

FY 2024/25 Fees and Charges Update

Finance Department

City Council
March 11, 2025

RiversideCA.gov

1

Background

- **2015:** Last citywide fees and charges study
- **2021:** Fees and charges study initiated
- **2022:** Study placed on hold pending new City Manager
- **2023:** 7.5% CPI increase adopted pending completion of the study
- **2023-2024:** Fee study refreshed with updated data. Excluding most developer fees, the City Council adopted recommended fee increases.

Effective Date	Rate Increase
7/1/2016	0%
7/1/2017	0%
7/1/2018	0%
7/1/2019	0%
7/1/2020	0%
7/1/2021	0%
7/1/2022	0%
7/1/2023	7.5%

No Fee Increases
from FY 2016 - 2023

2



RiversideCA.gov

2

What are User Fees?

- **Recover costs** of programs that provide direct **benefit to an individual or business** requesting a specific service.
- **Reduce subsidies** from general purpose revenues, primarily taxpayer dollars
- May not exceed the **estimated “reasonable” cost** of providing service activity



3

RiversideCA.gov

3

What is a Fee Study?

Purpose & Methodology

- Performed every 3 - 5 years
- Determine the “reasonable” full cost of providing services
 - Up to 100% of the full cost may be recovered
- Comparison Studies
- Community Engagement
- Facilitates informed decision making based on the City’s goals and values

Typical Fee Composition

Direct Costs

- Direct Labor
- 3rd Party Costs
- Material Costs

Department

Overhead

- Operational Costs
- Administrative functions- Finance

Central Service Overhead

- Human Resources
- Finance

4



RiversideCA.gov

4

Fee Adjustments

Key Factors Behind Fee Adjustments Identified in the Study

- **Cost Increases**
 - Rising operating and personnel costs since the 2015 fee study, driven by inflation.
 - Including direct costs for materials and equipment previously excluded.
- **Fee Recovery Policy**
 - Shift toward higher cost recovery to reduce reliance on general revenue subsidies.
- **Staffing Changes**
 - Adjustments in staffing levels, time estimates, or positions required to deliver services.
- **Service Delivery Changes**
 - Streamlined methods reducing staff time for some services, resulting in lower fees.



5

RiversideCA.gov

5

Fee Study

- Developer Fees included in FY 2024/25 Master Fees and Charges Schedule adopted by City Council on June 27, 2024:
 - Fire Department Fees
 - Riverside Public Utilities Fees
- Developer fees deferred for further review and Community Engagement and to develop a plan to enhance service delivery:
 - Public Works – Engineering Fees
 - CEDD – Building and Safety Fees
 - CEDD – Planning Fees
- Other Fees Reviewed Include:
 - Public Works – Refuse Fees
 - Parks and Recreation – Administration/Plan Check Fees



6

RiversideCA.gov

6

Fee Adjustment Methodology

- Phase in to 100% cost recovery over two years
- Limiting fee increases to recover no more than 80% in the first year, with the following exceptions:
 - Fees already recovering above 80% cost recovery (maintained at the current rate),
 - Fees currently recovering above 100% (reduced to 100% recovery)
 - Fee adjustments that would result in a lower equivalent fee to applicants if reduced to 80%.



Study Finding by Department/Division/Fund

User Fee Department	Current			Recommended (First Year of Phase in)			Recommended (Second Year of Phase in)				
	(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



Changes in User Fees

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

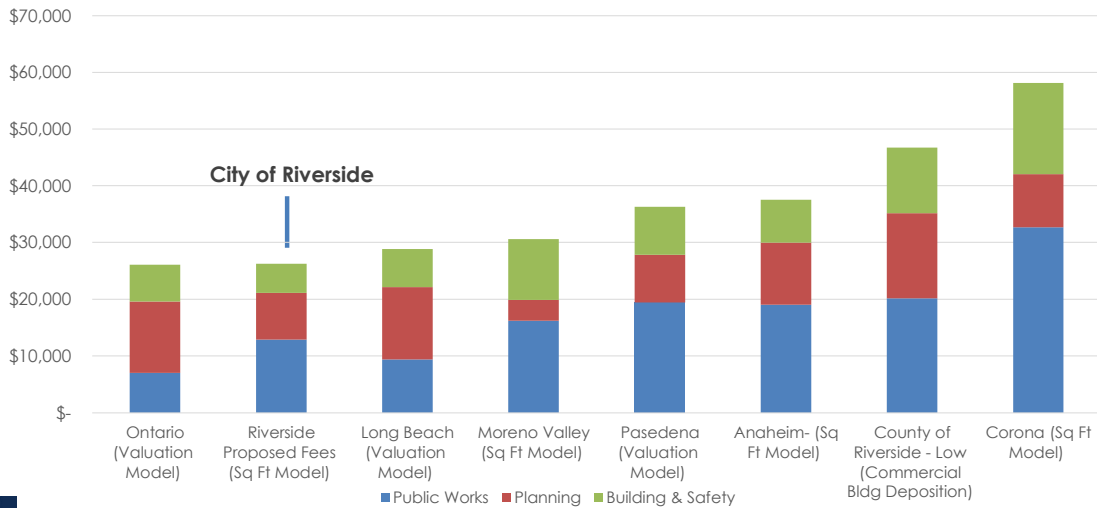


9

RiversideCA.gov

9

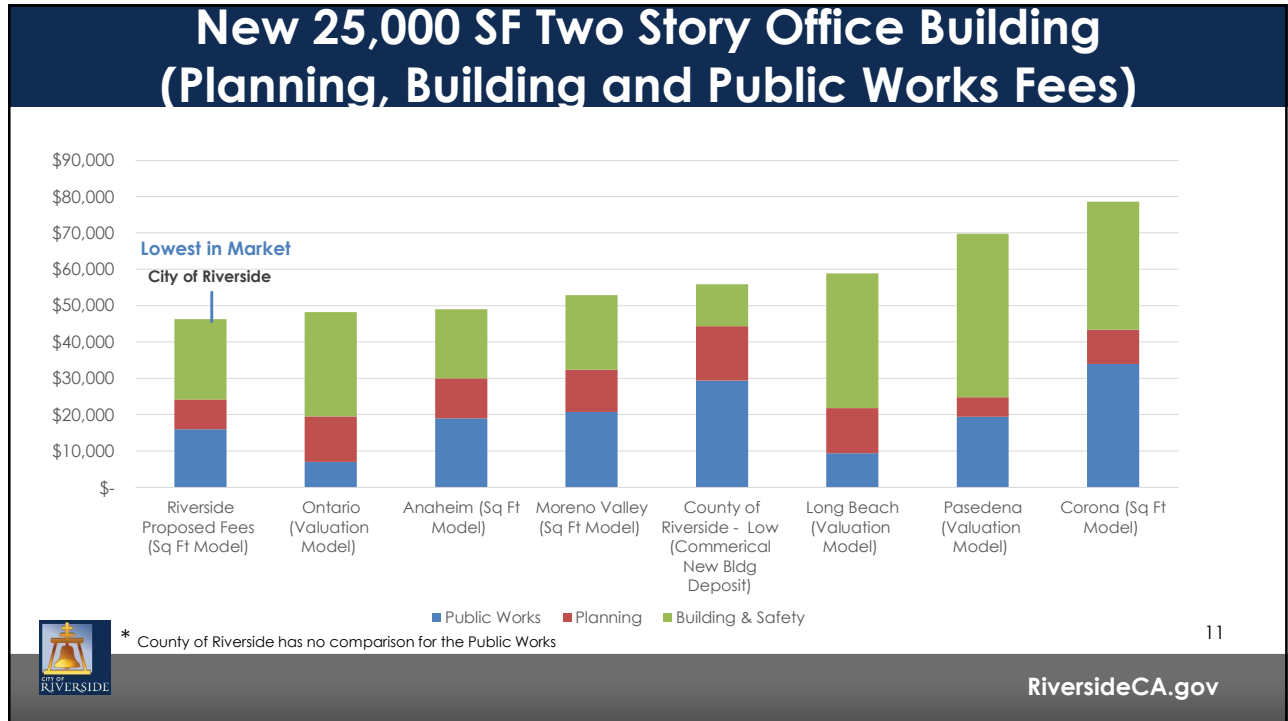
New 5,000 SF One Story Restaurant (Planning, Building and Public Works Fees)



