



AGENDA REPORT

Meeting Date: January 24, 2012

Item Number: D-1

To: Honorable Mayor & City Council

From: Susan Healy Keene, AICP, Director of Community Development

Subject: RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS AMENDING THE SCHEDULE OF TAXES, FEES & CHARGES FOR THE FISCAL YEAR 2011/2012 IN CONNECTION WITH VIEW RESTORATION FEES.

Attachments:

1. Resolution
2. December 19, 2011 Agenda Report
3. Fee Calculation Details

RECOMMENDATION

Staff recommends that the City Council adopt the fee resolution (Attachment 1), amending the comprehensive schedule of taxes, fees and charges to add fees for the following: View Restoration Permit application, appeal of a Planning Commission View Restoration Permit decision to the City Council, and City Advisory Opinion with regard to view restoration.

INTRODUCTION

The City Council adopted a Trousdale View Restoration Ordinance on December 6, 2011. The ordinance provides a process for Trousdale property owners to address the obstruction of views by foliage on private property. Adoption of the attached resolution will establish fees that would be paid by property owners who choose to take advantage of the City's View Restoration process. This public hearing has been continued from the City Council's December 19, 2011 meeting. At that meeting, the Council expressed

concern about the high level of fees proposed and directed staff to return with alternatives.

DISCUSSION

The fees initially proposed to the City Council on December 19, 2012 ("Fully Burdened Staff Cost 1" in Table below), were developed to achieve full cost recovery for the City by reflecting fully burdened staff costs including salaries, benefits, maintenance, operating and overhead costs and were based on the actual hours an employee has available to process view restoration applications, appeals and advisory opinions. In addition, a percentage of the hours an employee spends on required tasks such as training (including emergency operations training), staff meetings and other duties not directly related to implementing the View Restoration Ordinance was distributed into the proposed fees to achieve full cost recovery for the City. Pursuant to the City Council's stated interest in a more balanced approach, staff offers two alternatives:

Fully Burdened Staff Cost 2

Staff recalculated each of the three proposed application fees using the same fully burdened staff cost (salaries, benefits, maintenance, operating and overhead) but eliminated the employee hourly costs not directly related to the processing of View Restoration applications, resulting in lower fees.

Salaries & Benefits Only

Staff also recalculated each of the three proposed application fees using only salary and benefit costs, excluding maintenance, operating cost and overhead, and again eliminating the employee hourly costs not directly related to the processing of View Restoration applications, resulting in even lower fees.

The three alternatives are shown in the Table below.

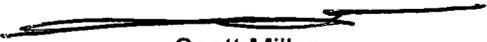
TYPE OF VIEW RESTORATION FEE	FEE ALTERNATIVES		
	Fully Burdened 1 (12/19/11)	Fully Burdened 2	Salary & Benefits Only
View Restoration Permit Application Fee	\$14,300	\$10,200	\$5,100
Add Foliage Owner to Application	\$5,300	\$3,800	\$1,900
Appeal to Council	\$12,200	\$8,800	\$4,400
City Advisory Opinion	\$1,930	1,400	\$700

FISCAL IMPACT

The proposed fee alternatives represent different levels of cost recovery for the City. Staff previously estimated that ten View Restoration Permit applications could be submitted for a Planning Commission hearing in the first 18 months the ordinance is in effect. The following table shows the potential first year cost to the City's General Fund for each of the three fee alternatives assuming six View Restoration Permit applications are submitted in the first year (three with two foliage owners named), two Planning Commission decisions appealed to the City Council, and six City Advisory Opinions provided to property owners.

Impact on General Fund in first year	FEE ALTERNATIVES		
	Fully Burdened 1 (12/19/11)	Fully Burdened 2	Salary & Benefits
TOTAL	\$0	-\$39,080	-\$88,380

Staffing needs resulting from the View Restoration Ordinance are being evaluated and will be presented to the City Council during budget reviews. The cost to enforce view restoration permit decisions made by the City would be borne by the view owner as stated in the indemnification language in the Ordinance. Pursuant to City Council direction, a City Council Ad Hoc Committee meeting is scheduled to be held January 23, 2012 to consider how to reduce the burden of the indemnification obligation placed on the view owner. Staff will report the recommendations of the Ad Hoc Committee to the City Council at the January 24 City Council meeting. Exhibit A to the attached resolution currently lists the fees calculated as "Fully Burdened 2" above but this exhibit can be modified if the City Council wishes to select an alternative fee structure.


