FYS 2017-2019 CITYWIDE USER FEES & DEVELOPMENT IMPACT FEES PUBLIC HEARING

PRESENTED BY:

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APRIL 25, 2017
PUBLIC HEARING FORMAT

Staff presentation
  Background & history
  Highlights & staff recommendations

Questions

Public comments

City Council deliberation & adoption
User Fees Background

- April 28, 2015 • Prior City Council adoption
- Feb. 28, 2017 • Study Session
- April 25, 2017 • Public Hearing
- July 1, 2017 • User Fees Effective
MORE THAN A USER FEE MANUAL

Diagram:
- Fees
- Assessments
- Rates
- Penalties
- Fines

Flow:
Fees → Assessments → Rates → Penalties → Fines
Sections of the User Fees Manual

- City Clerk
- Citywide
- Community Development (Building & Safety, Planning, & Code Compliance)
- Cultural Affairs
- Finance
- Library
- Police
- Public Works
**Fee Types**

**Development Related Fees**
- Selected fees adjusted by CPI
- Selected fees increased by 5% or more

**Non-Development Related Fees**
- Time & Materials
- Selected fees adjusted by CPI
Development Impact Fees

Traffic Dev. Fees (Nexus Report) Will be brought back to Council

Police Facility Fee (1.02% adjustment)

Water / Wastewater Fees

Study in progress. Not included

Presented to City Council when study is complete
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

100% Private Benefit (1)
Some Public Benefit (2)
Some Private Benefit (3)
100% Public Benefit (4)
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

FULL-COST RECOVERY POLICY
### Cost Recovery Analysis

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<tbody>
<tr>
<td>Building Fees</td>
<td>$4,184,151</td>
<td>$2,873,777</td>
<td>68.7%</td>
<td>$3,368,689</td>
<td>80.5%</td>
<td>$4,121,772</td>
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<td>Planning Fees</td>
<td>$3,475,950</td>
<td>$847,275</td>
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<td>$760,708</td>
<td>21.9%</td>
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<td>Code Enforcement Fees</td>
<td>$56,909</td>
<td>$55,200</td>
<td>97.0%</td>
<td>$44,853</td>
<td>78.8%</td>
<td>$46,971</td>
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<tr>
<td>Engineering Fees</td>
<td>$1,491,471</td>
<td>$988,649</td>
<td>66.3%</td>
<td>$925,996</td>
<td>62.1%</td>
<td>$810,617</td>
<td>54.4%</td>
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</tbody>
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- Development related reviewed in 2013
- Dependent on staffing levels, labor cost and time, cost of materials, and projected activity levels
- Comprehensive review every 8-10 years
- Beneficial to review when development and/or economic changes occur
SECTIONS OF THE PROPOSED USER FEE MANUAL

First Section – Fee Detail Sheet

• Detail sheet for each fee with descriptions, G/L Accounts, Fee structure, & Fees

Second Section (Yellow Pages)

• Comparison of the 2015 Adopted Fees (listed as Current Fees), along with the 2017 Proposed User Fee (listed as Proposed)

Third Section – Non-Compliance Fees

• List of Non-Compliance Development Related Fees
There have been no new fees added or changes made to existing fees since the Study Session.
Adopt Resolution approving the 2017 Citywide Fees, Fines, Penalties, Rates, and Assessments (User Fees) with Non-Compliance Fees

Adopt Resolution maintaining Traffic Development Impact Fees at Existing Rates

Adopt Resolution approving Police Facilities Development Fee
FYs 2017-2019 Citywide User Fees & Development Impact Fees

Discussion & Questions