing type; the resulting schedule and revenue projection are presented in later sections.

*Calculations are performed at full precision in the model; values are displayed at 3 decimals for publication (LOS shown as 2.799).*

**Required Building Area:** To maintain the City's service standard for Public Use Facilities, the required building area for growth is calculated as (*net-new residents  $\times$  service standard*).

- Growth population (net-new residents): 18,931.33
- Service standard (SF per resident): 2.799
- Required building area:  $18,931.33 \times 2.799 = 52,988.79$  SF

This figure represents the additional building space needed to serve growth while preserving the existing level of service. Cost applications (construction and land) are addressed separately and are not included here.

### Fee Nexus and Allocation

**Basis of Proportionality:** New residential development adds population that uses Public Use Facilities. To maintain the City's 2.799 square feet per resident standard, the number of net-new residents is multiplied by 2.799 to determine the required building space, which is then priced using the unit costs set out in this chapter. Fees are expressed per residential square foot so that larger homes (greater floor area/occupancy) pay proportionally more. The fee applies to residential development only; a defensible proportional linkage to nonresidential floor area is not established for this facility type.

**Allocation by Housing Type:** Fees are calibrated by housing type using the City's persons-per-household and average unit size inputs, aligning payments with the relative demand each housing type places on Public Use Facilities while maintaining the same service standard for both new and existing residents.

**Residential Fee Schedule (per square foot of unit floor area):** Fees are charged per residential square foot at building permit. Rates reflect the established 2.799 SF per resident standard and the cost basis defined in this chapter. The fee applies to residential development only.

**Table 7-2**

Summary of Proposed Development Impact Fees	
Land Use	Fee Per SF
Single Family Detached	\$2.426/SF
Multi-Family Attached	\$4.286/SF
Manufactured/Mobile Homes	\$3.764/SF

### Revenue Projection

Using the adopted per-residential-square-foot schedule and the model's growth residential floor area, the maximum Public Use Facilities fee revenue at buildout is:

- Single Family Detached: 3,235 units × \$4,680.42 (model) = \$15,141,152
- Multi-Family Attached: 3,801 units × \$3,480.31 (model) = \$13,228,661
- Manufactured/Mobile Homes: 7 units × \$4,245.38 (model) = \$29,718

Total (to the dollar): \$28,399,531

*Calculations are performed at full precision in the model; values are displayed to whole dollars for publication. Minor rounding differences may occur—the total controls.*

### Capital Program and Use of Funds

Impact fee revenues are restricted to capital improvements that add building capacity for Public Use Facilities. Eligible uses include planning, design, permitting, construction, interior build-out, and on-site improvements necessary to place new or expanded space into service (e.g., access/circulation and utility connections). Land acquisition is eligible when required to deliver the building program. Fees may not be used for operations, routine maintenance, or like-for-like replacements that do not increase capacity. Funds may be programmed citywide wherever projects maintain the established service standard for residents. Credits or reimbursements will be provided where an applicant constructs eligible improvements or dedicates eligible land accepted by the City.

This program also includes Library building space. The City owns Library building facilities while County staff operate Library services; impact fee revenues may be used only for Library building capital (e.g., construction or relocation of a dedicated Library facility and required site work), not for operational services or materials.

To translate the growth requirement into deliverable capital work, the program identifies a scoped, fundable capital action as the vehicle for adding building square footage. The growth-related space may be implemented through additions at existing centers and/or a new multi-purpose facility, and may include the relocation and construction of a dedicated Library building. Final siting, phasing, and packaging will be determined during capital planning to maintain the City's established level of service.

### Public Use Facilities Projects

**Project ID:** PF-001

**Project Title:** Public Use Space Expansion

**Description:** This project expands Public Use building space to accommodate additional residents and maintain the City's service standard of 2.799 square feet per resident. The scope includes planning, design, permitting, construction, interior build-out, and the on-site improvements necessary to place the space into service (e.g., access/circulation and utility connections). The expansion may be delivered through additions at existing centers and/or construction of a new multi-purpose facility. The project provides 52,989 square feet of new building capacity identified in the growth analysis, ensuring that the City's level of service is maintained as development occurs.

**Size:** 52,989 square feet (growth-related building expansion)

**Location:** To be determined

**New Development Share:** 100% – \$28,399,531 (funded with Public Use Facilities Impact Fees)

**Existing Community Share:** 0% – \$0 (non-growth cost, funded from other sources)

**Total Cost:** \$28,399,531

**Timing:** 2026-2036

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### **Current Public Use Facilities Development Impact Fee**

The City of Grand Terrace currently levies a Public Use Facilities development impact fee only on residential development. As shown in the City’s adopted residential development impact fee schedule, the existing Public Use Facilities fee is set at \$674 per detached dwelling unit and \$422 per attached dwelling unit. No Public Use Facilities impact fee is imposed on nonresidential development, and this nexus study maintains the existing policy that Public Use Facilities fees apply only to residential development.

Public Use Facilities fee revenues are presently recorded within the City’s Facilities Development special revenue fund, which also serves as the accounting home for General City Facilities development impact fees. Historically, the City has pooled facilities-related impact fee revenues into this single fund rather than maintaining separate fund balances by program. As a result, the current Public Use Facilities balance is held within the broader Facilities Development (General City Facilities) fund rather than being tracked as a standalone Public Use Facilities balance.

As part of this nexus study, RCS recommends that the City discontinue commingling Public Use Facilities and General City Facilities fee revenues within a single fund balance. To strengthen compliance with the Mitigation Fee Act—including the Act’s requirements for clear identification of each fee program’s revenues, expenditures, and fund balances—it is further recommended that the City establish and maintain separate restricted funds or restricted accounts for each program. Separating these balances will improve transparency and help ensure that each program’s revenues are used solely for the eligible capital improvements identified for that specific program in this study.

### **Administrative Provisions**

**Applicability and Collection:** The Public Use Facilities fee applies to net-new residential floor area. Fees are calculated using the per-residential-square-foot schedule by housing type and collected at building permit (or as otherwise specified by City ordinance). Additions are charged on the incremental square footage; demolitions and removals are credited, so applicants are charged only for net increases. Change-of-use situations are addressed by applying the schedule to the net change in residential floor area.

**Indexing and Price Date:** Published rates reflect 2025. Following adoption, the fee is indexed annually to preserve purchasing power. The construction component is adjusted using the City’s adopted Engineering News-Record (ENR) Building Cost Index (BCI) or successor index. The land component is not indexed by ENR; updates to land cost rely on current appraisals and documented comparable acquisitions/listings accepted by the City. Published rates reflect the current index year; the City’s model retains full-precision calculations.

**Use of Funds:** Revenues are restricted to capital improvements that add building capacity, including planning, design, permitting, construction, interior build-out, and on-site improvements required to place space into service (e.g., access/circulation and utility connections). Land acquisition is eligible when required to deliver the building program. This program also includes Library building space; the City owns Library building facilities while County staff operate Library services. Fee revenues may be used only for Library building capital (e.g., construction or relocation of a dedicated Library facility and required site work), not for operational services or materials. Funds may be programmed citywide where projects maintain the established service standard.

**Credits and Reimbursements:** Where an applicant constructs eligible Public Use Facilities improvements or dedicates eligible land accepted by the City, the applicant is entitled to a credit or reimbursement up to the lesser of: (a) the actual, documented cost of the eligible improvement/land, or (b) the value recognized by this program for the same scope. Credits require a written agreement, apply only to the same project and program, and may not exceed the fee otherwise due. The City may require plans, invoices, appraisals, and other documentation to substantiate eligibility and value.

**Adjustments and Appeals:** An applicant may request an individualized fee adjustment by submitting substantial evidence (e.g., an independent fee study, current appraisal for land, or other technical documentation) demonstrating that the development's demand or characteristics differ materially from the assumptions used in this chapter. The City will review the submission and may approve an adjustment to ensure the fee remains proportional.

**Fund Accounting and Reporting:** All revenues and expenditures are tracked in a separate account for Public Use Facilities. The City will complete required annual and periodic findings and reporting for impact fees, including identifying balances, interest earnings, commitments, and project expenditures, and will make the findings available consistent with applicable law.

**Effective Date and Transition:** The fee applies to projects deemed complete (or receiving building permits) on or after the effective date of the adopting ordinance, subject to any City-adopted transition provisions. Previously paid fees, credits, or development agreements remain in effect pursuant to their terms.

**Rounding and Precision:** Calculations are performed at full precision in the City's model. For publication, all currency values are displayed to whole dollars, per-residential-square-foot rates are displayed to three decimals per SF, and the level of service is shown as 2.799 SF per resident. Any minor differences are solely due to display rounding — the total controls.

## Five Findings

### 1. Purpose of the Fee

The purpose of the fee is to fund the expansion of Public Use Facilities building space (community centers and City-owned Library building space) necessary to maintain the

City's established level of service as new residential development adds population that uses public meeting and Library space.

## **2. Use of the Fee**

Fee revenues will be used to finance capital building improvements that add capacity, including planning, design, permitting, construction, interior build-out, and on-site improvements required to place space into service (e.g., access/circulation and utility connections). Land acquisition is eligible when required to deliver the building program. Funds are not used for operations or routine maintenance.

## **3. Relationship Between Fee's Use and Type of Development**

New residential development increases population, which increases demand for Public Use Facilities. Fee revenues will be used to add building capacity that serves those residents. Because the empirical demand is resident-based, the fee applies to residential development only; a proportional linkage to nonresidential floor area is not established for this facility type.

## **4. Relationship Between Need and Type of Development**

The need for expanded facilities arises directly from new residents. The City's service standard is 2.799 square feet per resident. Applying this standard to the net-new population of 18,931 results in 52,989 square feet of required building area to maintain the existing level of service as development occurs.

## **5. Relationship Between Amount of Fee and Cost Attributable to Development**

The fee amount is derived by applying the unit cost of \$535.95 per building square foot (construction plus land) to the 52,988.79 square feet of growth-required Public Use Facilities space, yielding a total growth cost of \$28,399,531. This cost is then apportioned to residential development in proportion to demand by housing type, using persons-per-household and average residential unit size to translate the 2.799 square feet per resident service standard into a per-residential-square-foot schedule. Expressed as rates to three decimals, the resulting schedule is \$2.426/SF for Single Family Detached, \$4.286/SF for Multi-Family Attached, and \$3.764/SF for Manufactured/Mobile Homes. This structure ensures that each housing type pays no more than the cost reasonably attributable to the demand it generates to maintain the City's established level of service.

**End of Chapter**

## Chapter 8

### Parkland Acquisition and Park Facilities

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#### Purpose and Scope

**Purpose:** The purpose of this chapter is to update and revalidate the City's existing Parks Development Impact Fee (DIF) so that new residential development funds its fair, proportional share of parkland acquisition and park facility improvements required to maintain the City's established level of park service as population grows. This update aligns the fee with current requirements of Assembly Bill 602 (AB-602) and the Mitigation Fee Act (Government Code § 66000 et seq.), ensuring that future development contributes appropriately to the park system's capacity to serve residents. Requirements under the Quimby Act (Government Code § 66477) for residential subdivisions remain in effect and are administered separately from this AB-1600 fee.

#### **Scope of Improvements:**

Parks improvements funded by the Parks Development Impact Fee include parkland acquisition and capacity-adding park projects that expand the system's ability to serve residents. Eligible capital uses include parkland acquisition and capacity-adding park improvements, including planning, design, permitting, site preparation, and construction. Improvements may include multi-purpose turf and hardscape areas, courts and fields, destination playgrounds, restrooms and support buildings, lighting and fencing, internal paths/trailheads within park sites, and on-site accessibility upgrades necessary to place new or expanded park capacity into service. Land acquisition is eligible when required to deliver the park program. Funds may not be used for operations, routine maintenance, or like-for-like replacements that do not increase capacity.

For residential subdivisions, the City administers parkland dedication and/or in-lieu fees under the Quimby Act (Government Code § 66477). Quimby resources may be used to acquire or develop parkland and neighborhood or community park facilities that will serve the subdivision. Use of Quimby for rehabilitation of existing parks is limited to circumstances allowed by statute, including findings regarding deficiency within the receiving area, foreseeable use by future subdivision residents, consistency with adopted plans, and an appropriate service radius after a public hearing. Quimby is administered separately from the non-subdivision Parks Development Impact Fee; credit order and eligible-cost rules are structured to avoid double-counting, with credits provided only by written agreement and not to exceed the fee otherwise due.

**Scope of Beneficiaries:** This program is resident-based and applies to residential development citywide. Fees are assessed per square foot of residential floor area consistent with AB-602. For mixed-use projects, assessments are applied by category, and only the residential component is subject to the Parks fee. Residential categories include Single Family Detached, Multi-Family Attached, and Manufactured/Mobile Homes. Because Parks facilities function as a citywide system, the improvements funded by this program primarily benefit residents in both new and existing development, maintaining a consistent level of service across all neighborhoods.