 Scott Miller
 Chief Financial Officer
 Finance Approval

Susan Healy Keene, AICP
 Director of Community Development
 Approved By



Attachment 1

View Restoration Fee Resolution

RESOLUTION NO. 12-R-_____

RESOLUTION OF THE COUNCIL OF THE CITY OF
BEVERLY HILLS AMENDING THE SCHEDULE OF TAXES,
FEES & CHARGES FOR THE FISCAL YEAR 2011/2012 IN
CONNECTION WITH VIEW RESTORATION FEES.

The Council of the City of Beverly Hills does resolve as follows:

Section 1. As set forth in Resolution 11-R-12808, the City Council has established a "Comprehensive Schedule of Taxes, Fees & Charges" for fiscal year 2011-2012. The City Council now desires to add new fees in connection with the Trousdale View Restoration Ordinance.

Section 2. The City Council hereby adopts new fees as set forth in Exhibit A as follows: View Restoration Permit application, City Advisory Opinion with regard to view restoration, and appeal of a Planning Commission View Restoration Permit decision to the City Council.

Said fees shall be included and incorporated into the City's Comprehensive Schedule of Taxes, Fees & Charges and shall go into effect 60 days after the effective date of the resolution.

Section 3. The City Council is taking action only on those fees as set forth in Exhibit A. The remaining taxes, fees, City service charges, and other fees, charges, extractions and required payments for municipal services, inspections, enforcement activities or for other indicated purposes set forth in the Comprehensive Schedule of Taxes, Fees & Charges remain in place at the current rates, and are not being readopted by this resolution.

Section 4. The City Clerk shall certify to the adoption of this resolution and shall cause this resolution and his/her Certification to be entered in the Book of Resolutions of the Council of the City.

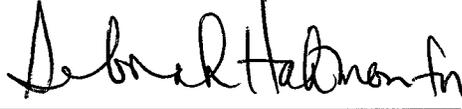
Adopted:

BARRY BRUCKER
Mayor of the City of Beverly Hills,
California`

ATTEST:

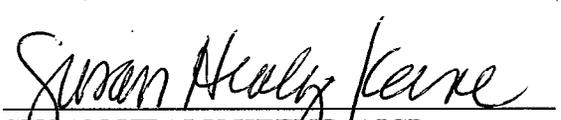
BYRON POPE
City Clerk (SEAL)

APPROVED AS TO FORM:



LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:



SUSAN HEALY KEENE, AICP
Director of Community Development

SCOTT G. MILLER
Director of Administrative Services/Chief
Financial Officer

EXHIBIT A

Fiscal Year 2011/2012 Trousdale View Restoration Fees (Effective 12:01 a.m. on March 24, 2012)

View Restoration Permit Application Fee

\$10,200	Cost for View Owner to address on Foliage Owner
\$ 3,800	Additional cost for each additional Foliage Owner named in the application by View Owner

City View Advisory Opinion (with regard to View Restoration)

\$1,400.00

Fee for Appeal of a Planning Commission View Restoration Permit Decision to the City Council

\$8,800.00

Attachment 2

December 19, 2011 Agenda Report



AGENDA REPORT

Meeting Date: December 19, 2011

Item Number: D-1

To: Honorable Mayor & City Council

From: Susan Healy Keene, AICP, Director of Community Development

Subject: RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS
AMENDING THE SCHEDULE OF TAXES, FEES & CHARGES FOR
THE FISCAL YEAR 2011/2012 IN CONNECTION WITH VIEW
RESTORATION FEES.

Attachments: 1. Resolution

RECOMMENDATION

Staff recommends that the City Council adopt the fee resolution (Attachment 1), amending the comprehensive schedule of taxes, fees and charges to add fees for the following: View Restoration Permit application, appeal of a Planning Commission View Restoration Permit decision to the City Council, and City Advisory Opinion with regard to view restoration.

INTRODUCTION

The City Council adopted a Trousdale View Restoration Ordinance on December 6, 2011. The ordinance provides a process for Trousdale property owners to address the obstruction of views by foliage on private property. Adoption of the attached resolution will establish fees that would be paid by property owners who choose to take advantage of the City's View Restoration process.

DISCUSSION

The City Council directed staff to develop fees that would result in full cost recovery for the City. Each of the three proposed fees has been developed to achieve this goal.

