

Introduced by: \_\_\_\_\_

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE OF THE CITY OF PASADENA AMENDING TITLE 4, CHAPTER 4.19, SECTIONS 4.19.020, 4.19.040, 4.19.050, 4.19.060, TO UPDATE THE TRAFFIC REDUCTION AND TRANSPORTATION IMPROVEMENT FEE FOR EXISTING LAND USE CATEGORIES AND TO ADD NEW LAND USE CATEGORIES TO THE FEE STRUCTURE**

The People of the City of Pasadena ordain as follows:

**SECTION 1.** This ordinance, due to its length and corresponding cost of publication, will be published by title and summary as permitted in Section 508 of the Pasadena City Charter. The approved summary of this ordinance is as follows:

**"Summary**

This proposed ordinance amends Pasadena Municipal Code Title 4 (Revenue and Finance), Chapter 4.19 (Traffic Reduction and Transportation Improvement Fee Ordinance), Sections 4.19.020, 4.19.040, 4.19.050, and 4.19.060 to modify the fee imposed therein, as well as adding land use categories subject to the fee, waiving the Fee for qualifying accessory dwelling units (ADUs) including junior accessory dwelling units (JADUs), and updating the formulas for calculating fees. These modifications are consistent with a nexus study completed by the City and on file with the City Clerk.

Ordinance No. \_\_\_\_\_ shall take effect upon publication."

**SECTION 2.** Pasadena Municipal Code, Title 4 (Revenue and Finance), Chapter 4.19 (Traffic Reduction and Transportation Improvement Fee), Section 4.19.020 is amended as follows:

**"4.19.020 - Definitions.**

- A. "New industrial use" means any net new industrial construction, including but not limited to additions, expansions, or enlargements of industrial structures, and the conversion of a preexisting structure to an industrial use.
- B. "New office use" means any net new office/commercial construction, including but not limited to additions, expansions, or enlargements of

office/commercial structures, and the conversion of a preexisting structure to an official office/commercial use.

- C. "New retail use" means any net new retail construction, including but not limited to additions, expansions, or enlargements of retail structures, and the conversion of a preexisting structure to a retail use.
- D. "New residential use" means any new construction of residential units, including but not limited to the addition of new unit(s), and the conversion of a preexisting nonresidential structure to residential use.
- E. "New medical office use" means any net new medical office construction, including but not limited to additions, expansions, or enlargements of medical office structures, and the conversion of a preexisting structure to a medical office use.
- F. "New hospital use" means any net new hospital construction, including but not limited to additions, expansions, or enlargements of hospital structures, and the conversion of a preexisting structure to a hotel/motel use.
- G. "New lodging use" means any net new hotel/motel construction, including but not limited to additions, expansions, or enlargements of hotel/motel structures, and the conversion of a preexisting structure to a hotel/motel use.
- H. "New research and development use" means any net new research and development construction, including but not limited to additions, expansions, or enlargements of research and development structures, and the conversion of a preexisting structure to a research and development use."

**SECTION 3.** Pasadena Municipal Code, Title 4 (Revenue and Finance), Chapter 4.19 (Traffic Reduction and Transportation Improvement Fee), Section 4.19.040 is amended as follows:

**"4.19.040 - Fees.**

- A. Except as specifically excepted in this chapter, all new development shall pay into the traffic reduction and transportation improvement fund a fee in

an amount as set forth below. The fee shall be paid upon the issuance of a certificate of occupancy or the final inspection, whichever occurs last.

1. New industrial use: ~~\$1.28~~15 per square foot.
  2. New office Use ~~\$9.35~~7.57 per square foot.
  3. New retail use: ~~\$12.42~~11.89 per square foot.
  4. New single family residential use: ~~\$10,257.02~~5,202 to \$5,722 per new unit.
    - i. No fees shall be paid for new accessory dwelling units (ADUs) that are 900 square feet or less. ADUs over 900 square feet shall pay a fee proportional to the size of the main dwelling structure.
  5. New multi-family residential use: ~~\$3,971.48~~2,158 to \$2,352 per new unit.
    - i. No fees shall be paid for new ADUs that are 900 square feet or less. ADUs over 900 square feet shall pay a fee proportional to the size of the main dwelling structure.
  6. New medical office use: \$20.66 per square foot.
  7. New hospital use: \$1.62 per square foot.
  8. New lodging use: \$1,437 per inhabitable room.
  9. New research and development use: \$5.15 per square foot.
- B. The building and code enforcement administrator shall not issue a certificate of occupancy or the final inspection for new development until the fee required by this chapter has been paid.
- C. Fee Schedule Escalation. The traffic reduction and transportation improvement fee may annually escalate by the same percentage as the ~~Consumer Price Index (CPI)~~Construction Cost Index (CCI). Such escalation, if any, shall be presented annually prior to July 1st of the first year after the effective date of the ordinance enacting this chapter, and each year thereafter for approval by the council."



