



2017 DRAFT CITYWIDE USER FEES & DEVELOPMENT IMPACT FEES

STUDY SESSION

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STUDY SESSION FORMAT

- Staff presentation
 - Background & History
 - User Fee Highlights & Staff Recommendations
- Questions & Answers
- City Council Direction



SCOPE OF FEES

- What fees are we covering tonight?
 - Development & Non-Development related fees from:
 - City Clerk
 - Community Development – Planning, Building, & Code Compliance
 - Cultural Affairs
 - Finance
 - Library
 - Police
 - Public Works - Engineering
 - Development Impact Fees
 - Road & Traffic Fees, Water & Wastewater Plant Improvement & Connection Fees, & Police Facility Fee



BUDGET PROCESS

- User Fees part of biennial budget process
- Staff reviews and updates User Fees every two years (670 fee items)
- Development Related User Fees
 - Comprehensive Cost study performed periodically
 - Last performed in FY 2012-13
- Non-Development Related User Fees
 - Staff reviews all fees based on legislative requirements and/or time & material studies

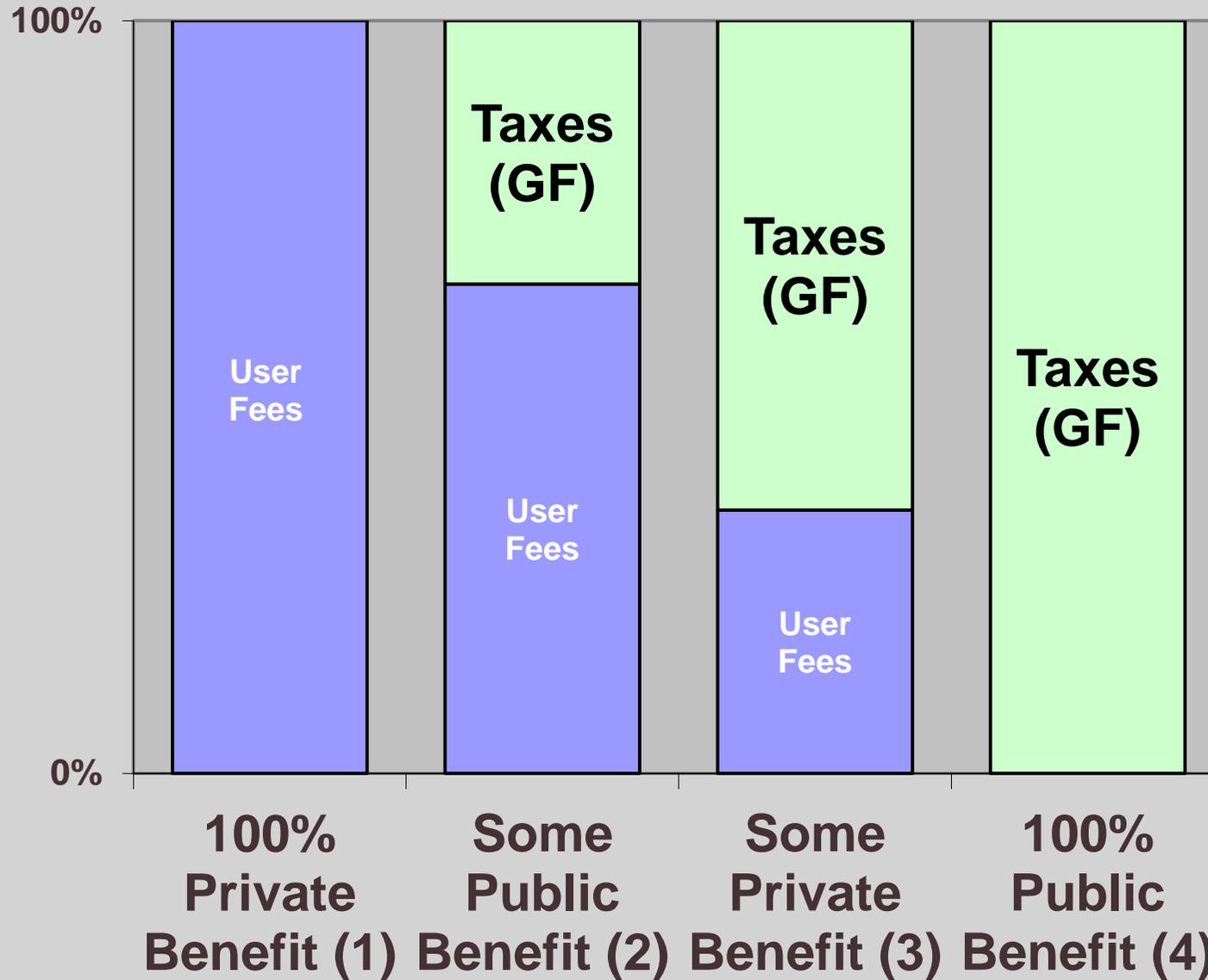


USER FEE DEFINITION

- User Fee:
 - A fee or rate charged to an individual or group that receives a *private benefit* from services provided by the City
 - Not a tax (public benefit)
 - Not “Impact Fees”
 - “Grey Areas” exist



Source of Service Funding



FEES VS. TAXES

- (1) Building Permits
- (2) Recreation Programs
- (3) Advance Planning
- (4) Police Patrol



FULL-COST RECOVERY POLICY

- State Law
 - “...fees may not exceed the estimated reasonable cost of providing the service for which the fee is charged...”
- City Council Policy
 - Community-wide vs. special service nature of the program or activity
 - The use of general purpose revenue is appropriate for community-wide services, while user fees at full-cost are appropriate for services, which are of special benefit to an easily identified individual or group
 - Fees & charges, in the absence of a specific public policy exception, should be implemented to achieve full-cost recovery



COMMON FEE CONCEPTS

- User Fees should be:
 - Based on the Cost of Service
 - Not arbitrary
 - Not unintentionally subsidized
 - No greater than the “Estimated Reasonable” costs



- More than a User Fee Manual
 - Fees (ex. Building Permits)
 - Fines & Penalties (ex. Parking & Late Fees)
