



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: MARCH 11, 2025

FROM: FINANCE DEPARTMENT WARDS: ALL

**SUBJECT: PROPOSED FISCAL YEAR 2024/25 ADJUSTMENTS FOR VARIOUS
DEVELOPMENT SERVICES DEPARTMENTS AND OTHER USER FEES AND
CHARGES AND PARKING BAIL SCHEDULE– SET PUBLIC HEARING**

ISSUE:

Receive and provide input on the proposed Fiscal Year 2024/25 adjustments for various development services departments and other user fees and charges and parking bail schedule and set a public hearing for the adoption of the proposed Fiscal Year 2024/25 adjustments for the user fees and charges and parking bail schedule.

RECOMMENDATIONS:

That the City Council:

1. Receive and provide input on the Fees and Charges Study findings report from MGT of America Consulting, LLC;
2. Receive and provide input on proposed changes to development and other specific fees and charges in the master fees and charges schedule; and
3. Set a public hearing to occur on April 15, 2025, for the adoption of the proposed user fees and charges adjustments and Parking Bail Schedules and adopt resolutions amending the City Fees and Charges Schedule and Parking Bail Schedules for Fiscal Year 2024/25.

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:

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.

In a growing city, maintaining a fair and efficient system for funding essential services requires a strategic approach. As part of a general cost recovery strategy, local governments utilize user fees and charges to recover the cost of programs and services that directly benefit individuals or businesses requesting a specific service. This approach reduces reliance on subsidies from the General Fund, which is primarily funded by taxpayers and often stretched thin due to service demands and funding variability. Ideally, general purpose taxpayer dollars should fund public benefits rather than subsidize individuals and organizations that require individualized services from the City. User fees and charges allow cities greater control over cost recovery, ensuring that community funds are used efficiently.

A comprehensive user fees and charges study is typically performed by local governments every three to five years, offering several benefits:

- **Cost Recovery and Equity:** Over time, service delivery costs can fluctuate due to inflation, changes in resource needs, regulatory changes, shifts in demand, or other factors. Conducting a fee study ensures user fees accurately reflect the current cost of providing the service, thereby promoting fairness and responsible fiscal management by reducing subsidization from general purpose revenue sources. From an equity perspective, this user-pays principle ensures that those requesting and benefiting from the service contribute directly to its cost. While the study aims to optimize City revenue, it also considers broader City goals and values, ensuring that fee adjustments also align with those objectives.
- **Efficiency and Streamlining:** Fee structures can become complex over time. A fee study allows for an objective review and identification of opportunities to streamline the system for both users and City administration. This can involve consolidating fees, simplifying billing processes, or eliminating outdated charges.
- **Transparency and Public Trust:** Regular fee studies demonstrate transparency and responsible fiscal management to the public. The fee study process includes opportunities for public input, fostering trust and understanding of how user fees are determined.

Prior to 2024, the last comprehensive update to the City’s user fees and charges was approved by the City Council in September 2015. In January 2021, the Finance Department issued a Request for Proposal (RFP) to solicit qualified firms to prepare the City’s fee study. In May 2021, the City engaged MGT of America Consulting, LLC (MGT) to conduct a comprehensive user fees and charges study (excluding Development Impact Fees).

The study's primary goal was to determine the actual cost of providing City services and serve as a basis for making informed policy decisions regarding the most appropriate fees. The study also involved several objectives, including:

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

The study performed by MGT used pre-pandemic data (FY 2019-2020) and FY 2020-2021 budget information, and was paused in March 2022 due to a change in City leadership. Since then, service costs have increased due to the rising cost of personnel, materials, and supplies required to provide fee-based services. With the delay of the fee study, the City continued to undercharge for services provided to individuals, subsidizing the cost of services with other general purpose revenue sources.

In June 2023, the City Council adopted the FY 2023/24 Master Fees and Charges schedule, which included a 7.5% CPI increase to account for inflation. This increase was in line with the Consumer Price Index (CPI) for the Riverside-San Bernardino-Ontario region in November 2022 (12 month). The goal of implementing a CPI adjustment was to mitigate sharper increases to fees and charges that would result from waiting for the formal study.

In September 2023, the Finance Department refreshed the study using data from the FY 2023-2024 adopted budget, reflecting current operating and personnel costs, and worked with departments to update volume and time study data. This updated information formed the basis for informed policy decisions regarding user fees for FY 2024/25.

In June 2024, City Council adopted the FY 2024/25 Master Fees and Charges schedule, which included a comprehensive update to most citywide fees and charges based on the finding of the study performed by MGT. However, that schedule did not include updated fees and charges for certain development services departments (Public Works and Community & Economic Development) given the need for additional time to finalize the fee study in these areas.

The California Vehicle Code and Riverside Municipal Code establish citations for various types of parking violations. The City Council adopts a bail schedule with fine amount for these violations.

DISCUSSION:

FY 2024/25 User Fees & Charges Study

The FY 2024/25 User Fees and Charges study for development services departments (Attachment 2) was completed by the Finance Department in collaboration with City departmental staff. The study was updated utilizing MGT's original analysis and costing models with FY 2023-2024 budgeted expenditures and salaries/benefits, and calendar year 2023 volume statistics. The study included a review of fee-for-service activities within the following departments:

- Public Works
 - Engineering
 - Refuse
- Community & Economic Development
 - Building & Safety
 - Planning

- Parks, Recreation and Community Services
 - Administration/Plan Check fees

This review of user fees and charges resulted in a cost-based fee study. This study equips City decision-makers with the necessary data to make informed pricing decisions. The study calculated the full 100% cost of providing certain City services and provides a recommended fee to be charged as determined through discussions with City staff. The complete study can be reviewed in its entirety in Attachment 2 of this report.

Study Findings

The following table summarizes key findings from the user fees and charges study, including the full cost of user fee-related services, current revenue, and recommended recovery levels to be phased in over two years.

**City of Riverside
User Fee Cost & Revenue Analysis
FY 2024-2025**

	Current						Recommended (First Year of Phase in)		Recommended (Second Year of Phase in)		
User Fee Department	(A) Full Cost User Fee Services	(B) Current Revenue		(C) Current Subsidy		(D) Cost Recovery Policy	(E) Increased Revenue	(F) Cost Recovery Policy		(G) Increased Revenue	
Community Development											
<i>Building and Safety</i>	\$ 4,659,728	\$ 3,713,600	80%	\$ 946,128	20%	\$ 4,192,290	90%	\$ 478,690	\$ 4,659,728	100%	\$ 946,128
<i>Planning</i>	\$ 1,929,291	\$ 1,202,682	62%	\$ 726,609	38%	\$ 1,492,953	77%	\$ 290,271	\$ 1,822,785	94%	\$ 620,103
Public Works											
<i>Engineering and Maintenance</i>	\$ 4,479,117	\$ 2,860,909	64%	\$ 1,618,208	36%	\$ 3,701,894	83%	\$ 840,985	\$ 4,479,117	100%	\$ 1,618,208
Parks, Recreation, & Comm Svcs											
<i>Plan Check Fees</i>	\$ 31,298	\$ -	0%	\$ 31,298	100%	\$ 25,038	80%	\$ 25,038	\$ 31,298	100%	\$ 31,298
Totals:	\$ 11,099,434	\$ 7,777,191	70%	\$ 3,322,243	30%	\$ 9,412,175	85%	\$ 1,634,984	\$ 10,992,928	99%	\$ 3,215,737

The table highlights a gap between the City's current cost recovery for individualized services and their full cost.