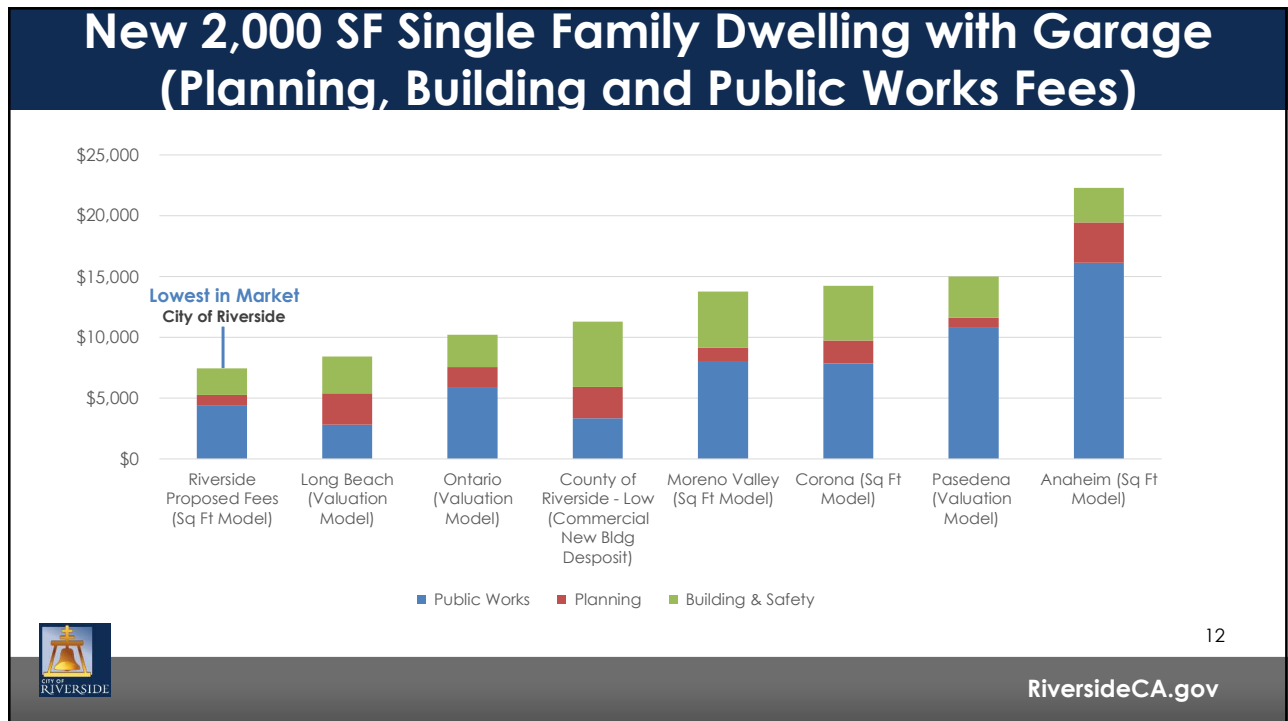
10

RiversideCA.gov

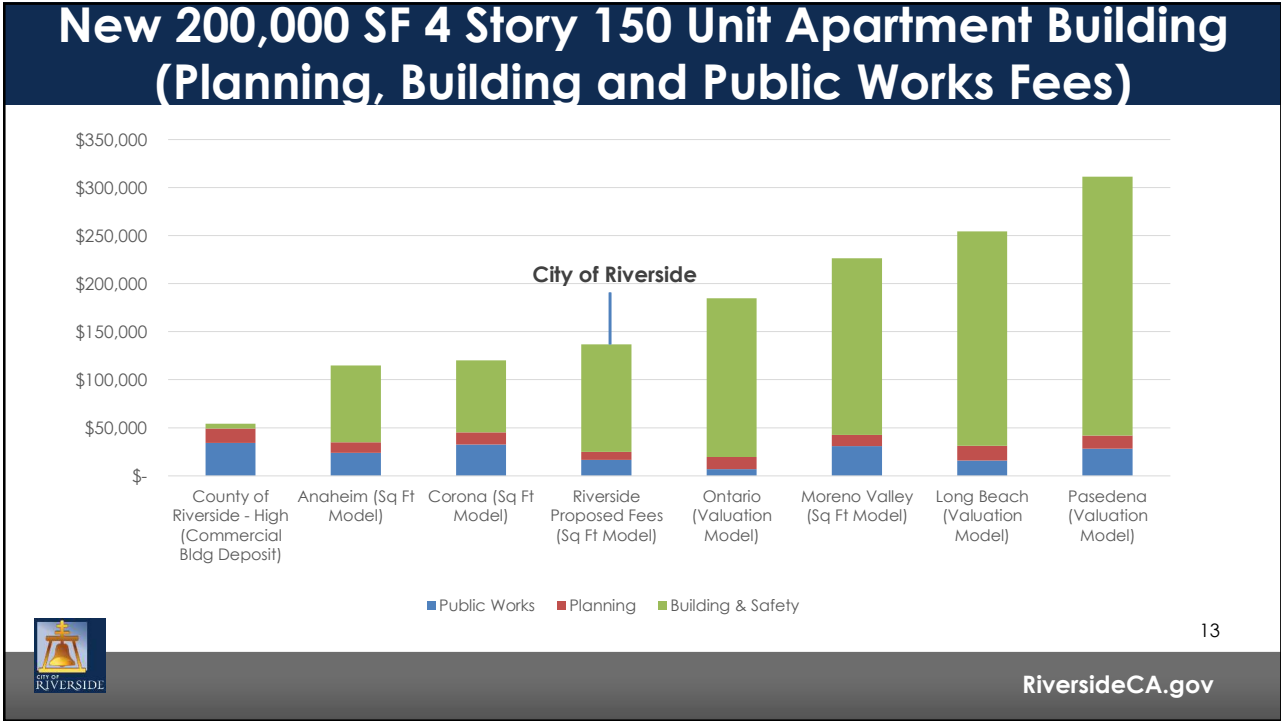
10



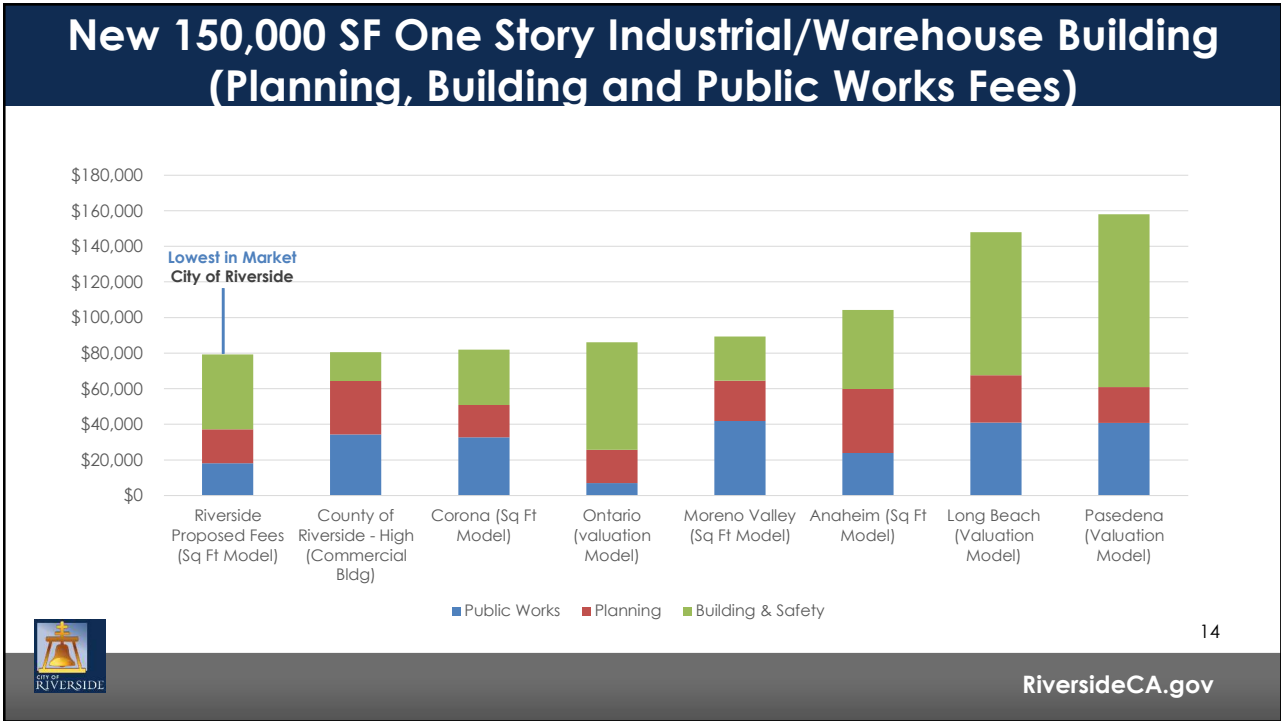
11



12



13



14

PUBLIC WORKS METHODOLOGY

- The current cost recovery rate is 64%
- Proposed cost recovery is 100% for all fees over two years
- Development Impact Fees and external development fees such as the WRCOG TUMF Program are not part of the study

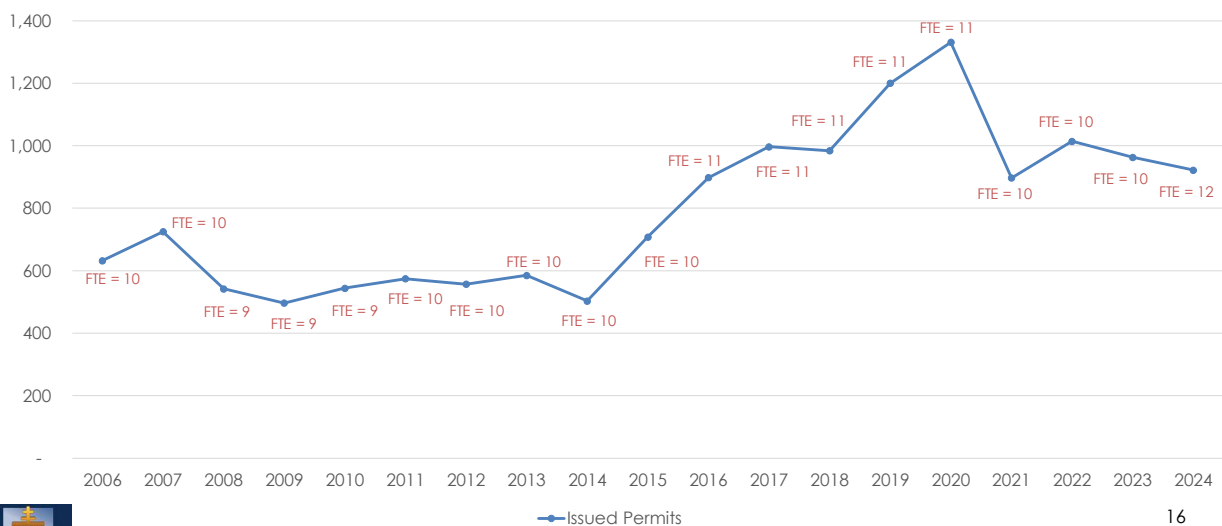


15

RiversideCA.gov

15

Public Works: Permits Issued by Year



16

RiversideCA.gov

16

Public Works: Current vs Proposed Fees

Fee Title	Riverside Current Fee	Riverside Proposed Fee
Street Opening Permit/Inspection Permit Issuance and Project Processing Fee	\$1,019	\$1,162
Water Quality Management Program	\$1,792	\$2,284
Grading Plan Check	\$1,064	\$1,381
Traffic Impact Analysis Review	\$2,872	\$3,712
Map Checking Fees	\$6,656	\$7,161
Construction Permits	\$6,971	\$6,971

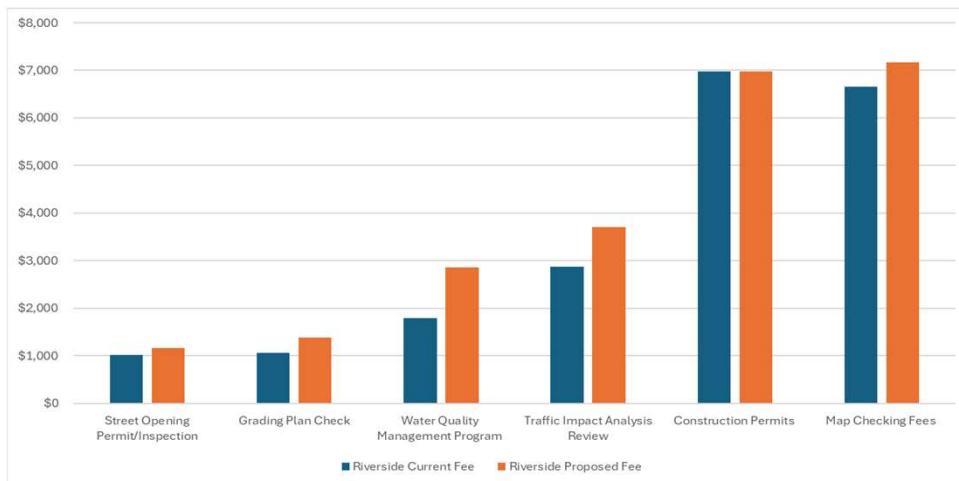


17

RiversideCA.gov

17

Public Works : Current vs Proposed Fees




18


RiversideCA.gov

18

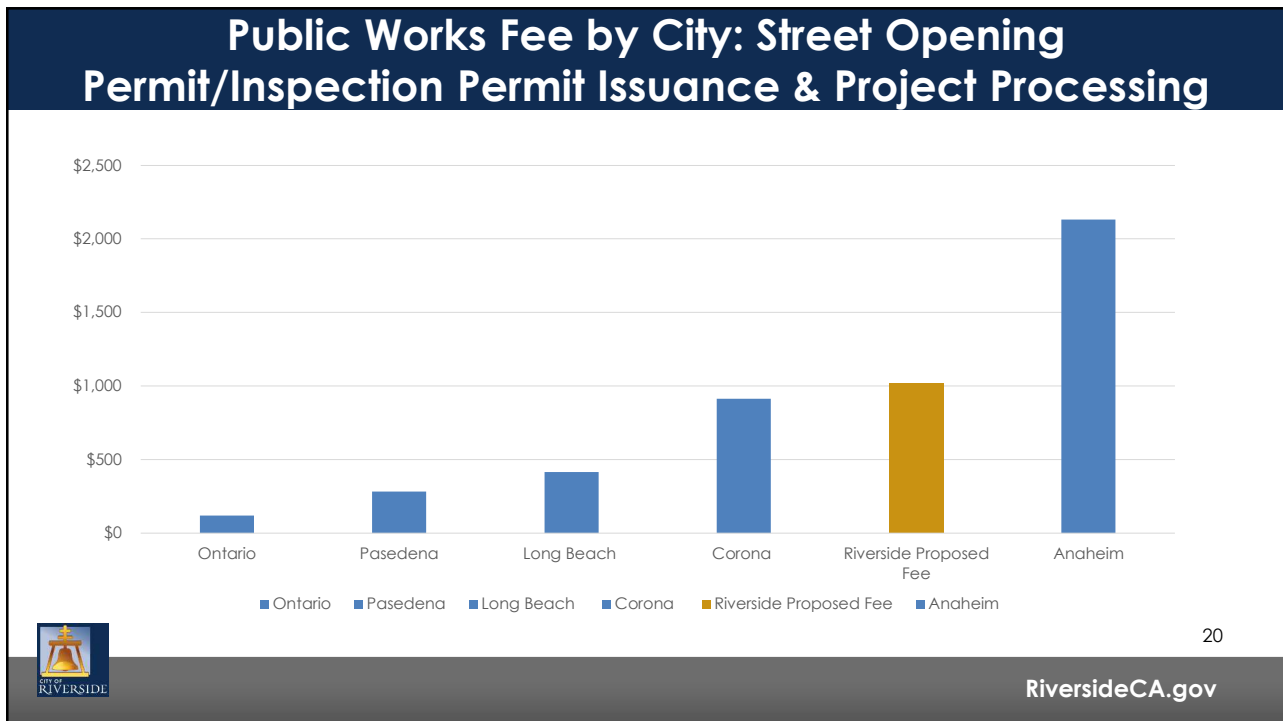
Public Works: Comparison of Fee by City

Fee Title	Riverside Proposed Fee (FY24/25-25/26)	Anaheim	Corona	Ontario	Long Beach	Moreno Valley	Pasadena
Street Opening Permit/Inspection Permit	\$1,162	\$2,130	\$913	\$119	\$415	-	\$282
Water Quality Management Program	\$2,284	\$3,190	\$4,179	\$1,179	-	\$3,359	-
Grading Plan Check	\$1,381	\$7,000	\$4,948	\$1,727	\$288	\$9,000	\$5,765
Traffic Impact Analysis Review	\$3,712	\$4,640	\$3,490	-	-	\$3,118	\$4,000
Map Checking Fees	\$7,161	\$8,240	\$6,367	\$4,495	\$8,742	\$6,183	\$2,696
Construction Permits	\$6,971	\$7,000	\$20,609	\$4,000	\$2,165	\$5,160	\$10,208