**SECTION 4.** Pasadena Municipal Code, Title 4 (Revenue and Finance), Chapter 4.19 (Traffic Reduction and Transportation Improvement Fee), Section 4.19.050 is amended as follows:

**“4.19.050 - Exceptions.**

~~Any new development that does not fall into one of the exception categories below and for which a building permit has lawfully been issued prior to January 24, 2018 shall pay the fee that was in effect as of July 1, 2017, with the exception that new industrial uses shall pay the \$1.13 per square foot fee. The fees collected during this transition period will fund implementation or construction of transportation improvements outlined in Section 4.19.060.~~ The following new developments are excepted from payment of the fee required by this chapter:

- A. The reconstruction of any building destroyed or damaged by fire, explosion, natural catastrophe or Act of God to the extent that the reconstruction does not add to the floor area of the structure prior to its being damaged or destroyed;
- B. Parking structures, facilities and areas; and
- C. ADUs 900 square feet or less; and
- D. Affordable Housing Incentives.
  - 1. The traffic reduction and transportation improvement fee is waived for all for-sale or rental affordable housing units built on-site. Affordable housing units built off-site shall receive a 50 percent discount on the traffic reduction and transportation improvement fee.
  - 2. For-sale or rental workforce housing units shall receive a 50 percent discount on the traffic reduction and transportation improvement fee when at least 15 percent of a development is within the price range of 121 to 150 percent of Average Median Income (AMI) for Los Angeles County.
  - 3. For-sale or rental workforce housing units shall receive a 35 percent discount on the traffic reduction and transportation improvement fee when at least 15 percent of a development

is within the price range of 151 to 180 percent of Average Median Income (AMI) for Los Angeles County.

4. The traffic reduction and transportation improvement fee is waived for all hotels or motels converted to residences which are rented or sold to persons and families of low or moderate income (as defined in Health and Safety Code Section 50093) pursuant to a Hotel Conversion Permit.
5. The traffic reduction and transportation improvement fee is waived for all ADUs and Junior Accessory Dwelling Units (JADUs) that are entered into an affordability covenant or landlord agreement for ADUs in accordance with the city's Inclusionary Housing Regulations and in a form approved by the city attorney.

**SECTION 5.** Pasadena Municipal Code, Title 4 (Revenue and Finance), Chapter 4.19 (Traffic Reduction and Transportation Improvement Fee), Section 4.19.060 is amended as follows:

"The council shall disburse the funds collected under this chapter to implement or construct the transportation improvements listed in ~~Attachment A of the "AMENDMENT TO MUNICIPAL CODE SECTION 4.19 – TRAFFIC REDUCTION AND TRANSPORTATION IMPROVEMENT FEE~~ Appendix A of The City of Pasadena Transportation Impact Fee Update – Nexus Study dated June 2025 Council Agenda report dated July 24, 2017.

A copy of such ~~said Attachment~~ said Appendix A is ~~attached to the ordinance from which this section was derived~~ on file with the City Clerk and is incorporated by this reference."

**SECTION 6.** The City Clerk shall certify the adoption of this ordinance and shall cause this ordinance to be published in full text.

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**SECTION 7.** This ordinance shall take effect upon its publication.

Signed and approved this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
Victor Gordo  
Mayor of the City of Pasadena

I HEREBY CERTIFY that the foregoing ordinance was adopted by the City Council of the City of Pasadena at its meeting held this \_\_\_\_\_ day of \_\_\_\_\_ 2025, by the following vote:

AYES:

NOES:

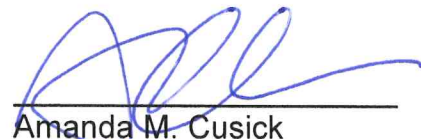
ABSENT:

ABSTAIN:

Date Published:

\_\_\_\_\_  
Mark Jomsky  
City Clerk

Approved as to form:

  
\_\_\_\_\_  
Amanda M. Cusick  
Assistant City Attorney