 - Rates/Charges (ex. Water & Wastewater)
 - Assessments (ex. Lighting & Landscaping)



CONSUMER PRICE INDEX (CPI)

- Between FY 2014 to FY 2016, CPI rate increased by 2.55%
- Selected fees were adjusted by the CPI factor
- Some development related user fees were increased by 5.00% or more to get them closer to full-cost recovery



DRAFT USER FEE MANUAL

- Two Sections to the “Draft” User Fee Manual (Draft A):
 - First Section
 - Fee detail sheets for each user fee
 - Second Section (on Yellow paper)
 - Comparison of the 2015 Adopted User Fees (listed as Current Fees) to the 2017 Draft User Fees (listed as Draft A)



NEW FEES TO THE USER FEE MANUAL

- There are eight new fees recommended to be added to the 2017 Draft User Fee Manual:

	Fee #	Fee Title & User Fee Manual Page Number	Fee
1.	P-69	Affordable Development/Density Bonus Review (pg. 133)	Review affordable development proforma and agreements and/or Density Bonus Plan as part of entitlement process
2.	P-70	Pre-Screening of Residential Mixed Use Projects in SP20 (pg. 134)	Review of preliminary residential mixed-use projects within Specific Plan 20 before City Council
3.	CA-10A	Scherr Forum Rental Rates for Local Community Groups (pg. 151)	Discounted rental rates for non-profit organizations located in the City of Thousand Oaks



NEW FEES TO THE USER FEE MANUAL

- There are eight new fees recommended to be added to the 2017 Draft User Fee Manual (cont.):

	Fee #	Fee Title & User Fee Manual Page Number	Fee
4.	LI-10	Passport Execution Fee (pg. 207)	Passport issuance fee
5.	PW-01B	Certificate of Corrections Review (pg. 219)	Processing for Corrections Review
6.	PW-01C	Monument Inspection (pg. 220)	Monument Placement
7.	PW-40	LAFCO Out of Agency Service Agreement (pg. 260)	Processing Out of Agency Service Agreements
8.	PW-51A	Transportation Services - Special Events (pg. 271)	Special, not chartered, transportation services



FY 2017 USER FEES MANUAL

Development Related Fees



DEVELOPMENT RELATED COST STUDY BACKGROUND

- Staff reviewed & updated Development Related Cost of Service Study Model in 2013
 - Operating costs, staffing levels, & activity substantially changed since 2013
 - Prior Cost of Service Studies
 - 2010 CDD-Building & Safety Fees
 - 2007 Planning, Code Compliance, & Engineering Fees
 - 1999 Citywide Study done by consultant