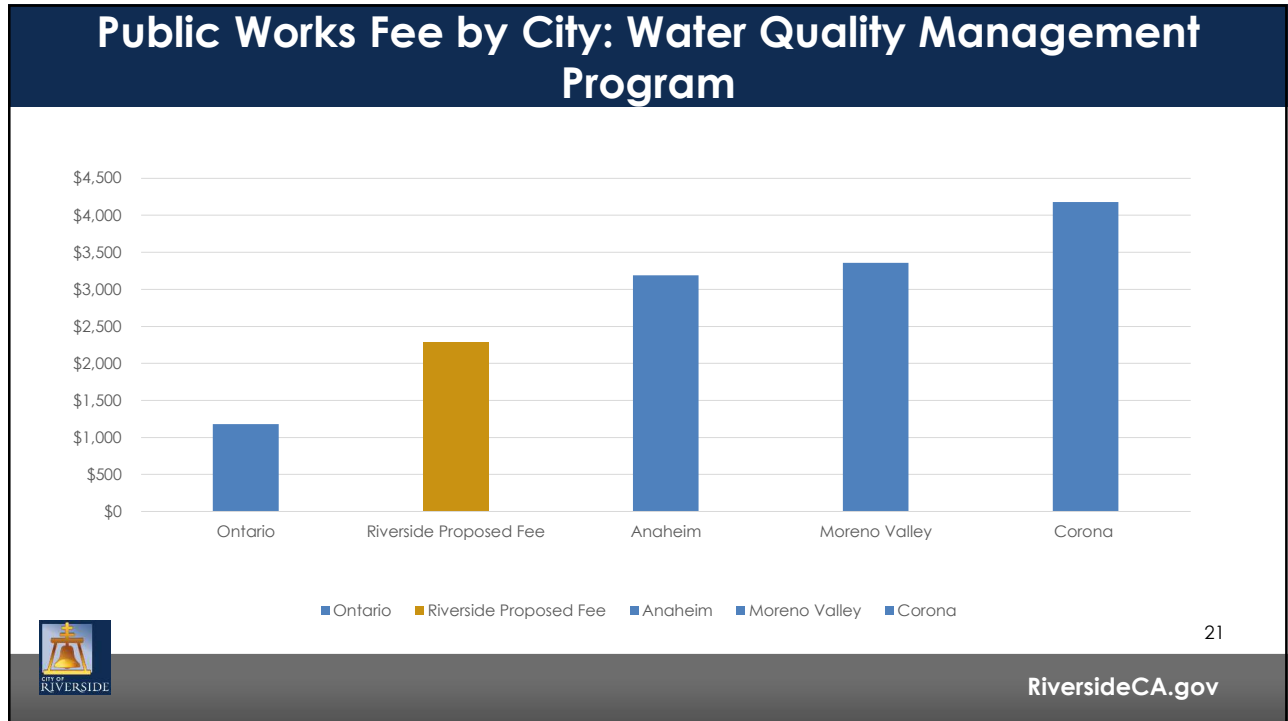

19



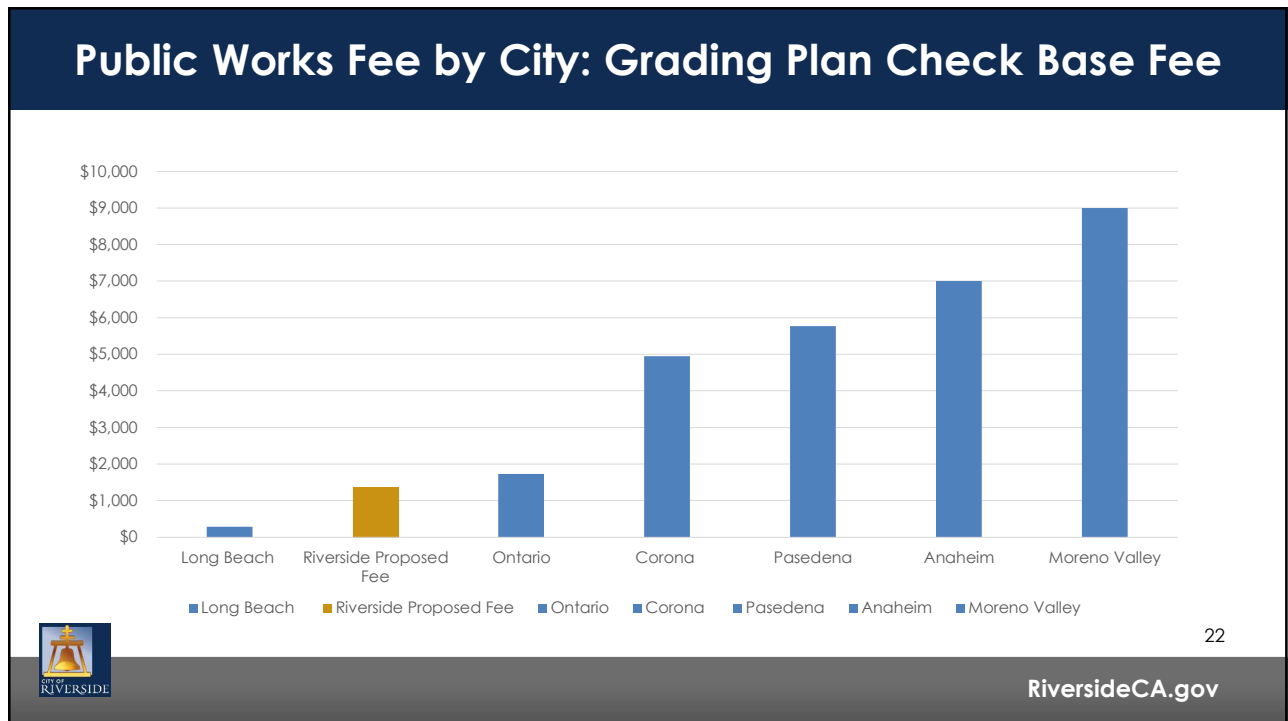
19



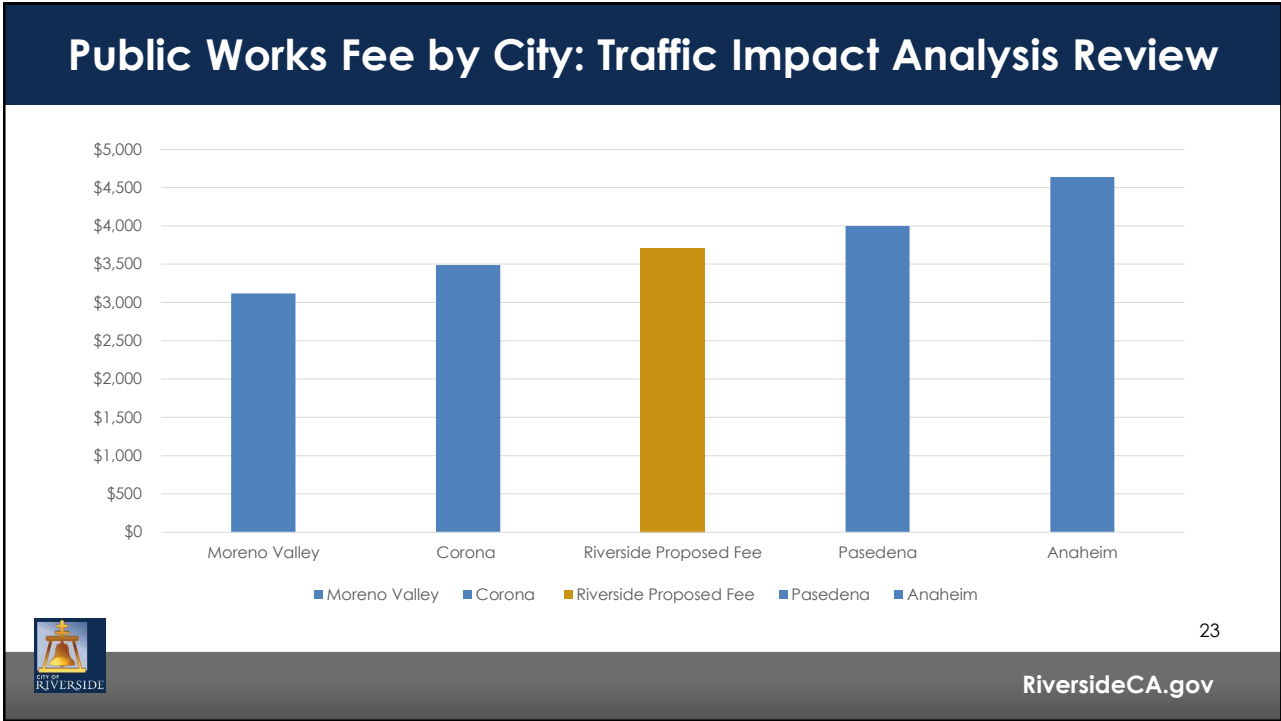
20



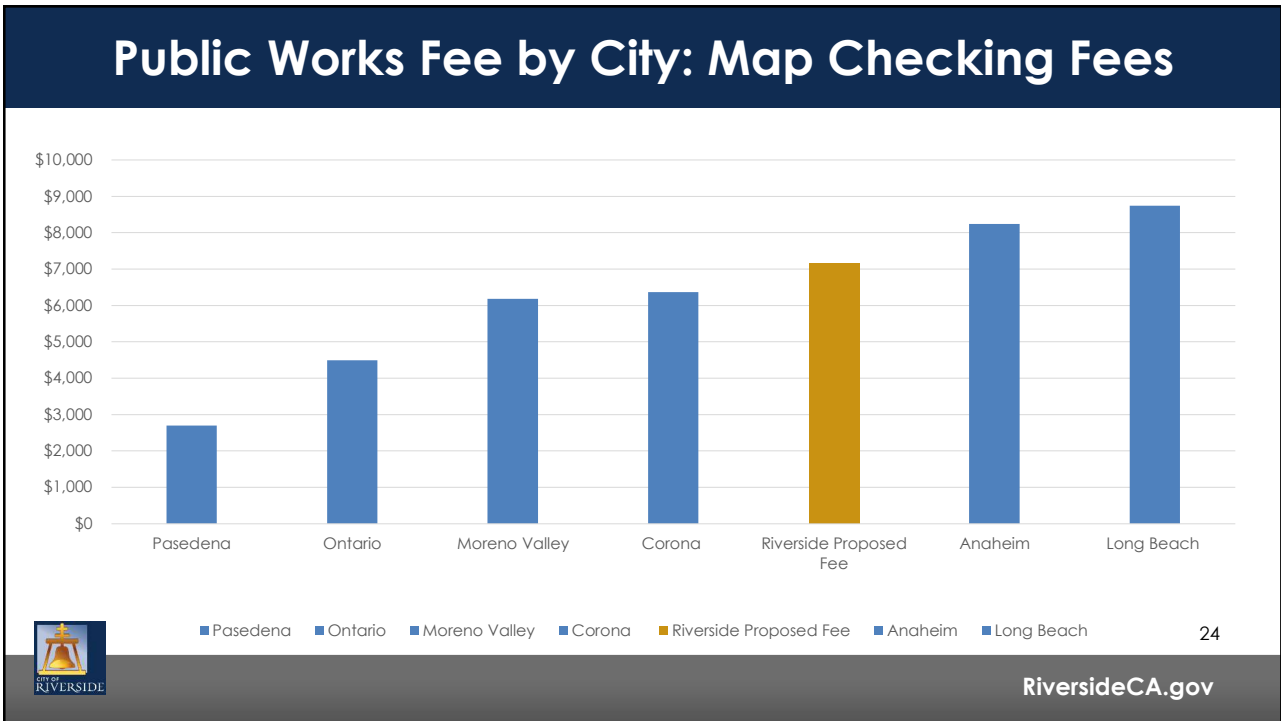
21



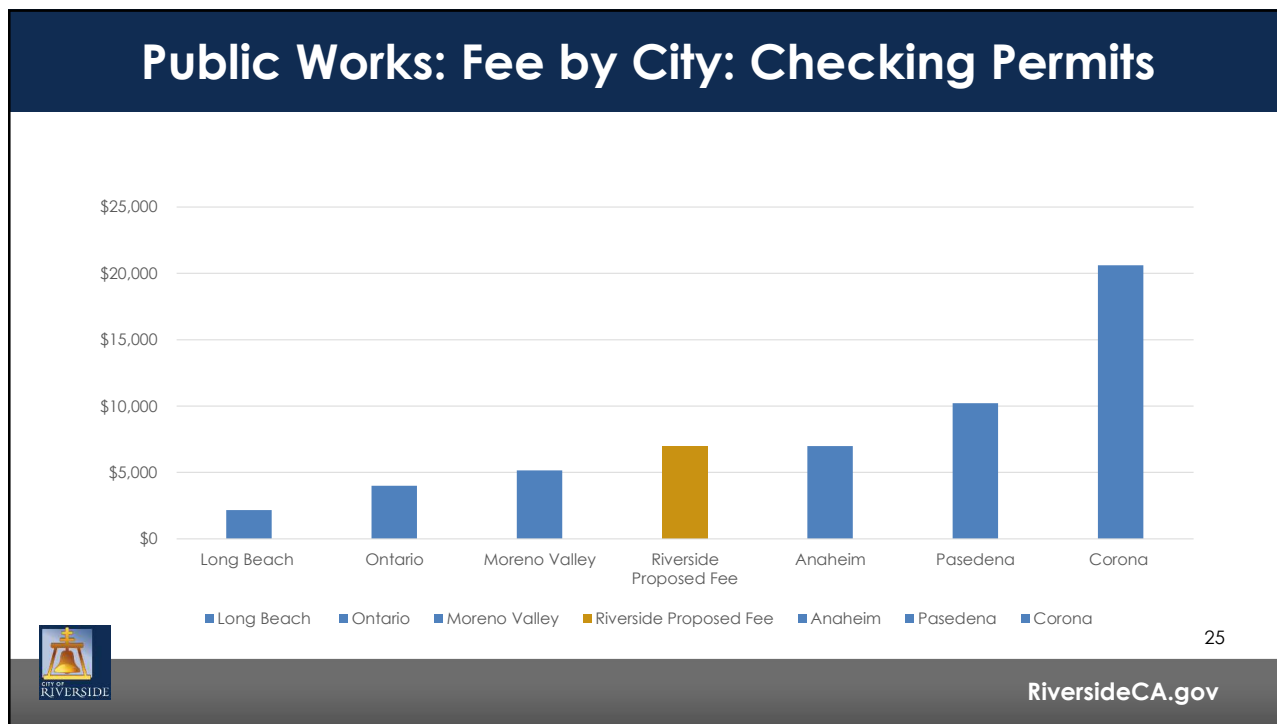
22



23



24



25

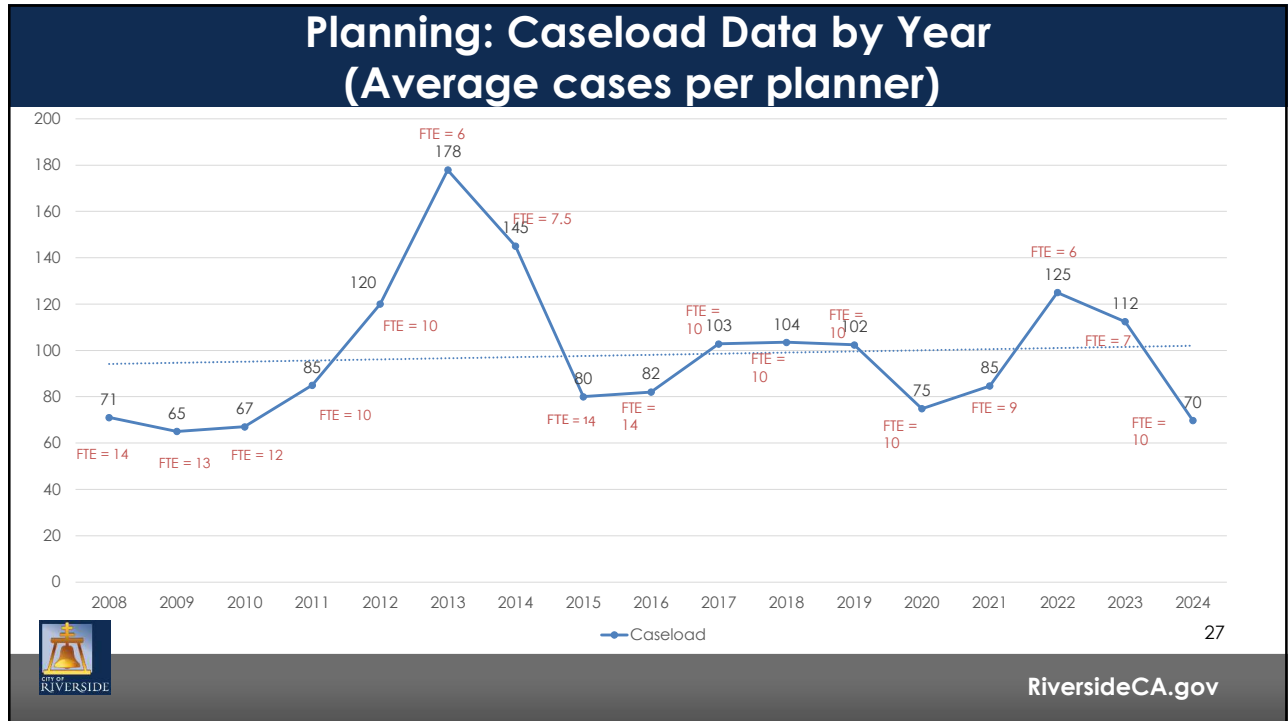
PLANNING METHODOLOGY

- Planning fees include CEDD, PW, Fire and other Dept/Divisions who review entitlements
- Current recovery rate = 62%
- Proposed 100% cost recovery for all fees over two years except Historic Preservation fees (30%) and Temporary Use Permits - Minor (50%)

26

RiversideCA.gov

26



