



AGENDA REPORT

Meeting Date: April 7, 2015
Item Number: G-1
To: Honorable Mayor & City Council
From: Don Rhoads, Administrative Services Director & Chief Financial Officer
Don Harrison, Budget & Revenue Officer
Carolyn Johnson, Budget & Financial Analyst
Subject: RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS
AMENDING THE COMPREHENSIVE SCHEDULE OF TAXES, FEES
& CHARGES FOR THE FISCAL YEAR 2015/2016
Attachments:
1. Redlined Schedule of Taxes, Fees & Charges - Showing Revisions
2. Resolution with Exhibit A

RECOMMENDATION

It is recommended that the City Council conduct a public hearing and adopt the resolution amending the schedule of taxes, fees and charges for Fiscal Year 2015/16.

INTRODUCTION

The City levies a range of permit fees, charges, rental and use fees, taxes and other fees or payments, which are listed in a comprehensive schedule called "Schedule of Taxes, Fees & Charges" (hereinafter "Schedule of Fees & Charges" or "Schedule"). The Schedule contains the following sections:

- Section 1 – Ambulance & Alarm Fees
- Section 2 – Appeals & Hearings
- Section 3 – Business Permits
- Section 4 – Copies, Reports, etc.
- Section 5 – Facilities Use Fees
- Section 6 – Inspections, Permits, & Reviews
- Section 7 – Library Services
- Section 8 – Parking Citations

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- Section 9 – Parking Rates
- Section 10 – Recreation Fees & Animal Licenses
- Section 11 – Special Events & Filming
- Section 12 – Taxes
- Section 13 – Utility Rates & Fees

Maintaining a comprehensive book with all the various fees, charges and taxes ensures that the City provides the public with one document that contains all city fees rather than providing the information in several documents or in piecemeal form. In addition, the Schedule is available on the City's website. Although the City reviews the Schedule yearly, there are times when revisions are made to certain fees during the year. When that occurs, the comprehensive book is updated.

In accordance with section 3-1.1001 of the Beverly Hills Municipal code and Ordinance No. 79-O-1749, City fees and charges are adjusted annually, based upon the increase in the Consumer Price Index (CPI) for the preceding twelve months, and rounded to the nearest dollar.

The State Constitution generally mandates fees for services not exceed the "costs reasonably borne" by the City in delivery of such services. In compliance with the Constitution, the City periodically performs, a full cost study to confirm current costs of services and to recommend cost recovery levels for these fee based programs. Most fees underwent a fee study three years ago.

The following proposed adjustments to the Schedule of Taxes, Fees and Charges for fiscal year 2015/16 are to reflect the following:

1. Consumer Price Index (CPI) adjustments - CPI adjustment increase to Fees and Charges, of one and three tenths of a percent (1.3%).
2. Special Circumstances – In some instances staff recommends a fee that is other than full cost recovery, often times to remain competitive or to round for ease of collection.

At this time, all sections are under consideration by the City Council except Parking Citations and Utility Rates and Fees (see pages 6 and 7, for further explanation), and Taxes (see page 7).

Exhibit A to the Resolution (Attachment 2) contains the fees and charges for Fiscal Year 2015/2016 that are recommended to be adopted. Attachment 1 contains a redline document of fees that are recommended for revision. Strikeouts indicate deletion of text that is no longer relevant and/or clean up. Except as otherwise indicated, all fees are scheduled to become effective July 1, 2015. The Vegetation Management Program fees, managed by the Fire Department, will become effective on January 1, 2016 so that fee increases do not take place in the middle of the inspection process.

DISCUSSION

The following is a discussion of the proposed changes for each section of Attachment 1 – Redlined Schedule of Taxes, Fees & Charges.

Ambulance & Alarm Fees (Section 1)

- Most Ambulance and Alarm fees are recommended to increase by the Consumer Price Index.
- Fees for Oxygen, Medical Supplies, and Mileage are remaining the same and therefore not included in this Resolution.
- The non-resident surcharge will remain at 10% and is therefore not included in this Resolution.
- The False Alarm Service Charge late fee will not increase and is therefore not included in this Resolution.
- The DUI Collision Emergency Response fee will remain set at actual cost and is therefore not included in this Resolution.

Appeals & Hearings (Section 2)

- The fees for Appeals are recommended to increase by the Consumer Price Index and rounded to the nearest dollar.
- The fees for Taxicab Franchise Hearings were recently approved by City Council and therefore are not recommended to increase. Due to the recent franchise agreements there is a recommended change to the text, as a clean-up item.

Business Permits (Section 3)

- Most fees under Business Permits are recommended to increase by the Consumer Price Index and are rounded to the nearest dollar.
- Identification Card Renewal and Replacement fees are recommended to stay the same and are not part of this Resolution.
- The following permit fees will not increase because they are rounded to the nearest dollar and the CPI increase is very small;
 - Peddler renewal, massage technician renewal, private police patrol renewal, professional sales promoter renewal, news rack inspection, Valet sign modifications,
- Bingo permit fees are set by State law and will not be increased.
- The Taxicab Franchise Fee, Taxicab Operator's Permit, and Vehicle permit were adjusted by City Council in February 2015 and are therefore not being considered for any further adjustment at this time. These fees are not part of this Resolution.