Trousdale View Restoration Application Fee

Staff estimates that the City's cost to process each View Restoration Permit application would be approximately \$14,300 dollars. The application cost for a Trousdale R-1 Permit (\$8,465.00) was used as a baseline and increased to reflect the greater costs in processing a View Restoration Permit. The higher View Restoration application fee reflects review of a minimum of two properties (rather than the usual one property reviewed for R-1 permits), examination of required professional reports such as a view restoration property survey and a tree survey, and anticipated costs after a City decision is rendered to assist the parties in achieving compliance with the decision, prior to transfer to Code Enforcement (if necessary). It is noted that applicants would have the additional cost of obtaining the professional reports required by the application.

Appeal of a Trousdale View Restoration Decision to the City Council

Staff estimates that the City's cost to process an appeal to City Council of a Planning Commission View Restoration decision would be approximately \$12,200.00 dollars. The current fee to file an appeal of a Planning Commission decision to the City Council is \$5,062.00. Staff was directed to set an appeal fee for view restoration decisions that reflects full cost recovery which results in the higher fee. The proposed appeal fee is similar to, but a bit less than the cost to process the initial application as some costs are higher and others lower.

City Advisory Opinion

Staff estimates that the City's cost to provide a non-binding City Advisory Opinion would be approximately \$1,950.00 dollars. Because the objective of the Advisory Opinion is to provide a quicker and lower cost way for view owners to have the City provide feedback on a particular case of view obstruction, staff calculated the hours as minimally as possible to both cover City costs and meet the objective. Staff believes that use of this voluntary tool could save Trousdale property owners money and save staff time by providing additional information to neighbors earlier in the process, thereby encouraging early resolution of disputes.

FISCAL IMPACT

The proposed fees have been calculated to fully recover the City's cost in processing View Restoration Permit applications, although additional staff may be required to process applications. Staffing needs resulting from the View Restoration Ordinance are being evaluated and will be presented to the City Council during budget reviews. The cost to enforce view restoration decisions would be borne by the view owner as stated in the indemnification language in the ordinance. Pursuant to City Council direction, a City Council Ad Hoc Committee meeting will be held soon to consider how to reduce the burden of the indemnification obligation placed on the view owner.

Scott Miller
Chief Financial Officer
Finance Approval

Susan Healy Keene, AICP
Director of Community Development

Approved By

Susan Healy Keene

Attachment 3

Fee Calculation Details

Calculating Fees Related to View Restoration Permit

For 1-24-12 City Council Meeting (3 Worksheets)

- Fully Burdened 1** Fees calculated at fully burdened hourly staff rate for an Associate Planner Step 5 including salary, benefits, maintenance, operating cost & overhead for annual hours worked directly on view restoration applications + % of other duties and activities
- Fully Burdened 2** Fees calculated at fully burdened hourly staff rate for Associate Planner Step 5 as above but no % of other duties and activities (based on 1880 annual hours)
- Salary & Benefits** Fees calculated using hourly staff rate for Associate Planner Step 5 including only salary & benefits (based on 1880 annual hours)

Associate Planner @step 5:
Salary: \$82,455.62
Benefits (including Cafeteria Plan): \$58,489.90
Maintenance and Operating Cost: \$58,980
Overhead Cost: \$78,077

Current R-1 Permit Application Fee

Fully Burdened 1 Total = \$8,466 Fee approved by City Council in 2011 for 2011/12 FY

Process Steps	This includes appx. 35 - 40 hours of staff time	# Staff Hrs
1	Application submitted at Counter, file prepared, to Senior Planner for assignment	2-2.5 hrs
2	File assigned to planner, planner conducts quick review for completeness, calls applicant	1.5 - 2 hrs
3	Detailed review of file, discuss with applicant	3-5 hrs
4	Prepare and mail notice	2 hrs
5	Set up and conduct site visit	2.5-3.5 hrs
6	Phone calls/meetings w neighbors; possible neighbor site visits (potential for many more hours)	2-6 hrs
7	Administration: meet w/ supervisor(s); other	1 hr
8	Prepare staff report and resolution including revisions	9-12 hrs
9	Prepare PowerPoint and meeting prep	3-5 hrs
10	Planning Commission meeting presentation	3 hrs
11	Post meeting communications with applicant, covenant prep (covenant prep covered by separate fee)	1 hr
12	File close-out; info input in OBC	<u>1-2 hrs</u>
		35-40 hrs

Proposed View Restoration Permit Application Fee

Involves at least two properties (View Owner & Foliage Owner) and potentially more, which could greatly increase staff hours