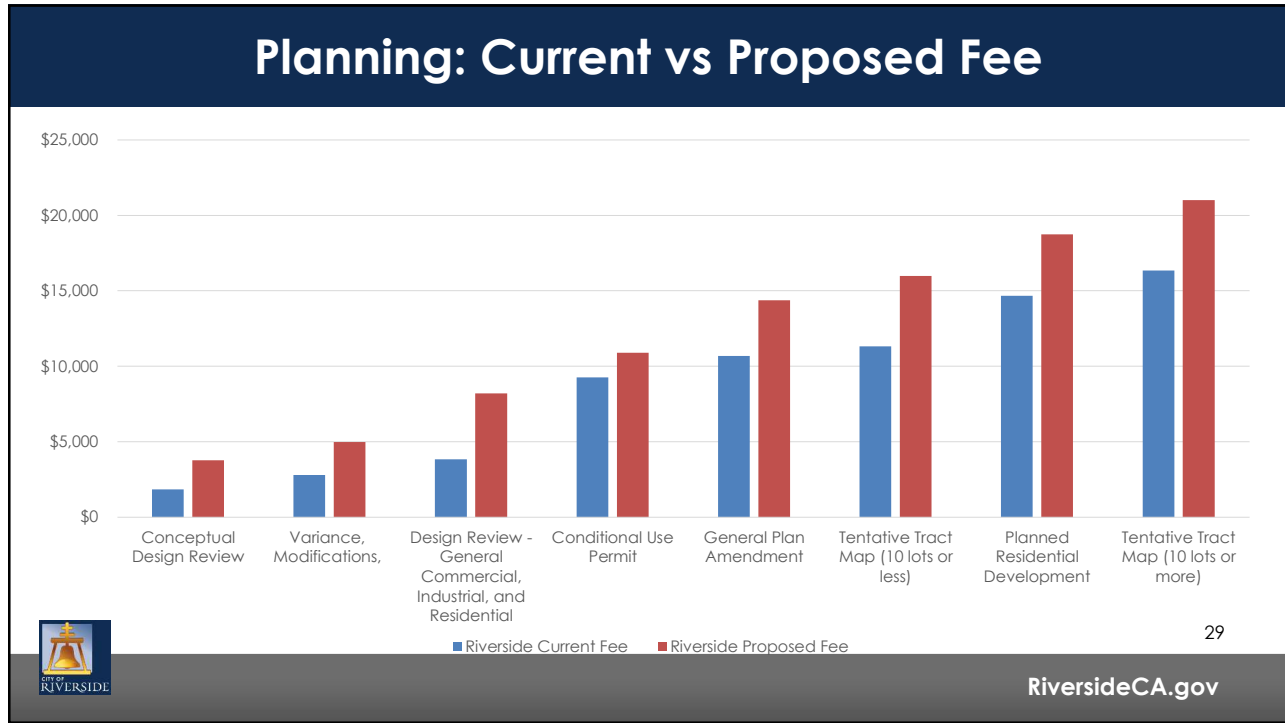
27

Planning: Riverside Proposed Fee

Fee Title	Riverside Current Fee	Riverside Proposed Fee
General Plan Amendment	\$10,678	\$14,369
Variance, Modifications, & Exceptions	\$2,780	\$4,981
Environmental Impact Analysis	\$101,400	\$135,237
Conditional Use Permit	\$9,261	\$10,888
Conceptual Design Review	\$1,840	\$3,769
Design Review - General Commercial, Industrial, and Residential	\$3,827	\$8,205
Planned Residential Development	\$14,672	\$18,736
Tentative Tract Map (9 lots or less)	\$11,305	\$15,986
Tentative Tract Map (10 lots or more)	\$16,336	\$21,017

