



CITY OF BANNING STAFF REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: David Newell, Community Development Director

MEETING DATE: January 14, 2025

SUBJECT: Consideration of Second Reading and Adoption of Ordinance 1607, Amending Chapter 15.76 of the Banning Municipal Code to Update the City's Participation in the Western Riverside County Transportation Uniform Mitigation Fee (TUMF) Program

RECOMMENDATION:

Conduct second reading and adopt Ordinance 1607.

BACKGROUND:

The City of Banning 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, which was amended in 2019 by Ordinance 1549 and located in Chapter 15.76 ("Western Riverside County Transportation Uniform Mitigation Fee Program") of Title 15 ("Buildings and Construction") of the Banning Municipal Code.

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 9, 2024 the WRCOG Executive Committee reviewed 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 10, 2024, the City Council held a hearing on the subject ordinance and draft resolution for a revised TUMF schedule. At the conclusion of this hearing, the Council voted 5-0 to approve to approve both items. This is the second reading of the ordinance, as required by law.

JUSTIFICATION:

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) identify

the purpose of the revised fees; (ii) identify the use to which the revised fees is to be put, including identification of any facilities to be financed; (iii) determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed; (iv) determine 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) determine how there is a reasonable relationship between the amount of the fees and the cost of the public facilities or portion or 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. \$12,380 per single family residential unit 1,800 square feet or less
2. \$13,927 per single family residential unit between 1,801 and 2,300 square feet
3. \$15,476 per single family residential unit between 2,301 and 2,700 square feet
4. \$19,344 per single family residential unit greater than 2,700 square feet
5. \$7,816 per multi-family residential unit
6. \$2.33 per square foot of an industrial project
7. \$7.72 per square foot of a retail commercial project
8. \$4.89 per square foot of a service commercial project
9. \$2.45 per square foot of a service Class A and B Office

The effective date for the new TUMF Schedule is April 1, 2025.

FISCAL IMPACT:

Fiscal impact for ordinance and resolution preparation include publication costs (\$776) and some City staff time to prepare the staff report and attachments; however, WRCOG prepared most information (nexus study, and templates for staff report, ordinance and resolution) to minimize impacts to City staff.

If approved, the proposed ordinance and resolution will assure the City as a Member Agency of WRCOG collects its share of development impact fees from development projects consistent with the other Member Agencies of WRCOG, in order to receive benefits from shared funding pool for roadway improvements in the region and City of Banning. Recent local transportation projects that have benefitted from the City's compliance with and implementation of the TUMF Program include the Sun Lakes Boulevard extension and the Highland Springs Interchange improvement. The City has benefited in the with funding towards the Sunset Grade Separation Project, and future projects eligible for funding include the Hargrave Grade Separation, Sunset Interchange Improvements, and the Cabazon Connector Project.

ALTERNATIVES:

Do not introduce the ordinance or adopt the associated resolution and provide alternative direction to staff. It should be noted that this alternative may result in the loss of funding for current transportation projects (Sun Lakes Boulevard Extension) and inhibit future transportation improvements, resulting in traffic congestion and unacceptable levels of service. Furthermore, the failure to mitigate growing traffic impacts on the Regional System will substantially impair the ability of public safety services (police and fire) to respond and, thus, adversely affect the public health, safety and welfare.

BUDGETED?:

Yes

CONTRACT/AGREEMENT:

No

ATTACHMENTS:

1. [Ordinance 1607 TUMF Program.docx](#)
2. [Ordinance Exhibit A \(Map of the Regional System\)](#)

3. [Ordinance Exhibit B - TUMFNexusStudy\(240909\)](#)
4. [2024 11 29_12 06_Affidavit_PHN Ord Summary 1607.pdf](#)