



City of San Leandro Proposed Adjustments to Taxes, Fees and Service Charges 2016-17

**City Council Meeting
Council Chambers
May 2, 2016**

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 2.6% CPI
- Proposed adjustments are effective July 1, 2016

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
2006	3.2
2007	3.3
2008	2.9
2009	0.8
2010	1.4
2011	2.6
2012	2.7
2013	2.2
2014	2.8
2015	2.6
10-Year Average	2.5

Business License Fees

Description	2015-16	2016-17 Proposed (2.6% CPI)
Business Base Fee	\$ 125.00	\$ 128.20
Employee based fee (per employee):		
Retail, Wholesale, Manufacturing	\$ 37.52	\$ 38.50
Service, Contractor, Recreation	\$ 75.14	\$ 77.10
Professional	\$ 93.96	\$ 96.40
Residential Rental Unit Fee (per unit)	\$ 11.30	\$ 11.60
Commercial Rental Unit Fee (per 1,000 sf)	\$ 18.70	\$ 19.20
Waste Disposal site Unit Fee per ton	\$ 1.69	\$ 1.73
Flat Fee (i.e. Christmas Tree lots, Pumpkin Patch, etc.)	\$ 626.00	\$ 642.30
Mobile Food Vendor (flat annual fee)	\$ 125.00	\$ 128.20

9-1-1 and EMS Proposed Adjustments

- Emergency Communication 9-1-1:

	2015-16	2016-17 Proposed
Single access line	\$ 2.32	\$ 2.39
Trunk line (7½ x single line)	\$ 16.28	\$ 16.71
Super trunk line (24 x single line)	\$ 57.01	\$ 58.49

- EMS rate per benefit unit is = \$16.54; proposed = \$16.96

Proposed Impact on 2016-17 Revenues

- General Fund :

● Business License (2.6% CPI)	\$ 99,000
● 911 (2.6% CPI)	27,000
● EMS Taxes (2.6% CPI)	10,000
● General fund depts. (CD/ET cost)	<u>105,000</u>
Total General Fund	<u>\$ 241,000</u>

- Enterprise Fund:

● Sewer Service Fees (2.6% CPI)	\$ 200,000
● Storm Water Fees (2.6% CPI)	<u>15,000</u>
Total Enterprise Fund	<u>\$ 215,000</u>

Communication of Fee and Tax Changes

- A Public Hearing notice was posted and published for Proposed Amendments to City Fees, Service Charges and Taxes
 - Notice was placed in the Daily Review a minimum of 10 days prior to the public hearing
- Staff report, resolutions and attachments were available to the public on the City's website five days before City Council meeting (72 hours is legal requirement)
- e-Notify subscribers of Council agendas (link provided)
- 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 2.6% CPI
- All adjustments effective July 1, 2016.

Budget Calendar for 2016-17 Update

- January 30, 2016 City Council Winter Planning Session
- February 2016 City Council CIP Planning process
- May 2, 2016 City Council – Proposed Master Fee Schedule
- May 16, 2016 City Council - 2016-17 Budget update
- June 2016 City Council – 2016-17 Budget update