28

28



29

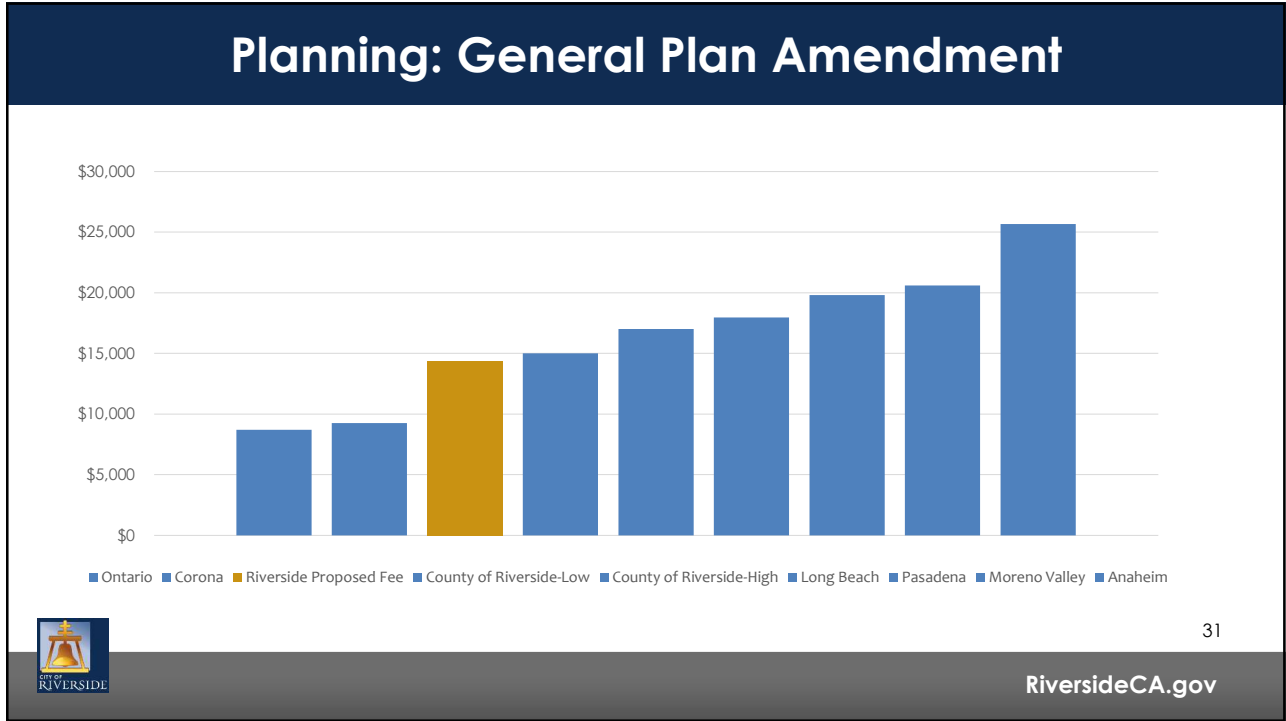
Comparison of Planning: Fee by City

Fee Title	Riverside Proposed Fee	Anaheim	Corona	Ontario	County of Riverside	Long Beach	Moreno Valley	Pasadena
General Plan Amendment	\$14,369	\$25,668	\$9,245	\$8,709	\$15,000	\$17,945	\$20,584	\$19,813
Variance, Modifications, & Exceptions	\$4,981	\$8,494	\$6,475	\$3,684	\$3,000	\$6,990	\$3,663	\$5,915
Environmental Impact Analysis	\$135,237	\$233,910	\$120,085	\$1,130	\$8,608	\$460,000	\$187,580	\$7,280
Conditional Use Permit	\$10,888	\$9,324	\$8,898	\$6,195	\$15,000	\$15,254	\$10,926	\$6,381
Conceptual Design Review	\$3,769	\$4,140	-	\$4,203	\$3,000	\$4,627	\$784	\$399
Design Review General Commercial, Industrial, and Residential	\$8,205	\$10,971	\$3,294	\$12,581	\$15,000	\$12,474	\$8,113	\$3,020
Planned Residential Development	\$18,736	\$35,190	\$10,492	???	-	\$15,349	\$11,637	\$22,049
Tentative Tract Map (9 lots or less)	\$15,986	\$26,289	\$13,450	\$11,596	\$25,000	\$18,721	\$11,307	\$6,114
Tentative Tract Map (10 lots or More)	\$21,017	\$26,289	\$13,450	\$11,596	\$25,000	\$18,721	\$11,307	\$6,114

