

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM DESERT, CALIFORNIA, ADOPTING AN ADDENDUM TO THE COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS' TRANSPORTATION UNIFORM MITIGATION FEE (TUMF) 2018 FEE SCHEDULE UPDATE NEXUS REPORT AND ADOPTING THE COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS EXECUTIVE COMMITTEE'S TUMF INFLATION ADJUSTMENT AND REVISED FEE SCHEDULE FOR CALENDAR YEAR 2025 APPLICABLE TO ALL DEVELOPMENTS IN THE CITY OF PALM DESERT.

WHEREAS, the City of Palm Desert ("City") is a Member Agency of the Coachella Valley Association of Governments ("CVAG"), a joint powers agency consisting of the County of Riverside, the Aqua Caliente Band of Cahuilla Indians, the Cabazon Band of Mission Indians, the Torres Martinez Desert Cahuilla Indians, the City of Blythe, and the nine cities (the Cities of Desert Hot Desert, Palm Desert, Cathedral City, Rancho Mirage, Palm Springs, Indian Wells, La Quinta, Indio, and Coachella) situated in the Coachella Valley (collectively, the "Member Agencies"); and

WHEREAS, acting in concert, the Member Agencies developed a plan whereby the shortfall in funds needed to enlarge the capacity of the Regional System of Highways and Arterials within CVAG's jurisdiction (the "Regional System") could be made up in part by a Transportation Uniform Mitigation Fee ("TUMF") imposed on new development within the jurisdiction; and

WHEREAS, CVAG commissioned Michael Baker International, Inc., an independent fee consultant firm, to prepare a TUMF study entitled "Transportation Uniform Mitigation Fee (TUMF) 2018 Fee Schedule Update Nexus Report," dated March 2018 (the "Study") to establish updated TUMF funds and program revenue collection targets, which was approved by the CVAG Executive Committee on April 30, 2018; and

WHEREAS, the Study and TUMF were adopted in compliance with the Mitigation Fee Act (Government Code, section 66000 *et seq.*) (the "Act"), which governs the adoption and implementation of development impact fees; and

WHEREAS, as a CVAG Member Agency, the City participated in the preparation of the Study prepared pursuant to the Act and based upon the Study, the City adopted and collects the TUMF; and

WHEREAS, subsequent to adopting the Study, the CVAG Executive Committee adopted a TUMF Handbook (the "Handbook") on June 25, 2018, which is used by the Member Agencies in imposing the TUMF, and the Handbook is updated periodically to accurately reflect the increased rates established for the TUMF as periodically increased; and

WHEREAS, the CVAG Executive Committee annually reviews the TUMF and the need to apply inflationary increases (the "Inflation Adjustment") based upon the annual change in the consumer price index for the Coachella Valley area known as the All Urban Consumers ("CPI-U"), All Items for Riverside-San Bernardino-Ontario, CA (the "Index")



published by the Bureau of Labor Statistic and has proposed such action for the City Council of the City of Palm Desert (the "City Council") to consider from time to time; and

WHEREAS, the CVAG Executive Committee has proposed such Inflation Adjustment to the existing TUMF rates and has requested each Member Agency adopt increased TUMF rates effective January 1, 2025, which rates are included in the TUMF fee schedule (the "2025 TUMF Fee Schedule"), attached hereto as Exhibit "B" and incorporated herein by this reference; and

WHEREAS, prior to adopting the Inflation Adjustment the City Council must adopt an addendum to the Study (the "Addendum"), attached hereto as Exhibit "A" and incorporated herein by this reference, supporting such increase and taking other actions to ensure compliance with the Act, including holding a notice public hearing for adoption of such Addendum; and

WHEREAS, the proposed Addendum, the 2025 TUMF Fee Schedule, and other supporting data were posted on the City's website and have been posted in the Office of the City Clerk of the City (the "City Clerk") and have been available for public inspection and made available thirty (30) days prior to the date of this consolidated public hearing; and

WHEREAS, notice of a consolidated public hearing to consider the adoption of the Addendum and the 2025 TUMF Fee Schedule was published in the newspaper and mailed to all interested parties that have submitted written requests for such written notice, as applicable, in compliance with the Act; and

WHEREAS, the City Council wishes to authorize the City the ability to pass-through all future Inflation Adjustments as part of the CVAG TUMF program by holding a noticed consolidated public hearing seeking such authority; and

WHEREAS, the City Council wishes to accurately collect TUMF along with the other Member Agencies within the Coachella Valley area as requested by the CVAG General Assembly; and

WHEREAS, the proposed Inflation Adjustment and 2025 TUMF Fee Schedule modifies a development impact fee that is subject to the Act, and the City in considering such an increase to the TUMF, must adhere to the notice and public hearing provisions of the Act; and

WHEREAS, on November 14, 2024, the City Council held a noticed consolidated public hearing at which it heard and considered any and all verbal and/or written testimony from the public, reviewed and considered the information for the Addendum, the Inflation Adjustment, and 2025 TUMF Fee Schedule and supporting data, and information provided at the public hearing by staff, and has now determined to adopt the Addendum and the 2025 TUMF Fee Schedule.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Palm Desert as follows:

SECTION 1. The forgoing recitals are true and correct and are incorporated herein



by this reference as the factual basis for this Resolution.