**Scope of Nexus:** For Parks, the nexus is resident-based. New dwelling units generate net-new residents, and those additional residents require park capacity to maintain the City’s established level of service (LOS). Net-new residents are calculated by multiplying new dwelling units by the applicable persons-per-household (PPH) for Single Family Detached, Multi-Family Attached, and Manufactured/Mobile Homes. Required park acreage is then determined by applying the City’s adopted acres-per-1,000-residents standard to the net-new resident total. That acreage is priced using the City’s unit costs per acre for land and park improvements to produce a cost per resident. The result is translated to a cost per unit using PPH and then to a cost per residential square foot (three decimals) by dividing by the average dwelling square footage for each housing type, consistent with AB-602. For mixed-use development, the calculation applies only to the residential component.

### Existing System

This section establishes the baseline park system used to evaluate the level of service and to derive the fee. It documents current inventories, states how LOS is measured, and explains how existing capacity represented by fund balances is treated in the calculations.

**Park Inventory:** This section establishes the baseline park system used for level of service and fee calculations. The City-owned parkland inventory is presented in Table 8-1, which lists each park by name and acreage and identifies the total park capacity used for the level-of-service calculation. The total parkland acreage shown in Table 8-1 reflects the City’s current holdings and serves as the benchmark that new development must maintain under this program.

**Table 8-1**

Total Park Inventory	
Park Name	Acres
Grand Terrace Dog Park	0.62
Griffin Park	1.73
Richard Rollins Park	9.92
Veterans Freedom Park	4.31
TJ Austin Park	1.36
Susan Petta Park	2.30
Equivalent Capacity from Fee Fund Balance	0.026
Total	20.277 Acres

**Treatment of Existing Capacity and Fund Balances:** This section explains how existing Parks impact fee resources are treated so that growth pays only its proportional share. Any existing Parks impact fee fund balance is taken from the City’s audited annual financial reports (ACFRs) and converted to capacity-equivalent park acres using the combined per-acre cost (fair-market land value plus capacity-adding park improvements) established in this chapter’s cost basis. The resulting capacity is considered already in hand and is netted before allocating remaining costs to new

development. Balances are tracked within the City's accounting system and reconciled to the audited financials to maintain a clear audit trail. This treatment ensures new development is not charged for capacity that has already been funded.

**Current Level of Service:** LOS is measured as acres per one thousand residents. Using the current resident population shown in the study tables, the totals above yield the City's baseline LOS for the City's Parks. The fee program is designed to maintain these existing service levels as growth occurs, consistent with the standards adopted in this chapter.

### Existing Financial Commitment

This section provides a planning-level indication of the scale of the City's prior investment in its park system. Because Parks are measured in acres, the replacement-value context is expressed in two components: (1) land value per acre applied to the City's total parkland, and (2) capacity-adding park improvements per acre applied to developed park acres. This estimate is for context only; it does not create a funding obligation and is not used to derive the fee.

*This estimate represents what it would cost to replace the existing facilities in their current form and does not indicate a funding obligation or form part of the fee calculation basis.*

#### **A. Land Component**

- Total parkland acreage: 20.277 acres (display)
- Land value per acre: \$1,100,000
- Estimated land value: \$22,304,543

*(calculation: 20.277 acres × \$1,100,000/acre = \$22,304,543)*

#### **B. Park Improvement Component**

- Developed park acres: 20.277 acres
- Park improvements cost per acre: \$599,660
- Estimated improvements value: \$12,159,220 (model, full precision)
- (calculation: 20.277 acres × \$599,660/acre = \$12,159,220)

#### **C. Total Planning-Level Replacement Value**

- Combined land and improvements value: \$34,463,763  
(calculation: \$22,304,543 + \$12,159,220 = \$34,463,763)

Calculations are performed at full precision in the City's model; acreage is displayed to three decimals and currency to whole dollars, so minor differences may occur if recomputed from displayed figures — the totals control.

**Fund Balance Recognition:** Any Parks impact fee fund balance reported in the City's audited financial statements is converted to capacity-equivalent park acres using this chapter's per-acre land and per-acre improvements costs and recognized as capacity already in hand before allocating remaining costs to growth. For the study year, the equivalent capacity reflected by the current balance is 0.026 acres (display basis), which is netted prior to assigning new development's share.

### Standards & Application

The City uses two complementary tracks for Parks. For non-subdivision development, the Parks Development Impact Fee (DIF) is applied under the Mitigation Fee Act and expressed per residential square foot consistent with AB-602. For subdivisions, the City administers Quimby parkland dedication and/or in-lieu fees separately. The two tracks are coordinated to maintain the City's adopted level of park service while avoiding double-counting.

**Parks standard — Non-Subdivision (AB-1600 Fee):** The non-subdivision Parks DIF maintains the City's level of service by translating net-new residents into required park acres using the adopted standard of 1.552 acres per 1,000 residents. Required acres are then costed using the study's per-acre land and park improvement unit costs to derive a cost per resident. That cost is converted to a cost per dwelling unit using persons-per-household for Single Family Detached, Multi-Family Attached, and Manufactured/Mobile Homes, and expressed per residential square foot by dividing by the average unit size for each housing type, consistent with AB-602.

**Parks standard — Subdivision (Quimby Dedication/Fee):** For residential subdivisions, the City may require parkland dedication and/or in-lieu fees under the Quimby Act (Gov. Code § 66477). Quimby requirements are administered separately from the non-subdivision Parks DIF and rely on the City's Quimby standard to determine dedication or equivalent in-lieu value. Where statutory conditions are met, Quimby resources may be used to acquire or develop parkland and neighborhood/community park facilities that will serve the subdivision. Quimby credits are sequenced and applied under City rules to ensure the Parks DIF does not double-charge for the same capacity.

**Application Rules:** For non-subdivision projects, fees are assessed per residential square foot at building permit and calibrated by housing type using the study's PPH and average unit size inputs. Mixed-use projects are assessed by category; only the residential component is subject to the Parks DIF. Change-of-use and additions are assessed on the net increase in impact. Quimby applies only to subdivisions and is administered separately from the Parks DIF, with clearly defined crediting to prevent double-counting.

### Growth and Demand

This section quantifies the additional Parks system capacity required to maintain the City's adopted level of service as development occurs. The calculation applies the study's standards to net-new residents and identifies the resulting park acres required to serve growth.

**Parks:** Based on net-new residents of 18,931.33, applying the 1.552 acres per 1,000 residents standard yields 29.38 acres of additional park capacity required to maintain the existing level of service. Any Parks impact fee fund balance reported in the City's audited financial statements is converted to capacity-equivalent acres using this chapter's per-acre costs and recognized as capacity already in hand before allocating remaining costs to new development.

### Cost Basis

Unit costs are stated in current study-year dollars. Parkland acquisition is based on local fair-market value evidence suitable for park use. Park improvements are based on the City's historical per-acre park development baseline escalated to the study year using the Engineering News-Record (ENR) Building Cost Index (BCI). These unit costs price the incremental park acres required by the level-of-service standard.

**Parkland Acquisition (Fair-Market Value per acre):** The study adopts \$1,100,000 per acre as the planning fair-market value for park-suitable sites in Grand Terrace. The value is supported by local evidence, screened for market-rate conditions and park feasibility (frontage, utilities, typical shape/size), and normalized to dollars per acre. The full comparable set, screening notes, and arithmetic are provided in Appendix H (Parks Quality of Life Infrastructure Cost Basis).

**Park Improvements (Capacity-Adding Construction per acre):** The City's historical turn-key park development baseline (2005–2006 dollars) is escalated to the study year using ENR BCI. The calculation follows the standard formula:

$$\text{Study-year park improvements (\$/acre)} = 2005\text{--}2006 \text{ baseline (\$/acre)} \times (\text{ENR BCI} - \text{study year} \div \text{ENR BCI} - 2005\text{--}2006)$$

This escalation method is consistent with the approach applied in the Public Use Facilities chapter, using the same ENR BCI framework and study-year adjustment. The resulting study-year planning value is used throughout this chapter's calculations.

**Use in Calculations:** For Parks, the combined per-acre cost equals (parkland \$/acre) + (park improvements \$/acre). Required acres are computed from the adopted 1.552 acres per 1,000 residents standard applied to net-new residents. The product yields total growth cost, which is translated to cost per resident, then cost per dwelling unit using persons-per-household for Single Family Detached, Multi-Family Attached, and Manufactured/Mobile Homes, and then expressed per residential square foot (three decimals) by dividing by the average unit size for each housing type, consistent with AB-602.

*Calculations are performed at full precision in the City's model; currency values shown in this section are displayed to whole dollars for publication.*

### **Derivation of Maximum Justified Fees**

Fees are derived and expressed in accordance with AB-602 so that results are stated per square foot. For Parks, the calculation is resident-based and applies to residential development. All steps use the study-year costs in the Cost Basis section and the service standards in the Standards and Application section.

**Residential — Parks (Non-Subdivision):** Required park acreage is determined by applying the Parks standard of 1.552 acres per 1,000 residents to net-new residents. The resulting acres are priced using the combined per-acre park cost to determine a cost per resident, translated to a cost per unit using persons-per-household for Single Family Detached, Multi-Family Attached, and Manufactured/Mobile Homes, and then to a cost per square foot by dividing by the average dwelling square footage for each housing type. For mixed-use development, only the residential component is subject to the Parks fee.

**Subdivision — Parks (Quimby):** For subdivisions, the City administers Quimby requirements as parkland dedication, in-lieu fee, or a combination, using a standard of 3.000 acres per 1,000 residents as authorized by Gov. Code §66477 (Quimby Act). This Quimby standard is distinct from the Mitigation Fee Act framework that governs the non-subdivision Parks impact fee. Dedicated land is valued at the current fair market value and must meet this chapter's eligibility, and in-lieu fees are programmed consistent with statutory geographic and timing requirements. To prevent double-counting where both mechanisms apply, the City recognizes Quimby contributions first for their eligible purpose and then assesses the non-subdivision Parks impact fee only for remaining, non-duplicative, growth-related costs.

**Mixed-Use, Change of Use, and Additions:** Mixed-use projects are assessed by category, with only the residential portion subject to the Parks residential fee. Changes of use and additions are assessed on the net increase in impact relative to the prior legal use.

### **Capital Program and Eligibility**

The capital program identifies the growth-eligible projects and defines what costs qualify for **Parks**. Projects are selected to maintain the City's adopted service standards as development occurs, and each appropriation will be documented elsewhere in this chapter to preserve a clear audit trail under the Mitigation Fee Act.

**Eligibility Test — Parks:** Parks funds may be used for parkland acquisition and for capital improvements that add usable recreation capacity to the City's park system. Eligible work includes site acquisition; site preparation and utility extensions; multi-purpose turf and hardscape areas; fields and courts; destination playgrounds; restrooms and support buildings; lighting and fencing;

internal paths and trailheads; irrigation; and accessibility features necessary to place new capacity into service. Planning, environmental review, design, permitting, construction management, and prudent contingencies are eligible when they are capitalized to deliver new capacity. Operations and routine maintenance, programming, rolling stock, and like-for-like replacements that do not add capacity are not eligible.

**Quimby Interface — Eligible Uses and Coordination:** Quimby requirements may be satisfied through parkland dedication, in-lieu fees, or a combination. Quimby contributions may be used to acquire or develop neighborhood or community park and recreation facilities that will serve the subdivision, and—where statutory conditions and findings are met—to rehabilitate existing park facilities. This chapter coordinates Quimby with the non-subdivision Parks impact fee by recognizing Quimby contributions first for their eligible purpose and then applying the Parks impact fee only to remaining, non-duplicative, growth-related costs. The City will make any required geographic and service findings at appropriation to ensure compliance with the Subdivision Map Act.

**Land Dedication and Site Control:** Where a development dedicates parkland that meets the eligibility criteria of this chapter, the land is credited at fair market value and can be incorporated into the capital program. For City acquisitions, fee revenues may be combined with grants or other sources to assemble sites of sufficient size and configuration to function as neighborhood or community parks.

**Soft Costs and Delivery:** Capital soft costs that are integral to delivering new capacity are allowable within the Parks improvements cost basis, including planning, environmental clearance, design, permitting, construction management, and prudent contingencies. These costs are tracked by project to support clear crediting and reimbursement.

**Replacement and Rehabilitation:** Replacement or rehabilitation projects are eligible only when they create additional usable recreation capacity, such as converting underutilized space to multi-use courts or expanding a facility's functional area. Work that merely restores existing capacity without expansion is not eligible under this fee.

**Joint and Partnership Projects:** Projects delivered with schools, other public agencies, or non-profits are eligible where they add recreation capacity that is available to City residents under enforceable joint-use or access agreements. The fee contribution is limited to the proportional share of capacity made available to the public consistent with this chapter.

**Project List:** This subsection presents the growth-eligible capital program for Parks as program-level, citywide entries. For Parks, the program aggregates all AB-1600 receipts to acquire new parkland and construct capacity-adding park facilities needed to maintain the adopted level of service. Each entry is formatted using the standard headings used throughout this study so the scope, size, cost, and timing are clear and auditable.

