

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	June 22, 2015
	Agenda Item No.	65
	Roll Call No.	<u>15-1090</u>
	Communication No.	<u>15-323</u>
	Submitted by:	Phillip Delafield, Community Development Director

AGENDA HEADING:

Community Development Department request to increase fees collected for services.

SYNOPSIS:

The proposed fee increases reflect a closer recovery of actual costs associated with programs and to better cover services provided by the Community Development Department.

FISCAL IMPACT:

Amount:

PDC Planning Review Fee-	\$7,000 annual revenue increase
PDC Engineering Review Fee-	\$37,600 annual revenue increase
PDC Zoning Review Fee-	\$37,600 annual revenue increase
NIZD Fee Increases-	\$20,447.50 annual revenue increase

Funding Source: Fees charged for services provided by the Neighborhood Inspection Division and Permit and Development Center.

ADDITIONAL INFORMATION:

Fees for permits, certificates, administrative costs and inspections have not been increased since approximately 2007 in some categories. Other fees have been increased as a result of an ordinance change but not updated since the fee was set. In some categories it is recommended that fees be established to better capture actual cost of providing the service.

In 2004 the City hired Maximus to conduct a fee study related to our rental inspection program. Fees were adjusted as a result of the study. No adjustments to the fees have been made since 2004.

In 2009 MGT of America, Inc. conducted a fee study. They found, in most cases, the fees were not at a level of full recovery. Fees were not increased as a result of the study.

Costs to the City in staff salaries have gone up 14.5% since the 2009 fee study. The costs to provide services have not been increased to match the level of increased service costs.

The Community Development Department, as part of the budgetary process, has suggested that an across the board 3% increase of fees be approved. The City Council approved and adopted the annual budget for fiscal year 2016 on March 9, 2015, by Roll Call No. 15-0452.

The proposed fee increases will better recover the costs of services provided by the Neighborhood Inspection Division and Permit and Development Center.

A summary of fees follows:

Permit and Development Center-

A new \$20 fee is proposed to be charged for planning, zoning, and engineering reviews associated with building permits. These are new fees that will increase the cost of building permits and will more closely cover the staff time required to review, process and issue permits. The new fees will be in addition to the base fee and the incremental amount based on valuation for commercial projects that involve a planning, zoning and an engineering review. Consequently, the permit fee will increase by a total of \$40.00 for each residential permit and \$60.00 for each commercial permit.

The minimum fee for demolition permits is proposed to increase from \$30 to \$50.

Neighborhood Inspection Division-

An across the board increase of 3% is proposed for fees associated with rental inspections. This includes inspections and re-inspections of all rental units in the City.

PREVIOUS COUNCIL ACTION(S):

Date: March 9, 2015

Roll Call Number: [15-0452](#)

Action: [On](#) proposed budget for the fiscal year ending June 30, 2016. ([Council Communication No. 15-121](#)) Moved by Coleman to adopt. Motion Carried 7-0.

Date: April 23, 2007

Roll Call Number: [07-0779](#) and [07-0780](#)

Action: [Amending](#) Chapter 60 of the Municipal Code regarding Housing Code. Moved by Vlassis that this ordinance be considered and given first vote for passage. Motion Carried 7-0.

- (A) [Amending](#) the Schedule of Fees and the Schedule of Administrative Penalties, subject to final approval of the ordinance. ([Council Communication No. 07-245](#)) Moved by Vlassis to adopt. Motion Carried 7-0.

Date: December 18, 2002

Roll Call Number: 02-3007

Action: 02-3007 8. Adopting a Schedule of Fees for various City services, for the use of City property and equipment, and for various permits and licenses issued by the City, as follows: Moved by McPherson to adopt. Council Member Vlassis voted NO on Item K; Item "Q" is to be deferred to second meeting in January 2003. (1-27-03). Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

Fees to be re-evaluated during each budget cycle.

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