Fully Burdened 1 Total = \$14,210

Fully Burdened 2 Total = \$10,202

Salary & Benefits Total = \$5,099

This includes approx. 70 hours of staff time; appeal & enforcement addressed separately

Process Steps		# Staff Hrs	Add Foliage Owner
1	Prep calls to staff, application submitted at Counter, file prepared, to Senior Planner for assignment	4-5 hrs.	
2	File assigned to planner, planner conducts quick review for completeness, calls applicant	2-3 hrs	.5 hr
3	Detailed review of file, discuss with applicant	5-7 hrs	1 hr
3.5	Review professional reports (tree survey, etc.); confer w/City staff/experts	3-5 hrs	2 hrs
4	Prepare and mail notice	2 hrs	
5	Set up and conduct site visits at View Owner and Foliage Owner properties	5-8 hrs	2.5 hrs
6	Phone calls/meetings w neighbors; possible neighbor site visits (potential for many more hours)	3-6 hrs	1 hr
7	Administration: meet w/ supervisor(s); other Low of 55 hours & high of 85 hours for an average of 70 hours	1-2 hrs	
8	Prepare staff report and resolution including revisions (can depend on # of views to be analyzed)	12-16 hrs	6 hrs
9	Prepare PowerPoint and meeting prep (questions from public/PC, etc.)	5-7 hrs	2.5 hrs
10	Planning Commission meeting presentation (includes PC bus tour/site visits)	5-7 hrs	1.5 hr
10.5	Potential second PC meeting to finalize resolution/restorative actions	3-7 hrs	1.5 hr
11	Send Notice of Decision; post-meeting communications with applicant, covenant prep	2-3 hrs	1 hr
11.5	Communications with Foliage Owner; potential hand-off to Code Enforcement	2-5 hrs	2 hrs
12	File close-out; info input in OBC	<u>1-2 hrs</u>	
		Avg 70 hrs	<u>21.5 hrs</u>

Proposed View Restoration Permit Appeal Fee (appeal of PC decision to CC)

Fully Burdened 1 Total = \$12,180

Fully Burdened 2 Total = \$8,745

Salary & Benefits Total = \$4,371

Process Steps	This includes appx. 60 hours of staff time	# Staff Hrs
1	Appeal submitted to City Clerk; transmitted to Com Dev/planner	2-3 hrs
2	planner conducts quick review, calls involved parties	2-3 hrs
3	planner reviews any new information	3-5 hrs
4	Prepare and mail notice	2 hrs
5	Set up and conduct site visits at View Owner and Foliage Owner properties to determine any changed conditions	3-6 hrs
6	Phone calls/meetings w neighbors; possible neighbor site visits (potential for many more hours)	3-6 hrs
7	Administration: meet w/ supervisor(s); other	1-3 hrs
8	Prepare staff report/ response to appeal and resolution including revisions	10-12 hrs
9	Prepare PowerPoint and meeting prep (questions from appellant, public, CC, CM, etc.)	6-10 hrs
10	City Council meeting presentation (includes CC bus tour/site visits)	5-7 hrs
10.5	Potential second CC meeting to finalize resolution/restorative actions	3-7 hrs
11	Send Notice of Decision; post-meeting communications with appellant, covenant prep	2-4 hrs
11.5	Communications with Foliage Owner; potential hand-off to Code Enforcement	2-5 hrs
12	File close-out; info input in OBC	1-2 hrs

Proposed View Restoration City Advisory Opinion Fee

Fully Burdened 1 Total = \$1,930.00

Fully Burdened 2 Total = \$1,385

Salary & Benefits Total = \$692

Process Steps	This includes appx. 9.5 hours of staff time	# Staff Hrs
1	Advisory Opinion request submitted by view owner at Counter; file prepared, assigned to planner	1.5 hrs
2	planner conducts quick review of request, calls requestor	1 hr
3	Set up and conduct site visit at View Owner's property	2 hrs
4	Planner discusses with supervisor, other planners	1 hr
5	Prepare form letter opinion	1.5 hrs
6	Set up and conduct meeting with requestor, provide letter	1 hr
7	Potential communications with foliage owner	0-1 hr
8	File close-out; info input in OBC	1 hr

(Hours are slightly underestimated to keep Fully Burdened Cost 1 below \$2,000 but staff believes use of the City Advisory Opinion could save the City and applicants money in the long run)