Copies, Reports, etc. (Section 4)

- Most fees in this section are not recommended to increase because, these fees are already small and Consumer Price Index is too small to increase the fees.
- Many fees are simply set at "actual cost". These fees will vary based on the size and/or frequency of the document being requested. These fees are not part of this Resolution as they are not changing.

- Fees for color photocopies are being adjusted to be consistent with the “first page” fee for the black and white copies and to add a fee for an oversized copy.
- The Records Research fee is being replaced with a fee titled Subpoenas and Discovery Motions. The amount of the fee is set by State law.
- A new fee for mailing public records requests is being added and set at the actual cost of postage, if more than a first class stamp.
- The fee for fax transmittals, is adding a fee for additional pages and for larger sized documents. This will make the fee structure similar to copying fees.
- Fees for Clerical Costs for Subpoenas and Discovery Motions, Lien Sale Processing, Repossession, and Concealed Weapon Permit fees are set by State Law and are not increasing, and therefore not part of this Resolution.
- Fees for copies of Traffic Accident Reports, Crime Reports, and Incident Reports are recommended to increase above the CPI, in order to round the amount to twenty five cents, for ease of collection.

Facility Use Fees (Section 5)

Community Services

- Most Facility Use Fees are recommended to increase by the Consumer Price Index; however some fees will not increase because the CPI is very small.
- The following fees will not increase; Audio visual set-up fee for Library meeting rooms and Auditorium, Park Barbecue/Picnic Table Reservation fee, long term parking at Greystone Estate.
- A new fee was added for Audio visual set-up in the multipurpose rooms at Roxbury Community Center.
- A new fee was added for extended hour’s usage of the multipurpose rooms at Roxbury Community Center.
- A new fee was added for reservation of the picnic pavilion at Roxbury Park.
- New fees were added for meetings at Greystone Estate during the hours of 8:00am – 5:00pm on Monday through Friday. Many other event venues offer a discounted daytime rate for meetings. Proposed rates are comparable to like venues in the greater L.A. area (Wilshire Ebell; Descanso Gardens; Malibu Lake Mountain Club; Natural History Museum).

Police Department

- The Pay-to-Stay Jail Facility fee and Bail Bond Advertising fees are remaining the same and therefore not included in this Resolution. These are fees that should stay competitive.

Community Development – Transportation

- It is recommended to reduce the guided trolley tour fees in order to promote the City to private and corporate interests.
- The Trolley promotional rates, shuttle van service, monthly MTA bus pass, and Taxi Coupon book are recommended to stay the same and are therefore not part of this resolution.

I.T. – Cable Television

- Rates are recommended to increase by the Consumer Price Index and are rounded to the nearest dollar.

Inspections, Permits & Reviews (Section 6)

Community Development

- Planning, Building & Safety, Code Enforcement, and Engineering Plan Review fees for services of the Community Development Department are not included in this Resolution because they are not recommended to be increased.

Capital Assets Department

- Most Engineering Fees are recommended to increase by the Consumer Price Index.
 - Easement Processing, Covenant & Agreement, Street right-of-way vacation processing, Utility and Minor Plan check revision, subsequent submittal of plans, Public Works Inspection fees, and Housing Move Permit are set at actual cost and are not increasing. These are not included in this resolution.
 - Public Improvement Plan Check is set at a percentage of construction cost and is not recommended to change.
 - The Monument Inspection fee is a pass through fee and is not included in this resolution.
 - Heavy Haul permit fees are set by statute and not included in this resolution.
 - Deposit fees are not recommended to change and are not included in this resolution.
 - Paving Replacement Inspection, Utility Permit non-excavation, and moving truck no parking sign are not increasing due to the low CPI.

Fire Department

- The Fire Department fees are increasing by the CPI and rounded to the nearest dollar.
- The following fees will not increase due to the low CPI:
 - Preliminary Review – over the counter plan check
 - Commercial tenant fire life safety final inspection, first 2,000 feet
 - Combined plan check & inspection – fire sprinklers, each additional head greater than 20
 - Fire alarm plan check & inspection – new building each device over 24
 - Fire alarm plan check & inspection – tenant improvement each device over 24
 - Tent / Canopy permit, 0 - 400 sq. ft.
 - Most Annual Permits
 - Non-High Rise Commercial Inspections – common area inspections, Additional Floors 0 to 2,000 feet per floor.