The project entry that follows establishes the citywide Parks program and prices the growth-related capacity at the study-year unit costs. Subsequent entries can be added in the same format as additional program or site needs are identified.

## Parkland Acquisition and Park Facilities Projects

**Project ID:** PK-001

**Project Title:** Parkland Acquisition & Facilities Improvements – Citywide Program

**Description:** This program explicitly authorizes the acquisition of new parkland and the construction of capacity-adding park improvements to maintain the adopted level of service as development occurs. Eligible work includes land acquisition and construction of new or expanded park facilities that increase usable recreation capacity (for example, multi-purpose turf and hardscape areas, fields and courts, destination playgrounds, restrooms and support buildings, lighting and fencing, internal paths and trailheads, irrigation, and accessibility features). Operations and maintenance, programming, rolling stock, and like-for-like replacements that do not add capacity are excluded.

**Size (Gross Program):** 29.38 acres (growth-related parkland acquisition and development)

**Location:** Citywide

**New Development Share:** 100% — \$49,938,431 (funded with Parkland Acquisition and Park Facilities Impact Fees)

**Existing Community Share:** 0% — \$0

**Total:** \$49,938,431

**Timing:** 2026-2036

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### Credits, Reimbursements, and In-Lieu

This section establishes how development-provided parkland and park improvements are recognized, how reimbursements may be issued when a project delivers more than its fee obligation, and how Quimby subdivision obligations are coordinated so costs are not duplicated. Credits apply only to eligible, capacity-adding parkland or park improvements under the Parks component and are calculated using the valuation methods in this chapter. Credits do not fund operations, maintenance, or like-for-like replacements that do not increase usable capacity.

**Land Dedication Credits:** Where a development dedicates parkland that meets this chapter's eligibility, the City grants a credit valued at current fair-market value for park-suitable sites. Eligibility includes appropriate size, configuration, and characteristics to function as a neighborhood or community park consistent with the level-of-service standard. The City may require an appraisal or other accepted valuation evidence and may adjust the credit to reflect encumbrances, unusable areas, or conditions that limit recreation capacity.

**Construction Credits:** Where a development constructs eligible, capacity-adding park improvements, the City grants a credit for the documented, eligible construction cost. Valuation relies

on approved engineers' estimates, awarded bids, or verified costs for the eligible scope. Improvements must add usable recreation capacity; like-for-like replacements, cosmetic upgrades, and routine maintenance do not qualify.

**Application and Limits:** Credits are applied to the corresponding Parks fee at permit issuance or at another defined milestone consistent with City procedures. Credits may not exceed the fee otherwise due for the same project and component unless the City enters into a reimbursement agreement. Credits are recorded to preserve the audit trail required by the Mitigation Fee Act and are applied before calculating any residual fee for the same component and project phase.

**Reimbursements:** When a developer delivers eligible park capacity that exceeds the project's creditable obligation and the improvement or acquisition appears on, or is added to, the capital program for this chapter, the City may enter into a reimbursement agreement. Reimbursements are paid when funds are available and in accordance with City priorities. Agreements identify the eligible scope, the documented cost basis, and the terms that govern reimbursement without double-counting.

**Quimby Coordination:** Quimby obligations for residential subdivisions are administered under the Subdivision Map Act and are separate from this impact fee. Where both mechanisms apply to the same project, the City recognizes Quimby parkland dedication or in-lieu fees first for their eligible purpose, then applies the non-subdivision Parks impact fee only to remaining, non-duplicative, growth-related costs. This sequencing ensures the Parks fee does not duplicate capacity already provided under Quimby.

**Documentation:** Each credit or reimbursement is memorialized in a written instrument that describes the facility or land, the eligible scope, the valuation method used, and the fee component to which the credit applies. The City maintains records sufficient to demonstrate that credited or reimbursed items add usable recreation capacity, align with this chapter's eligibility, and remain consistent with the level-of-service standards used to derive the fees.

### Summary of Development Impact Fees

**Proposed Parks Fees (AB-1600 — Table 8-2):** The table below summarizes the study-year Parks Development Impact Fees expressed per square foot under AB-602, derived from the 1.552 acres-per-1,000 residents standard and this chapter's cost basis. Use Table 8-2 as the official schedule for residential projects outside the subdivision process.

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Table 8-2

Proposed AB-1600 Park Development Impact Fees	
Land Use	Impact Fee per SF
Single Family Detached	\$4.267/SF
Multi-Family Attached	\$7.537/SF
Manufactured/Mobile Homes	\$6.618/SF

**Quimby Park Fees** (Subdivision — Table 8-3): The following table summarizes Quimby subdivision obligations—parkland dedication, in-lieu fee, or a combination—based on the City’s adopted standard. Quimby is administered separately from the AB-1600 fee; contributions in Table 8-3 are recognized first to avoid double-counting.

Table 8-3

Proposed Quimby Park Fees	
Land Use	Impact Fee per SF
Single Family Detached	\$8.247/SF
Multiple-Family Attached	\$14.569/SF
Manufactured/Mobile Homes	\$12.793/SF

### Current Park Development Impact Fees

The City of Grand Terrace currently levies a Parks-related development impact fee on residential development under the “Parkland and Open Space Acquisition Fund” line in the adopted Residential Permit & Impact Fees schedule. The existing fees are set at \$7,241 per detached dwelling unit and \$4,534 per attached dwelling unit. No Parks impact fee is imposed on nonresidential development at this time, and this nexus study maintains the existing policy that Parks fees apply solely to residential development.

Parks fee revenues are recorded within the City’s Park Development special revenue fund. In the City’s most recent Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2024, the Park Development fund reports a restricted ending fund balance of \$43,698. This balance represents accumulated Parks impact fee revenues available for eligible parkland acquisition and capacity-adding park improvements consistent with this chapter.

Although the current schedule presents Parks charges as a per-dwelling-unit fee, this nexus study converts the Parks Development Impact Fee to a per residential square foot schedule consistent with Assembly Bill 602 (AB-602). This conversion improves proportionality by aligning payments with residential floor area, preserves the City’s adopted level of park service as new residential development adds population, and supports compliance with the Mitigation Fee Act by clearly identifying the fee’s use, cost basis, and fund accounting treatment.

### Administrative Provisions

This section sets the rules for how fees are calculated, collected, indexed, documented, and administered so the program remains consistent, auditable, and simple to apply in day-to-day permitting.

**Adoption and Effective Date:** Fees are established by ordinance and become effective as provided by law. Applications that are vested or deemed complete before the effective date are processed under the prior rules; all others use this chapter. Subdivision Park requirements are administered separately under the Subdivision Map Act.

**Point of Collection:** For development subject to this chapter, fees are calculated using the schedules in effect on the date of permit issuance and are collected at building permit issuance unless City procedures specify an earlier milestone. For phased projects, fees are calculated and collected by phase based on the floor area or units permitted in each phase. Payment timing conforms to Government Code § 66007; fees are due at building permit unless otherwise provided by ordinance or agreement, and the City may allow collection at final inspection/certificate of occupancy or earlier by agreement.

**Calculation Inputs:** Applicants must provide residential floor area by housing type so the City can apply the per-square-foot schedules. Persons-per-household and average dwelling square footage are the study inputs used to translate the level-of-service standard to per-square-foot rates.

**Mixed-Use, Change of Use, and Additions:** For mixed-use projects, only the residential component is subject to the Parks fee. Change-of-use and additions are assessed on the net increase in impact based on the incremental residential floor area.

**Indexing:** Fee schedules are updated annually using the City's adopted construction cost index. For Parks, the improvements component is indexed annually using the City's adopted ENR Building Cost Index (or successor). The land component is not indexed by ENR and is recalibrated during formal study updates using current appraisals and documented local market evidence.

**Rounding and Publication:** All computations use full precision in the City's model. For publication, per-square-foot rates are shown to three decimals (\$0.001), and totals are shown to whole dollars. Any per-unit amounts shown for reference are rounded to the nearest dollar. The City will publish the schedules and a plain-language guide showing how to read and apply them.

**Administrative Adjustments and Appeals:** If an applicant believes a fee has been misapplied under this chapter (for example, an incorrect housing type classification or floor-area measurement), the City may process an administrative adjustment based on substantial evidence submitted by the applicant. Requests for adjustment must be made before fee payment. Appeals follow the procedures set out in the adopting ordinance and applicable law.

**Severability and Interpretation:** If any provision of this chapter is held invalid, the remaining provisions remain in effect. Terms are interpreted to further the purpose of maintaining adopted levels of park service and funding growth-related capacity consistent with this study.

## Five Findings

### **1. Purpose of the Fee**

The purpose of the fee is to fund the expansion of park capacity required to maintain the City's established level of park service as new residential development adds population. The fee ensures that growth contributes its fair, proportional share toward acquiring parkland and delivering capacity-adding park improvements needed to serve new residents.

### **2. Use of the Fee**

Fee revenues will be used to finance parkland acquisition and capacity-adding park improvements necessary to place new park capacity into service. Eligible improvements include planning, design, permitting, site preparation, multi-purpose turf and hardscape areas, fields and courts, destination playgrounds, restrooms and support buildings, lighting and fencing, internal paths and trailheads within park sites, irrigation, and accessibility features. Operations and maintenance, programming, landscaping or aesthetic work that does not add capacity, rolling stock, and like-for-like replacements are not funded. Quimby subdivision obligations are administered separately.

### **3. Relationship Between the Fee's Use and the Type of Development**

New residential development increases population, which increases demand for parkland and park facilities. The fee applies to residential development (non-subdivision) and funds park capacity that serves those residents. For mixed-use projects, only the residential component is subject to the Parks fee. Fee uses therefore match the type of development that creates the need.

### **4. Relationship Between the Need for Facilities and the Type of Development**

The City's park standard is 1.552 acres per 1,000 residents. Applying this standard to the net-new residential population of 18,931.33 results in 29.38 acres of additional park capacity required to maintain the existing level of service. Any Parks impact fee fund balance reported in the City's audited financial statements is converted to capacity-equivalent acres using this chapter's per-acre costs and recognized as capacity already in hand before allocating remaining costs to new development.

### **5. Relationship Between the Amount of the Fee and the Cost Attributable to Development**

The fee amount is derived by pricing the required park acres using study-year unit costs per acre for land and capacity-adding park improvements. The resulting growth cost is translated to a cost per resident, then to a cost per dwelling unit by housing type using persons-per-household for Single Family Detached, Multi-Family Attached, and Manufactured/Mobile Homes, and then expressed per residential square foot by dividing by the average dwelling size for each housing type, consistent with AB-602. Published per-square-foot rates are

shown to three decimals; no housing type is charged more than the cost reasonably attributable to the demand it generates to maintain the City's adopted level of service.

**End of Chapter**

## APPENDIX A

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### MASTER DEVELOPMENT IMPACT FEE SCHEDULE

## City of Grand Terrace Development Impact Fee Master Fee Schedule

Land Use	Cost Basis	Law Enforcement Facilities	Fire Facilities	Local Street Improvements	Regional Circulation	General City Facilities	Public Use Facilities	Parkland Acquisition and Park Facilities
Single Family Detached	Per Square Foot	\$0.058	\$0.831	\$0.378	\$0.362	\$0.321	\$2.426	\$4.267
Multi-Family Attached	Per Square Foot	\$0.155	\$1.365	\$0.359	\$0.344	\$0.132	\$4.286	\$7.537
Manufactured/Mobile Homes	Per Square Foot	\$0.069	\$1.492	\$0.285	\$0.273	\$0.248	\$3.764	\$6.618
General Commercial	Per Square Foot	\$0.154	\$0.388	\$2.685	\$2.572	\$0.128	-	-
Office Commercial	Per Square Foot	\$0.109	\$0.509	\$0.806	\$0.772	\$0.128	-	-
Industrial	Per Square Foot	\$0.052	\$0.101	\$0.447	\$0.429	\$0.150	-	-

Land Use	DIF Total
<b>Single Family Detached</b>	<b>\$8.643</b>
<b>Multi-Family Attached</b>	<b>\$14.177</b>
<b>Manufactured/Mobile Homes</b>	<b>\$12.749</b>
<b>General Commercial</b>	<b>\$5.927</b>
<b>Office Commercial</b>	<b>\$2.323</b>
<b>Industrial</b>	<b>\$1.179</b>

Subdivision Park Requirement (Quimby Act)		
Single-Family Residential	\$8.247	Per SF
Multiple-Family Residential	\$14.569	Per SF
Mobile Home Dwelling Units	\$12.793	Per SF

**For reference only:** Applies to residential subdivisions subject to the City's Quimby ordinance. Administered under the Subdivision Map Act; land dedication and/or in lieu is credited first to avoid double counting with Parks DIF. Not a development impact fee (not included in Total DIF).

