



Legislation Details (With Text)

File #:	18-198	Version:	1	Name:	Amending Services and Fee Schedule for FY 18-19 Effective July 1, 2018
Type:	Staff Report	Status:		In control:	Filed
On agenda:	5/7/2018	Final action:			City Council
Enactment date:		Enactment #:			
Title:	Staff Report for Resolution Approving Adjustments to City Fees and Service Charges for 2018-19				
Sponsors:	David Baum Finance Director				
Indexes:					
Code sections:					
Attachments:					

Date	Ver.	Action By	Action	Result
5/7/2018	1	City Council	Received and Filed	

Staff Report for Resolution Approving Adjustments to City Fees and Service Charges for 2018-19

SUMMARY AND RECOMMENDATIONS

Staff recommends the City Council approve the proposed adjustments to City user fees and service charges in the Master Fee Schedule for 2018-19. This resolution is presented to the City Council for approval as part of the 2018-19 budget approval process.

BACKGROUND

The City conducts a review of all user fees and service charges as part of its annual budget preparation process. City user fees and service charges are based on a variety of criteria including comparable fee levels in surrounding cities, changes in the local Consumer Price Index (CPI), fee studies, and the cost to provide the associated service. If approved and adopted by the City Council, the following proposed adjustments to the City's user fees and service charges would be effective July 1, 2018.

The Master Fee Schedule is a compilation of City Council approved fees for special services requested by some residents and businesses in the community. Local agencies are allowed to set fees at rates that obtain fair and reasonable recovery of the costs incurred by the General Fund in providing a special service, thereby minimizing or eliminating the use of limited General Fund revenues. Historically, the City has strived to maximize cost recovery for most services through setting fees at levels appropriate given escalating costs of doing business and market comparisons.

Full cost recovery for certain services is a policy direction by the City Council and the fee schedule that maximizes cost recovery opportunities through appropriate fee revenues is a critical component of the City's on-going financial stability. In the 2018-19 General Fund Budget, the proposed estimated departmental revenues total \$8,329,000, or approximately 7.6% of the General Fund

operating revenues. Modifications to the City's fee schedule to remain up-to-date with escalating operating costs are generally completed on an annual basis.

Attached to the resolution accompanying this report is the *City of San Leandro Fee Schedule* that provides detail of current fees, adjustments and the addition of five new fees (four in Community Development, and one in Finance). Moreover, the fee schedule reflects the restructuring of the Public Works Parking Meter rates based on the 2017 parking study results.

The new fees are shown in ***bold and italics***. The proposed charges are in the right hand column and are printed in **bold**. The new fees are reflected in ***red bold italics*** text.

The following summarizes departmental changes to the fee schedule for 2018-19 beyond the Consumer Price Index (CPI) adjustments:

City-wide - No changes

Community Development

- Planning division fees for conditional use permit has 2 new fees (residential and non-residential); a new Conversion of residential apartment building to condominiums; a new Site Plan Review for Residential - additional site plan review in conjunction with accessory dwelling unit

Engineering & Transportation

- Park facilities development impact fees increased based on the Engineering News Record (ENR) construction cost index
- Overhead utility conversion increased by ENR for underground utilities escalation factor
- Traffic division adjusted by ENR Development Fee Street Improvement (DFSI) escalation factor; and restructured the Traffic Impact Fee Schedule by category

Finance

- Restructured the Parking Space Rental fees for Estudillo Garage and eliminated the Callan Avenue, and Hyde Street parking lot charges, as well as the temporary parking and replacement parking permit

Fire -

- Amended Fire Alarm fees

Library - no changes

Police - no changes

Public Works

- Five equipment rental fees increased due to increased replacement costs
- Parking meter rates reconfigured to:
 - Three Hour Meters (Zone 1)
 - Three Hour Meters (Zone 2)
 - 30 Minute Meters
- Marina fees - Berth rentals are increased by 3.2% as allowed by the Department of Boating and Waterways loan agreement, Article VI, section 5 (C)

- Environmental Services - most fees increased by the 3.2% CPI
- Wastewater Discharge Service fees - most fees increased by 3%

Recreation and Human Services - No changes

Fiscal Impacts

Staff estimates that the proposed fees will generate \$110,000 in additional General Fund revenue.

General Fund Fees:	<u>Revenues</u>
Community Development	\$ 105,000
<u>Engineering & Transportation</u>	<u>5,000</u>
Total General Fund	<u>\$ 110,000</u>

PREPARED BY: David Baum, Finance Director, Finance Department