

**REQUEST FOR COUNCIL ACTION**

**TO:** Mayor via City Secretary

**RCA# 10265**

**Subject:** Create a special revenue fund for development-related services led by the Planning and Development Department; dedication of fee revenue to the special revenue fund

**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 14, 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 an ordinance creating the Planning and Development Department Special Revenue Fund for development-related services led by the Planning and Development Department and dedicating development-related fee revenue to the special revenue fund.

**Amount of Funding:** \$3,713,920

**SOURCE OF FUNDING:**

Proposed new fees and existing fees

**Finance Budget**

**SPECIFIC EXPLANATION:**

The Planning and Development Department (P&D) recommends that City Council approve the creation of the Planning and Development Department Special Revenue Fund (SRF) for development-related services led by P&D.

Unlike many departments, P&D's resource needs are directly tied to development activity levels. For example, applications for development-related activities increased 64% between 2010 and 2015. Fee revenue increased 214% over the same period. Despite these increases, the corresponding staff level increase during that time was only 5%. The increased workload without a corresponding increase in resources resulted in deteriorated level of service. For example, P&D's average residential review times increased from 1.2 days in 2010 to 4.3 days in 2015, with some reviews peaking at over 15 days.

The SRF will ensure P&D provides development customers an adequate level of service, regardless of market-based fluctuations in development activity. This proposal will dedicate revenues from development-related fees administered by P&D to the SRF. In turn, P&D's development-related expenditures will be paid out of the SRF. Fees to be dedicated toward the SRF are attached to the ordinance.

The SRF will fund the following development-related services:

- Subdivision plat review
- Permit review (Chapter 42, off-street parking, landscaping, hotel/motel, compliance enforcement, etc.)
- One half of the minimum lot size/minimum building line program
- The portion of management and support services associated with development activities

**REQUIRED AUTHORIZATION**

**Finance Department:**

**Other Authorization:**

**Other Authorization:**

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The SRF will also fund indirect costs associated with P&D's development-related services. The remaining portions of P&D will continue to be funded as they are currently through the General Fund and the EGIS Revolving Fund.

The SRF should be created only with the corresponding fee adjustment. Without the adjustment, the SRF's revenues will not sustain its projected expenditures.

The SRF will take effect January 1, 2016.

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