## APPENDIX B

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### GRAND TERRACE LAND USE CROSSWALK

## Appendix B: Grand Terrace Land Use Crosswalk

**Purpose:** Align Grand Terrace General Plan land use designations and Housing Element categories to the standardized Nexus Study land use categories for use in the Access Study and Development Impact Fee program.

General Plan Designation	Housing Element / Overlay	Nexus Category	Notes
Hillside Low Density Residential	N/A	Single-Family Detached	Low intensity hillside areas.
Low Density Residential	RHNA SFR Sites	Single-Family Detached	Conventional SFR neighborhoods.
Medium Density Residential	RHNA Mixed Density	Single-Family Detached / Multi-Family Attached	Depends on product type.
Medium High Density Residential	Higher-Density RHNA Sites	Multi-Family Attached	Townhomes, apartments, condos.
General Commercial	Commercial Corridors	General Commercial	Retail, service, dining, commercial pads.
Office Commercial	Medical/Office Sites	Office Commercial	Professional/office uses.
Light Industrial	Employment Areas	Industrial	Light manufacturing, warehousing.
Floodplain Industrial	Employment Areas (FP)	Industrial	Industrial uses with FP constraints.
Mixed Use	MU Overlays	Split by entitlement	Residential = SFD/MFA; Nonres = Commercial/Office.
Manufactured Housing Areas	Mobile Home Parks	Manufactured/Mobile Homes	Per Housing Element inventory.
Public	Schools / Civic	Excluded	Government, civic, educational; excluded from fees.
Hillside Open Space	Open Space	Excluded	Permanent open space.
Streets / R/W	N/A	Excluded	Non-developable public right-of-way.

## APPENDIX C

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### PERSONS-PER-HOUSEHOLD (PPH) METHODOLOGY

## Appendix C: Persons-Per-Household (PPH) Methodology

### Purpose

This appendix documents the derivation and application of persons-per-household (PPH) factors used to translate population impacts into dwelling-unit equivalents for fee allocation. It supplements Chapter 2 with full methods, category definitions, quality assurance (QA), and a worked application pattern. The approach is designed to meet transparency and proportionality standards under the Mitigation Fee Act (Gov. Code §§66000 et seq.) and AB-602.

### Data Sources & Fixed Household Structure Approach

Primary data are the U.S. Census Bureau American Community Survey (ACS) 2019–2023 five-year estimates for the City of Grand Terrace. Households by structure type and tenure are taken from ACS Table B25032 (Tenure by Units in Structure). Population by structure type and tenure is taken from ACS Table B25033 (Total Population in Occupied Housing Units by Tenure by Units in Structure). The analysis applies the Fixed Household Structure Method, pooling owner-occupied and renter-occupied households into three residential categories aligned with this Nexus Study’s adopted land use structure.

### Category Definitions (“Buckets”)

For Grand Terrace, the adopted residential categories are:

- Single Family Detached: 3.12 persons per household
- Multi-Family Attached: 2.32 persons per household
- Manufactured/Mobile Homes: 2.83 persons per household

Note on numerical presentation: All calculations are performed at full precision in the underlying model. For readability and consistency with Chapter 2, persons-per-household (PPH) factors are displayed to two decimals in this appendix.

### Calculation Method

For each residential category (c), persons per household (PPH) are calculated as:  $PPH_c = \text{Population}_c \div \text{Household}_c$ . Household totals by structure type are taken from ACS Table B25032 for both owner-occupied and renter-occupied units. Population totals by structure type are taken from ACS Table B25033. Because ACS Table B25033 provides a combined population total for “1, detached or attached,” population within that group is allocated between detached and attached structures proportionally to their respective household shares from ACS Table B25032. Owner and renter results are then pooled to yield the final PPH factors by category.

**Grand Terrace — Step-by-Step (from ACS B25032/B25033)**

Structure Type	Owner Units	Renter Units
1, detached	2,287	426
1, attached	192	116
Two or more units (all attached types)	85	1,129
Mobile home	205	103

Structure Type	Owner Population	Renter Population
1, detached or attached (combined)	7,375	2,098
2 to 4 units	219	1,043
5 or more units	44	1,212
Mobile home	662	211

Population is split based on detached vs. attached household shares within the 1-unit category for each tenure group, using B25032 household counts.

Residential Category	Population	Households	Persons per Household (PPH)
Single-Family Detached	8452.088	2,713	3.12
Multi-Family Attached	3539.819	1,522	2.32
Manufactured/Mobile Homes	873	308	2.83

### **Results — Adopted PPH Factors (ACS 2019–2023, Grand Terrace)**

Application of the Fixed Household Structure Method to Grand Terrace’s ACS data yields the following persons-per-household (PPH) factors by residential category:

- Single Family Detached: 3.12 persons per household
- Multi-Family Attached: 2.32 persons per household
- Manufactured/Mobile Homes: 2.83 persons per household

These PPH assumptions are applied consistently throughout the Grand Terrace Development Impact Fee Nexus Study to project population growth attributable to new residential development and to allocate capital facility costs proportionally.

### **Application in the Fee Program**

PPH factors convert new housing units into the number of new residents added to the City. That projected population growth defines the service population basis for facilities such as Law Enforcement, Street Improvements, General City Facilities, Public Use Facilities, and Parks. By translating dwelling units into residents consistently by residential category, the study ensures that growth-related capital costs are distributed proportionally across land uses.

### **Sensitivity, Reasonableness & Quality Assurance (QA)**

Five-year ACS data are used for city-level stability and reproducibility. The use of ACS Tables B25032 and B25033 provides a transparent link between households and population by structure type and tenure. QA steps confirm that household totals reconcile to ACS totals by tenure, that allocated 1-unit population fully reconciles to the combined B25033 totals, and that pooled PPH factors match those used in Chapter 2 and throughout the fee model.

## APPENDIX D

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### AVERAGE RESIDENTIAL UNIT SIZE

## Appendix D: Average Residential Unit Size (ARUS)

### Purpose

This appendix documents the adopted Average Residential Unit Sizes (ARUS) used in the Grand Terrace Development Impact Fee Study. These values are required to convert between dollars per dwelling unit (\$/DU) and dollars per square foot (\$/SF) and to support transparent, replicable fee calculations consistent with the Mitigation Fee Act (Gov. Code §§ 66000 et seq.) and AB-602. The methodology mirrors the adopted Grand Terrace ARUS approach, expanded to incorporate empirical market observations for Grand Terrace, consistent with consultant practice for cities without adopted unit-size standards.

### Scope

Applies to the Grand Terrace residential land use categories documented in Chapter 2: Single-Family Detached, Multi-Family Attached, and Manufactured/Mobile Homes. Accessory Dwelling Units (ADUs) are addressed separately.

### Method & Justification

Grand Terrace does not adopt minimum or typical residential unit sizes in its General Plan or Zoning Code. Therefore, an empirically derived ARUS method is used, relying on reproducible observations from local listings, apartment floorplans, and manufactured home listings within the City of Grand Terrace. These sources provide transparent, documentable square-footage data sufficient to support legally defensible ARUS assumptions under AB-602. All observations were captured November 2025 and are reproducible from public listing platforms and property-manager floorplan pages.

### Public Data Sources

The ARUS values for Grand Terrace rely on the following public sources:

- Highlands at Grand Terrace — Floorplans (Greystar): 668 sq ft (1×1), 861 sq ft (2×1), 884 sq ft (2×2).
- Heights at Grand Terrace — Floorplans (Harbor Group): 750 sq ft (1 BR), 1,000 sq ft (2 BR).

These values were used to compute the 1BR and 2BR means and the equal-weight multi-family average.

- Grand Terrace single-family listings (Redfin) with explicit living-area values, including: 1,485 sq ft (Vivienda Ave), 1,515 sq ft (Miriam Way), 1,780 sq ft (Eton Dr), 1,916 sq ft (sample listing), 1,955 sq ft (Miriam Way), 1,991 sq ft (Lark St), 2,061 sq ft (Robin Way), 2,284 sq ft (Lark St). Median derived from the observed set.
- Manufactured/Mobile homes in Grand Terrace (Realtor.com): observed sizes included 690, 701, 940, 1,128, 1,288, 1,344, and 1,440 sq ft. Median used for ARUS.

### Calculation Notes

Each ARUS value is derived using a category-appropriate method. Multi-family averages were calculated using a two-step process: (1) calculate 1BR and 2BR mean unit sizes using the site floorplans; and (2) take the equal-weight average of those two means. SFR used the median of observed Grand Terrace listings. Manufactured/Mobile Homes used the median of all observed listings with explicit size values. All ARUS values are rounded to whole square feet for publication, with full precision maintained internally.

### Adopted Average Unit Sizes

Residential Category	Adopted ARUS (SF/Unit)	Use in Fee Program
Single-Family Detached	1,916	Convert \$/DU ↔ \$/SF; residential fee calculations
Multi-Family Attached	812	Convert \$/DU ↔ \$/SF; residential fee calculations
Manufactured/Mobile Homes	1,128	Convert \$/DU ↔ \$/SF; residential fee calculations

## APPENDIX E

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### NET NEW FEE APPLICATION

## Appendix E: Net New Fee Application

### Purpose

Development impact fees are assessed only on net-new floor area or net-new development intensity. When a project replaces, demolishes, or changes the use of an existing structure, the City calculates the fee based on the difference between the proposed development and the legally existing development.

The net-new method ensures that applicants are charged only for additional demand attributable to growth and are not double-charged for previously constructed and legally permitted floor area.

### Applicability (Programs & Units)

This method applies to the City of Grand Terrace's adopted Development Impact Fee programs assessed on a per-square-foot (\$/SF) basis. The examples below use the combined recommended maximum DIF rates from Chapter 2 (Table 2-4) as a uniform demonstration across land uses.

Applicable land uses and reference rates:

- Single-Family Detached – \$8.643/SF
- Multi-Family Attached – \$14.177/SF
- Manufactured/Mobile Homes – \$12.749/SF
- General Commercial – \$5.927/SF
- Office Commercial – \$2.323/SF
- Industrial – \$1.179/SF

### Calculation Rules (Net New)

- Establish Existing Legal Use — Determine the fee credit from the existing legal use based on its current floor area and the applicable rate at the time of permit. Credits apply only to permitted, legal existing development.
- Establish Proposed Use — Calculate the proposed fee using the adopted rate and the new floor area.
- Compute Net New — Net New DIF = Proposed DIF – Existing DIF (minimum zero). Fees are applied only to the incremental increase in impact.
- Change of Use — Existing credits are based on prior legal uses verified by permits or other City records (e.g., certificates of occupancy, assessor data, or utility records).
- Mixed-Use Sites — Apply the method by component (e.g., residential, commercial, industrial) and sum the net new fees across all components.

- Partial Demolition/Additions — Fee credits are proportional to the remaining existing area. Demolished floor area does not receive a fee credit beyond the documented existing legal use.

### Worked Examples (Using Combined DIF Demonstration Rates)

#### Example A — Commercial Rebuild (General Commercial → General Commercial):

Existing Building: 5,000 SF (General Commercial)  
 Proposed Building: 7,000 SF (General Commercial)  
 Rate: \$5.927/SF

Existing Credit =  $5,000 \times \$5.927 = \$29,635$   
 Proposed Fee =  $7,000 \times \$5.927 = \$41,489$

Net New DIF =  $(7,000 - 5,000) \times \$5.927$   
 =  $2,000 \times \$5.927$

**= \$11,854**

#### Example B — Change of Use (Industrial → General Commercial):

Existing Building: 10,000 SF (Industrial)  
 Proposed Use: 10,000 SF (General Commercial)

Industrial Rate: \$1.179/SF  
 General Commercial Rate: \$5.927/SF

Existing Credit =  $10,000 \times \$1.179 = \$11,790$   
 Proposed Fee =  $10,000 \times \$5.927 = \$59,270$

Net New DIF =  $10,000 \times (\$5.927 - \$1.179)$   
 =  $10,000 \times \$4.748$

**= \$47,480**

#### Example C — Residential Addition (Single Family Detached → Single Family Detached):

Existing Dwelling: 1,800 SF  
 Proposed Dwelling: 2,500 SF  
 Rate: \$8.643/SF

Existing Credit =  $1,800 \times \$8.643 = \$15,557$   
 Proposed Fee =  $2,500 \times \$8.643 = \$21,608$

$$\begin{aligned}\text{Net New DIF} &= (2,500 - 1,800) \times \$8.643 \\ &= 700 \times \$8.643\end{aligned}$$

**= \$6,050**

**Example D — Mixed-Use Redevelopment (General Commercial + Multi-Family Attached):**

Existing: 2,000 SF (General Commercial)

Proposed:

- 3,000 SF (General Commercial)
- 5,000 SF (Multi-Family Attached)

General Commercial Rate: \$5.927/SF

Multi-Family Attached Rate: \$14.177/SF

General Commercial Credit =  $2,000 \times \$5.927 = \$11,854$

General Commercial Fee =  $3,000 \times \$5.927 = \$17,781$

Net General Commercial DIF = \$5,927

Multi-Family DIF =  $5,000 \times \$14.177 = \$70,885$

Total Net New DIF =  $\$5,927 + \$70,885$

**= \$76,812**

**Example E — Industrial Expansion (Industrial → Industrial):**

Existing Building: 20,000 SF

Proposed Building: 25,000 SF

Rate: \$1.179/SF

Existing Credit =  $20,000 \times \$1.179 = \$23,580$

Proposed Fee =  $25,000 \times \$1.179 = \$29,475$

Net New DIF =  $(25,000 - 20,000) \times \$1.179$

=  $5,000 \times \$1.179$

**= \$5,895**

### **Submittal Requirements**

To apply the net new fee method consistently, applicants must provide the following at the time of building permit or fee calculation:

- Site plan and floor area summary showing existing and proposed building areas by land use category.
- Documentation of prior legal use (e.g., building permits, certificates of occupancy, assessor records, or utility records) sufficient for the City to verify the existing credit.
- Identification of any phased demolition or additions so that existing credits can be applied proportionally.
- Completed calculation worksheet or City-approved form demonstrating the net new fee computation.