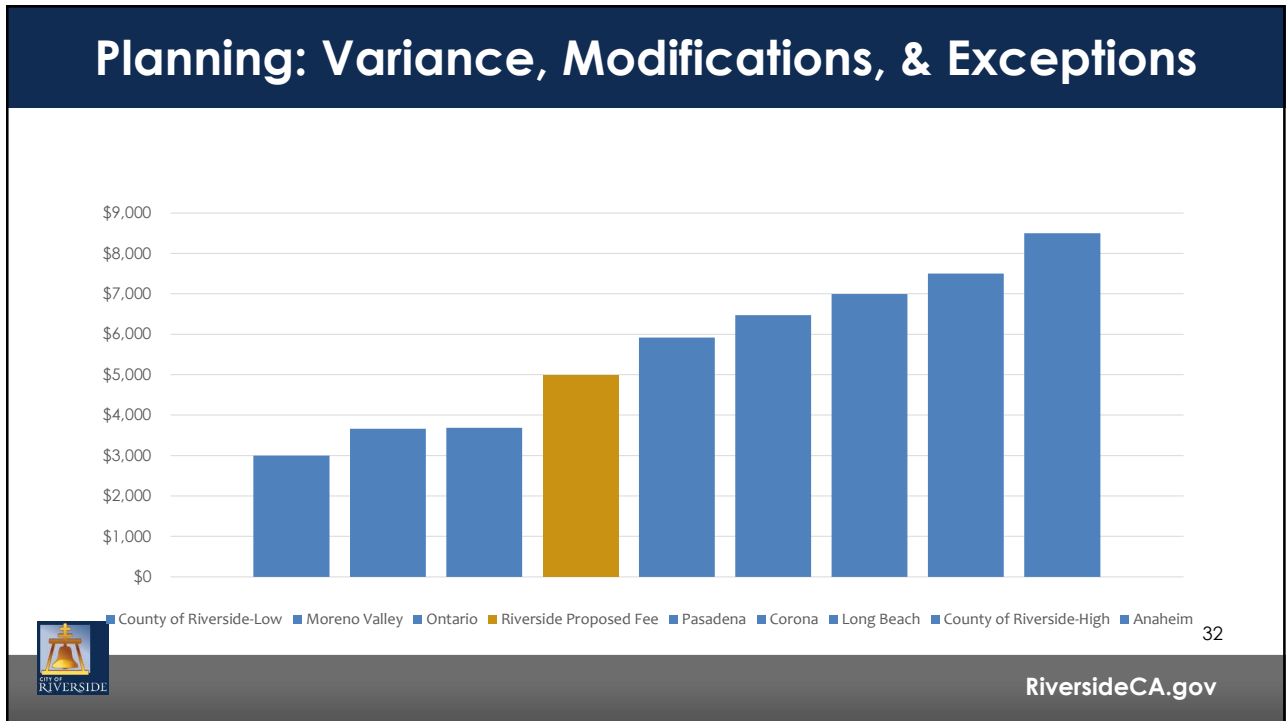
0

RiversideCA.gov

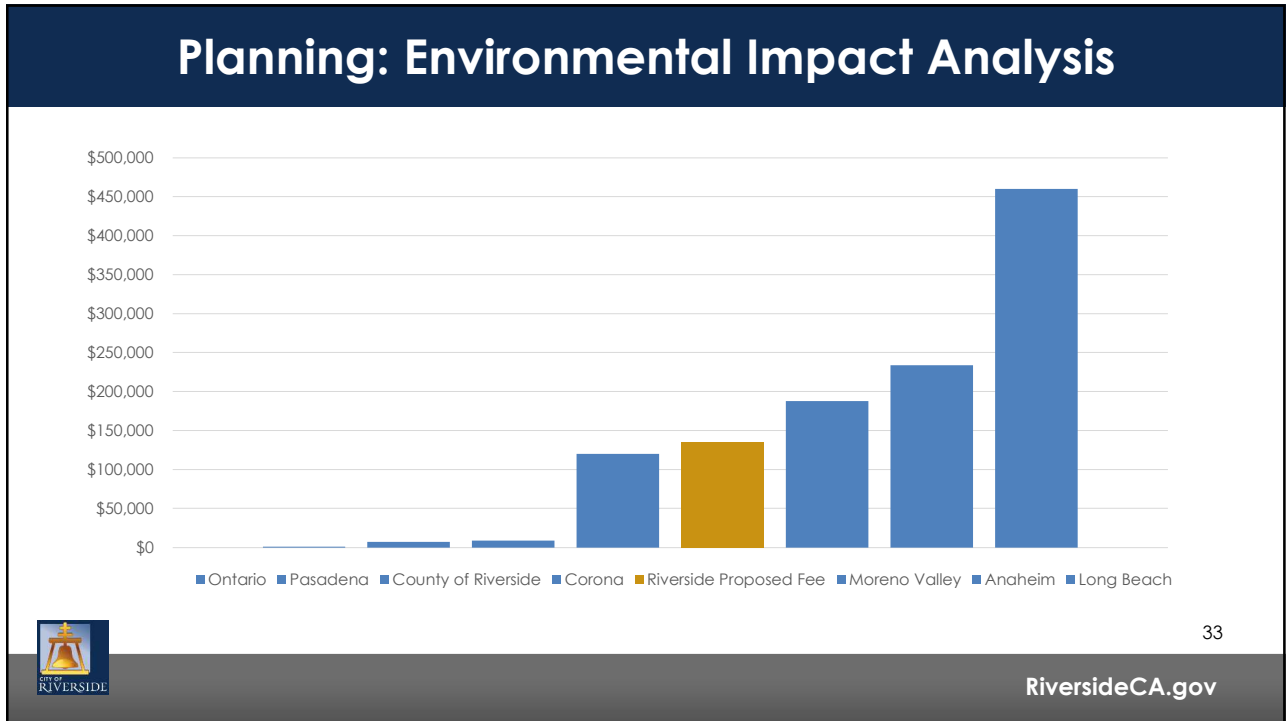
30



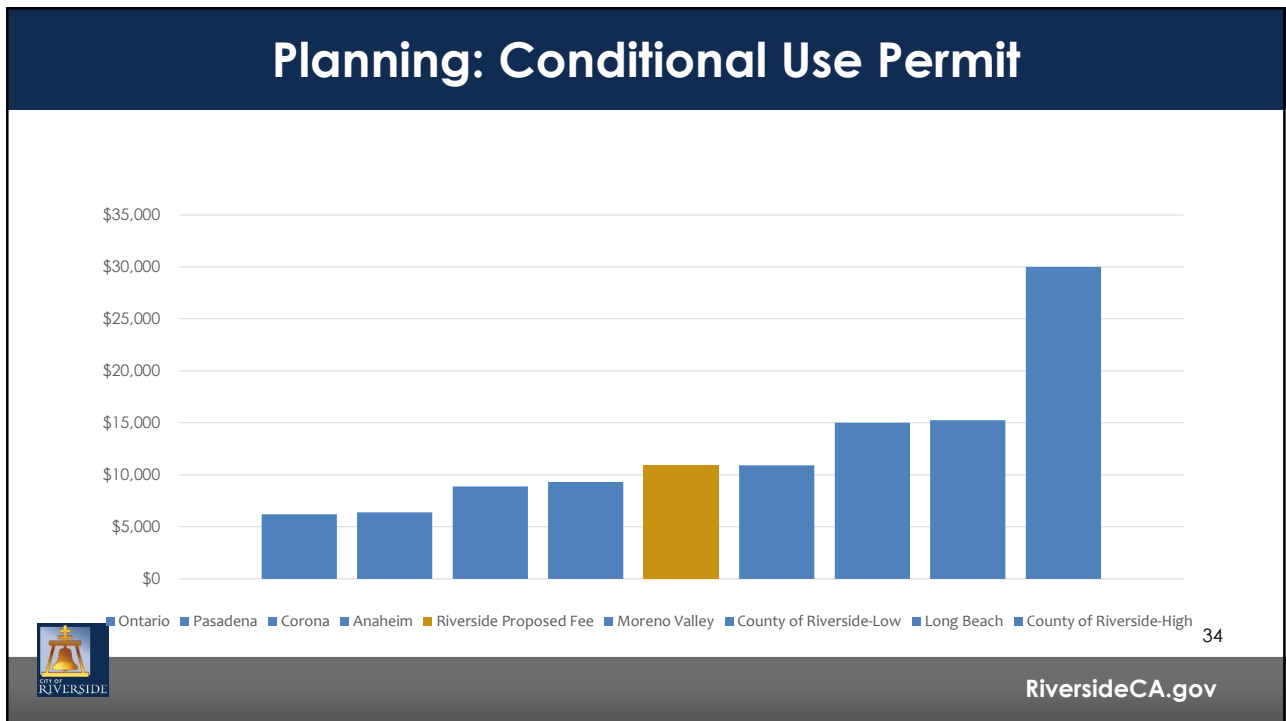
31



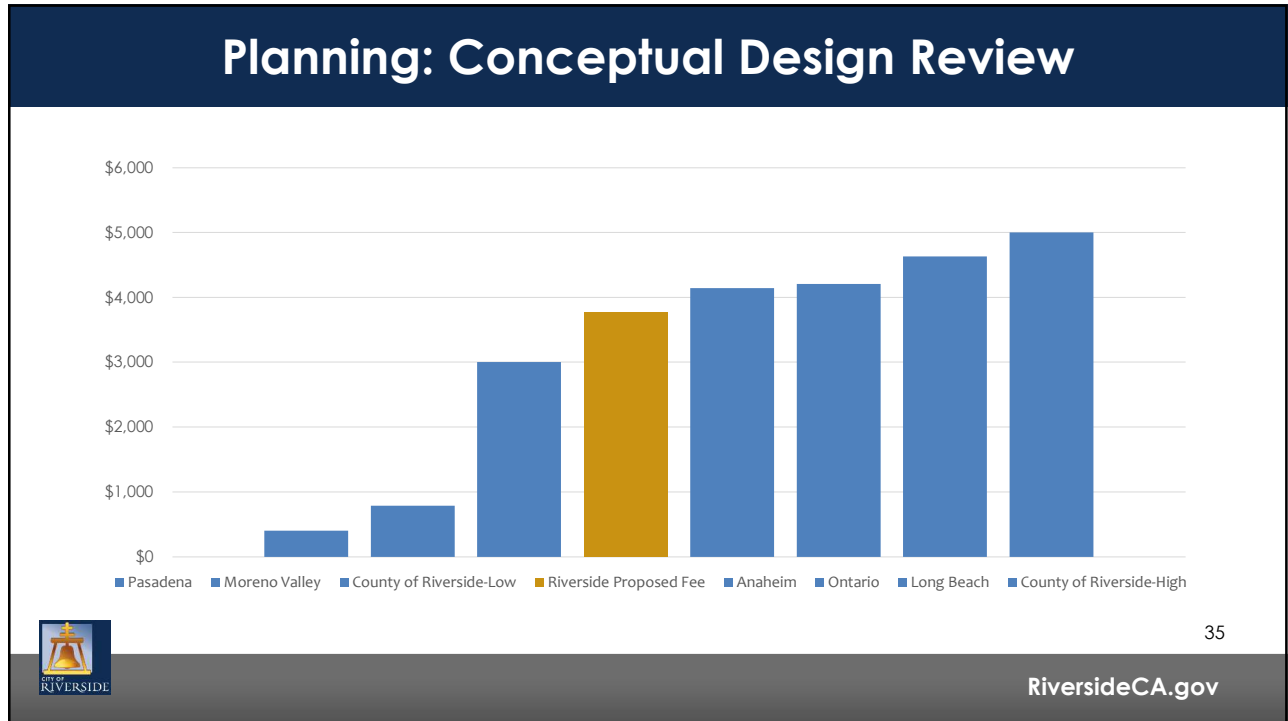
32



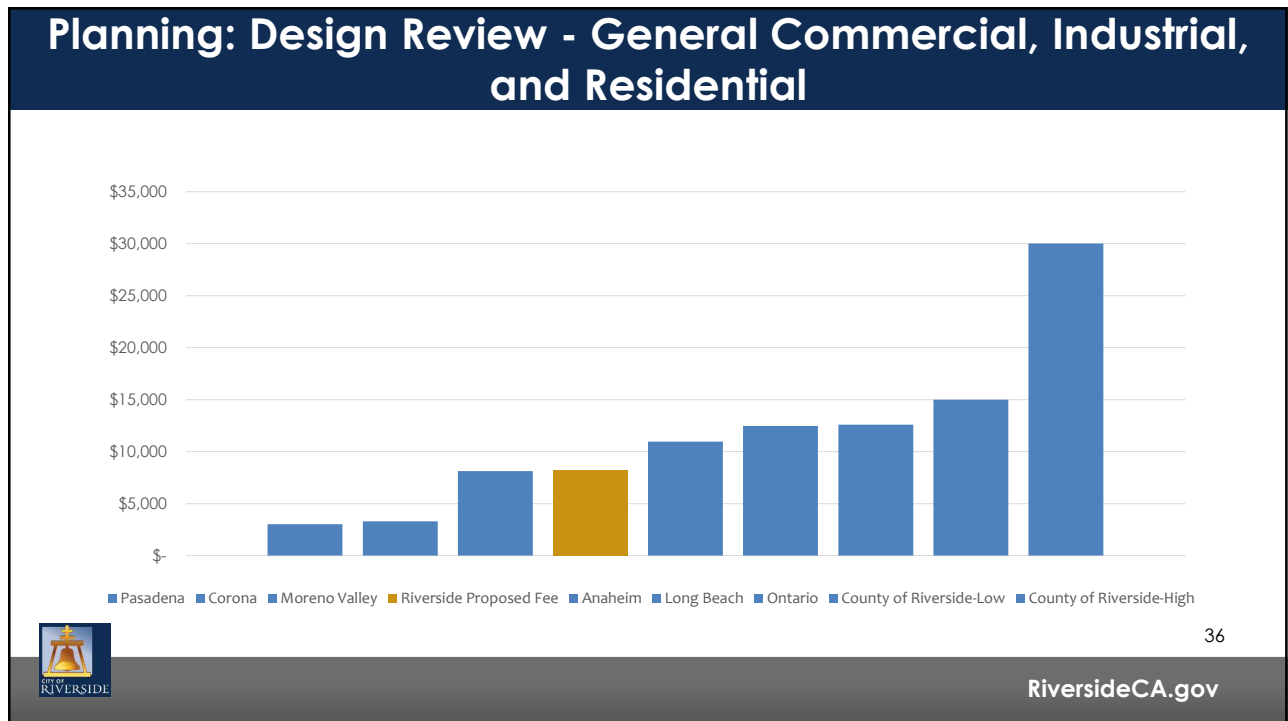
33



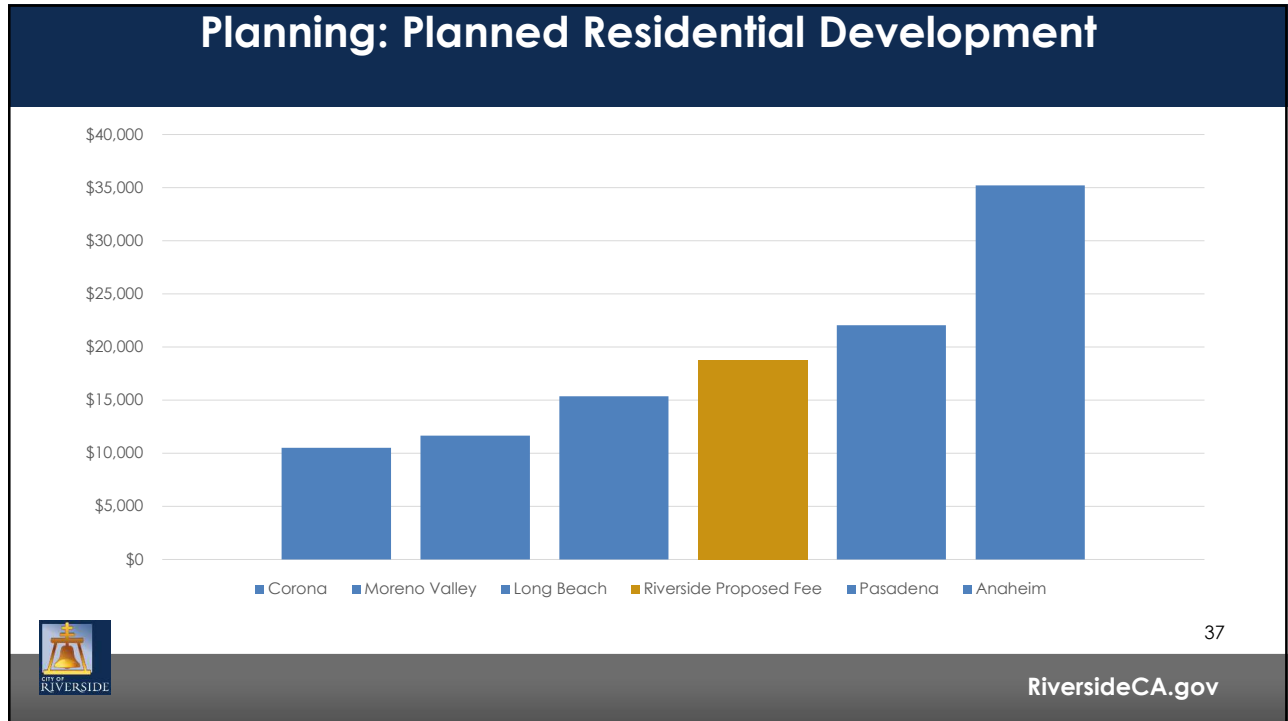
34



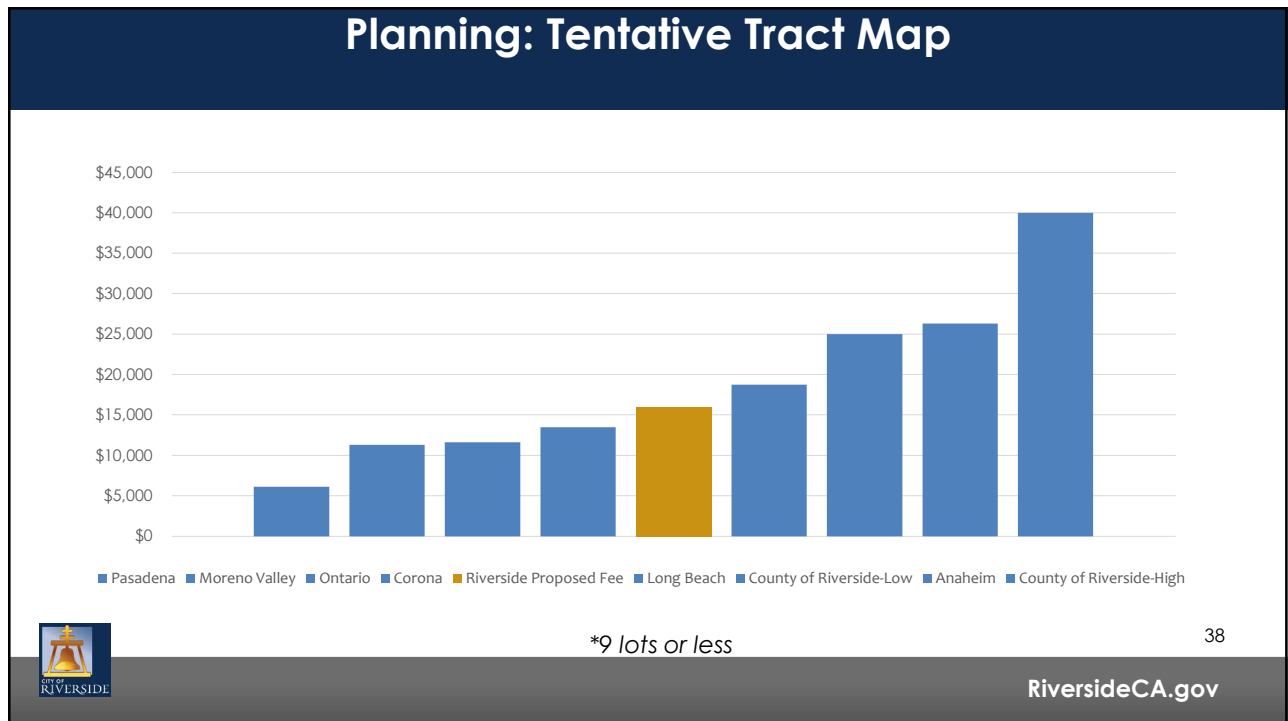
35



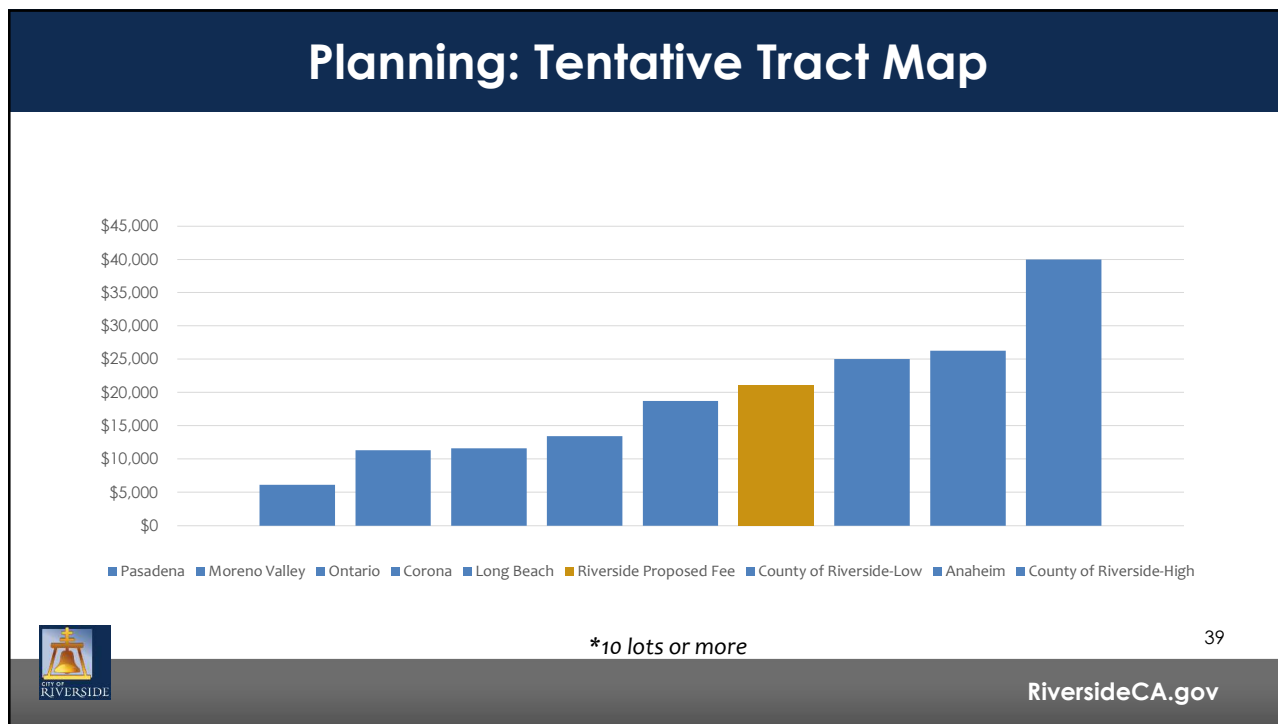
36



37




38



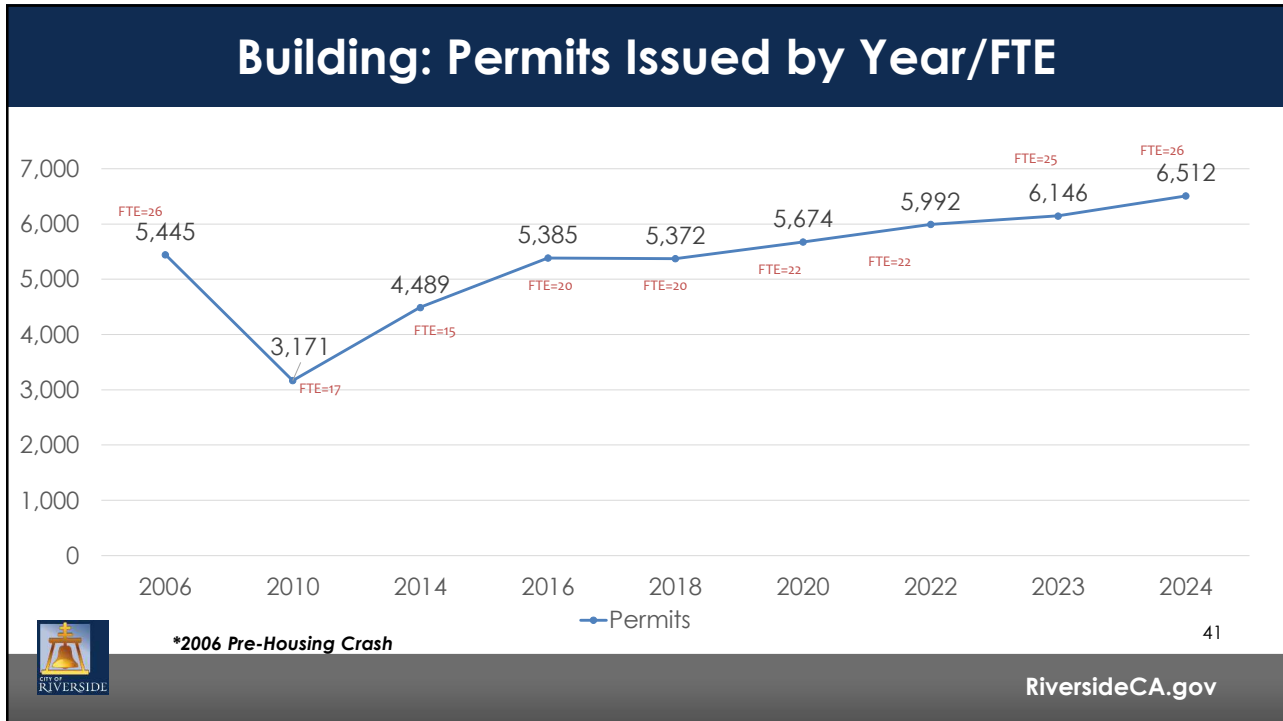
39

BUILDING & SAFETY METHODOLOGY

- **Moving away from “Valuation” based fees** to cost recovery model
- Staff time based on specific project types
- Building permit cost recovery recommends 100% over two years (fees pay for services)
- Current recovery = 80% Building permits and 56% for trade permits


RiversideCA.gov

40



41

Building: Trade Comparison of Fee by City

Fee Title	Riverside Current Fee	Riverside Proposed Fee 80% (FY24/25-25/26)	Anaheim	Corona	Ontario	County of Riverside	Long Beach	Moreno Valley	Pasadena
Water heater change-out	\$10	\$35	\$139	\$196	\$12	\$188	\$107	\$60	\$38
200 Amp Electrical	\$54	\$85	\$126	\$196	\$172	\$304	\$114	\$155	\$69
Furnace Installation	\$43	\$46	\$84	\$52	\$215	\$188	\$106	\$230	\$47

42


RiversideCA.gov

42

Building: Proposed Fee