- Estimated Full Cost (Column A): \$11.09 million (potential user fee revenue)
- Current Recovery (Column B): \$7.78 million (70% cost recovery)
- Subsidy from Other Sources (Column C): \$3.32 million (30%)

Assuming activity levels remain relatively static, additional revenue of approximately \$1.63 million (Column E) in 2025/26 and \$3.22 million (Column G) in 2026/27 could be recovered by the City if the City Council approves staff recommendations, achieving a 99% cost recovery rate (Column D) by the second year. This would represent an approximately 41% revenue increase over the amounts currently being collected for these activities by the City on an annualized basis by the second year. These estimates assume a similar mix and volume of fees and charges as in 2023. However, actual revenue increases will depend on the mix and volume of fees and charges in each respective fiscal year.

The proposed updated FY 2024/25 Fees and Charges Schedule for development services departments (Attachment 1) recommends fee adjustments to increase some fees, while maintaining alignment with the City's broader goals and values. All recommended fee adjustments shall be rounded as follows:

- Fees under \$100: Round to the nearest quarter dollar (\$0.25).
- Fees of \$100 and over: Round to the nearest dollar (\$1.00).

Note that the fee amounts included in the FY 2024/25 Fees and Charges Schedule (Attachment 1) will reflect the first year fee increases. Fee amounts to reflect the 100% costs recovery are included in the FY 2024/25 User Fees and Charges study (Attachment 2) and will be proposed for inclusion in the FY 2026/27 Fees and Charges Schedule. Further, due to rounding, the projected revenue impact amounts in the FY 2024/25 Fees and Charges Schedule (Attachment 1) may not reconcile with the projected additional revenue amounts in the FY 2024/25 User Fees and Charges study (Attachment 2).

Reasons for Fee Adjustments

The gaps identified by the fee study between the full cost of user fee-related services and current fee levels can be attributed to several factors, including:

- **Cost Increases:** Since the last fee study in 2015, the cost of providing services has primarily increased due to factors such as inflation impacting operating costs and rising personnel costs. Additionally, for some services, additional costs were identified for materials and equipment that were not incorporated in the cost of services in the previous study.
- **Fee Recovery Policy:** The recommended fee recovery policy has changed since the last fee study, aiming for an overall higher cost recovery to mitigate the subsidy from general purpose revenue sources.
- **Changes in Staffing Levels or Positions:** For certain services, staffing levels or changes in staff positions required to complete the service activities have changed since the last study.
- **Changes in Service Delivery:** For some services, delivery methods have become more streamlined or require less staff time, resulting in reduced fees to reflect these efficiencies.

Overview of Recommended Fee Adjustments

For the fee-related services provided by the following departments, the Department staff recommends – with some exceptions – to generally set fees at full cost recovery to be phased in over a two-year period. In the first year, staff recommend limiting increasing fees to no more than approximately 80% of costs, except for fees that:

- 1) were already recovering over 80% of costs (proposed to be maintained at current recovery rate);
- 2) currently recover over 100% of costs (proposed to be reduced to 100% cost recovery); or
- 3) where adjustments would otherwise result in a lower equivalent fee to applicants if reduced to 80%.

Beginning in FY 2026/27, fees would increase to recover 100% of costs. This phased-in approach helps minimize sharp fee increases in one year, by staggering increased fees to recover costs over a two-year period:

- **Public Works – Engineering Fees:** Engineering fees recover the cost of reviewing and inspecting plans associated with development, engineering, grading, maintenance, environmental review, design review, and landscape and irrigation. Current user fees are recovering 64% of the cost of service and staff recommend a full recovery policy phased in over a two-year period, starting at 80% in the first year and reaching 100% in the second year. Implementing full cost recovery would ensure the program covers its entire cost, reducing the general purpose revenue subsidy by approximately \$1.62 million by the second year assuming a similar volume and mix of fees and charges in 2023.

- Community Development – Building and Safety Fees:** Building and Safety fees recover the cost associated with various building, mechanical, plumbing, electrical, and other miscellaneous permits associated with private development. During this fee study, Building & Safety is recommending a change in its fee methodology, moving away from traditional valuation-based fees, which have been challenged in the courts because the calculations used in the Building Code do not clearly align with the actual cost to provide permit, plan check, and inspection services. For this reason, staff is recommending alignment with a cost recovery fee methodology based on project types and time spent by staff to provide these services. Current user fees are recovering 80% of the full cost of service for building permits and 53% for services related to trade permits that include plumbing, mechanical and electrical work. Staff recommend a full cost recovery policy to be phased in over a two-year period, starting at 80% in the first year for most fees, except new building permit and inspection per square feet which are generally 90% in the first year, and reaching 100% in the second year. Implementing full cost recovery would ensure the program covers its entire cost, reducing the general purpose revenue subsidy by approximately \$946,128 by the second year, assuming a similar volume and mix of fees and charges in 2023.
- Community Development – Planning Fees:** Planning fees recover the cost associated with development and entitlements such as conditional use permits, design review, environmental review, zoning, historical preservation, and other city requirements. Planning fees are unique as they are inclusive of other Department and Divisions staff time that review development projects. Past fees have not included this staff time, resulting in under-recovery of the full cost of services. Current user fees are recovering 62% of the full cost of services. Staff recommend a full cost recovery policy to be phased in over a two-year period (80% in the first year, reaching 100% in the second year) with the exception of historical preservation-related fees and charges and minor Temporary Use Permits. It should be noted that 30% cost recovery is currently only collected for Mills Act applications. Staff is recommending a 30% cost recovery also be applied to other historic preservation applications as part of this fee update. Implementing this policy results in a 94% cost recovery, reducing the general purpose revenue subsidy by approximately \$620,103 by the second year, assuming a similar volume and mix of fees and charges in 2023.
- Public Works – Refuse Fees:** Refuse does not have a fee schedule and does not currently recover any costs through fees. Staff recommend introducing 31 new fees and penalties, with residential fees/penalties based on City's cost recovery model and commercial fees based on the average costs provided by the City's franchise contractor.