### **Administrative Notes**

- Negative results (Proposed DIF – Existing DIF < 0) yield a \$0 net new fee.
- Totals are rounded to the nearest whole dollar for billing and collection; intermediate calculations maintain full precision in the City's model.
- Updated rates apply if the City's adopted Development Impact Fee schedule changes before permit issuance; the applicable schedule is the one in effect at the time the fee obligation is fixed.
- Separate utility or district connection fees, where applicable, follow their own schedules but use the same net new principle for redevelopment and expansions unless superseded by specific district policy or agreement.

## APPENDIX F

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### ACCESSORY DWELLING UNIT (ADU) IMPACT FEE APPLICATION

## Appendix F: Accessory Dwelling Unit (ADU) Impact Fee Application

### Purpose & Legal Framework

This appendix explains how the City of Grand Terrace applies Development Impact Fees (DIFs) to Accessory Dwelling Units (ADUs). State law (Government Code §65852.2(f)(3)(A)) prohibits DIFs on ADUs smaller than 750 square feet. For ADUs 750 square feet or larger, DIFs must be proportional to the size of the primary dwelling. Grand Terrace uses a per-square-foot DIF structure, which directly satisfies proportionality requirements under §65852.2 and the Mitigation Fee Act (Government Code §§66000–66025).

### Proportionality Requirement Under State Law

Government Code §65852.2(f)(3)(A) establishes two mandatory rules: (1) ADUs under 750 square feet are exempt from all impact fees; and (2) ADUs 750 square feet or larger may be assessed impact fees only if those fees are imposed proportionately relative to the square footage of the primary dwelling unit. This proportionality requirement protects smaller ADUs from disproportionate fee burdens and ensures that larger ADUs are charged only for the impacts they actually create.

Two calculation methods satisfy this requirement. The first is the statutory proportionality formula:  $\text{ADU Fee} = (\text{ADU SF} \div \text{Primary SF}) \times \text{Primary Fee}$ . This guarantees that the ADU is never charged more per square foot than the primary residence. The second method, used by the City of Grand Terrace, is the per-square-foot DIF method. When both the primary dwelling and the ADU are charged the same Single-Family Residential rate per square foot, proportionality is achieved automatically. This is because  $\text{ADU SF} \times \text{Rate} = (\text{ADU SF} \div \text{Primary SF}) \times (\text{Primary SF} \times \text{Rate})$ . Thus, both approaches yield identical results and fully comply with §65852.2 and AB-602.

### ADU Fee Structure in Grand Terrace

Grand Terrace applies residential DIFs on a per-square-foot basis across all residential development types, including ADUs where applicable. The Street Improvement DIF program is used as the demonstration program for this appendix.

Street Improvement Single-Family Residential Rate: \$0.01462 per square foot.

### Rules for Applying DIFs to ADUs

ADUs under 750 square feet are exempt from DIFs.

ADUs 750 square feet or larger may be charged DIFs at the adopted Single-Family Detached \$/SF rate.

Because the City's DIF is assessed per residential square foot, charging the adopted \$/SF rate on the ADU's square footage satisfies the statutory proportionality requirement relative to the primary dwelling.

Fees are calculated only on the ADU's square footage.

Net-new credits apply if the ADU replaces existing legal floor area.

Totals are rounded to whole dollars for billing; internal calculations maintain full precision.

**Examples (Using Adopted Single-Family Detached Rate of \$8.643/SF)**

Example 1 — 700 SF ADU (Exempt): Under 750 SF → No DIF may be charged.

Example 2 — 850 SF ADU:  $850 \times \$8.643 = \$7,346.55 \rightarrow \$7,347$

Example 3 — 1,100 SF ADU:  $1,100 \times \$8.643 = \$9,507.30 \rightarrow \$9,507$

**Submittal Requirements**

Scaled floor plan identifying ADU square footage.

Primary dwelling square footage for proportionality verification.

Documentation of any demolished or replaced floor area (for net-new calculations).

Completed City DIF calculation worksheet showing ADU fee computation.

## APPENDIX G

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### PUBLIC SAFETY BUILDING MODEL

## Appendix G: Public Safety Building Model for Sheriffs Station

Model Project Used: 2,240 SF Police Station

Target Total Cost Basis: \$530 per SF (No Land)

Total Building Cost: 2,240 SF × \$530 = \$1,187,200

Cost Breakdown (Per Station):

Component	Basis	Cost per SF	Amount (\$)
Site Work	2,240 SF × \$30	\$30	\$67,200
Police Station Building	2,240 SF × \$275	\$275	\$616,000
Direct Construction Subtotal	Site Work + Building	\$305	\$683,200
General Conditions (12 months)	≈8% of Direct Subtotal	\$25	\$56,000
Construction Contingency	≈20% of Direct Subtotal	\$60	\$134,400
Escalation to Midpoint of Construction	≈7.5% of Prior Subtotal	\$30	\$67,200
Construction Subtotal (No Soft Costs)	Direct + GC + Contingency + Escalation	\$420	\$940,800
Estimated Soft Costs	Design/PM, CA, CM, permitting, testing, bidding, utilities	\$110	\$246,400
Total — Station Construction (No Land)	2,240 SF × \$530	\$530	\$1,187,200

## APPENDIX H

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### PARKS QUALITY OF LIFE INFRASTRUCTURE COST BASIS

## Appendix H: Quality of Life Cost Basis

### Purpose

This appendix documents the land acquisition and construction cost bases used to develop the City of Grand Terrace's quality of life development impact fees. It consolidates the inputs for both of the City's quality of life programs: the Parks Development Impact Fee, which funds parkland acquisition and park improvements, and the Public Use Facilities Development Impact Fee, which funds community centers, public meeting space, and the Library building program.

### Parks Cost Basis

#### Parkland Acquisition Cost Basis

The adopted 2025 planning value for parkland acquisition in Grand Terrace is \$1,100,000 per acre. This value is derived from publicly available listings within the Grand Terrace trade area and represents fair-market pricing suitable for neighborhood and community park sites.

Key comparable listings used for the valuation include:

21911 De Berry St — 4.65 acres listed at \$4,608,000 = \$990,967.74 per acre

70,001 SF lot (1.606 ac) listed at \$1,750,000 = \$1,088,984.44 per acre

Colton Center St — \$2,178,000 per acre (upper-bound context only)

These data points establish a defensible planning band for park-suitable land between approximately \$0.99M and approximately \$1.09M per acre. The City adopts a midpoint rounded to \$1,100,000 per acre to reflect local conditions, allow for parcel variability, and maintain conservative funding adequacy while excluding industrial and frontage premiums.

#### Park Improvements (Construction Cost Basis)

The City's park improvement cost basis is \$599,660 per acre. This value reflects the escalated 2005–2006 Grand Terrace park development baseline updated to the study year using the Engineering News-Record (ENR) Building Cost Index (BCI).

This per-acre improvement value represents turn-key construction of park facilities, including turf and hardscape areas, courts and fields, destination playgrounds, lighting, restrooms, support buildings, internal paths, irrigation, and accessibility features.

### Combined Park Cost Basis

Category	Unit	Planning Value
Parkland Acquisition	\$/acre	\$1,100,000
Park Improvements	\$/acre	\$599,660
Combined Park Cost Basis	\$/acre	\$1,699,660

### Application to the Parks Development Impact Fee

The combined per-acre cost of \$1,699,660 is applied to the additional acreage required to maintain the City's adopted level of service of 1.552 acres per 1,000 residents. Using the net-new population forecast of 20,293 residents, the required new park capacity is 31.495 acres. This required acreage is priced using the unit cost basis documented above.

### Public Use Facilities Cost Basis (Community Centers and Library Building Space)

#### Construction Cost Basis

The Public Use Facilities program prices building construction on a per-square-foot basis using a study-year planning value of \$450 per building square foot. The City's prior public building construction basis from the 2005–2006 Grand Terrace Development Impact Fee Nexus Study was \$250 per square foot. This historical basis is escalated to 2025 using the Engineering News-Record (ENR) Building Cost Index (BCI): ENR BCI 2025 (13,914) divided by ENR BCI 2005–2006 (7,722) yields an escalation factor of 1.802, which applied to the \$250 per square foot basis produces a 2025 planning value of \$450 per square foot (rounded).

This \$450 per square foot planning value reflects full building construction costs for multi-purpose community center facilities, including core building systems, interior build-out, and code-triggered improvements necessary to place Public Use space into service.

#### Land Cost Basis

Public Use land is priced on a per-building-square-foot basis using an underlying civic-appropriate land value of \$1,235,565 per acre at an assumed floor area ratio (FAR) of 0.33. This converts to a land cost of \$85.95 per building square foot. Applied to the existing 36,575 square feet of Public Use Facilities inventory, this yields an estimated land value of \$3,143,621 (36,575 square feet times \$85.95 per square foot).

The City developed this basis from local market evidence suitable for civic and assembly use within the Grand Terrace trade area, consistent with the land research used for the parkland acquisition basis.

### Combined Public Use Facilities Cost Basis

For planning and fee-calculation purposes, the combined Public Use Facilities cost basis per building square foot is: \$450.00 per building square foot for construction plus \$85.95 per building square foot for land, for a combined construction and land cost of \$535.95 per building square foot.

### **Application to the Public Use Facilities Development Impact Fee**

The Public Use Facilities program maintains the City's existing service standard of 2.799 square feet per resident, derived from the documented inventory of 36,575 square feet and the current resident population of 13,069. The net-new growth population of 20,293 residents, multiplied by the 2.799 square feet per resident standard, yields 56,801 square feet of required new Public Use space. This required building area is priced using the construction and land unit costs documented above, and the resulting per-person and per-residential-square-foot costs are allocated by housing type to produce the Public Use Facilities fee schedule presented in the main report.

### **Summary**

Grand Terrace's quality of life development impact fees use study-year planning values derived from local market land data and escalated public facility construction costs. For Parks, the combined parkland and improvement cost basis is \$1,699,660 per acre, applied to the additional acreage needed to maintain the City's adopted park service standard. For Public Use Facilities, the combined construction and land cost basis is \$535.95 per building square foot, applied to the additional 56,800 square feet of building space required to serve growth at the existing 2.799 square feet per resident standard. All inputs are consistent with AB-602 transparency requirements and the Mitigation Fee Act's reasonable-relationship standard, ensuring that new residential development pays only its fair, proportional share of the capital improvements necessary to maintain Grand Terrace's quality of life as growth occurs.

## APPENDIX I

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# DEVELOPMENT IMPACT FEE CAPITAL IMPROVEMENT PLAN

## **Appendix I: Capital Improvement Plan (CIP) Introduction**

### **Purpose and Scope:**

This appendix presents the Capital Improvement Plan (CIP) that supports the City of Grand Terrace's Development Impact Fee (DIF) program. It compiles the growth-related capital projects necessary to maintain the City's established levels of service (LOS) as development occurs. The CIP includes only capital projects that add system capacity—such as facilities, equipment, and infrastructure improvements that directly serve new residents and development.

The CIP excludes operations and maintenance, repair and replacement, and any remediation of existing deficiencies. Each project is presented with its Total Cost, the percentage of that cost attributable to new development, and the resulting Cost to New Development. This structure provides a transparent, auditable basis for calculating maximum justified DIFs under the Mitigation Fee Act and AB-602.

### **Legal Authority and AB-602 Compliance:**

The Mitigation Fee Act (Government Code §66000 et seq.) requires an essential nexus between new development and the need for capital improvements, and proportionality between the fee amount and the share of costs attributable to new development. Public noticing, segregated accounting, and periodic reporting are also required.

Assembly Bill 602 (AB-602) requires residential impact fees to be expressed on a per-square-foot basis, a documented existing level of service (LOS) for each fee program, and a Capital Improvement Plan (CIP) adopted as part of the nexus study. This appendix satisfies these requirements by identifying the capacity-adding projects for each program and allocating only the growth share of costs to new development.

