



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: JUNE 7, 2022
FROM: FINANCE DEPARTMENT WARDS: ALL
SUBJECT: FISCAL YEAR 2022/23 SCHEDULE OF FEES AND CHARGES

ISSUE:

Receive and file the updated Fiscal Year 2022/23 Schedule of Fees and Charges.

RECOMMENDATION:

That the City Council receive and file the updated Fiscal Year 2022/23 Schedule of Fees and Charges.

LEGISLATIVE HISTORY:

Riverside Municipal Code Chapter 3.30.040 establishes the requirements for the annual Schedule of Fees and Charges:

“The City Council shall, at least annually in conjunction with the City annual budget process, receive at a regularly scheduled meeting oral and written presentations concerning fees and charges proposed to be decreased, increased or deleted. At least ten days prior to such public meeting, the City Manager shall make available to the public appropriate data indicating the cost, or estimated cost, required to support the fees and charge for which changes are proposed to be made or fees or charges imposed. The City Manager also shall provide a summary of the present fee and charge schedules and those proposed at such annual public meeting.”

BACKGROUND:

On an annual basis and in conjunction with the annual budget process, the Budget Office compiles all active and previously approved fees and charges into a single publication titled “Schedule of Fees and Charges” (Attachment 1). Following Council review in June, the updated Schedule is made available to the public via the City’s website at: <https://RiversideCA.gov/Finance/Fees.asp>. If new fees or revisions to existing fees are requested by City departments during this same timeframe, those requests are presented at a public hearing conducted by the City Council; if approved by the City Council, the fees are added

to the Schedule of Fees and Charges.

The following summarizes the changes to fees and charges approved by City Council action since the last compilation of the Schedule of Fees and Charges. For ease of review, the updates are highlighted in the attached Fiscal Year 2022/23 Schedule of Fees and Charges publication (Attachment 1). No fees and charges are proposed to be decreased, increased or deleted in conjunction with this report.

SUMMARY OF CHANGES TO THE MASTER FEES AND CHARGES SCHEDULE			
Council Approval Date	Department: Summary Description	Action Summary	Schedule Page #
04/13/21	Community and Economic Development: Local Development Mitigation Fee	Update the local development mitigation fee for funding the preservation of natural ecosystems in accordance with the Western Riverside County Multiple Species Habitat Conservation Plan and Local Development Mitigation Fee	12
12/07/21	Public Works: Transportation Uniform Mitigation Fee (TUMF)	Increased fees to reflect regional changes in construction costs	48
02/15/22	Public Works: Public Parking	Revised the Parking Rate and Hour Schedule to include changes to rates and hours of operation	58-61

The annual Schedule of Fees and Charges publications are available to the public at the Finance Department website (<https://riversideca.gov/finance/fees.asp>). Changes approved by the City Council during the fiscal year are listed on the website and incorporated into the next annual publication.

DISCUSSION:

FY 2022/23 Master Fees and Charges Schedule

The FY 2022/23 Master Fees and Charges Schedule (Attachment 1) includes all fees and charges previously approved by Council action or proposed for approval through May 17, 2022, and excludes fees no longer being charged. The FY 2022/23 Master Fees and Charges Schedule will be published on the City's website.

User Fees & Charges Study

A user fee study is typically performed by local governments every 3-5 years to adjust for changing costs and circumstances. Fee studies help manage the City's growth-related fiscal challenges by aligning supply and demand, reducing subsidization, setting realistic expectations for cost recovery, properly funding needed programs, and creating greater transparency within

the community for citywide services. The last fee study the City completed was more than five (5) years ago, given major disruptions associated with the COVID-19 pandemic over the past two years, and was adopted by the City Council in 2016.

The City has engaged MGT Consulting Group (MGT) to conduct a user fees and charges study. The principal goal of the study is to help the City determine the full cost of the services that the City provides. In concert with that goal, MGT established a series of additional objectives including:

- Developing a rational basis for setting fees;
- Identifying subsidy amount, if applicable, of each fee in the model;
- Ensuring compliance with State law;
- Developing an updatable and comprehensive list of fees; and
- Maintaining accordance with City policies and goals

The study results will help the City better understand its true costs of providing services and will serve as a basis for making informed policy decisions regarding the most appropriate fees, if any, to collect from individuals and organizations that require individualized services from the City.

The City Council, Mayor and City staff are committed to engaging Riverside's community in a meaningful, accountable, responsive, and equitable manner. Examples of public engagement through the User Fees & Charges Study process will include general overview workshops, focused topic workshops with key stakeholders, and other meetings as requested.

Details about the study and an option to receive workshop notifications and the latest updates about the Fees and Charges Study can be found at the City's website at <https://riversideca.gov/press/riverside-user-fees-and-charges-study>

STRATEGIC PLAN ALIGNMENT:

This item contributes to **Strategic Priority 5 - High Performing Government** and **Goal 5.4:** Achieve and maintain financial health by addressing gaps between revenues and expenditures and aligning resources with strategic priorities to yield the greatest impact.

This item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust:** The development of City fees and charges is a transparent process that incorporates community engagement, involvement of City Boards & Commissions, and timely and reliable information.
2. **Equity:** User fees are charged to the user for a service provided when the cost of providing that service, and the benefits that service provides, are mainly attributed to that specific person or user. The fee is typically based upon the cost the agency incurs in providing the service but may be set at less than the full cost of providing the service for practical or policy reasons.
3. **Fiscal Responsibility:** The thoughtful and deliberate nature of the processes related to the City's Fees and Charges demonstrates the City's commitment to responsible management

of the City's financial resources while providing quality public services to all.

4. **Innovation:** While this particular report is neutral toward this cross-cutting thread, the user fees and charges study will demonstrate responsiveness to the community's changing needs and prepare for the future through collaborative partnerships and adaptive processes.
5. **Sustainability and Resiliency:** Charging users for services that provide private benefit to recover the cost of providing such service ensures general revenues remain available for community-wide needs.

FISCAL IMPACT:

There is no fiscal impact associated with this report.

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availability of funds: Edward Enriquez, Chief Financial Officer/City Treasurer
Approved by: Edward Enriquez, Interim Assistant City Manager
Approved as to form: Phaedra A. Norton, City Attorney

Attachments:

1. Fiscal Year 2022/23 Schedule of Fees and Charges
2. Presentation