The new residential fees will enable the City and contracted hauler to recover costs when required to return to an address to service a cart (e.g. when a cart is set out late by a resident after the truck went by). This "go back" charge is not applied when a return trip is required due to fault of the City or private hauler. Residential fees provide residents with the opportunity to request additional curbside bulky item pickups, beyond the two that the City and private hauler currently provide at no additional cost. Residential solid waste customers are permitted one replacement set of solid waste carts every ten years at no additional cost and a new fee is requested to enable Solid Waste and the contracted hauler to recover costs when more frequent replacements are requested due to normal wear and tear (carts will be replaced at no cost for theft/vandalism).

The new commercial fees offer a variety of options, such as curbside bulky item pickup, which is not currently offered to commercial customers, and having the hauler provide and install a lock on a commercial container. The new commercial fees include penalties for commercial container/rolloff contamination and enable the haulers to recover their higher

disposals cost. The commercial fees are an average of fees collected by the City's franchise commercial hauler across their other customer cities for similar services.

The new fees are recommended to be added at 100% cost recovery in FY 2024/25. It is uncertain how much additional revenue in the Refuse Fund will be generated from the new fees and charges, as there are no existing volume metrics to estimate their impacts.

- **Parks, Recreation and Community Services – Administration/Plan Check Fees:** The City does not currently charge for plan reviews, so all proposed fees are new. Staff recommend a full cost recovery policy for these services to be phased in over two years, starting at 80% in the first year and reaching 100% in the second year. Implementing full cost recovery would ensure the program covers its entire cost, reducing the general purpose revenue subsidy by \$31,298 by the second year.

As illustrated in the following table summarizing the study by fund, assuming a similar volume and mix of fees and charges in 2023 and recommended cost recovery policy levels, the General Fund would experience an estimated increase in revenue of approximately \$3.2 million (41% increase over current revenue) by the second year. The recommended adjustments will improve and promote equity in the allocation of general purpose revenue sources by reducing the subsidy for fee-based services that benefit individuals.

**User Fee Cost & Revenue Analysis by Fund
FY 2024-2025**

	Current						Recommended (First Year of Phase in)		Recommended (Second Year of Phase in)	
User Fee Fund	(A) Full Cost User Fee Services	(B) Current Revenue	(C) Current Subsidy	(D) Cost Recovery Policy	(E) Increased Revenue	(F) Cost Recovery Policy	(G) Increased Revenue			
101 - General Fund	\$ 11,099,434	\$ 7,777,191 70%	\$ 3,322,243 30%	\$ 9,412,175 85%	\$ 1,634,984	\$ 10,992,928 99%	\$ 3,215,737			
Totals:	\$ 11,099,434	\$ 7,777,191 70%	\$ 3,322,243 30%	\$ 9,412,175 85%	\$ 1,634,984	\$ 10,992,928 99%	\$ 3,215,737			

Summary of Fee Changes by Department

The proposed user fee schedule includes a mix of increases, decreases, and no changes for existing fees. Additionally, new fees are proposed for some services, while others will be removed. A summary of these changes for each department/division is presented in the following tables, which represents the total fee changes in the first and second year of implementation.

First Year of Implementation:

User Fee Department	No. of Fees Increased	No. of Fees Decreased	No. of Fees with No Change	No. of Fees Added	No. of Fees Removed
Community Development					
<i>Building and Safety</i>	79	6	29	53	2
<i>Planning</i>	54	5	11	6	7
Public Works					
<i>Engineering and Maintenance</i>	217	5	39	20	1
<i>Refuse</i>	0	0	0	31	0
Parks, Recreation, & Comm Svcs					
<i>Plan Check</i>	0	0	0	13	0
Totals:	350	16	79	123	10

Second Year of Implementation:

User Fee Department	No. of Fees Increased	No. of Fees Decreased	No. of Fees with No Change	No. of Fees Added	No. of Fees Removed
Community Development					
<i>Building and Safety</i>	90	6	18	53	2
<i>Planning</i>	57	5	8	6	7
Public Works					
<i>Engineering and Maintenance</i>	232	5	24	20	1
<i>Refuse</i>	0	0	0	31	0
Parks, Recreation, & Comm Svcs					
<i>Plan Check</i>	0	0	0	13	0
Totals:	379	16	50	123	10

Fees Above 80% Cost Recovery

Although staff recommend generally limiting fee increases to recover no more than 80% in the first year, there are some fees that are proposed at a rate higher than 80% cost recovery. Fees recommended above 80% are either

- 1) already recovering above 80% cost recovery and therefore would continue at the current rate;
- 2) currently recovering above 100% and are being reduced to 100% recovery; or
- 3) would result in a lower equivalent fee to applicants if reduced to 80%, which is associated with building permit fees changing from a valuation to a per square foot model and are generally proposed to be set at a 90% cost recovery.

Below is a table of fees that are recommended to recover above 80% in the first year of

implementation:

Department\ Fee above 80% Recovery	Fee Description	Proposed Fee (2024/25 & 2025/26)	Recovery Level (2024/25 & 2025/26)
Community and Economic Development			
Building and Safety			
Building Plan Check	Flat Fee	\$323	100%
Repeat Buildings	Flat Fee	\$293	100%
BUILDING PERMITS^ (PER SQUARE FEET)			
Building Permit and Inspection			
Single Family Dwelling (SFD)	Sq Foot	\$1.08	92%
SFD Additional	Sq Foot	\$1.66	91%
Home Remodels	Sq Foot	\$1.74	89%
Accessory Structures	Sq Foot	\$0.76	90%
Residential-Multi Family	Sq Foot	\$0.56	93%
Assembly, Education	Sq Foot	\$1.02	90%
Business, Mercantile, Institutional	Sq Foot	\$0.88	90%
Factory, Industrial, Hazard	Sq Foot	\$0.28	92%
Storage	Sq Foot	\$0.20	90%
Tenant Improvements	Sq Foot	\$0.74	90%
Additions/Alterations	Sq Foot	\$0.96	89%
CALIFORNIA BUILDING STANDARDS COMMISSION FEE			
Per every \$25,000 or portion thereof in construction valuation	Flat Fee	\$1	100%
MICROFILM FEE (per sheet of plans, calculations, and related documents)	Flat Fee	\$2	100%
Plan Check Fees - Pools	Flat Fee	\$81	100%
Building Modification/Alternate Material Review	Flat Fee	\$556	100%
Appeal of Building Official	Flat Fee	\$1,064	100%
Building Special Inspection Fee - Unpermitted Activity	Flat Fee	\$131	90%
Block Walls/Fence (First 100 L.F. Add \$35 Each 100 L.F. Thereafter)	Per l.f.	\$134	92%
Res Lattice Patio Cover (First 400 S.F. Add \$30 Each 400 S.F. Thereafter)	Sq Foot	\$157	81%
Res Solid Patio Cover (First 400 S.F. Add \$40 Each 400 S.F. Thereafter)	Sq Foot	\$203	84%
COM PATIO COVER (first 400 s.f. add \$50 each 400 s.f. thereafter)	Sq Foot	\$312	86%
Res Re-Roof - Tear Off And New Sheathing (First 1,000 S.F. Add \$25 Each 500 S.F. Thereafter)	Sq Foot	\$168	99%