### **How This Appendix Satisfies the Law:**

Each project includes a justification describing how the improvement maintains LOS for a larger future service population. Only the growth-related share of each project's cost is assigned to DIFs. Eligible capital uses include land, design, engineering, environmental review, permitting, construction, contingency, and capital-eligible equipment. Existing deficiencies and ongoing O&M are not funded with DIFs. Project tables clearly show Total Cost, Percent to New Development, Cost to New Development, and Estimated Time of Availability, ensuring a fully auditable chain into fee calculations.

### **Programs Included in This CIP:**

- Law Enforcement Facilities
- Fire Facilities
- Local Street Improvements

- Regional Circulation
- General City Facilities
- Public Use / Community Centers
- Parks Development

Each program's CIP table contains: Project Number, Project Title, Department/Category, Location/Scope, Total Cost, Percent of Cost Attributable to New Development, Cost to New Development, and Estimated Availability Window. A brief Description and Justification/Need accompany each project.

#### **How to Read the Tables:**

The CIP tables link individual project data to final fee schedule calculations. For each project, Total Cost reflects full capitalized cost; Percent to New Development reflects the portion required to maintain LOS; Cost to New Development forms the fee-eligible contribution; and Estimated Availability shows timing of improvements needed to serve growth. This ensures clear traceability from projects to maximum justified fees.

#### **Summary:**

This CIP provides the growth-related capital framework required under the Mitigation Fee Act and AB-602. It identifies improvements necessary to maintain Grand Terrace's LOS standards and assigns only the growth share of cost to new development. The resulting CIP tables form the foundation for calculating maximum justified Development Impact Fees.

**City of Grand Terrace AB-1600 Capital Improvement Plan  
2026-2036  
Law Enforcement Facilities**

Project Number	Project Title	Department	Category	Location	Size/Scope	Total Cost	% of Cost to New Dev.	Cost to New Dev.	Est. Availability
LE-001	Sheriff Station Space Expansion	Law Enforcement	Law Enforcement Facilities	Sheriff Station	2,611 SF	\$1,383,830	100%	\$1,383,830	2036

**Narrative Project Details**

<b>Project Number</b>	LE-001
<b>Brief Description</b>	This project expands City-owned law enforcement building space to accommodate the growth-related calls-for-service generated by new development in Grand Terrace. The scope includes planning, design, permitting, and construction or reconfiguration of interior space within City Hall or another City-owned facility to increase the area dedicated to law enforcement functions.
<b>Justification/Need</b>	This project is necessary to provide the additional 2,611 square feet of law enforcement building capacity required to accommodate growth-related increases in calls-for-service and maintain the City's established level of service as new development occurs.

**City of Grand Terrace AB-1600 Capital Improvement Plan  
2026-2036  
Fire Facilities**

Project Number	Project Title	Department	Category	Location	Size/Scope	Total Cost	% of Cost to New Dev.	Cost to New Dev.	Est. Availability
FD-001	New Fire Station	San Bernardino County Fire Protection District (serving Grand Terrace)	Fire Facilities	Within Grand Terrace, in coordination with County Fire	Approximately 5,000–6,000 square feet (comparable to existing station)	\$9,484,017	100%	\$9,484,017.00	2036
FD-002	New Fire Engine	San Bernardino County Fire Protection District (serving Grand Terrace)	Fire Facilities	Assigned to the new fire station serving growth in the City of Grand Terrace	One fully equipped fire engine	\$1,200,000	100%	\$1,200,000.00	2036
FD-003	New Specialty Firefighting and Life-Safety Equipment	San Bernardino County Fire Protection District (serving Grand Terrace)	Fire Facilities	Assigned to the new fire station serving growth in the City of Grand Terrace.	Specialty firefighting and life-safety equipment.	\$142,197	100%	\$142,197.00	2036

**Narrative Project Details**

<b>Project Number</b>	<b>FD-001</b>
<b>Brief Description</b>	Construct a new fire station to add facility capacity necessary to maintain the established level of fire protection service as new development increases calls-for-service.
<b>Justification/Need</b>	Planned development is projected to generate 1,838 additional calls-for-service. To maintain the current level of service and avoid degradation of emergency response capability, one additional fire station is required. The project will be planned and delivered in coordination with the San Bernardino County Fire Protection District and adds capacity attributable solely to new development; it does not address existing deficiencies.

<b>Project Number</b>	<b>FD-002</b>
<b>Brief Description</b>	Acquisition of one additional fully equipped fire engine to provide response capacity necessary to maintain the established level of fire protection service as new development increases calls-for-service within the City of Grand Terrace.
<b>Justification/Need</b>	Projected development is expected to generate 1,838 additional calls-for-service. An additional fire engine is required to provide apparatus capacity sufficient to serve growth-related demand without degrading emergency response capability for the existing community. This project adds new apparatus capacity attributable to growth and does not fund staffing, operations, or replacement of existing vehicles.

<b>Project Number</b>	<b>FD-003</b>
<b>Brief Description</b>	Acquisition of specialty firefighting and life-safety equipment necessary to support additional fire protection capacity required to serve new development within the City of Grand Terrace.
<b>Justification/Need</b>	Projected development is expected to generate 1,838 additional calls-for-service, requiring additional specialty equipment to maintain the established level of emergency response service. This project provides growth-related equipment capacity associated with the new fire station and assigned apparatus and does not fund staffing, operations, or replacement of existing equipment.

**City of Grand Terrace AB-1600 Capital Improvement Plan  
2026-2036  
Local Street Improvements**

Project Number	Project Title	Department	Category	Location	Size/Scope	Total Cost	% of Cost to New Dev.	Cost to New Dev.	Est. Availability
ST-001	Circulation Master Plan	Public Works	Local Street Improvements	Citywide	Citywide planning document	\$2,500,000	50%	\$1,250,000	2036
ST-002	Main Street Corridor Signalization & Railroad Crossing Improvements	Public Works	Local Street Improvements	Main Street Corridor	Traffic signal and intersection upgrades along the Main Street corridor.	\$4,500,000	40%	\$1,800,000	2032
ST-003	Commerce Way Extension to Taylor Street	Public Works	Local Street Improvements	Commerce Way to Taylor Street	Approximately 1.25 miles of new roadway construction.	\$3,200,000	70%	\$2,240,000	2032
ST-004	Mt. Vernon Street Slope Stabilization & Roadway Improvements	Public Works	Local Street Improvements	Mt. Vernon Street, northern City boundary adjacent to the City of Colton	Approximately 0.5 miles of slope stabilization and roadway improvements.	\$4,200,000	30%	\$1,260,000	2031

**Narrative Project Details**

<b>Project Number</b>	ST-001
<b>Brief Description</b>	Prepare a comprehensive Circulation Master Plan to evaluate existing transportation network conditions and identify growth-related capacity needs.
<b>Justification/Need</b>	Projected development will increase travel demand citywide. A Circulation Master Plan is required to identify and size growth-related roadway and intersection improvements and to establish the capital program framework necessary to accommodate development.

<b>Project Number</b>	ST-002
<b>Brief Description</b>	Install new traffic signals and modernize existing signal infrastructure along the Main Street corridor, including railroad crossing coordination and associated intersection improvements.
<b>Justification/Need</b>	Projected development will increase trip generation and intersection demand along the Main Street corridor. Signalization and operational upgrades are required to maintain roadway capacity, improve traffic flow, and preserve safe multimodal circulation as growth occurs. The project adds capacity and operational improvements attributable to development and does not address unrelated deficiencies.

<b>Project Number</b>	ST-003
<b>Brief Description</b>	Construct a new roadway connection extending Commerce Way to Taylor Street to eliminate the existing dead-end condition and improve network connectivity.
<b>Justification/Need</b>	Projected development will increase trip demand and require improved circulation connectivity within the City. Extending Commerce Way to Taylor Street provides additional roadway capacity, enhances access to developable areas, and supports orderly growth consistent with the General Plan. The project adds capacity attributable to new development.

<b>Project Number</b>	ST-004
<b>Brief Description</b>	Slope stabilization and roadway improvements along Mt. Vernon Street to maintain safe and reliable circulation. Work includes retaining structures, drainage improvements, pavement rehabilitation, guardrails, and related safety enhancements.
<b>Justification/Need</b>	Projected development will increase travel demand on the City's circulation system. Stabilization and safety improvements on Mt. Vernon Street are required to maintain reliable corridor function and protect roadway capacity as growth increases use of the network. The project's improvements support continued safe access and circulation and are proportionally allocated between existing and new development.

**City of Grand Terrace AB-1600 Capital Improvement Plan  
2026-2036  
Street Improvements**

Project Number	Project Title	Department	Category	Location	Size/Scope	Total Cost	% of Cost to New Dev.	Cost to New Dev.	Est. Availability
ST-005	Michigan Street Widening & Arterial Upgrade	Public Works	Street Improvements	Michigan Street corridor	Widening and reconstruction of approximately 1,500 meters (4,920 linear feet) of Michigan Street to secondary arterial standards.	\$12,750,000	45%	\$5,737,500.00	2032

**Narrative Project Details**

<b>Project Number</b>	ST-001
<b>Brief Description</b>	Widening and reconstruction of Michigan Street to secondary arterial standards. Improvements include additional travel lanes, curb, gutter, sidewalks, drainage, pavement rehabilitation, signage, and lighting to increase capacity, improve safety, and enhance connectivity within the City's circulation system.
<b>Justification/Need</b>	Projected development will increase trip generation and corridor demand along Michigan Street. Widening to secondary arterial standards is required to provide additional roadway capacity, maintain safe and efficient circulation, and accommodate growth consistent with the City's General Plan. The project adds capacity attributable to new development and is proportionally allocated between existing and future users.

**City of Grand Terrace AB-1600 Capital Improvement Plan  
2026-2036  
Regional Circulation**

Project Number	Project Title	Department	Category	Location	Size/Scope	Total Cost	% of Cost to New Dev.	Cost to New Dev.	Est. Availability
RS-001	Main Street Metrolink Station and Rail Connection	Public Works	Regional Circulation	Former power plant site on Taylor Street	Construction of one commuter rail station with associated access and connectivity improvements.	\$38,000,000	50%	\$19,000,000.00	2035

**Narrative Project Details**

<b>Project Number</b>	RS-001
<b>Brief Description</b>	parking and drop-off areas, and pedestrian and bicycle connections to Main Street. The project includes required planning, design, utility coordination, and integration with the regional rail network.
<b>Justification/Need</b>	Projected development will increase regional travel demand and require expanded multimodal connectivity within the City. Establishment of a commuter rail station supports growth by providing regional access, reducing roadway demand, and enhancing circulation options consistent with the City's transportation and land use planning framework. The project is proportionally allocated between new development and existing/regional beneficiaries.

**City of Grand Terrace AB-1600 Capital Improvement Plan  
2026-2036  
General City Facilities**

Project Number	Project Title	Department	Category	Location	Size/Scope	Total Cost	% of Cost to New Dev.	Cost to New Dev.	Est. Availability
GG-001	City Hall Expansion/Modernization	City Administration/ City Manager's Office	General City Facilities	City Hall	TBD	\$5,356,034	49%	\$2,627,876	2036
GG-002	General City Vehicle Expansion	City Administration/ City Manager's Office	General City Facilities	Citywide	TBD	\$193,676	49%	\$95,025	2036
GG-003	City Yard Expansion	City Administration/ City Manager's Office	General City Facilities	City Yard Facilities	TBD	\$870,758	49%	\$427,227	2036
GG-004	General City Equipment Expansion	City Administration/ City Manager's Office	General City Facilities	City Hall, City Yard, and other general city administrative and operational facilities	TBD	\$267,802	49%	\$131,394	2036

**Narrative Project Details**

<b>Project Number</b>	<b>GG-001</b>
<b>Brief Description</b>	Remodel and expand City Hall to increase administrative and customer-service capacity, including reconfigured office and meeting areas, upgraded technology systems, improved public counters, and modernization of core building systems needed to support a larger service population.
<b>Justification/Need</b>	This project is necessary to provide sufficient General City Facilities capacity to serve growth and maintain the City's established level of service, ensuring that administrative, permitting, financial, and public-facing functions can continue operating effectively as Grand Terrace's population and service demands increase.

<b>Project Number</b>	<b>GG-002</b>
<b>Brief Description</b>	Acquisition of additional general-purpose administrative and support vehicles to serve citywide inspections, site visits, interdepartmental travel, and operational support as Grand Terrace's service population grows.
<b>Justification/Need</b>	This project is needed to expand the City's general vehicle fleet in proportion to growth so that General City Facilities services can maintain the City's established level of service, with the growth-related share funded through the General City Facilities impact fee program.

<b>Project Number</b>	<b>GG-003</b>
<b>Brief Description</b>	Expansion of City Yard facilities to provide additional storage, staging, and operational space to support public works and general government field activities as Grand Terrace's service population grows.
<b>Justification/Need</b>	This project is necessary to increase City Yard capacity in proportion to service population growth so that inspections, maintenance, materials storage, and other field operations can maintain the City's established level of service as new development adds residents and employment.

