



City of San Leandro Proposed Adjustments to Taxes, Fees and Service Charges 2018-19

**City Council Meeting
Council Chambers
May 7, 2018**

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 3.2% CPI
- Proposed adjustments are effective July 1, 2018

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
2008	2.9
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
10-Year Average	2.4

Business License Tax

Description	2017-18	2018-19 Proposed
Business base fee	\$ 132.00	\$ 136.20
Employee base fee (per employee):		
Retail, Manufacturing, Miscellaneous, Peddler/ Solicitor, Wholesale - large local seller	\$ 39.60	\$ 40.90
Contractor, Recreation/Entertainment, Service	\$ 79.40	\$ 81.90
Professional	\$ 99.30	\$ 102.50
Flat fee (i.e. Christmas tree lots, Pumpkin patch, etc.)	\$ 661.60	\$ 682.80
Mobile food vendor (flat annual fee)	\$ 132.00	\$ 136.20
Parking lots (per \$1,000 of gross receipts) *	\$ 100.00	\$ 100.00
Rental units - commercial (unit per 1,000 square feet)	\$ 19.80	\$ 20.40
Rental units - residential (per unit)	\$ 11.90	\$ 12.30
Waste disposal site (unit fee per ton)	\$ 1.78	\$ 1.84
Wholesale/Distribution - general (per 1,000 square feet)	\$ 103.00	\$ 106.30

* *Approved by San Leandro voters on November 8, 2016, effective January 1, 2017*

9-1-1 and EMS Proposed Adjustments

- Emergency Communication 9-1-1:

Phone line description	2017-18	2018-19 Proposed
Single access line	\$ 2.46	\$ 2.54
Trunk line (7½ x single line)	\$ 17.20	\$ 17.74
Super trunk line (24 x single line)	\$ 60.24	\$ 62.16

- EMS rate per benefit unit is = \$17.46; proposed = \$18.02

Proposed Impact on 2018-19 Revenues

- General Fund :
 - Business License (3.2% CPI) \$ 150,000
 - 911 (3.2% CPI) 90,000
 - EMS Taxes (3.2% CPI) 20,000
 - Engineering & Transportation 5,000
 - Community Development 105,000
 - Total General Fund \$ 370,000
- Enterprise Fund – WPCP \$ 100,000

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 3.2% CPI
- All adjustments effective July 1, 2018.

Budget Calendar for 2018-19 Update

- January 20, 2018 City Council Winter Planning Session
- January 30, 2018 City Council Finance Committee
- April 9, 2018 City Council Budget Work Session
- May 7, 2018 City Council – Proposed Taxes & Master Fee Schedule
- June 4, 2018 City Council – Adoption of Proposed Budget Update