Department\ Fee above 80% Recovery	Fee Description	Proposed Fee (2024/25 & 2025/26)	Recovery Level (2024/25 & 2025/26)
Com Re-Roof - Overlays (Each 35,000 S.F.)	Sq Foot	\$484	100%
Com Re-Roof - Tear Off And Re-Roof (Each 35,000 S.F.)	Sq Foot	\$550	95%
Com Re-Roof - Tear Off And New Sheathing (Each 35,000 S.F.)	Sq Foot	\$640	85%
Storage Racks (First 500 L.F. Add \$50 Per L00 L.F. Thereafter)	Per l.f.	\$499	81%
Res Demolition (Per Structure)	Per Structure	\$119	83%
Com Demolition (Per Structure)	Per Structure	\$363	100%
Res Swimming Pools/Spas (First 800 S.F, Add \$30 Per 100 Sq. Ft Thereafter)	Sq Foot	\$552	95%
Com Swimming Pools/Spas (First 1000 S.F., Add \$30 Each 100 S.F. Thereafter)	Sq Foot	\$1,306	100%
Moved Building (Each)	Flat Fee	\$1,244	97%
Site Improvements (First 3,000 S.F. Add \$100 Each 3000 S.F. Thereafter)	Flat Fee	\$1,234	100%
Planning			
Non-Conforming Status Review (Per Application)	Flat Fee	\$2,853	88%
Time Extension (Per Application)	Flat Fee	\$663	87%
Landscape and Irrigation (Commercial, Industrial, and Multi-family)	Flat Fee	\$689	100%
Development Agreement (Per Application)	Flat Fee	\$11,736	83%
Planned Residential Development	Flat Fee	\$12,180	81%
Site Plan Review (Revision Per Application)	Flat Fee	\$8,617	89%
Tentative Tract/Reversion To Acreage Map Review (Per Application)-10 Lots Or Less	Flat Fee	\$8,738	86%
Tentative Tract/Reversion To Acreage Map Review (Per Application)-More Than 10 Lots	Flat Fee	\$13,151	96%
Tentative Tract/Reversion To Acreage Map Review-More Than 10 Lots Revision To Application	Flat Fee	\$8,889	82%
Parcel Map/Waiver of Parcel Map	Flat Fee	\$6,482	81%
Vesting Map Review-Per Application with 10 lots or less	Flat Fee	\$15,406	84%
Vesting Map Review-Per Application with more than 10 lots	Flat Fee	\$22,578	97%
Zoning Plan Check-After Hours	Per Hour	\$196	100%
Commercial, Industrial, And Multi-Family Tenant, Improvements, Minor Additions, or Exterior, Remodel (Per Submittal)	Flat Fee	\$196	100%

Department\ Fee above 80% Recovery	Fee Description	Proposed Fee (2024/25 & 2025/26)	Recovery Level (2024/25 & 2025/26)
Planning Re-Inspection	Flat Fee	\$462	100%
Public Works			
Engineering & Maintenance			
Lot Line Adjustment, Merger, consolidation, or Waiver of Parcel Map	Flat Fee	\$3,505	88%
Construction Permits (\$0 - \$24,999.99)	Flat Fee	\$2,393	82%
Construction Permits (\$25,000 - \$99,999.99)- First \$25,000	Flat Fee	\$3,456	87%
Construction Permits (\$200,000 - \$299,999.99)- First \$200,000	Flat Fee	\$6,115	81%
Construction Permits (\$300,000 +)- First \$300,000	Flat Fee	\$7,445	81%
Determination of Compliance	Flat Fee	\$291	92%
Grading Inspection	Per Hour	\$116	90%
Lane Closure Permit/Inspection-Per Application	Flat Fee	\$232	93%
Lane Closure Permit/Inspection-Per Hour for Field Inspection Service	Per Hour	\$116	90%
Map Checking Fees-Per each number of lettered lot	Each Additl	\$48	100%
Private Development Inspection-Permit Issuance/Processing Fee	Flat Fee	\$2,721	88%
Private Development Inspection-Per Hour Inspection Fee	Per Hour	\$116	90%
Processing Fee-Case Finalization (With bonds, documents, or descriptions required)	Flat Fee	\$1,025	100%
Street Opening Permit/Inspection-Permit Issuance and Project Processing Fee	Flat Fee	\$787	84%
Street Opening Permit/Inspection-Inspection Services	Per 2 Hours	\$232	91%
Estimated Grading Permit and Inspection Fees (Additional 10,000 cubic yards or fraction thereof)	Additional CY	\$31	81%
Traffic Pattern Modification (Per Application)	Flat Fee	\$3,743	100%
Vacation of Streets, Alleys, or Pedestrian Walkways	Flat Fee	\$3,052	100%
Vesting Map Review	Flat Fee	\$794	100%

Removal of Fees

Department staff recommend removing several fees from the user fee and charges schedule:

- **Public Works- Engineering:** One fee is recommended for removal (Landscape plan review and inspection – 1st 500 linear feet) given that this fee is outdated and staff now charge their time directly to projects as needed.

- **Community Development – Building and Safety:** One set of fees based on a valuation model are set to be deleted and replaced by fees that are based on a square foot model. This adjustment is based on a new cost recovery methodology that can more clearly demonstrate the time spent by staff providing permit, plan check, and inspection services based on project types.
- **Community Development – Planning:** Seven fees are recommended for removal as they are no longer required, are redundant, or do not align with current entitlement processes. The removed fees include day care permit; environmental review - initial study (new development); environmental review - new development (completed by City); environmental review - existing development (completed by City); parcel map/waiver of parcel map new application; parcel map revision; administrative sign review; and landscape/irrigation-minor.

