



City Council Memorandum

City of Arts & Innovation

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TO: HONORABLE MAYOR AND CITY COUNCIL DATE: MAY 5, 2026

FROM: PUBLIC WORKS DEPARTMENT WARDS: ALL

SUBJECT: NOTICED PUBLIC HEARING TO INTRODUCE AND ADOPT AN ORDINANCE AMENDING CHAPTER 16.68 OF THE RIVERSIDE MUNICIPAL CODE REGARDING THE PARTICIPATION IN THE TRANSPORTATION UNIFORM MITIGATION FEE PROGRAM; RESOLUTION AMENDING THE APPLICABLE TRANSPORTATION UNIFORM MITIGATION FEE SCHEDULE APPLICABLE TO ALL DEVELOPMENT IN THE CITY OF RIVERSIDE – RESOLUTION

ISSUE:

Introduce and adopt the proposed Ordinance amending the Riverside Municipal Code Chapter 16.68 – Transportation Uniform Mitigation Fee and Resolution amending the applicable Transportation Uniform Mitigation Fees applicable to all development in the City of Riverside.

RECOMMENDATIONS:

That the City Council conduct a public hearing to:

1. Introduce and subsequently adopt an Ordinance, amending and updating Chapter 16.68 – Transportation Uniform Mitigation Fee of the Riverside Municipal Code; and
2. Adopt a Resolution amending the applicable Transportation Uniform Mitigation Fees applicable to all development in the City of Riverside.

BACKGROUND:

The City of Riverside is a Member Jurisdiction of the Western Riverside Council of Governments (WRCOG), a joint powers agency comprised of the County of Riverside and eighteen (18) cities located in Western Riverside County. Acting in concert, in 2002-2003 the WRCOG Member Jurisdictions developed a plan whereby the shortfall in funds needed to enlarge the capacity of the Regional System of Highways and Arterials due to new development in Western Riverside County could be made up in part by a Transportation Uniform Mitigation Fee (TUMF) on future residential, commercial, and industrial development. As a Member Jurisdiction of WRCOG and as a TUMF Participating Jurisdiction, the City participated in the preparation of a certain “Western Riverside County Transportation Uniform Fee Nexus Study,” (2002 Nexus Study) later adopted by the WRCOG Executive Committee. Based on the 2002 Nexus Study, the City adopted and implemented an ordinance authorizing the City’s participation in a TUMF Program.

Pursuant to the Mitigation Fee Act (Gov. Code §§ 66000 *et seq.*), WRCOG has prepared a new nexus study (2024 Nexus Study) to update the fees. On September 29, 2024, the WRCOG Executive Committee reviewed and approved the 2024 Nexus Study and recommended TUMF Participating Jurisdictions update their fees by amending their applicable TUMF ordinances to reflect changes in the TUMF network and the cost of construction.

On December 1, 2025, the WRCOG Executive Committee approved the implementation of an automatic CCI adjustment for all TUMF land uses tied to the September indices of the National Association of Realtors and Engineering News Record with a cap at 5% of any annual adjustments; and an automatic CCI adjustment ensures that fee levels keep pace with increases in cost of constructing transportation projects and avoids large increases at comprehensive TUMF Nexus Study updates; and this approach also allows for consistency and predictability for the TUMF Program, while ensuring that the fair share principles under AB 1600 are satisfied.

Pursuant to Government Code Sections 66004, 66018, and 6062a, notice was published in a newspaper of general circulation in accordance with statutory requirements, including two publications at least five days apart within a 10-day noticing period. The notices were published on April 23 and April 29, 2026, satisfying these requirements.

DISCUSSION:

The proposed Ordinance provides the legal basis for a revised TUMF schedule. The actual TUMF schedule will be established through the Resolution.

In accordance with the Mitigation Fee Act, the proposed Ordinance and 2024 Nexus Study: (i) identifies the purpose of the revised fees; (ii) identifies the use to which the revised fees is to be put, including identification of any facilities to be financed; (iii) determines how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed; (iv) determines how there is a reasonable relationship between the need for the public facilities and the type of development project upon which the fees are imposed; and (v) determines how there is a reasonable relationship between the amount of the fees and the cost of the public facilities or portion of the public facility attributable to the development on which the fees are imposed.

The resolution will establish the Fee Schedule for TUMF as follows:

- (1) \$12,705 per single family residential unit 1,800 square feet or less
- (2) \$14,292 per single family residential unit between 1,801 and 2,300 square feet
- (3) \$15,881 per single family residential unit between 2,301 and 2,700 square feet
- (4) \$19,851 per single family residential unit greater than 2,700 square feet
- (5) \$8,021 per multi-family residential unit
- (6) \$2.39 per square foot of an industrial project
- (7) \$7.92 per square foot of a retail commercial project
- (8) \$5.02 per square foot of a service commercial project
- (9) \$2.51 per square foot of a service Class A and B Office

FISCAL IMPACT:

Adoption of the ordinance and resolution is necessary to remain compliant with the TUMF program and to be recognized by WRCOG as a TUMF Participating Jurisdiction. Failure to do so

could result in loss of TUMF return funding and could contribute towards substantial traffic congestion in the City and Western Riverside County. The attached resolution will establish the Fee Schedule for TUMF as shown in the table below beginning on July 1, 2026.

Table 1. Proposed Fee Schedule

Fee Category	FY 2026/27 Current Fee	FY 2026/27 Proposed Fee	% Change
Industrial (per square foot)	\$2.33	\$2.39	2.6%
Multi-Family Residential (per unit)	\$7,816.00	\$8,021.00	2.6%
Retail Commercial (per square foot)	\$7.72	\$7.92	2.6%
Service Commercial (per square foot)	\$4.89	\$5.02	2.6%
Service Class A & B Officer (per square foot)	\$2.45	\$2.51	2.4%
Single Family Residential (per unit 1,800 square feet or less)	\$12,380.00	\$12,705.00	2.6%
Single Family Residential (per unit between 1,801 and 2,300 square feet)	\$13,927.00	\$14,292.00	2.6%
Single Family Residential (per unit between 2,301 and 2,700 square feet)	\$15,476.00	\$15,881.00	2.6%
Single Family Residential (per unit greater than 2,700 square feet)	\$19,344.00	\$19,851.00	2.6%

The City benefits from its contributions to the TUMF program, as many critical regional projects are located in Riverside. The updated fees will allow WRCOG and the City to continue to execute projects envisioned in the TUMF nexus study by accounting for rising construction costs.

Prepared by: Chris Scully, Interim Deputy Public Works Director/City Engineer
 Approved by: Nathan Mustafa, Interim Public Works Director
 Certified as to availability of funds: Julie Nemes, Interim Finance Director
 Approved by: Kris Martinez, Assistant City Manager
 Approved as to form: Rebecca McKee-Reimbold, Interim City Attorney

Attachments:

1. Ordinance
2. Resolution
3. Notice of Hearing (May 5, 2026)