- Multi-Family Residential Inspections, Non-High Rise Commercial Inspections and Non-High Rise Commercial Inspections – common area inspections are becoming effective on January 1st rather than July 1st. The reason behind the effective date change is because half of the properties were charged on the first half of the calendar year and half of the properties were charged on the second half of the calendar year, at the increased rate. Changing the effective date will ensure all properties are charged the same rate each calendar year.
- Fees that are set at actual cost are remaining at actual cost and are not part of this Resolution.
- The Vegetation Management initial inspection fee with no violation found is remaining at no Charge. The Fee for lot clearing by City staff is set at actual cost. Both fees are not part of this resolution. Non-compliance fees are part of this resolution and are increasing by the CPI.

Police Department

- The Police Department fee for correctable Citation Sign-off will not increase due to the low CPI.

Community Development

- Fees for Traffic / Parking consulting services are recommended to increase by the CPI.

Public Works

- Most Public Works fees are increasing by the CPI and rounded to the nearest dollar.
- The fee for Street Maintenance Service - Parking Stall Marking, painting will not increase due to the low CPI.
- The Southern California Edison Street Light shield Installation fee is paid directly to Southern California Edison and is not part of this Resolution.
- The Violation/Compliance Inspection, Wastewater Sampling, and Inspection, Closure, Industrial Waste fees are set at actual cost and are not part of this Resolution.
- The Street Light Relocation fees are set at “Actual Cost”, due to the varying difficulty of each individual request, and are not part of this Resolution.

Library Services (Section 7)

- Library fees are set to increase by the Consumer Price Index, however since most of these fees are small they will not actually increase because the Consumer Price Index is too small. Fees that are not increasing are not part of this Resolution.
- Library fees are being rounded for ease of collection.
- Passport Processing Service fees are set by Federal Law and are not increasing.
- New fees were added for; USB Drive, Re-scanning of original material and commercial use of media - in perpetuity.

- The fee called Educational Media is being changed to the new title of Non-Profit/Educational Media.

Parking Citations (Section 8)

- All fees under Parking Citations are recommended to remain unchanged and are therefore are not part of this Resolution.

Parking Rates (Section 9)

- Parking rates are recommended to remain unchanged and are therefore not included in this Resolution.
- A new fee for out of state people (ex. students, or recently transferred people) seeking overnight permits is being added. This fee was charged in the past and is being added back due to an occasional demand. The fee is being set at slightly higher than the cost of processing the in-state overnight permit, due to the added time involved verifying information.

Recreation Fees & Animal Licenses (Section 10)

Community Services

- Most of the Recreation Fees are small and will not actually increase because the Consumer Price Index is too small, and fees are rounded to the nearest dollar for ease of collection. Some fees have been prorated to each participant in the past and will continue to be prorated. Fees that are not increasing are not part of this Resolution.
- Court reservation fees are increasing for groups/hotel guests in an effort to discourage the many incidents of booking a group of courts and cancelling at the last minute, which does not allow the opportunity to make the courts available to others.
- Bowling Green Fees are being restructured for simplicity. There will be one rate for the Beverly Hills Club, and one rate for non-club members.
- Youth Sports Fees are not increasing and are not part of this Resolution.

Community Development

- Fees for Animal Control are set at the rate of the Los Angeles City Fees and are not part of this Resolution.
- Trapping fees are set by the contractor and are not increasing and are not part of this Resolution.

Special Events and Filming (Section 11)

Community Services

- Special event and filming fees are being increased by the Consumer Price Index, and rounded to the nearest dollar. Some fees are small and therefore will not increase because the Consumer Price Index is too small. The following fees are too small to be increased by the CPI and are not part of this Resolution:

- No parking signs, Directional signs, barricades, K rails, and delineators & cones.
- The fee for City staff time at special events is set at "actual cost" and therefore not part of this Resolution.

I.T. – Cable Television

- Cable Television fees for even coverage and program taping are recommended to increase by the CPI.

Taxes (Section 12)

Changes to taxes are included here and in the Resolution as an informational item only. These are governed by the Municipal Code and adjusted by the change in the consumer price index in accordance with Section 3-1-1001 of the Municipal code.

- Most taxes are effective July 1, 2015.
- Classification A, C, and I, are effective January 1, 2016.
- Taxes that are not increasing are not included in this Resolution.
- The Business License Application and Renewal Fee is a fee imposed by the state and it is not increasing and therefore not part of this Resolution. The funds are restricted for use to fund certified access specialist (CASp) training and programs.

Utility Rates & Fees (Section 13)

- None of the Utility Rates & Fees are included in this Resolution.
- Fiscal year 2015/16 Water Rates will be brought before City Council as a separate agenda item.
- Solid waste fees - The City's current contract has been transferred to the new company, Recology. Per the current agreement, Recology has the ability to submit rate changes to the City, but has not done so as of yet. Consequently, Solid Waste rates will not be increasing at this time and are not included in this Resolution.

FISCAL IMPACT

Based on the Consumer Price Index and revenue analysis, it is estimated that the total adjustments to the comprehensive Schedule of Taxes, Fees, & Charges will achieve approximately \$160,000 in additional cost recovery to the General Fund.



Don Harrison
Budget and Management Approval



Don Rhoads
Approved By