Department\Deleted Service Fee	Current Fee
Community and Economic Development	
Building and Safety - Building Permit	
A-1: Auditorium, Theatres	\$102.40
A-2: Restaurants, Bars	\$113.52
A-3: Churches, Halls	\$99.57
A-4: Arenas, Stadiums	\$102.40
B: Offices, Banks, etc.	\$95.31
E: Educational, Schools	\$98.03
F: Industrial, Factory, Etc.	\$51.68
H: Hazardous	\$63.07
I-4: Daycare Facilities	\$118.37
M: Retail, Market, Gas	\$76.03
Service Canopies	\$33.11
R-1: Hotels, Motels	\$98.15
R-2: Apartments and Condominiums	\$102.88
R-3: Single Family, Duplex	\$100.04
Room Additions	\$77.40
Garage Conversions	\$21.50
Home Remodels	\$53.75
R-4: Residential Care	\$108.20
S: Storage, Warehouse	\$40.44
U: Utility, Private Garages, Accessory, Etc.	\$28.73
I-2.1: Licensed Clinics	\$118.37
R-3.1: Licensed Residential Assisted Living	\$108.20
Storage Shed, Greenhouses	\$15.48
Decks, Balconies, and Stairways	\$21.50
Patio Cover - Lattice	\$8.60
Patio Cover - Solid	\$10.75
Retaining Walls (Per Linear Feet)	\$8.60
Block Walls (Per Linear Feet)	\$6.45
Swimming Pools	\$0.00

Department\Deleted Service Fee	Current Fee
Sings	\$0.00
Demolitions	\$0.00
Re-Roof	\$0.00
Overlays (2 maximum)	\$1.61
Tear Off and Re-Roof	\$2.15
Tear Off, New Sheathing, and Re-Roof	\$2.69
Tenant Improvements	\$75.25
- Building Permit Valuation	
\$1 - \$500	\$30.00
\$501 - \$2,000	
First \$500	\$30.00
Each additional \$500 or fraction thereof, to and including \$2,000	\$10.00
\$2,001 - \$25,000	
First \$2,000	\$60.00
Each additional \$1,000 or fraction thereof, to and including \$25,000	\$9.00
\$25,001 - \$50,000	
First \$25,000	\$267.00
Each additional \$10,000 or fraction thereof, to and including \$50,000	\$65.00
\$50,001 - \$100,000	
First \$50,000	\$429.50
Each additional \$10,000 or fraction thereof, to and including \$100,000	\$45.00
\$100,000 - \$500,000	
First \$100,000	\$654.50
Each additional \$10,000 or fraction thereof, to and including \$500,000	\$35.00
\$500,001 - \$1,000,000	
First \$500,000	\$2,054.50
Each additional \$10,000 or fraction thereof, to and including \$1,000,000	\$30.00
\$1,000,001+	
First \$1,000,000	\$3,554.50
Each additional \$10,000 or fraction thereof	\$20.00
Planning	
Day Care Permit (Per Application)	\$864.00
CEQA Review (Review, Peer Review, Consultant)	
New Development Completed by City	\$7,373.00
Existing Development Completed by City	\$5,061.00
Parcel Map/Waiver of Parcel Map	
New Application	\$5,898.00
Parcel Map Revision	\$5,906.00
Signs	
Administrative Sign Review (Per Application)	\$189.00
Zoning Plan Check with Building Permits	
Landscape/Irrigation Minor	\$54.00

Department\Deleted Service Fee	Current Fee
Planning Inspectors Reinspections	\$181.00
Public Works	
Engineering and Maintenance	
Landscape Plan Review and Inspection (first 500 linear feet	\$1,148.00

New Fees

The fee study analyzed new user fees and charges recommended by departments for the following:

- Existing services currently provided without a charge or not clearly defined.
- Entirely new services not previously offered.

The table below identifies the proposed new fees for each Department to be phased in over two years.

Department\ New Service Fee	Fee Description	Proposed Fee (2024/25 & 2025/26)	Recovery Level (2024/25 & 2025/26)	Proposed Fee (2026/27)	Recovery Level (2026/27)
Community and Economic Development					
Building and Safety					
Building Plan Check Hourly	Fixed Fee	\$82.00	80%	\$103.00	100%
Electric Permits					
AC Heat Pumps (Each)	Fixed Fee	\$31.00	80%	\$39.00	100%
Other Equipment or Devices (Each)	Fixed Fee	\$54.00	80%	\$68.00	100%
EV Charger Residential (Each)	Fixed Fee	\$62.00	80%	\$77.00	100%
EV Charger Commercial (Each)	Fixed Fee	\$155.00	80%	\$194.00	100%
Lighting Standards - Commercial (Each)	Fixed Fee	\$43.00	80%	\$53.00	100%
Light Switches and Occupancy Sensors (Each)	Fixed Fee	\$1.54	80%	\$2.00	100%
Dedicated Circuit (Each)	Fixed Fee	\$9.00	80%	\$12.00	100%
Light Fixture (Each)	Fixed Fee	\$10.00	80%	\$13.00	100%
Illuminated Sign - Wall Mounted (Each)	Fixed Fee	\$89.00	80%	\$111.00	100%
Mechanical Permits					
AC Fan Coil (Each)	Fixed Fee	\$23.00	80%	\$29.00	100%
Evaporative Cooler (Each)	Fixed Fee	\$46.00	80%	\$58.00	100%
Commercial Cooking Equipment (Each)	Fixed Fee	\$50.00	80%	\$63.00	100%
Fire/Smoke Damper (Each)	Fixed Fee	\$54.00	80%	\$68.00	100%
Wall Heater (Each)	Fixed Fee	\$54.00	80%	\$68.00	100%

Department\ New Service Fee	Fee Description	Proposed Fee (2024/25 & 2025/26)	Recovery Level (2024/25 & 2025/26)	Proposed Fee (2026/27)	Recovery Level (2026/27)
Clothes Dryer - Residential	Fixed Fee	\$50.00	80%	\$63.00	100%
Clothes Dryer - Commercial	Fixed Fee	\$120.00	80%	\$150.00	100%
Decorative Fireplace (Wood or Gas)	Fixed Fee	\$54.00	80%	\$68.00	100%
Commercial Spray Booth (each)	Fixed Fee	\$553.00	80%	\$692.00	100%
Plumbing Permits					
Dwelling Re-Pipe - Partial	Fixed Fee	\$62.00	80%	\$77.00	100%
Add/Alter Gas Piping (Each)	Fixed Fee	\$21.00	80%	\$26.00	100%
New Gas Service	Fixed Fee	\$124.00	80%	\$155.00	100%
Gravity Grease Interceptors (Each)	Fixed Fee	\$515.00	80%	\$643.00	100%
Water Heater Gas Vent (Each)	Fixed Fee	\$17.00	80%	\$21.00	100%
Water Closet (Each)	Fixed Fee	\$39.00	80%	\$48.00	100%
Urinal (Each)	Fixed Fee	\$39.00	80%	\$48.00	100%
Tub/Shower (Each)	Fixed Fee	\$54.00	80%	\$68.00	100%
Clothes Washer (Each)	Fixed Fee	\$43.00	80%	\$53.00	100%
Jacuzzi Tub (Each)	Fixed Fee	\$70.00	80%	\$87.00	100%
Floor Sink/Drain (Each)	Fixed Fee	\$27.00	80%	\$34.00	100%
Other Fixtures or Apparatus - not otherwise specified (each)	Fixed Fee	\$66.00	80%	\$82.00	100%
Septic Tank System Demolition	Fixed Fee	\$112.00	80%	\$140.00	100%
Sump Pumps (Each)	Fixed Fee	\$93.00	80%	\$116.00	100%
Pressure Regulator (Each)	Fixed Fee	\$23.00	80%	\$29.00	100%
Swimming Pool Piping/Repairs	Fixed Fee	\$97.00	80%	\$121.00	100%
Solar or Hydronic Systems	Fixed Fee	\$205.00	80%	\$256.00	100%
Miscellaneous Permits					
Building Inspection - Hourly	Hourly	\$82.00	80%	\$103.00	100%
Temporary Certificate of Occupancy Request	Fixed Fee	\$166.00	80%	\$208.00	100%
Temporary Power Release Request	Fixed Fee	\$97.00	80%	\$121.00	100%
Solar PV Residential <15 KW	Fixed Fee	\$213.00	80%	\$266.00	100%
Solar PV Commercial <50 KW	Fixed Fee	\$697.00	80%	\$872.00	100%