Fee Title	Riverside Current Fee	Riverside Proposed Fee 90% (FY24/25-25/26)
2,000 sq. ft. Dwelling with Garage	\$2,111	\$2,204
5,000 sq. ft. Restaurant	\$4,561	\$5,144
25,000 sq. ft. Office Building	\$16,195	\$22,044
200,000 sq. ft. 150-unit Apartment Complex	\$85,461	\$112,044
150,000 sq. ft. Industrial Building	\$34,181	\$42,044

*Includes permit issuance, plan check and inspection fees



RiversideCA.gov

43

Building: Comparison of Fee by City

Fee Title	Riverside Current Fee	Riverside Proposed Fee (FY24/25-25/26)	Anaheim	Corona	Ontario	County of Riverside	Long Beach	Moreno Valley	Pasadena
2,000 sq. ft. Dwelling with Garage	\$2,111	\$2,204	\$2,836	\$4,514	\$2,646	\$5,353.56	\$3,037	\$4,615	\$3,409
5,000 sq. ft. Restaurant	\$4,561	\$5,144	\$7,511	\$16,079	\$6,546	\$11,567.28	\$6,717	\$10,685	\$8,431
25,000 sq. ft. Office Building	\$16,195	\$22,044	\$19,030	\$35,229	\$28,648	\$11,567.28	\$36,996	\$20,495	\$44,911
200,000 sq. ft. 150-unit Apartment Complex	\$85,461	\$112,044	\$79,936	\$75,198	\$165,194	\$11,567.28	\$223,298	\$183,900	\$269,371
150,000 sq. ft. Industrial Building	\$34,181	\$42,044	\$44,472	\$31,068	\$60,322	\$16,174.38	\$80,212	\$24,970	\$96,979

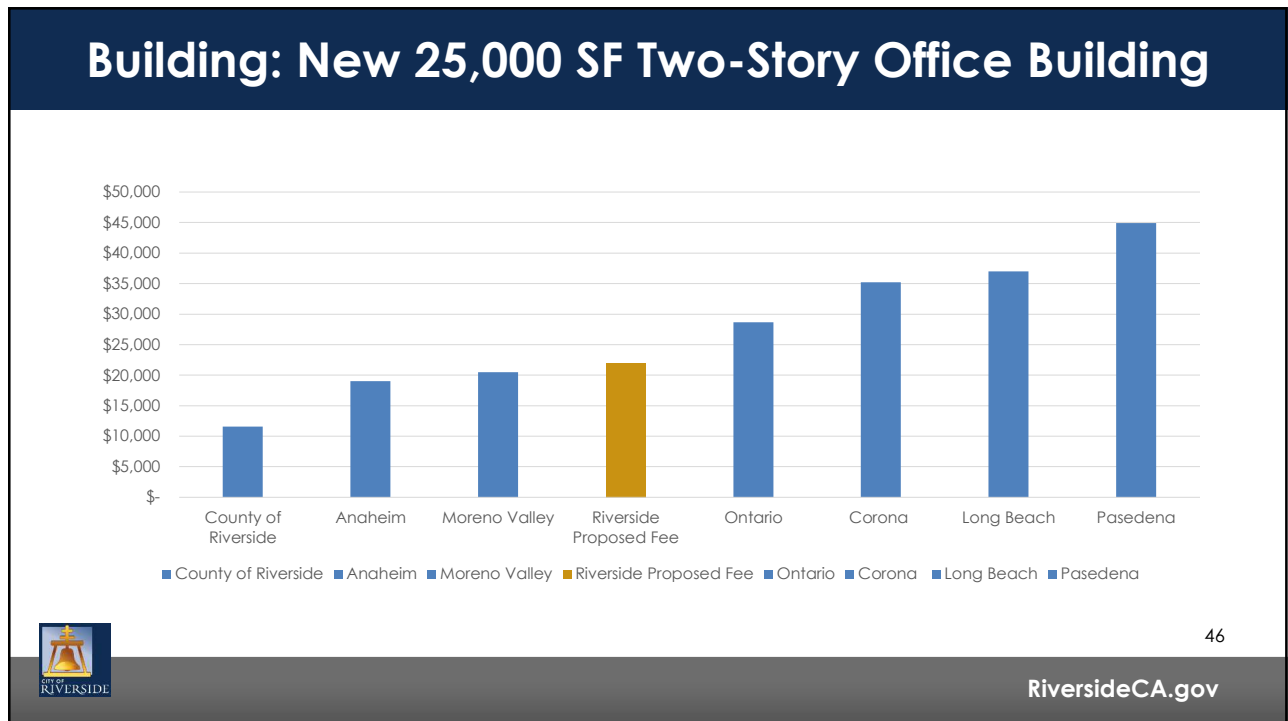
*Includes permit issuance, plan check and inspection fees