CITYWIDE DEVELOPMENT RELATED RESULTS SUMMARY

- Some development related fees are currently below Full-Cost Recovery
- Proposed adjustments will move fees closer to Full-Cost Recovery
- Intentional Subsidy
 - City Council Exceptions – 16 Fees



CITY COUNCIL EXCEPTIONS

- Fee exceptions to City Council’s goal of “Full-Cost” Recovery:

	Fee #	Fee Name / Page	2015 Current Exception	2017 Proposed Exception
1.	B-03B	Disabled Access Board Appeal (pg. 25)	\$ 815	\$815
2.	P-04	Block Party (pg. 53)	\$40	\$40
		Special Event (1 Day or more)	\$133	\$136
3.	P-08	Farm Animal Permit (pg. 58)	\$51	\$52
4.	P-11A	Oak/Landmark Tree (pg. 61)	\$100	\$100
5.	P-11B	Oak/Landmark Tree/Planning Comm. Process (pg. 62)	No Fee	No Fee



CITY COUNCIL EXCEPTIONS

- Fee exceptions to City Council’s goal of “Full-Cost” Recovery (cont.):

	Fee #	Fee Name / Page	2015 Current Exception	2017 Proposed Exception
6.	P-11C	Oak/Landmark Tree / Minor Mod (pg. 63)	\$225	\$225
7.	P-11D	Oak/Landmark Tree / Major Mod (pg. 64)	\$250	\$262
8.	P-23C	SUP Type C Ham Radio Tower (pg. 79)	\$1,066	\$1,093
9.	P-27B	PPD – Existing Home (pg. 84)	\$566	\$566



CITY COUNCIL EXCEPTIONS

- Fee exceptions to City Council’s goal of “Full-Cost” Recovery (cont.):

	Fee #	Fee Name / Page	2015 Current Exception	2017 Proposed Exception
10.	P-32A	Minor Mod – Outdoor Dining (pg. 91)	\$918	\$918
11.	P-32B	Minor Mod – Ham Radio (pg. 92)	\$990	\$1,039
12.	P-53	Appeal of Admin Decision (pg. 117)	\$1,365	\$1,400
13.	P-54	Appeal of Planning Comm. Decision (pg. 118)	\$1,470	\$1,508
14.	P-66	Zoning Clearance (pg. 130)	\$72	\$73



CITY COUNCIL EXCEPTIONS

- Fee exceptions to City Council’s goal of “Full-Cost” Recovery (cont.):

	Fee #	Fee Name / Page	2015 Current Exception	2017 Proposed Exception
15.	PW-25	Appeal of Admin Decision (pg. 249)	\$1,365	\$1,400
		Appeal of Planning Comm. Decision	\$1,470	\$1,508
16.	PW-46	Parking Permit (pg. 266)	\$8	\$8



FY 2017 USER FEES MANUAL

Review of User Fees by Department/Section



CITY CLERK FEES

- Total of Four Fees Reviewed by Staff
- Approx. Revenues: \$4,500
 - Staff recommends no changes to fees
- Fees – page 1; Comparison of Fees - Page 1 of 88



CITYWIDE FEES

- Total of Twelve Fees Reviewed by Staff
- Approx. Revenues: \$80,000
 - Five fees with recommended adjustments, including:
 - Library conference rooms (CW-04) available during non-business hours for City and Non-Profit Groups
 - Piano rental fee (CW-04A) adjusted from \$100 to \$130
 - Slight adjustment to Oak Room and Park Room rentals rates (CW-05)
 - Community Art Gallery “Special Events & Art Workshops” (CW-06) was removed
 - Cameron Center (CW-07) adjusted weekend/holiday rental rates for Non-Profit Groups
 - Fees – page 6; Comparison of Fees - Page 3 of 88



COMMUNITY DEVELOPMENT – BUILDING & SAFETY FEES

- Total of 28 Fees Reviewed by Staff
- Approx. Revenues: \$3.4 million
- Adjusted nine fees by CPI , including:
 - Certificates of Occupancy (B-02A)
 - Temporary Certificates of Occupancy (B-02C)
 - Building Permit (B-04)
 - Demolition Permit Fee (B-09)
 - Residential Resale Code Compliance (B-11)
 - Mechanical Permit Fees (B-16)
 - Plumbing Permit Fees (B-18)
 - Electrical Permit Fees (B-20, 1 & 2)
- Fees – page 19; Comparison of Fees - Page 17 of 88