Department\ New Service Fee		Fee Description	Proposed Fee (2024/25 & 2025/26)	Recovery Level (2024/25 & 2025/26)	Proposed Fee (2026/27)	Recovery Level (2026/27)
	Expedited Solar PV System (up to 38KW)	Fixed Fee	\$190.00	80%	\$237.00	100%
	Com Demising Walls/Partitions (each (1,000 l.f.))	Fixed Fee	\$522.00	80%	\$653.00	100%
	Res Garage Conversions (first 400 s.f., \$50 s.f. each 100 s.f. thereafter)	Fixed Fee	\$503.00	80%	\$629.00	100%
	Res Windows and Skylights - New/Change Out	Fixed Fee	\$174.00	80%	\$218.00	100%
	Swimming Pool Fiberglass/Vinyl	Fixed Fee	\$368.00	80%	\$460.00	100%
	Ponds/Fountains (each)	Fixed Fee	\$194.00	80%	\$242.00	100%
	Shell Only (60% of Building Permit Fee)					100%
	Foundation Only (25% of Building Permit Fee)					100%
	Res Foundation Repair/Seismic Retrofit	Fixed Fee	\$194.00	80%	\$242.00	100%
	Membrane Structure/Canopies (Each)	Fixed Fee	\$252.00	80%	\$314.00	100%
	Structures Other Than Buildings (Each)	Fixed Fee	\$426.00	80%	\$532.00	100%
Building Permits						
R-3: Single Family Dwelling (SFD)						
	Plan Review Cost	Per Sq. Ft.	\$0.54	80%	\$0.59	100%
	Inspection Cost	Per Sq. Ft.	\$0.54	80%	\$0.59	100%
R-3: SFD Additional						
	Plan Review Cost	Per Sq. Ft.	\$0.83	80%	\$0.91	100%
	Inspection Cost	Per Sq. Ft.	\$0.83	80%	\$0.91	100%
R-3: Home Remodels						
	Plan Review Cost	Per Sq. Ft.	\$0.87	80%	\$0.98	100%
	Inspection Cost	Per Sq. Ft.	\$0.87	80%	\$0.98	100%
U: Accessory Structures						
	Plan Review Cost	Per Sq. Ft.	\$0.38	80%	\$0.42	100%
	Inspection Cost	Per Sq. Ft.	\$0.38	80%	\$0.42	100%
R-1, R-2, R-4 & Other R Uses: Residential Multi-Family						
	Plan Review Cost	Per Sq. Ft.	\$0.28	80%	\$0.30	100%
	Inspection Cost	Per Sq. Ft.	\$0.28	80%	\$0.30	100%
A, E: Assembly, Education						
	Plan Review Cost	Per Sq. Ft.	\$0.51	80%	\$0.57	100%

Department\ New Service Fee		Fee Description	Proposed Fee (2024/25 & 2025/26)	Recovery Level (2024/25 & 2025/26)	Proposed Fee (2026/27)	Recovery Level (2026/27)
Inspection Cost		Per Sq. Ft.	\$0.51	80%	\$0.57	100%
B,M,I: Business, Mercantile, Institutional						
Plan Review Cost		Per Sq. Ft.	\$0.44	80%	\$0.49	100%
Inspection Cost		Per Sq. Ft.	\$0.44	80%	\$0.49	100%
F, H: Factory, Industrial, Hazard						
Plan Review Cost		Per Sq. Ft.	\$0.14	80%	\$0.15	100%
Inspection Cost		Per Sq. Ft.	\$0.14	80%	\$0.15	100%
S: Storage						
Plan Review Cost		Per Sq. Ft.	\$0.10	80%	\$0.11	100%
Inspection Cost		Per Sq. Ft.	\$0.10	80%	\$0.11	100%
COM Users/Occupancy: Tenant Improvements						
Plan Review Cost		Per Sq. Ft.	\$0.37	80%	\$0.41	100%
Inspection Cost		Per Sq. Ft.	\$0.37	80%	\$0.41	100%
COM Users/Occupancy: Additions/Alterations						
Plan Review Cost		Per Sq. Ft.	\$0.48	80%	\$0.54	100%
Inspection Cost		Per Sq. Ft.	\$0.48	80%	\$0.54	100%
Planning						
CEQA Review Minor Scope		Fixed Fee	\$38,280.00	80%	\$47,849.00	100%
Historic Preservation Certificate of Appropriateness						
Over the Counter		Fixed Fee	\$36.00	30%	\$36.00	30%
Administrative		Fixed Fee	\$676.00	30%	\$676.00	30%
Board		Fixed Fee	\$1,446.00	30%	\$1,446.00	30%
Variances, Modifications, Exceptions & Fair Housing Requests						
Reasonable Accommodation Fee		Fixed Fee	\$4,101.00	80%	\$5,125.00	100%
Other Fees-Annexation		Fixed Fee	\$64,185.00	80%	\$80,232.00	100%
Public Works						
Engineering & Maintenance						
Stormwater Inspection						
Industrial		Fixed Fee	\$105.00	80%	\$132.00	100%
Restaurant		Fixed Fee	\$53.00	80%	\$66.00	100%
Commercial		Fixed Fee	\$79.00	80%	\$99.00	100%
Water Quality Management Plan Site		Fixed Fee	\$244.00	80%	\$305.00	100%
Vehicles Miles Travelled Analysis		Fixed Fee	\$3,510.00	80%	\$4,378.00	100%
Hydrology Study Review						
Preliminary Project Specific Review		Fixed Fee	\$2,284.00	80%	\$2,855.00	100%
Final Review		Fixed Fee	\$2,284.00	80%	\$2,855.00	100%

