



Ordinance Fact Sheet

August 25, 2025

TO: Honorable Mayor and City Council

FROM: City Attorney / City Prosecutor's Department

SUBJECT: 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

TITLE OF PROPOSED ORDINANCE:

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

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the actions proposed herein are not a "project" subject to the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 21065 and within the meaning of Section 15378(b) and statutorily exempt from CEQA pursuant to State CEQA Guidelines Section 15273 (Rates, Tolls, Fares, and Charges; and
2. Adopt an ordinance amending 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 of the Pasadena Municipal Code as further described in this fact sheet.

MEETING OF 08/25/2025

AGENDA ITEM NO. 18

PURPOSE OF THE ORDINANCE:

This ordinance amends the Municipal Code to amend sections 4.19.020, 4.19.040, 4.19.050, and 4.19.060 of Title 2 of the Pasadena Municipal, Traffic Reduction and Transportation Improvement Fee as directed by City Council on July 14, 2025.

REASONS WHY LEGISLATION IS NEEDED:

The ordinance is needed to make changes to land use categories subject to the fee in accordance with Assembly Bill 602, waives fees to qualifying accessory dwelling units (ADUs) and junior accessory dwelling units (JADUs) in accordance with Senate Bill 13, updates the formulas for calculating the fee, and updates the list of transportation improvements on which the Fee can be used. The new fee amounts, land use categories, and improvements are supported by a fee nexus study.

PROGRAMS, DEPARTMENTS OR GROUPS AFFECTED:

The Transportation Department will implement the proposed ordinance through imposition of the Fee on appropriate projects, with assistance from the Planning Department.

COUNCIL POLICY CONSIDERATION:

The amendments to Pasadena Municipal Code sections 4.19.020, 4.19.040, 4.19.050, 4.19.060 are consistent with the City Council's goals of addressing various safety improvements like bicycle infrastructure, pedestrian safety, and roadway efficiency as articulated in the adopted General Plan. The fee will partially fund City transportation infrastructure, and transportation projects identified in adopted plans such as Capital Improvement Program, Local Roadway Safety Plan, and the Pedestrian Transportation Action Plan.

ENVIRONMENTAL ANALYSIS:

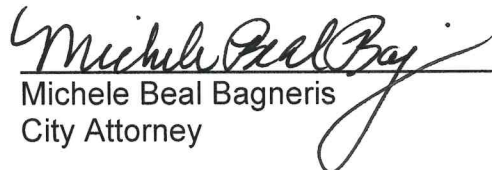
CEQA excludes, from environmental review, actions that are not "projects" as defined by CEQA Guidelines Section 21065 and within the meaning of Section 15378(b). Sections 21065 and 15378(b) define a project as an action which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. Section 15378 excludes from the definition of "project" organizational or administrative activities that will not result in direct or indirect physical changes in the environment. The action to amend the Pasadena Municipal Code is an administrative activity that will not result in direct or indirect physical changes in the environment, and therefore is not a "project" as defined by CEQA. Since the action is not a project subject to CEQA, no environmental document is required. Amending the fees are statutorily exempt from CEQA pursuant to State CEQA Guidelines Section 15273 (Rates, Tolls, Fares, and Charges), which provides

a statutory exemption for the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, or other charges by public agencies, which the public agency finds are for the purpose of: (1) Meeting operating expenses, including employee wage rates and fringe benefits; (2) Purchasing or leasing supplies, equipment, or materials; (3) Meeting financial reserve needs and requirements; (4) Obtaining funds for capital projects, necessary to maintain service within existing service areas; or (5) Obtaining funds necessary to maintain such intra-city transfers as are authorized by City Charter.

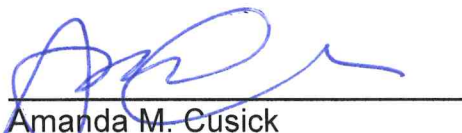
FISCAL IMPACT:

Based on the new develop levels forecast through 2035 in the 2015 General Plan Land Use Element, the Fee is estimated to generate about \$43.7 million for transportation capital improvement projects. If the actual levels of new development do not reach the forecast amount, then the revenue generated by the fee will also be less than the forecast dollar total. It is assumed that if the development does not occur at the forecast rate the improvements identified would not be needed. Funds generated through the TR/TIF are recognized and appropriated via the CIP Budget process.

Respectfully submitted,


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