



STAFF REPORT
10/13/2021

TO: Honorable Mayor and City Council Members

FROM: Gabriel Perez, Development Services Director

SUBJECT: Adopt Resolution No. 2021-63 approving an inflation adjustment for the Transportation Unified Mitigation Fee for 2021.

STAFF RECOMMENDATION:

Staff recommends that the City Council open the public hearing, take any testimony, and adopt Resolution No. 2021-63.

EXECUTIVE SUMMARY:

Resolution No. 2021-63 establishes an inflation adjustment for the Transportation Unified Mitigation Fee (TUMF) for fiscal year 2021-22 reflecting the annual Consumer Price Index (CPI) increase by 2.1% for the Riverside-San Bernardino-Ontario metropolitan area for calendar year 2020. This a City Council action item when an action by the Coachella Valley Association of Governments (CVAG) Executive Committee approves adjusting the TUMF rates for fiscal year.

BACKGROUND:

The TUMF was established in 1989 as a one-time impact fee charged on all new development occurring within the CVAG region. TUMF funds are applied to transportation-related facilities and infrastructure required to address new growth within the Coachella Valley and are intended to compliment revenue generated through Riverside County's Measure A sales tax. The current TUMF rates were adopted in 2018.

DISCUSSION/ANALYSIS:

At the June 28, 2021 meeting, the CVAG Executive Committee approved adjusting the TUMF rates for fiscal year 2021-2022 by rise 2.1% rise in CPI. The comparison of current and proposed increase in fees is shown below in Table 1.

**Table 1 –
TUMF Increase FY 2021-22**

<i>TUMF Category</i>	<i>Current fee</i>	<i>Fee as of September 1, 2021</i>
<i>Residential (per dwelling unit)</i>		
<i>Single family detached</i>	\$2,310	\$2,358
<i>Multi-family attached</i>	\$1,330	\$1,358
<i>Nursing/congregate care</i>	\$495	\$505
<i>Non-residential (per 1,000 sq. ft.)</i>		
<i>Retail</i>	\$6,010	\$6,135
<i>Office</i>	\$2,390	\$2,440
<i>Industrial</i>	\$1,215	\$1,240
<i>Fuel-gas (per dispensing unit)</i>	\$8,610	\$8,790
<i>Fuel-electric (per dispensing unit)</i>	\$91	\$93
<i>Hotel (per room)</i>	\$3,510	\$3,583
<i>Golf course (per acre)</i>	\$920	\$939

ALTERNATIVES:

1. Adopt Resolution No. 2021-63 as requested.
2. Take no action.
3. Continue this item and provide staff with direction.

FISCAL IMPACT:

The total projected collection for TUMF is unknown and is dependent on future development activity. The TUMF CPI adjustment will increase the fee by 2.1% compared to the current fee.

RECOMMENDED ALTERNATIVE(S):

Staff recommends alternative #1.

Attachments:

1. Resolution No. 2021-63
2. August 12, 2021 CVAG Notice of TUMF inflation adjustment