

REQUEST FOR COUNCIL ACTION

TO: Mayor via City Secretary

RCA# 10265

Subject: Establish User Fees for Previously Established Development Related Services; Modify Existing Fees for Development Related Services

Category #
4

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Agenda Item

FROM (Department or other point of origin):

Patrick Walsh, P.E.
Director
Planning & Development Department

Origination Date

December 10, 2015

Agenda Date

DIRECTOR'S SIGNATURE



Council District(s) affected
All

For additional information contact:

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Date and Identification of prior authorizing Council Action:

RECOMMENDATION: (Summary)

Approve by motion the establishment of 20 user fees for site plan, subdivision plat, development, and related services provided by the Planning & Development Department and modify 27 existing user fees.

Finance Budget

SOURCE OF FUNDING:

Proposed New fees and existing fees

SPECIFIC EXPLANATION:

The Planning & Development Department (P&D) recommends City Council approve by motion the establishment of 20 user fees for site plan, subdivision plat, development, and related services provided by P&D and modify 27 existing user fees. These fee modifications are necessary to cover the City's cost of service associated with the fees and to provide adequate funding to sustain the proposed special revenue fund identified separately on this Council agenda.

P&D, in coordination with the Finance and Legal Departments, completed a comprehensive review of 47 existing and authorized development-related fees administered by P&D. The purpose of the review was to align the fees with the cost accrued by the City for providing the service. This review was necessary since more than a decade had elapsed since the last comprehensive review. The review identified 27 fees that are out of alignment with cost of service and 20 fees that have not been established, but were previously authorized by actions of City Council as a result of ordinance amendments.

Currently, annual revenue generated by the existing fee structure does not cover expenditures. As a result, the General Fund provides an approximate annual subsidy of \$730,000 to fund development-related services provided by P&D. The amounts identified in the attached exhibit adjust the corresponding user fee to the cost of service and eliminates the need for the annual subsidy to provide these services. Following the fee modification, the projected annual revenue is estimated to increase from \$7.1 million to \$8.7 million.

REQUIRED AUTHORIZATION

Finance Department:

Other Authorization:

Other Authorization:

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When coupled with the proposed special revenue fund (SRF) also on today's agenda, these fee adjustments will fund increased level of service for the City's development customers. The increased level of service will result from the following:

- increasing development-related staffing levels, including additional plan reviewers and improved telephone and front desk customer service;
- correcting compensation deficiencies for the planner family of positions, as identified in a recent HR-led salary survey of peer cities, thus improving staff attraction and retention and quality of reviews;
- improving training for staff and related appointed commissions; and
- improvements to technology and supplies.

P&D recommends the adoption of the attached fee modification. These adjustments become effective March 1, 2016.

CC: Marta Crinejo, Agenda Director
Donna Edmonson, City Attorney
Andy Icken, Chief Development Officer
Kelly Dowe, Chief Business Officer