<b>Project Number</b>	<b>GG-004</b>
<b>Brief Description</b>	Acquisition of additional general city equipment—including shared furnishings, fixtures, information technology, communications hardware, and operational equipment—to support expanded administrative and field capacity as Grand Terrace's service population grows.
<b>Justification/Need</b>	This project is needed to provide the additional equipment required to place expanded City Hall and City Yard capacity into service and to maintain the City's established level of administrative and operational service as new development increases staffing and workload.

**City of Grand Terrace AB-1600 Capital Improvement Plan  
2026-2036  
Public Use Facilities**

Project Number	Project Title	Department	Category	Location	Size/Scope	Total Cost	% of Cost to New Dev.	Cost to New Dev.	Est. Availability
PF-001	Public Use Space Expansion	Parks and Recreation	Public Use Facilities	TBD	52,989 SF	\$28,399,531	100%	\$28,399,531.00	2036

**Narrative Project Details**

<b>Project Number</b>	PF-001
<b>Brief Description</b>	Construction and expansion of Public Use building space, including planning, design, permitting, construction, interior build-out, and related on-site improvements, to add 52,989 square feet of multi-purpose community facility capacity for Grand Terrace residents.
<b>Justification/Need</b>	This project is necessary to provide 52,989 square feet of additional Public Use building capacity identified in the growth analysis so the City can maintain its established service standard of 2.799 square feet per resident as new development increases the service population.

**City of Grand Terrace AB-1600 Capital Improvement Plan  
2026-2036  
Parkland Acquisition and Park Facilities**

Project Number	Project Title	Department	Category	Location	Size/Scope	Total Cost	% of Cost to New Dev.	Cost to New Dev.	Est. Availability
PK-001	Parkland Acquisition & Facilities Improvements – Citywide Program	Parks and Recreation	Parkland Acquisition and Park Facilities	Citywide	29.38 Acres	\$49,938,461	100%	\$49,938,461	2036

**Narrative Project Details**

<b>Project Number</b>	PK-001
<b>Brief Description</b>	Citywide program to acquire approximately 29.38 acres of new parkland and construct capacity-adding park improvements—including new or expanded fields, courts, multi-purpose turf and hardscape areas, playgrounds, restrooms and support buildings, lighting, paths and trailheads, irrigation, and accessibility features—to serve a growing community.
<b>Justification/Need</b>	This program is necessary to provide growth-related parkland and facility capacity so the City can maintain its adopted parks level of service as new residential and nonresidential development increases the service population.

## APPENDIX J

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### DEVELOPMENT FEASIBILITY ANALYSIS

## Appendix J: Development Feasibility Analysis

### Purpose and Scope

This appendix evaluates the financial feasibility implications of the City of Grand Terrace's Development Impact Fee (DIF) program. Assembly Bill 602 (AB-602) requires local agencies to consider the relationship between residential impact fees and the cost of housing construction. Although AB-602 focuses on residential development, best practice and recent case law support evaluating commercial feasibility as well. This appendix therefore examines residential and nonresidential development prototypes commonly built in the Inland Empire and evaluates whether the proposed DIF schedule would materially affect development feasibility.

The analysis uses a prototype-based feasibility framework consistent with industry practice and RCS standards. It incorporates market rents, vacancy and operating expense assumptions, construction cost benchmarks, land cost expectations, and financing parameters to estimate return-on-cost (ROC). The appendix compares feasibility outcomes with and without the adopted DIF levels to determine whether the fees represent a binding constraint on new development in Grand Terrace.

### Regulatory Context

The Mitigation Fee Act (Government Code §66000 et seq.) requires that development impact fees be reasonably related to the need for public facilities created by new development and be proportionate to the cost of the infrastructure attributable to that development. Agencies must also demonstrate that fee adoption will not be confiscatory and will not impede development to such an extent that fees lose their rational nexus to facility demand.

Assembly Bill 602 (AB-602) requires nexus studies to clearly document how residential fees relate to housing feasibility. While the statute centers on residential affordability, it does not prohibit feasibility evaluations for nonresidential uses; in fact, many jurisdictions now conduct such analyses to maintain defensibility and avoid claims that fees materially suppress commercial investment.

This appendix fulfills these expectations by providing a transparent evaluation of how the proposed fee levels interact with typical project economics across all major land uses in Grand Terrace.

### Methodology Overview

The feasibility analysis relies on a standardized return-on-cost (ROC) approach, which compares annual net operating income (NOI) to total development cost. Prototypes were selected to reflect typical product types in the Inland Empire market:

- Single-Family Detached (SFD) residential;
- Multi-Family Attached (MF) garden-style residential;
- General Commercial (Retail);

- Office / Medical Office;
- Industrial / Warehouse.

Key inputs include market rents derived from published Inland Empire datasets, construction cost ranges reflecting RSMMeans 2025 benchmarks calibrated to Inland Empire conditions, operating assumptions including vacancy and expense ratios, and total development cost per square foot inclusive of the applicable DIF. ROC is computed for each prototype under two conditions: (1) with DIFs included in total development cost and (2) without DIFs, removing only the fee component. This isolates the incremental impact of DIFs on feasibility while holding all other variables constant.

### **Development Prototypes and Market Inputs**

#### **Residential Prototypes:**

**Single-Family Detached (SFD):** A representative new SFD home in Grand Terrace is modeled at 1,916 square feet, consistent with the adopted Average Residential Unit Size (ARUS). Based on recent Grand Terrace housing trends and regional comparables, a realistic new-construction price assumption is approximately \$390 per square foot, or roughly \$747,000 per home.

**Multi-Family (MF):** Garden-style apartment prototypes reflect unit sizes of approximately 850 square feet, aligning with local projects such as The Heights and The Highlands at Grand Terrace. Market rents for modern Inland Empire apartments indicate a central rent anchor of approximately \$2.60 per square foot per month, yielding annual effective NOI of approximately \$19.27 per square foot after vacancy and operating costs.

#### **Nonresidential Prototypes:**

**Retail:** Neighborhood-serving retail in the Inland Empire rents for approximately \$1.72 per square foot per month. A 10,000-square-foot retail shell building is used as the prototype.

**Office:** Small-scale office and medical office spaces in the Inland Empire typically achieve approximately \$2.15 per square foot per month on a full-service basis. A 10,000-square-foot office prototype is used for testing.

**Industrial:** Modern tilt-up industrial buildings in the region achieve approximately \$1.45 per square foot per month. A 50,000-square-foot warehouse prototype is selected to match market norms.

### **Development Cost Assumptions**

Construction cost ranges were selected to align with RSMMeans 2025 benchmarks for the Inland Empire. These ranges include hard costs, soft costs, land, professional fees, and contingency, and are applied to each prototype as follows:

- Retail: \$275–\$375 per square foot;
- Office / Medical Office: \$300–\$450 per square foot;
- Industrial tilt-up warehouse: \$125–\$200 per square foot;
- Garden-style multi-family: \$250–\$325 per square foot.

Single-family feasibility is assessed primarily relative to sale price rather than ROC because SFD projects are typically financed and evaluated on a for-sale basis. For SFD, the analysis focuses on the share of total home value represented by DIFs and the approximate impact on a conventional 30-year mortgage.

### **Fee Load and Cost Impact**

Using the adopted Grand Terrace DIF schedule, the analysis calculates total fee loads per unit for residential prototypes and per square foot for nonresidential prototypes. These fee loads are compared to total development costs and sale prices.

#### **Residential Fee Loads:**

For Single-Family Detached, the DIF rate is approximately \$6.71 per square foot. Applying this rate to the 1,916-square-foot ARUS yields a total DIF load of approximately \$12,852 per new SFD home. At a \$747,000 home value, this equates to roughly 1.7% of the home price and adds about \$85 per month to a 30-year mortgage at 7% interest.

For Multi-Family, the DIF rate is approximately \$14.78 per square foot. Applied to an 850-square-foot unit, this results in a total DIF of approximately \$12,567 per unit. Across typical MF development cost ranges (\$250–\$325 per square foot), this fee represents roughly 4.5%–6% of total development cost.

#### **Nonresidential Fee Loads:**

For a 10,000-square-foot General Commercial (retail) prototype, the combined DIF burden is approximately \$0.40 per square foot, or \$3,974 per building. Across total development cost ranges of \$275–\$375 per square foot, this represents approximately 0.11%–0.14% of total development cost.

For a 10,000-square-foot Office prototype, the DIF rate of approximately \$0.28 per square foot results in a total fee burden of about \$2,796 per building. This represents roughly 0.06%–0.09% of total development cost across the \$300–\$450 per square foot range.

For a 50,000-square-foot Industrial prototype, the DIF rate of approximately \$0.23 per square foot results in a total fee burden of about \$11,620 per building. This represents approximately 0.12%–0.19% of total development cost across the \$125–\$200 per square foot range.

### **Feasibility Results: Return-on-Cost (ROC)**

Return-on-cost (ROC) is calculated as annual net operating income divided by total development cost. The feasibility analysis compares ROC outcomes with DIFs included in

total development cost and with DIFs removed, in order to isolate the incremental effect of fees.

### **Single-Family Detached:**

For SFD, DIFs are evaluated as a share of total home value and as an incremental mortgage cost. With a total fee load of approximately \$12,852 per home, DIFs account for roughly 1.7% of a \$747,000 home and do not constitute a binding constraint on new home construction.

### **Multi-Family Residential:**

For the multi-family prototype, annual NOI per square foot is derived from market rents of approximately \$2.60 per square foot per month, a 5% vacancy allowance, and operating expenses of about 35% of effective gross income. Across development cost ranges of \$250–\$325 per square foot, ROC remains within commonly acceptable Inland Empire underwriting thresholds even with DIFs included. Removing DIFs increases ROC by approximately 0.3–0.5 percentage points, indicating that construction costs, financing conditions, and land pricing—not DIFs—are the primary feasibility drivers.

### **Retail, Office, and Industrial:**

For retail, office, and industrial prototypes, the DIF share of total development cost is well below 1%, and the effect on ROC is negligible. For neighborhood retail, the change in ROC from removing DIFs is less than 0.01 percentage points. For office, ROC changes by roughly 0.005 percentage points. For industrial, ROC changes by less than 0.02 percentage points. In each case, project feasibility is overwhelmingly driven by rents, land values, and construction costs rather than by the DIF schedule.

## **Findings and Conclusions**

The feasibility testing conducted across all major land uses demonstrates that the proposed Development Impact Fee schedule in Grand Terrace does not create feasibility barriers for new development.

- Residential DIFs are modest relative to total project costs. For SFD, fees equal approximately 1.7% of a new home price. For MF, fees represent approximately 4.5%–6% of total development cost.
- ROC impacts are minimal across all prototypes. Multi-family ROC reduction is less than 0.5 percentage points; commercial ROC reductions are less than 0.02 percentage points.
- Commercial fee burdens are low relative to total development cost. Across retail, office, and industrial prototypes, DIFs consistently comprise less than 0.2% of total development cost.
- Primary feasibility drivers are external to DIFs. Construction costs, land pricing, and financing terms exert far more influence on development viability than the adopted DIF schedule.

- The DIF program complies with AB-602 and the Mitigation Fee Act. The fees maintain proportionality, remain modest relative to development economics, and do not inhibit feasible project delivery in Grand Terrace.

Based on this analysis, the proposed maximum justified Development Impact Fees are not a binding constraint on new development in Grand Terrace. They remain consistent with AB-602, the Mitigation Fee Act, and widely accepted feasibility standards.

### **Market Data Sources and Assumptions**

This section documents the market data sources and supporting references used to develop the Development Feasibility Analysis. The information below summarizes publicly available sources that inform revenue assumptions, construction cost ranges, operating cost estimates, and rental and pricing benchmarks for the development prototypes evaluated in this appendix.

#### Residential Market Data Sources:

- Redfin – Grand Terrace median sale price trends, price per square foot, and recent transaction summaries.
- Zillow – Local home value index, recent sale listings, and price per square foot indicators.
- Realtor.com – Listing prices, price per square foot, and 92313-submarket housing statistics.
- ATTOM Data Solutions – City-level home price and sales activity summaries.
- ApartmentHomeLiving – Published rent ranges and unit sizes for local multi-family properties.
- Rent.com – Market listings supporting multi-family rent confirmation.

These sources were used to establish typical unit sizes and realistic modern market rents for new or recently built multi-family projects, as well as representative sale price assumptions for new single-family homes in Grand Terrace.

#### Commercial and Industrial Market Data Sources:

- Kidder Mathews – Inland Empire Retail, Office, and Industrial market reports.
- Cushman & Wakefield – Inland Empire MarketBeat reports for Office and Industrial.
- CommercialEdge – Regional industrial and multi-family rent analytics.
- NAI and similar brokerage reports – Southern California industrial and logistics market conditions.
- Local retail and office listings in the Grand Terrace / Colton / Loma Linda trade areas.

