



City of San Leandro Proposed Adjustments to Taxes, Fees and Service Charges 2019-20

**City Council Meeting
Council Chambers
May 6, 2019**

Background

- Council Goal – Place City on firm foundation for long-term fiscal sustainability
- User fees and service charges:
 - Reviewed during budget process
 - May only recover the cost of the service
 - Change in the local consumer price indices
- Taxes adjusted by Consumer Price Index (CPI) as per Municipal Code
 - Business License, 911, Emergency Medical Services (EMS) adjusted by 3.87% CPI
- Proposed adjustments are effective July 1, 2019

Background (cont.)

- Fees and taxes adjusted annually according to CPI
- Revenues are used for general City Services:
 - Safety – Police and Fire
 - Dispatch, Code Enforcement, Protection, Hazardous spill clean-ups
 - Community programs – Library and Recreation services
 - Reading programs, Swimming programs, Family programs
 - Community infrastructure – Public Works and Engineering and Transportation
 - Potholes, sidewalks, median landscape maintenance, park landscape maintenance, Graffiti removal

Consumer Price Index (CPI) History

YEAR	% INCREASE
2009	0.8
2010	1.4
2011	2.6
2012	2.7
2013	2.2
2014	2.8
2015	2.6
2016	3.0
2017	3.2
2018	3.9
10-Year Average	2.5

Business License Tax

Description	2018-19	2019-20
Business base fee	136.20	141.50
Employee base fee (per employee):	40.90	42.50
Retail, Manufacturing, Miscellaneous, Peddler/ Solicitor, Wholesale - large local seller		
Contractor, Recreation/Entertainment, Service	81.90	85.10
Professional	102.50	106.50
Flat fee (i.e. Christmas tree lots, Pumpkin patch, etc.)	682.80	709.20
Mobile food vendor (flat annual fee)	136.20	141.50
Parking lots (per \$1,000 of gross receipts) *	100.00	100.00
Rental units - commercial (unit per 1,000 square feet)	20.40	21.20
Rental units - residential (per unit)	12.30	12.80
Waste disposal site (unit fee per ton)	1.84	1.91
Wholesale/Distribution - general (per 1,000 square feet)	106.30	110.40

* *Approved by San Leandro voters on November 8, 2016*

9-1-1 and EMS Proposed Adjustments

- Emergency Communication 9-1-1:

Phone line description	2018-19	2019-20 Proposed
Single access line	\$ 2.54	\$ 2.64
Trunk line (7½ x single line)	\$ 17.74	\$ 18.42
Super trunk line (24 x single line)	\$ 62.16	\$ 64.56

- EMS rate per benefit unit is = \$18.02; proposed = \$18.72

Accessory Dwelling Unit Fees

- Park Facilities Development Impact Fees proposed changes:
 - Remove Accessory Dwelling Unit (ADU) from “Special Unit” category
 - Create a new fee for ADU

Fee description	2019-20 Proposed
Park land acquisition fee: Special Unit ADU	\$ 7,334 6,356
Park improvement fee: Special Unit ADU	\$ 1,173 1,017
Total Acquisition & Improvement fee: Special Unit ADU	\$ 8,508 7,374

Proposed Impact on 2019-20 Revenues

- General Fund :
 - Business License (3.87% CPI) \$ 175,000
 - 911 (3.87% CPI) 100,000
 - EMS Taxes (3.87% CPI) 2,000
 - Engineering & Transportation 12,000
 - Community Development 103,000
 - Total General Fund \$ 392,000
- Enterprise Fund - WPCP \$ 450,000

Communication of Fee and Tax Changes

- A Public Hearing notice - posted and published for Proposed Amendments to City Fees, Service Charges and Taxes
 - Notice placed in Daily Review a minimum of 10 days prior to public hearing
- Staff report, ordinances, resolutions and attachments available to public on City's website five days before City Council meeting (72 hours is legal requirement)
- e-Notify subscribers of Council agendas
- Hard copies of Council agenda available at Main and Manor Library

Recommended City Council Action

- Council adopt proposed resolution for City Fees and Service Charges
- Council adopt proposed ordinance amendments adjusting business license tax, 9-1-1 emergency communication system access tax, and emergency medical services tax rate by 3.87% CPI
- All adjustments effective July 1, 2019.

2019-20 and 2020-21 Budget Calendar

- January 28 City Council Work Session: Forecast Model
- February 2 City Council Winter Planning Session
- February 19 City Council Work Session: CIP
- April 15 City Council Budget Presentation
- May 6 City Council – Proposed Taxes & Master Fees
- May 14 Budget Binders to be Delivered to City Council
- May 20 City Council – Proposed Biennial Budget
- June 3 City Council – Public Hearing and Adoption of
Proposed Biennial Budget