SECTION 2. The City Council has been presented with and has reviewed the information related to the Addendum and the Study, including all supporting data and after being so informed hereby adopts the Addendum and supporting data.

SECTION 3. The City Council makes the following findings related to the Inflation Adjustment and 2025 TUMF Fee Schedule:

- a) The purpose of the TUMF is to pay for the costs of regional transportation-related capital facilities and infrastructure that are required to serve new development;
- b) The TUMF will be used to finance regional transportation improvements, including roadway, intersection, interchange, traffic signal improvements, and other Regional System projects. The specific public facilities are further described in the Study, on file in the Office of the City Clerk and such Study is incorporated herein by this reference. TUMF revenue will not be used for any other purpose than what is defined here;
- c) New developments in the CVAG region will increase demands from and travel upon, the Regional System. TUMF revenue will be used to fund the additional transportation system capacity necessary to accommodate new development;
- d) Each new development project will add to the incremental need for transportation capacity and improvements. The transportation facilities identified in the Study are necessary to support the future transportation needs of the Regional System; and
- e) The TUMF is tied to the fair share cost allocations to new development based upon, among other things, traffic studies used to create the Study. The TUMF is generated based upon the rough proportionality to the number of trips generated by new development and assigns the TUMF based upon this basis by land use classification.

SECTION 4. The City Council further finds that the Inflation Adjustment is a necessary component of the ongoing TUMF fees to ensure the revenue collected keeps pace with the costs of constructing the projects defined in the Study. Keeping pace with inflation ensures projects can be timely completed as needed to accommodate new development. Timely completion of projects ensures those who have paid the TUMF receive the benefit of their contributions towards the program while at the same time mitigates the expected impacts to the existing community. Without the Inflationary Adjustments many projects would become delayed, underfunded, and potentially not able to be completed at all due to insufficient funds available to complete such projects.

SECTION 5. The City Council hereby adopts the Inflation Adjustment and the 2025 TUMF Fee Schedule and such fees shall be effective as of January 13, 2025 and shall apply to all development projects taking place within the City's boundaries unless otherwise exempt.

SECTION 6. As part of this Mitigation Fee Act proceeding, the City Council further authorizes future annual Inflation Adjustments, authorized by the CVAG Executive



Committee, to be imposed and added to the then current TUMF fee schedule, without future action of the City Council or need for future public hearings, until such time as a new impact fee nexus study and TUMF are adopted, or this authorization is revoked by the City Council.

SECTION 7. The Director of Finance is hereby authorized and directed to incorporate the 2025 TUMF Fee Schedule, effective January 13, 2025, into the City's development fees collected on new development projects and to take all action necessary to effectuate the purpose of this Resolution.

SECTION 8. If any provision of this Resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications, and to this end the provisions of this Resolution are declared to be severable.

SECTION 9. This Resolution shall become effective sixty (60) days following its adoption.

ADOPTED ON this 14<sup>th</sup> day of November, 2024.

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KARINA QUINTANILLA  
MAYOR

ATTEST:

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ANTHONY J. MEJIA  
CITY CLERK



CERTIFICATION

STATE OF CALIFORNIA )  
COUNTY OF RIVERSIDE ) ss.  
CITY OF PALM DESERT )

I, Anthony J. Mejia, City Clerk of the City of Palm Desert, hereby certify that Resolution No. 2024-\_\_\_\_\_ is a full, true, and correct copy, and was duly adopted at a regular meeting of the City Council of the City of Palm Desert on the 14<sup>th</sup> day of November, 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

RECUSE:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Palm Desert, California, this 14<sup>th</sup> day of November, 2024.

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ANTHONY J. MEJIA  
CITY CLERK

**EXHIBIT "A"**

**ADDENDUM TO THE  
TRANSPORTATION UNIFORM MITIGATION FEE (TUMF) 2018 FEE SCHEDULE  
UPDATE NEXUS REPORT  
ADOPTED BY CVAG IN MARCH 2018**

**EXHIBIT "B"**

**2025 TUMF FEE SCHEDULE  
TO BE EFFECTIVE JANUARY 13, 2025**