These reports support modeled rental rates of approximately \$1.72 per square foot per month for retail, approximately \$2.15 per square foot per month for office, and approximately \$1.45 per square foot per month for industrial space, consistent with Inland Empire market conditions.

#### Construction Cost Data Sources:

Construction cost assumptions were derived from RSMeans 2025 category benchmarks and adjusted for Inland Empire regional cost factors. While proprietary RSMeans values are not reproduced directly, the feasibility model reflects cost ranges consistent with Inland Empire market construction pricing, including the ranges listed in Section 5 of this appendix.

#### Operating and Financial Assumptions:

- Vacancy rate: generally 5% across residential and commercial prototypes.
- Operating expense ratios: approximately 35% for retail and office, and approximately 25% for industrial.
- Return-on-cost thresholds: consistent with Inland Empire underwriting standards for each product type.
- Financing parameters: industry-standard loan-to-cost ratios, interest assumptions, and capitalization rates.

All market assumptions used in this feasibility analysis are derived from publicly available, industry-standard sources. Detailed workpapers, internal calculation files, and underlying market data excerpts may be made available to the City for audit or validation purposes. These sources collectively provide a transparent, objective foundation for the feasibility modeling in this appendix.

**End of Report**

## City of Grand Terrace Development Impact Fee Master Fee Schedule

Land Use	Cost Basis	Law Enforcement Facilities	Fire Facilities	Local Street Improvements	Regional Circulation	General City Facilities	Public Use Facilities	Parkland Acquisition and Park Facilities
Single Family Detached	Per Square Foot	\$0.058	\$0.831	\$0.378	\$0.362	\$0.321	\$2.426	\$4.267
Multi-Family Attached	Per Square Foot	\$0.155	\$1.365	\$0.359	\$0.344	\$0.132	\$4.286	\$7.537
Manufactured/Mobile Homes	Per Square Foot	\$0.069	\$1.492	\$0.285	\$0.273	\$0.248	\$3.764	\$6.618
General Commercial	Per Square Foot	\$0.154	\$0.388	\$2.685	\$2.572	\$0.128	-	-
Office Commercial	Per Square Foot	\$0.109	\$0.509	\$0.806	\$0.772	\$0.128	-	-
Industrial	Per Square Foot	\$0.052	\$0.101	\$0.447	\$0.429	\$0.150	-	-

Land Use	DIF Total
<b>Single Family Detached</b>	<b>\$8.643</b>
<b>Multi-Family Attached</b>	<b>\$14.177</b>
<b>Manufactured/Mobile Homes</b>	<b>\$12.749</b>
<b>General Commercial</b>	<b>\$5.927</b>
<b>Office Commercial</b>	<b>\$2.323</b>
<b>Industrial</b>	<b>\$1.179</b>

Subdivision Park Requirement (Quimby Act)		
Single-Family Residential	\$8.247	Per SF
Multiple-Family Residential	\$14.569	Per SF
Mobile Home Dwelling Units	\$12.793	Per SF

**For reference only:** Applies to residential subdivisions subject to the City's Quimby ordinance. Administered under the Subdivision Map Act; land dedication and/or in lieu is credited first to avoid double counting with Parks DIF. Not a development impact fee (not included in Total DIF).



# AGENDA REPORT

MEETING DATE: March 24, 2026

TITLE: Purchase of Additional Video Surveillance Cameras in the Public Right-Of-Way

PRESENTED BY: Christine Clayton, Finance Director

RECOMMENDATION: **APPROVE PURCHASE ORDER FOR \$87,600 WITH FLOCK SAFETY FOR THE PURCHASE, INSTALLATION, AND SUBSCRIPTION OF 12 ADDITIONAL OF VIDEO SURVEILLANCE CAMERAS IN THE PUBLIC RIGHT-OF-WAY**

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## **2030 VISION STATEMENT:**

This staff report supports Goal #2, Maintain Public Safety, by investing in Critical Improvements to Infrastructure.

## **BACKGROUND:**

On October 27, 2015, the Council approved resources to enhance public safety services in our community. The implementation of a comprehensive video surveillance system in Grand Terrace was authorized. The Council and community have advocated for enhanced public safety measures, including the adoption of surveillance cameras.

On March 8, 2016, the Council allocated funding for video surveillance infrastructure. This included allocating \$48,562 to Security Lines USA for installing Video Surveillance Cameras in the public right-of-way and \$5,124.60 for upgrading park cameras in Richard Rollins and Pico Park.

On April 23, 2024, the City Council approved resources for twelve (12) Flock Cameras to be placed in the right-of-way to enhance public safety.

The City has consistently had some level of video surveillance since 2015.

## **DISCUSSION:**

The decision to adopt additional Flock Safety Falcon cameras from Flock Safety aligns with the City's ongoing commitment to improving public safety and surveillance capabilities. These 12 cameras are equipped with features such as facial recognition and license plate recognition technology, which can significantly assist law enforcement in tracking and identifying vehicles associated with criminal activities. The placement of the cameras is being determined by the crime statistics reporting division of the Sheriff Intelligence Bureau. The placements will collaborate with neighboring jurisdictions that adopted the same camera system, allowing the Sheriff's Department to share and track criminal activity across jurisdictional borders. Data is accessible through law enforcement channels providing its safety and security. Extended data retention capabilities ensure the secure storage of crucial information for 365 days, facilitating future reference and analysis.

By investing in Flock cameras, the City of Grand Terrace demonstrates its dedication to leveraging

technological advancements to strengthen public safety initiatives. The deployment of these cameras is expected to enhance surveillance capabilities, deter criminal activities, and provide valuable support to law enforcement agencies in safeguarding the welfare and security of residents.

**ENVIRONMENTAL IMPACT:**

This action does not meet the threshold of a project under CEQA and is exempt.

**FISCAL IMPACT:**

First year installation and operations costs are \$45,600. Subsequent years recurring costs are \$42,000. This agreement is for 24 months. Funds will be allocated from the General Fund Account #10-410-701-000-000, Law Enforcement Equipment. We are using the additional mid-year expenditure funds for this purchase.

**Flock Safety + CA-The City of Grand  
Terrace**

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Flock Group Inc.  
1170 Howell Mill Rd, Suite 210  
Atlanta, GA 30318

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MAIN CONTACT:  
Kelly Bluth  
kelly.bluth@flocksafety.com  
(702) 401-1735

Quote Number: Q-179603  
Expiration Date: 05/29/2026



**ORDER FORM**

This order form (“**Order Form**”) hereby incorporates and includes the terms of the previously executed agreement (the “**Terms**”) which describe and set forth the general legal terms governing the relationship (collectively, the “**Agreement**”). The Terms contain, among other things, warranty disclaimers, liability limitations and use limitations.

This additional services Agreement will be effective when this Order Form is executed by both Parties (the “**Effective Date**”)

Customer:	CA-The City of Grand Terrace	Initial Term:	24 Months
Legal Entity Name:	CA-The City of Grand Terrace	Renewal Term:	12 Months
Accounts Payable Email:	jgarcia@grandterrace-ca.gov	Payment Terms:	Net 30

Address:	22795 Barton Road Grand Terrace, California 92313	Billing Frequency:	Annual Plan - First Year Invoiced at Signing.
		Retention Period:	30 Days

**Hardware and Software Products**

Recurring amounts over subscription term

Item	Cost	Quantity	Total
<b>Flock Safety Platform</b>			<b>\$42,000.00</b>
<b>Flock Safety Bundles</b>			
Flock Safety Solar Multi-Purpose LPR and Video Fixed w/ LTE Service	Included	12	Included

**Professional Services and One Time Purchases**

Item	Cost	Quantity	Total
<b>One Time Fees</b>			
<b>Flock Safety Professional Services</b>			
Professional Services - Existing Infrastructure Implementation Fee	\$150.00	24	\$3,600.00
		<b>Subtotal Year 1:</b>	\$45,600.00
		<b>Annual Recurring Subtotal:</b>	\$42,000.00
		<b>Estimated Tax:</b>	\$0.00
		<b>Contract Total:</b>	\$87,600.00

*Taxes shown above are provided as an estimate. Actual taxes are the responsibility of the Customer. This Agreement will automatically renew for successive renewal terms of the greater of one year or the length set forth on the Order Form (each, a “**Renewal Term**”) unless either Party gives the other Party notice of non-renewal at least thirty (30) days prior to the end of the then-current term.*

*The Term for Flock Hardware shall commence upon first installation and validation, except that the Term for any Flock Hardware that requires self-installation shall commence upon execution of the Agreement. In the event a Customer purchases more than one type of Flock Hardware, the earliest Term start date shall control. In the event a Customer purchases software only, the Term shall commence upon execution of the Agreement.*



**Billing Schedule**

<b>Billing Schedule</b>	<b>Amount (USD)</b>
<b>Year 1</b>	
At Contract Signing	\$45,600.00
<b>Annual Recurring after Year 1</b>	\$42,000.00
<b>Contract Total</b>	\$87,600.00

\*Tax not included

**Discounts**

<b>Discounts Applied</b>	<b>Amount (USD)</b>
Flock Safety Platform	\$0.00
Flock Safety Add-ons	\$0.00
Flock Safety Professional Services	\$0.00

## Product and Services Description

Flock Safety Platform Items	Product Description
Flock Safety Solar Multi-Purpose LPR and Video Fixed w/ LTE Service	Law enforcement grade bundled standard range license plate recognition camera and live streamed solar powered fixed camera with 30 days of edge storage, with LTE. VMS included and server free. Installed and maintained by Flock Safety, turn key-no additional software or integrations required. with Vehicle Fingerprint™ technology (proprietary machine learning software) and real-time alerts for unlimited users. AC power is also available if needed.
Professional Services - Existing Infrastructure Implementation Fee	One-time Professional Services engagement. Includes site and safety assessment of existing vertical infrastructure location, camera setup and testing, and shipping and handling in accordance with the Flock Safety Standard Implementation Service Brief.
Flock Safety LPR, fka Falcon	Law enforcement grade infrastructure-free (solar power + LTE) license plate recognition camera with Vehicle Fingerprint™ technology (proprietary machine learning software) and real-time alerts for unlimited users.
Solar Video Camera Fixed, fka Condor	Law enforcement grade live streamed Solar powered Fixed camera with 30 days edge storage. VMS included and server free. Installed and maintained by Flock Safety, turn key - no additional software or integrations required.

**By executing this Order Form, Customer represents and warrants that it has read and agrees all of the terms and conditions contained in the Terms of Service located at <https://www.flocksafety.com/terms-and-conditions>.**

The Parties have executed this Agreement as of the dates set forth below.

**FLOCK GROUP, INC.**

**Customer: CA-The City of Grand Terrace**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

PO Number: \_\_\_\_\_



# AGENDA REPORT

MEETING DATE: March 24, 2026

TITLE: Mayor to Appoint a Council Member to Attend the 2026 Annual Meeting of Shareholders of Riverside Highland Water Company

PRESENTED BY: Konrad Bolowich, City Manager

RECOMMENDATION: **MAYOR TO APPOINT A COUNCIL MEMBER TO ATTEND THE 2026 ANNUAL MEETING OF SHAREHOLDERS OF RIVERSIDE HIGHLAND WATER COMPANY**

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## **2030 VISION STATEMENT:**

This staff report supports Goal #4 Develop and Implement Successful Partnerships

## **BACKGROUND:**

The City Manager for the City of Grand Terrace serves as the City representative at the Riverside Highland Water Company's Annual Shareholders Meetings. The City Manager is unable to attend the current meeting scheduled for Thursday, March 26, 2026, at 9:00 a.m. and is requesting that the City Council appoint a Council Member to attend this meeting on behalf of the City.

## **DISCUSSION:**

On Thursday, March 26, 2026, at 9:00 a.m. the Riverside Highland Water Company(RHWC) will be holding its 2026 Annual Meeting of Shareholders at 12374 Michigan Street, Grand Terrace, CA 92313-5602 or via ZOOM by computer or phone. The City's shareholder representative, Konrad Bolowich, City Manager, is unable to attend and is requesting the Mayor appoint, with the approval of the City Council, a member of Council to attend the meeting. The purpose of the meeting is to review the activities of 2025, elect three Board of Directors members for the ensuing year, and to transact such other business as may properly come before the meeting. RHWC will describe to shareholders the continuing upgrade of the distribution system, new developments for RHWC and the 2026 operating plan.

State law provides under Government Code Section 40605 that, in general law cities where the office of mayor is an elective office pursuant to Article 5 (commencing with Section 34900) of Chapter 7 of Part 1 of Division 2 of Title 4, the mayor, with the approval of the city council, shall make all appointments to boards, commissions, and committees unless otherwise specifically provided by statute.

At this time, staff recommends that, subject to the advice and consent of the City Council, the Mayor appoints a member of Council to attend the Riverside Highland Water Company's 2026 Annual Meeting of Shareholders on Thursday, March 26, 2026, at 9:00 a.m.

## **ENVIRONMENTAL IMPACT:**

None.

**FISCAL IMPACT:**

None.