RiversideCA.gov

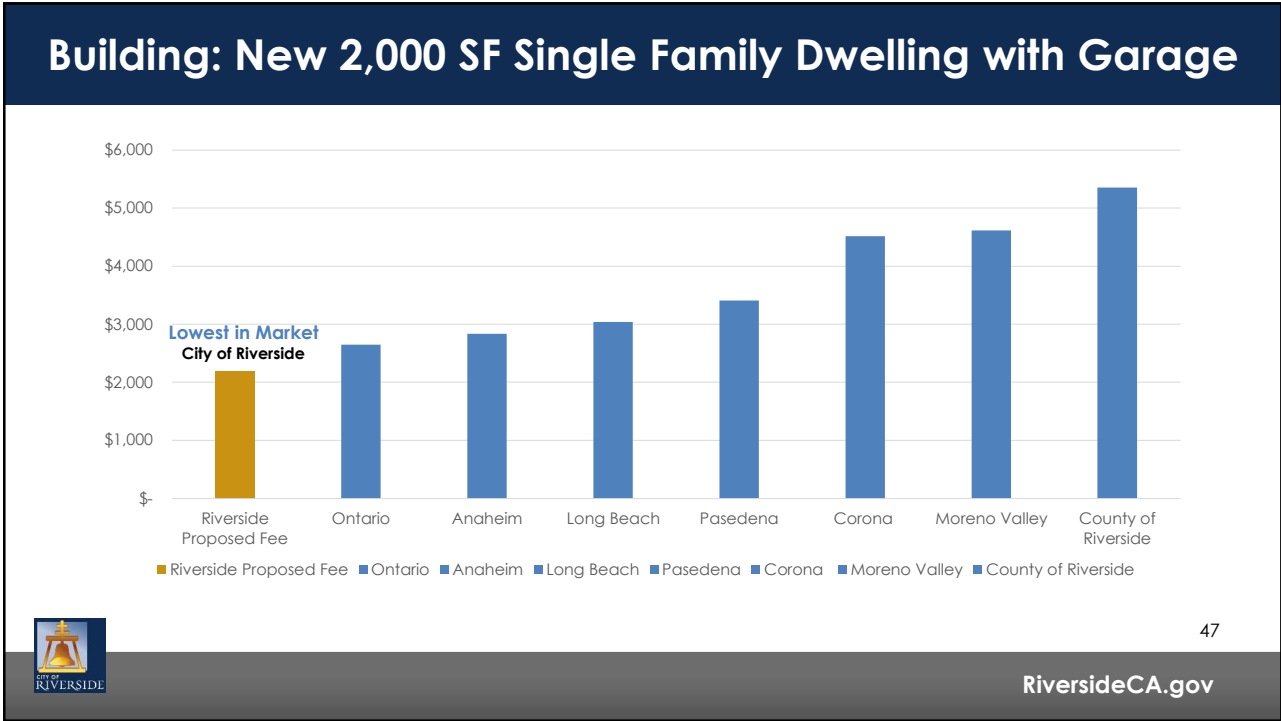
44



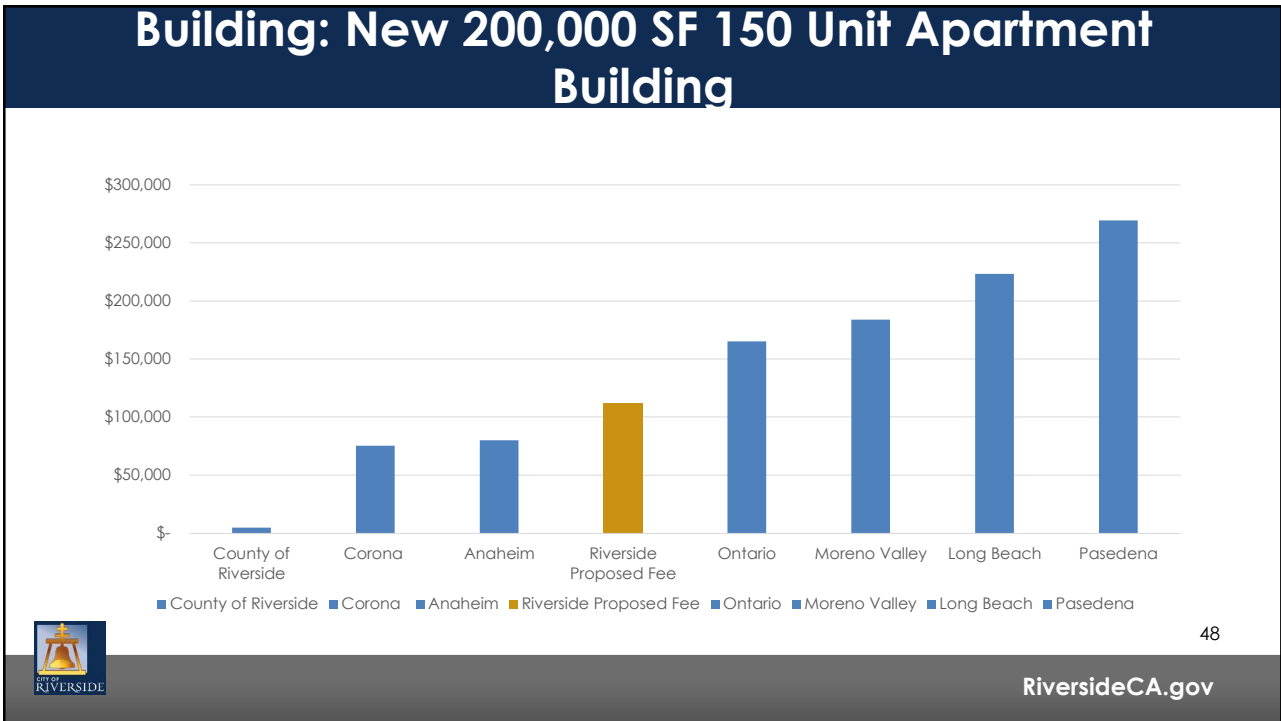
45



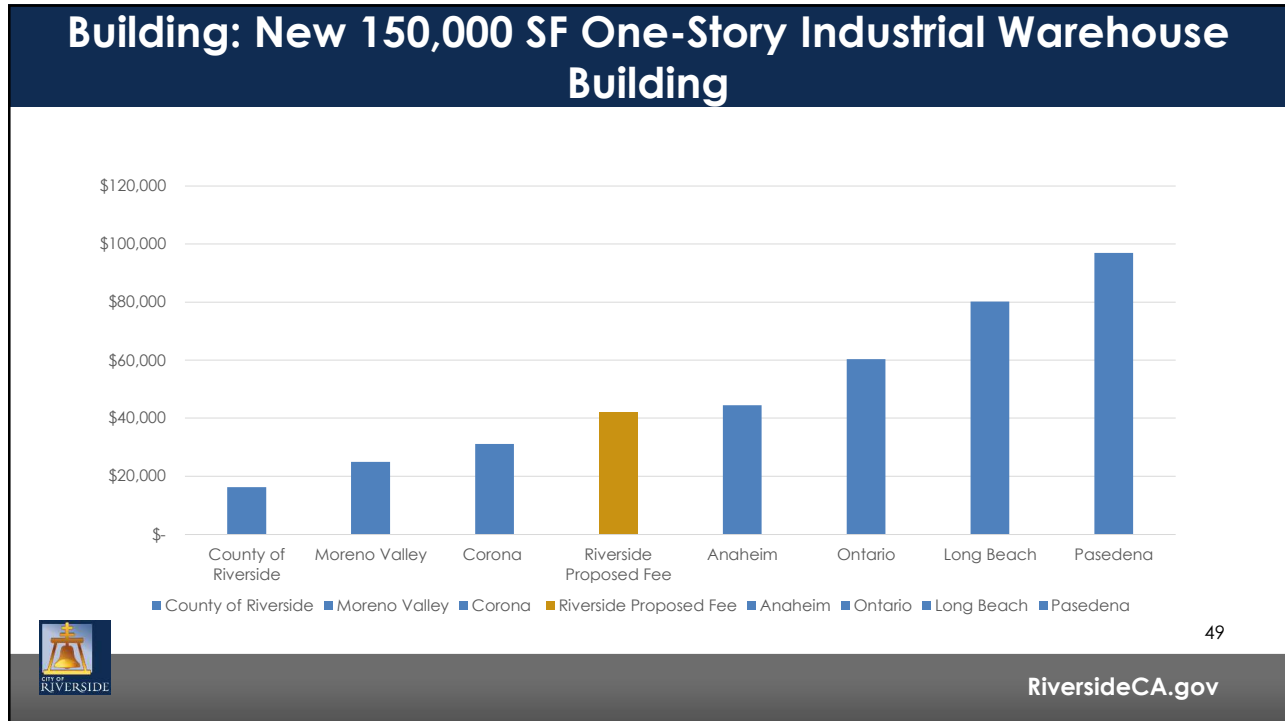
46



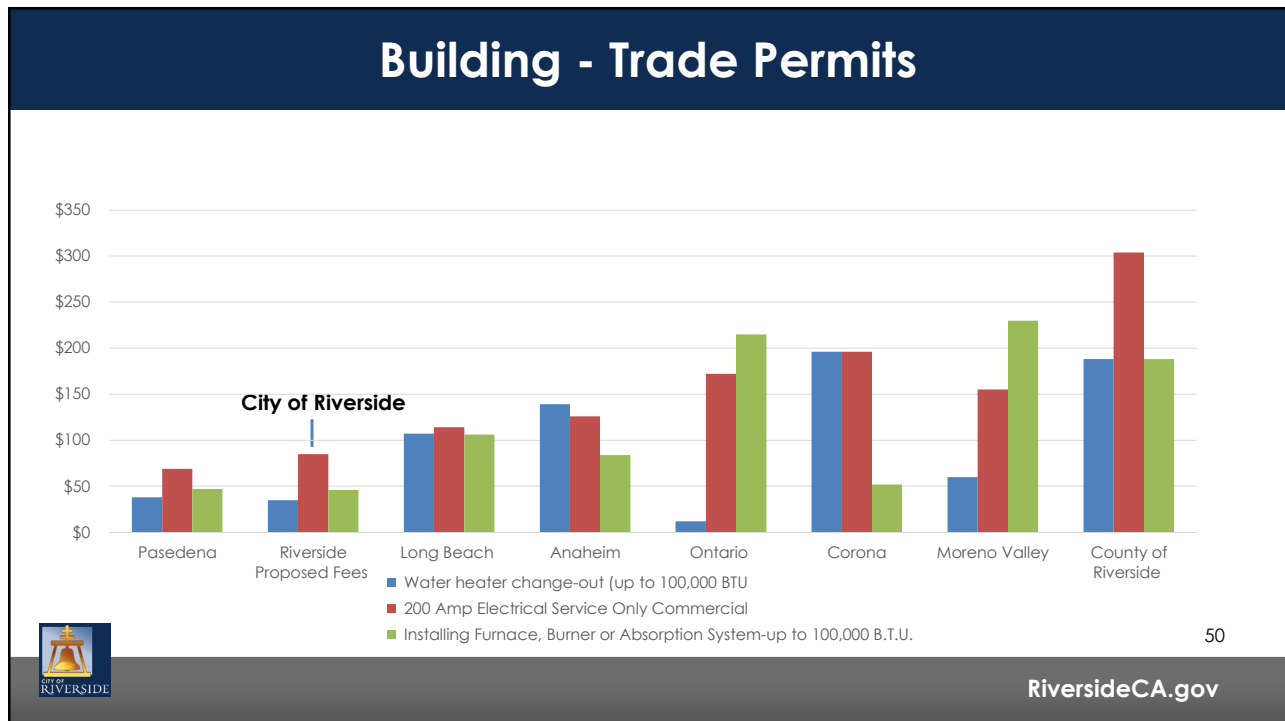
47



48



49



50

Parking Bail Schedule

- The City has not conducted a comprehensive update to the bail schedule for parking violations since 2010.
- Staff recommend increasing all violations in the parking bail schedule by \$5.
- For the most common citation type (accounts for 55% of citations issued in 2023/24), this increase will adjust the violation from \$41 per citation to \$46 per citation.
- Recommended increases would place Riverside at a reasonable level when compared to other local agencies.



51

RiversideCA.gov

51

Other Proposed Fee Adjustments

- Police Department
 - Staff recommend removal of towing fees for low value vehicles, which are currently set at \$69.75.
 - Staff recommend lowering of regulatory license fee for renewals of License to Sell Weapons from \$561 to \$280.
- Transportation Uniform Mitigation Fee Program
 - Update master fees and charges schedule to adjust fees as modified by the Western Riverside County Regional Conservation Authority.



52

RiversideCA.gov

52

STRATEGIC PLAN ALIGNMENT



HIGH PERFORMING GOVERNMENT

CROSS-CUTTING THREADS



Community Trust



Equity



Innovation



Fiscal Responsibility




Sustainability and Resiliency


53
RiversideCA.gov

RECOMMENDATIONS

That the City Council:

1. Receive and provide input on 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.


54
RiversideCA.gov