Department\ New Service Fee	Fee Description	Proposed Fee (2024/25 & 2025/26)	Recovery Level (2024/25 & 2025/26)	Proposed Fee (2026/27)	Recovery Level (2026/27)
Hourly Rate for Engineering Staff for Excessive Plan Checks(After 3 Check)	Hourly	\$127.00	80%	\$159.00	100%
Water Quality Management Plan Addendum	Fixed Fee	\$929.00	80%	\$1,162.00	100%
Minor Conditional Use Permit (Per Application)	Fixed Fee	\$1,030.00	80%	\$1,288.00	100%
CEQA Review - Minor Scope	Fixed Fee	\$1,934.00	80%	\$2,417.00	100%
CEQA Review - Technical Review, Peer Review, Consultant	Fixed Fee	\$213.00	80%	\$266.00	100%
Conceptual Development Review (per submittal)	Fixed Fee	\$1,157.00	80%	\$1,447.00	100%
General (Per Submittal) - Design Review					
Commercial, Industrial and Multi-Family	Fixed Fee	\$2,385.00	80%	\$2,981.00	100%
Commercial, Industrial and Multi-Family Revision/Substantial Conformance	Fixed Fee	\$452.00	80%	\$565.00	100%
Single Family Residential (RC Zones)	Fixed Fee	\$963.00	80%	\$1,204.00	100%
Landscaping and Irrigation (Subject to WELO)					
Commercial, Industrial and Multi-Family	Fixed Fee	\$127.00	80%	\$159.00	100%
Single Family Residential	Fixed Fee	\$63.00	80%	\$79.00	100%
Tentative Tract Revision	Fixed Fee	\$2,255.00	80%	\$2,819.00	100%
Parcel Map Revision	Fixed Fee	\$945.00	80%	\$1,181.00	100%
Refuse					
Residential					
Bulky Item Pickup Per Item (In Excess Of 2 Pickups Per Year And Limited To 5 Items Per Pickup)	Fixed Fee	\$25.00	100%	\$25.00	100%
Go Back/Late Sit Out	Penalty	\$46.00	100%	\$46.00	100%
Solid Waste Overage - Residential Overweight/Overfilled Cart	Penalty	\$46.00	100%	\$46.00	100%
Delivery/Removal Of Residential Solid Waste Cart (In Excess Of One Replacement Set Every 10 Years)	Actual Cost	Actual Cost	100%	Actual Cost	100%

Department\ New Service Fee	Fee Description	Proposed Fee (2024/25 & 2025/26)	Recovery Level (2024/25 & 2025/26)	Proposed Fee (2026/27)	Recovery Level (2026/27)
Clean Up Hazardous Material Spill Due to Material Placed in Cart	Penalty	\$209.00	100%	\$209.00	100%
Extra Pickup Request Per Residential Cart	Fixed Fee	\$52.00	100%	\$52.00	100%
Commercial					
Stop Services And Or Resume Service	Fixed Fee	\$49.00	100%	\$49.00	100%
Bulky Item Pickup Per Item (Limited To 5 Items Per Pickup)	Fixed Fee	\$25.00	100%	\$25.00	100%
Bin Delivery, Exchange, Size Exchange, Removal	Fixed Fee	\$61.00	100%	\$61.00	100%
Bin Washout In Excess Of 1 Per Year	Fixed Fee	\$74.00	100%	\$74.00	100%
Overweight/Overfilled Commercial Bin (Penalty)	Penalty	\$63.00	100%	\$63.00	100%
Bin Container Contamination (Penalty)	Penalty				
Second Violations	Penalty	\$100.00	100%	\$100.00	100%
Third Violations	Penalty	\$200.00	100%	\$200.00	100%
Subsequent Violations	Penalty	\$500.00	100%	\$500.00	100%
Dead Run, Go Back (Penalty)	Penalty	\$64.00	100%	\$64.00	100%
Demurrage (Per Day) No Dump in 7 Days, Commercial Bins	Per Day	\$6.30	100%	\$6.30	100%
Bin Lock Installation (First Lock)	Fixed Fee	\$32.00	100%	\$32.00	100%
Replacement Of Bin Lock (If Lost Or Stolen)	Fixed Fee	\$15.00	100%	\$15.00	100%
OVERWEIGHT ROLLOFF (In Addition To Disposal Charges For Each Load Exceeding 10 Tons)	Per Month	\$120.00	100%	\$120.00	100%
Rolloff Go Back, Dead Run, Relocation, Same Day Expedite	Fixed Fee	\$147.00	100%	\$147.00	100%
Rolloff Top Lid Rental (Per Month)	Per Month	\$68.00	100%	\$68.00	100%
Open-Top Box Or Storage Box Rental (Per Month)	Per Month	\$174.00	100%	\$174.00	100%
Rolloff Plastic Liner	Fixed Fee	\$48.00	100%	\$48.00	100%
Certificate Of Destruction	Fixed Fee	\$55.00	100%	\$55.00	100%

Department\ New Service Fee	Fee Description	Proposed Fee (2024/25 & 2025/26)	Recovery Level (2024/25 & 2025/26)	Proposed Fee (2026/27)	Recovery Level (2026/27)
Demurrage on Hauler-Owned Rolloff (Per Day - No Hauls In 30 Days)	Per Day	\$22.00	100%	\$22.00	100%
Compactor Wash Out	Fixed Fee	\$292.00	100%	\$292.00	100%
Roll Off Contamination					
First Offense	Penalty	\$100.00	100%	\$100.00	100%
Second Offense	Penalty	\$200.00	100%	\$200.00	100%
Third Offense	Penalty	\$500.00	100%	\$500.00	100%
Tire Rate for Cleanup					
Regular tires (per ton, plus \$25 Manifest Fee per load)	Per Ton	\$317.00	100%	\$317.00	100%
Super tires (per ton, plus \$25 Manifest fee per load)	Per Ton	\$634.00	100%	\$634.00	100%
Parks, Recreation, & Community Services					
Planning Case Review (DRC)					
All Cases Base Fee	Fixed Fee	\$32.00	80%	\$40.00	100%
Public Park Improvement	Hourly Fee	\$167.00	80%	\$209.00	100%
Public Trail Improvement	Hourly Fee	\$136.00	80%	\$170.00	100%
Public Works Case Plan Check Review					
All Permits Base Fee	Fixed Fee	\$16.00	80%	\$20.00	100%
Public Trail Improvement	Hourly Fee	\$75.00	80%	\$94.00	100%
Public Park Improvement	Hourly Fee	\$86.00	80%	\$108.00	100%
Inspection Fee - Park Land	Hourly Fee	\$59.00	80%	\$74.00	100%
Inspection Fee- Trail	Hourly Fee	\$86.00	80%	\$108.00	100%
Building and Permit Plan Check					
All Permits Base Fee	Fixed Fee	\$16.00	80%	\$20.00	100%
Public Trail Improvement	Hourly Fee	\$166.00	80%	\$207.00	100%
Public Park Improvement	Hourly Fee	\$115.00	80%	\$144.00	100%
Inspection fee each permit: Trail Inspection	Hourly Fee	\$75.00	80%	\$94.00	100%
Inspection fee each permit: Park Improvement	Hourly Fee	\$70.00	80%	\$87.00	100%

