

City of Jurupa Valley

STAFF REPORT

DATE: MAY 6, 2021

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: ROD BUTLER, CITY MANAGER
BY: PAUL TOOR, P.E., CITY ENGINEER

SUBJECT: AGENDA ITEM NO. **XX.XX**

**PUBLIC HEARING TO RECEIVE PUBLIC COMMENTS ON AND ADOPTION OF
A RESOLUTION TO AMEND THE TRANSPORTATION UNIFORM MITIGATION FEE (TUMF) APPLICABLE TO ALL NEW DEVELOPMENT IN THE CITY OF JURUPA VALLEY AND FINDING ACTION EXEMPT FROM CEQA**

RECOMMENDATION

1. That the City Council conduct a public hearing to receive public comments regarding a Resolution of the City Council of the City of Jurupa Valley amending the applicable Transportation Uniform Mitigation Fee (TUMF) applicable to all developments in the City of Jurupa Valley and finding the action exempt from CEQA pursuant to CEQA Guidelines Sections 15061, 15062 and 15378.
2. That the City Council adopt Resolution No. 2021-**XX**, entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF JURUPA VALLEY AMENDING THE APPLICABLE TRANSPORTATION UNIFORM MITIGATION FEE (TUMF) APPLICABLE TO ALL DEVELOPMENTS IN THE CITY OF JURUPA VALLEY AND FINDING THE ACTION EXEMPT FROM CEQA PURSUANT TO CEQA GUIDELINES SECTIONS 15061, 15062 AND 15378

BACKGROUND

Western Riverside Council of Governments (WRCOG) is a joint powers agency currently comprised of the County of Riverside and eighteen (18) cities located in Western Riverside County. In 1999-2002 the then WRCOG member jurisdictions, 14 cities and Riverside County at that time, developed a plan whereby there was identified

a shortfall in funds needed to enlarge the capacity of the Regional System of Highways and Arterials of the western county area which appropriately could be attributed to projected new development in western Riverside County. It was determined that this shortfall could be made up in part by implementation of a new, fair share, revenue source from future residential, commercial, and industrial development, termed Transportation Uniform Mitigation Fee (TUMF). In 2002 the first Western Riverside County Transportation Uniform Fee Nexus Study was adopted by the WRCOG Executive Committee and approved by the 14 cities and the County for the unincorporated areas of western Riverside County. Since then the nexus study has undergone 3 major updates, the latest being the 2016 update. Through 2020 about \$897 million in TUMF Program revenues have been collected for transportation and infrastructure improvements in the western county area.

As a current member agency of WRCOG, joining on July 29, 2011, Jurupa Valley participated in the preparation of a the WRCOG Transportation Uniform Fee Nexus Study 2016 Update. The study was adopted by the WRCOG Executive Committee in July 2017 and approved by the member agencies, each with their respective implementing ordinance. Jurupa Valley adopted Ordinance No. 2017-13 effective November 1, 2017 and as provided in the ordinance, an associated fee Resolution No. 2017-51 was approved effective the same date.

On May 7, 2020, the City Council adopted Resolution No. 2020-23 in accordance with the provisions of Ordinance No. 2017-13 setting the TUMF Program schedule of fees as they are currently.

ANALYSIS & DISCUSSION

The matter before the City Council is the consideration of an adjustment to the TUMF Program fee implementation schedule to extend the same fees currently contained in Resolution No. 2020-23 beyond the current expiration date of June 30, 2021. These are the fees currently assessed to all new development occurring in the City which developments are not otherwise exempted by the City Ordinance No. 2017-13. In doing so the City Council shall consider testimony from the public given at a duly noticed Public Hearing on the matter.

City Ordinance No. 2017-13 Section 3.70.040 C, Fee Adjustment and now Section 3.70.040 C of the Jurupa Valley Municipal Code provide that “[t]he fee schedule may be periodically reviewed and the amounts adjusted by the WRCOG Executive Committee”, as the administrator of the TUMF Program. In early 2020 the WRCOG Executive Committee studied the then current fee schedule and determined that the Construction Cost Index (CCI) had increased approximately 5% since its adoption of the 2016 Nexus Study. The committee determined that revised fees must be adopted.

Municipal Code Section 3.70.040 A provides that “[t]he City Council shall adopt an applicable TUMF schedule through a separate resolution, which may be amended from time to time.”

In early 2020 the WRCOG Executive Committee, as administrator of the TUMF Program, adopted a fee schedule to take effect July 1, 2020 and accordingly then the City Council adopted Resolution No. 2020-23. In fair consideration of the generally higher fees necessary to continue funding the program at an appropriate level, the resolution also adopted a “phase-in” schedule for single family residential so that the full fee amount of increased fees was implemented in two sequential time frames. Retail commercial was maintained at the same rate as was adopted in 2017.

Fees for Phase 1 of Resolution 2020-23 adopted a schedule of fees that started July 1, 2020 and continued until December 31, 2020:

- (1) \$9,478.00 per single family residential unit
- (2) \$6,389.00 per multi-family residential unit
- (3) \$1.81 per square foot of an industrial project
- (4) \$7.50 per square foot of a retail commercial project
- (5) \$4.75 per square foot of a service commercial project
- (6) \$2.38 per square foot of a service Class A and B Office

Fees for Phase 2 of Resolution 2020-23 adopted a fee schedule, that began January 1, 2021 and will continue until June 30, 2021:

- (1) \$9,810.00 per single family residential unit
- (2) \$6,389.00 per multi-family residential unit
- (3) \$1.81 per square foot of an industrial project
- (4) \$7.50 per square foot of a retail commercial project
- (5) \$4.75 per square foot of a service commercial project
- (6) \$2.38 per square foot of a service Class A and B Office

The current requested action in adopting Resolution No. 2021-~~xx~~ replaces the fee schedule set forth in Resolution No. 2020-23 in its entirety as of the effective date of this resolution.

From January 1, 2021, the fee schedule shall be as follows:

- (1) \$9,810.00 per single family residential unit
- (2) \$6,389.00 per multi-family residential unit
- (3) \$1.81 per square foot of an industrial project
- (4) \$7.50 per square foot of a retail commercial project
- (5) \$4.75 per square foot of a service commercial project
- (6) \$2.38 per square foot of a service Class A and B Office

Should the City not adopt the fee implementation schedule proposed in Resolution No. 2021-~~xx~~ then on July 1, 2021 TUMF fees collected by the City would roll back to the schedule shown above under Phase 1 of Resolution 2020-23. In accordance with the provisions of Ordinance 2017-13, the City would be liable to pay to WRCOG that

difference between the Phase 1 schedule of fees under Resolution 2020-23 and those fees scheduled under this resolution for any new construction occurring in each of the categories thereafter.

OTHER INFORMATION

WRCOG is required to update the nexus study every 5 years. It will soon begin work to update the 2016 nexus study and anticipates adoption in 2021/22 to include at that time an updated fee study.

Notice of this Public Hearing and proposed fee implementation schedule change has been published and posted by the City Clerk as required by applicable law.

Notice of this proposed fee implementation schedule change has been mailed to Southern California Edison and to Southern California Gas as they had requested.

The City Attorney has approved the resolution as to form.

FINANCIAL IMPACT

In adopting the resolution in accordance with staff's recommendation there would be no fiscal impact to the City.

ALTERNATIVES

1. Do not approve the resolution.
2. Provide alternate direction to Staff.

***** SIGNATURES ON FOLLOWING PAGE *****

Prepared by:

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City Attorney

Reviewed by:

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Reviewed by:

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Submitted by:

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Attachments:

Attachment 1 – Resolution No. 2021-xx