COMMUNITY DEVELOPMENT – PLANNING FEES

- Total of 85 Fees Reviewed by Staff
- Approx. Revenues: \$850,000
 - Planning and Code Compliance Fees were adjusted by:
 - CPI factor
 - Some fees were adjusted by 5% or more to get closer to full-cost
 - Two new fees added:
 - Affordable Development/Density Bonus Review (P-69)
 - Pre-Screening of Residential Mixed Use Projects in SP20 (P-70)
 - Fees – page 47; Comparison of Fees - Page 31 of 88



CULTURAL AFFAIRS FEES

- Total of 49 Fees Reviewed by Staff
- Approx. Revenues: \$3.2 million
 - Adjusted five fees including:
 - Box Office Ticket Printing Fee (CA-15) – for Ticketmaster contract
 - Box Office Facility Fee (CA-18) - pricing based on ticket price
 - Labor – Maintenance (CA-26)
 - Production Fee – Video Projector (CA-32) to reflect new 14k video projector
 - Liability Insurance (CA-37) – new premium rates for increased liability insurance levels required by the City
 - One new fee added:
 - Scherr Forum Rental Rates – Local Community Groups (CA-10A)
 - Fees – page 135; Comparison of Fees - Page 50 of 88



FINANCE FEES

- Total of 15 Fees Reviewed by Staff
- Approx. Revenues: \$540,000
 - Adjusted Eight fees, which include:
 - Business Permits – Regulatory Processing (F-05)
 - Business Tax Certificates (F-05B)
 - Filing Fee – Regulatory Permit Appeals Filing Fee (F-05C)
 - Delinquent Parking Citation Processing (F-06A)
 - Parking Citations – Other Parking Violations (F-06B)
 - Disabled Parking Citation Cancellation Fee (F-06C)
 - Resident Golf Card (F-07)
 - Print Shop Services (F-10)
 - Fees - Page184; Comparison of Fees - Page 61 of 88



LIBRARY FEES

- Total of Nine Fees Reviewed by Staff
- Approx. Revenues: \$300,000
 - Waiving of two fines:
 - Overdue (LI-01) and Damaged Materials (LI-07) fines added proposed wording on waiving fines for library materials and the Foundation's DVD collection
 - One new fee added:
 - Passport Execution Fee (LI-10)
 - Fees - Page 199; Comparison of Fees - Page 66 of 88



POLICE FEES

- Total of Seven Fees Reviewed by Staff
- Approx. Revenues: \$150,000
 - Adjusted three fees:
 - Emergency Response Restitution (LE-03)
 - Noise/Loud Party Response (LE-06)
 - Tow Fees (LE-05)
 - Fees - Page 208, Comparison of Fees - Page 69 of 88



PUBLIC WORKS FEES

- Total of 68 Fees Reviewed by Staff
- Approx. Revenues: \$950,000 (General Fund)
 - Development Related Engineering Fees were adjusted by CPI factor (34 fees)
 - Majority of non-development related fees adjusted by CPI factor
 - Four new fees added:
 - Certificate of Corrections Review (PW-01B)
 - Monument Inspection (PW-01C)
 - LAFCO Out of Agency Service Agreement (PW-40)
 - Transportation Services - Special Events (PW-51A)
 - Fees - Page 216; Comparison of Fees - Page 72 of 88



FY 2017 USER FEES MANUAL

Development Impact Fees



DEVELOPMENT IMPACT FEES

- Fees charged to new development for public capital improvements and subject to the Mitigation Fee Act
 - Includes: Road & Traffic Fees, Water & Wastewater Plant Improvement & Connection Fees, and Police Facility Fee
- Ten Traffic Development Impact Fees:
 - Staff performing Nexus reports for each fee and will return to City Council at a later date



POLICE FACILITIES FEE

- Fee reimburses the City for advancing funds for the construction of the East Valley Law Enforcement Facility
 - Proposed adjustment of 1.02% based on the City's five-year investment returns from FY 2012 to FY 2016 per agreement



WATER & WASTEWATER RATES

- Review of Financial Plans in process
 - Staff will return to City Council at a later date with utility rates



RECOMMENDATION

- Receive information on User Fees & Development Impact Fees as presented at Public Meeting/Study Session and provide direction to staff
- Schedule a Public Hearing for April 25, 2017, for adoption



USER FEES STUDY SESSION

Discussion & Questions