Comparison Study to Other Agencies

The user fee study includes a comparative analysis of fees charged by six neighboring cities. This consists of agencies from the City's market basket of cities, including neighboring agencies and in some cases, the County of Riverside, that would provide the best comparison. The compared fees were selected by the departments, with guidance from MGT. Overall, at full implementation in the second year, the City's fees are within range of its peers.

- **Community Development – Building and Safety:** The City conducted a comparison analysis across eight different activities, including five types of development and three

trade services. Across the board, the proposed fees fell on the lower end of the scale compared to the six neighboring cities and the county, including the lowest housing construction building permit fees in the region.

- **Community Development – Planning:** The City conducted a comparison analysis across eight different activities, including but not limited to design review, general plan amendments, conditional use permits, and environmental analysis. Overall, the proposed fees fell in the middle end of the scale compared to the six neighboring cities and the county. However, there appears to be a lot of variance in how fees are calculated, which adds complexity to the analysis.
- **Public Works – Engineering:** The City conducted a comparison analysis across six different activities, including but not limited to construction permits, street opening permit/inspection, water quality management program project review, and grading plan checks. Overall, the proposed fees fell in the middle end of the scale compared to the six neighboring cities. However, there appears to be a lot of variance in how fees are calculated, which adds complexity to the analysis.

The results of the comparative survey may be found for each department within their respective summary sections in Attachment 2.

Community Outreach

City staff conducted two meetings with the Greater Riverside Chambers of Commerce on the proposed adjustments to the developer fees and charges, incorporating their feedback in staff recommendations for the fee adjustments.

Other Fees and Charges Adjustments

Police Department

Staff recommend two adjustments to Police Department fees:

- **Low Value Vehicle** – Staff recommend removal of towing fees for low value vehicles, which are currently set at \$69.75. This fee, established in 2024, has raised concerns that tow companies may incur a loss when a City fee is charged, as an individual may choose not to reclaim their low value vehicle, leaving the tow company unable to recover the cost of the fee. Further, staff recommend aligning the “Per Vehicle” and “Result of Prior Request by Vehicle Owner/Driver” (currently \$69.75) towing fees to \$70.
- **License to Sell Weapons** – Staff recommend lowering of regulatory license fee for renewals of License to Sell Weapons from \$561 to \$280. This fee was significantly increased as part of the 2024 fees and charges update, and this decrease would adjust the fee to a more reasonable level.

Parking Bail Schedule

The City has not conducted a comprehensive update to the bail schedule for parking violations since 2010. The fine amounts are intended to encourage compliance with parking regulations and enhance public safety.

In FY 2023/24, a total of 89,874 citations yielded \$5,078,628 in revenues. This represents an 18% increase in citations and a 29% increase in associated revenue compared to FY 2022/23. Program revenues have more recently increased due to filling vacant positions that support parking enforcement.

Department staff recommend increasing all violations in the Parking Bail Schedule by \$5, as displayed in Attachment 1. For the most common citation type, “Parking or Stopping, Standing or Parking Prohibited or Limited” (a general term for parking violations where a sign or marking indicates restriction, including street sweeping), the flat \$5 increase will raise the citation from \$41 to \$46. This citation type accounted for 55% of all citations issued in FY 2023/24. City staff conducted a comparison of this citation type with those of 21 other local agencies, revealing an average citation value of \$79 and a median of \$58. However, when eliminating an outlier, the average drops to \$55. The proposed increase would place Riverside at a reasonable level compared to other local agencies.

Assuming a similar number and mix of citations provided in FY 2023/24, the proposed \$5 increase per citation would result in approximately \$448,000 in additional annual revenue to the Parking Fund and the Refuse Fund (for citations associated with street sweeping).

Transportation Uniform Mitigation Fee Program

On February 25, 2025, staff recommended that the City Council adopt an ordinance amending Chapter 16.68 of the Riverside Municipal Code regarding the participation in the Transportation Uniform Mitigation Fee Program and a resolution amending the applicable Transportation Uniform Mitigation Fee Schedule applicable to all development in the City of Riverside. If City Council approves staffs’ recommendations, the Transportation Uniform Mitigation Fee will be updated in the Master Fees and Charges schedule (Attachment 1) alongside those outlined in this report.

STRATEGIC PLAN ALIGNMENT:

The fee study and recommended fee adjustments 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 2024/25 Schedule of Fees and Charges is a transparent process that incorporates community engagement 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 preparation of a user fee study to analyze service costs 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** – The recommended adjustments of user fees are guided by a comprehensive study, ensuring 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, and volume and mix of fees and charges. Assuming a similar level of volume, and mix of fees and charges as occurred in 2023, the anticipated fiscal impact of increasing fees as detailed in Attachment 1 is a projected annual revenue increase of approximately \$1.6 million in FY 2025/26 and \$3.2 million in FY 2026/27 in the General Fund.

The amount of additional revenue that will be generated in the Refuse Fund from the proposed fees and charges is uncertain, as they are new and lack existing volume metrics. Staff anticipate marginal increases in FY 2024/25, given that the updated fees would not be implemented until May 2025 at the earliest. Staff will include projected FY 2025/26 revenue adjustments as part of the adopted budget based on an analysis of current trends.

Assuming a similar volume and mix of parking violations as in FY 2023/24, the proposed adjustments to the Parking Bail Schedule are anticipated to result in approximately \$448,000 in additional annual revenue to the Parking Fund and the Refuse Fund (for citations associated with street sweeping).

Prepared by:	Sergio Aguilar, Deputy Finance Director
Approved by:	Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Certified as to availability of funds:	Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Approved by:	Edward Enriquez, Assistant City Manager/Chief Financial Officer/City Treasurer
Approved as to form:	Jack Liu, Interim City Attorney

Attachments:

1. FY 24/25 Proposed Master Fees & Charges Schedule Changes
2. Comprehensive Fees and Charges Study
3. Presentation