



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: JULY 15, 2025

FROM: FINANCE DEPARTMENT WARDS: ALL

SUBJECT: ADOPT ORDINANCE AMENDING CHAPTER 3.30.030 OF THE RIVERSIDE MUNICIPAL CODE TO ADD ONE FEE

ISSUE:

Adopt an ordinance amending the Riverside Municipal Code (RMC) Chapter 3.30 Section 3.30.030 – Schedule of Regulation, Product and Services to add one fee.

RECOMMENDATION:

That the City Council adopt an ordinance amending the Riverside Municipal Code (RMC) Chapter 3.30 Section 3.30.030 – Schedule of Regulation, Products and Services, adding one fee.

INTRODUCTION OF ORDINANCE:

On June 24, 2025, the City Council approved an ordinance amending the Riverside Municipal Code (RMC) Chapter 3.30 Section 3.30.030 – Schedule of Regulation, Products and Services, adding one fee. The motion carried unanimously.

LEGISLATIVE HISTORY

The State Constitution provides the authority for cities to impose user and regulatory fees for services and activities; however, the fees may not exceed the estimated reasonable cost of providing the service or performing the activity.

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

“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 “Master Fees and Charges Schedule” (Attachment 2). 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 Master Fees and Charges Schedule.

In 2023, the City initiated a comprehensive update to its user fees and charges based on a cost-of-services study conducted by MGT of America Consulting, LLC (MGT). This resulted in a citywide update to most fees adopted by the City Council in June 2024. At that time, development-related fees were not included in the update, as further analysis was needed to ensure appropriate fee levels.

On April 22, 2025, the City Council approved updated development-related fees and charges for Public Works, Community & Economic Development, and Parks, Recreation and Community Services Administration, based on the cost study performed by MGT. The City Council also approved targeted adjustments to Refuse fees, Police fees, Parking Bail fees, and the Transportation Uniform Mitigation Fee Program.

On May 20, 2025, the City Council received and provided input on proposed adjustments to the City’s user fees and charges and set a public hearing for the adoption of the proposed user fees and charges and resolutions amending the City Fees and Charges Schedule for Fiscal Year 2025/26.

DISCUSSION:

The Proposed FY 2025/26 Master Fees and Charges Schedule (Attachment 2) includes all fees and charges previously approved by Council action through April 22, 2025. With limited exceptions, staff do not recommend adjusting existing levels of fees and charges, given that current levels of fees and charges align with findings included in the most recent fees and charges studies performed by MGT in 2024 and 2025. However, staff do recommend adding three new fees as described below:

Parking Bail Schedule

The Riverside Clean Air Carshare Program was developed to support the City’s commitment to sustainability, clean mobility, and equitable transportation access. Funded through the CALSTART Clean Mobility Voucher Pilot Program and operated in partnership with Mobility Development Operations (MDO) and UCR CE-CERT, this program introduces a fleet of hydrogen fuel cell vehicles available for public rental across designated locations citywide.

To support the success of the program, the City established exclusive carshare parking zones at strategically selected on- and off-street locations. These dedicated stalls ensure vehicles are accessible for new users and reliably available for return by existing users. Any unauthorized use of these stalls by non-carshare vehicles poses a significant disruption to the service and undermines the investment in this clean transportation initiative.

To support appropriate enforcement of these spaces and preserve their intended use, staff recommend adding the following violations to the bail schedule:

1. Riverside Municipal Code (RMC) 10.52.260 – Parking of Carshare Vehicles: (\$46)
This section restricts parking in designated carshare spaces to officially authorized Riverside Clean Air Carshare vehicles. This will allow Parking Control to cite unauthorized vehicles occupying spaces reserved for the carshare program, ensuring operational reliability for users.
2. California Vehicle Code (CVC) 22519 – Clean Air Vehicle Parking: (\$46)
This code section supports enforcement of clean air vehicle spaces and aligns with the broader goals of California's environmental policy. This will reinforce the City's ability to protect designated clean-air vehicle zones and supports state-level efforts to promote the use of zero-emission vehicles.

Without proper enforcement mechanisms in place, unauthorized vehicles may occupy the designated carshare zones, resulting in:

- Missed reservations or service interruptions
- Frustration for users and program attrition
- Reduced credibility of the program and its long-term viability
- Diminished return on public funding and infrastructure investment

The addition of these violations to the bail schedule will provide staff with the necessary tools to enforce parking restrictions effectively and protect the integrity of the Riverside Clean Air Carshare Program.

Public Works Engineering

The Public Works Department works to provide high quality plan reviews that are both timely and thorough. In some cases, a private developer may wish to seek expedited review services. While Public Works strives to accommodate all requests for expedited plan check services, this may not always be feasible due to staffing availability for overtime. The Land Development Division currently has an on-call panel of consulting firms who can assist with plan check services.

Staff recommend a new deposit-based fee that would allow private developers to obtain expedited plan check services when in-house staff are unable to accommodate the request. Under this system, a developer would pay an initial deposit based on the on-call panel's estimated cost and would be responsible for any additional costs incurred. Any unused funds at the close of the project would be refunded to the developer. This approach allows Public Works to fairly recover the full cost of consultant resources used to expedite review of private projects. It is important that the City retains the plan-check consultant to ensure that consultants are not beholden to the private developer.

STRATEGIC PLAN ALIGNMENT:

The recommended fee and charges schedule support **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 report and recommendations align with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – The development of the FY 2025/26 Schedule of Fees and Charges is a transparent process that incorporates 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** – Offsetting or fully recouping the cost of services with fees and charges demonstrates the City's commitment to responsible management of the City's financial resources while ensuring quality public services for all. This approach minimizes the use of general-purpose revenues, such as taxes, to fund for services that benefit individuals.
4. **Innovation** – Cost recovery for specific services and freeing up general purpose revenues to address broader citywide needs and minimize subsidizing private benefits for individuals.
5. **Sustainability & Resiliency** – Charging users for services that provide private benefits helps recover the cost of providing those services, ensuring that general purpose revenues remain available for community-wide needs.

FISCAL IMPACT:

Fees and charges are intended to offset the cost of providing the services rendered; however, the actual recovery of costs varies per fee.

The fiscal impact associated with the two new parking bail violations is unknown, since these are new fees. Revenue from these fees would go to the Parking Fund.

The fiscal impact associated with the new plan check fee is expected to be net zero given that revenue received from customers will be used to fully offset the costs of the consultant providing the expedited plan check services. Upon Council Approval, an increase in revenue to the General Fund, Public Works City Engineering Services, Plan Check – Expedited revenue account 4115000-340350 in the amount of \$200,000 and appropriation of expenditures in the same amount to the General Fund, Public Works City Engineering Services, Professional Services Plan expenditure account 4115000-421003 will be recorded in the Fiscal Year 2025/26 Budget to support a new expedited plan check fee option.

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Attachment: Ordinance