



City of Emeryville

C A L I F O R N I A

MEMORANDUM

DATE: April 15, 2025
TO: LaTanya Bellow, City Manager
FROM: Lilybell Nakamura, Acting Finance Director
Brian Moura, Finance Consultant (RGS)
SUBJECT: Resolution Of The City Council Of The City Of Emeryville Amending
The City Of Emeryville Master Fee Schedule For Fiscal Year 2026

RECOMMENDATION

Staff recommend that the City Council hold a Public Hearing and thereafter approve the resolution updating the Master Fee Schedule effective July 1, 2025.

BACKGROUND

The City of Emeryville charges fees for a variety of specific services offered by City departments. These fees are intended to recover the costs of services provided, to the extent possible. Fees for Services are the largest revenue category in the City's General Fund. It is important that the fees be kept current on an annual basis with this in mind.

Services for which fees are charged are those performed by a governmental agency for the benefit of an individual community member or group. The costs of services benefiting individuals and not the community at large should be borne by the individuals receiving the service.

Under State Law, the City may only set fees at a level to recover the full cost of providing the service and may not make a profit on fees. However, in certain circumstances for policy reasons, it is reasonable to set fees at a level that does not recover the full cost of the service, thereby resulting in a General Fund subsidy for these services.

The last comprehensive fee analysis for the City of Emeryville was conducted in fiscal year 2016 by NBS and was adopted by the City Council on July 19, 2016. The Finance Department plans to obtain proposals to conduct a comprehensive Cost Allocation Plan and Master Fee Study this summer at the conclusion of the City Budget process. That study is estimated to take 6 to 12 months to complete and is likely to generate over \$100,000 in new funds to the General Fund via Interfund Charges and New and Increased Fees.

The Master Fee Schedule attached to the proposed resolution has been updated with the San Francisco Bay Area Consumer Price Index (CPI), or, in certain cases as mandated by the Municipal Code and the Engineering News Record (ENR) Construction Cost Index for San Francisco.

DISCUSSION

The Master Fee Schedule attached identifies fee changes and additions proposed by City departments. The tables contain a description of each fee, the current level of the fee and the proposed change. Primarily the proposed changes reflect adjustments of 2.7% as measured by the average change in the San Francisco Bay Area Consumer Price Index from February 2024 to February 2025.

Proposed increases in fees in the City Manager & City Clerk, Economic Development & Housing Departments, Fire Department, Child Development and Adult Services were based on the annual CPI changes. Other new or significantly revised updates are detailed by the department below.

The proposed changes will take effect on July 1, 2025, if approved by the City Council. Government Code Section 66017(a) provides that new or increased fees relating to the filing, accepting, reviewing, approving, or issuing of an application, permit, or entitlement of a development project shall become effective 60 days after adoption of the new fee or increase.

Highlights of Proposed Changes

1. Community Development Department
Building Division

The sewer connection fee is a one-time fee that is paid to the City when a property owner/developer pulls a building permit that includes new connections to the Sanitary Sewer collection system. The fee is used to make capital improvements to the sewer system.

Sewer Connection Fees have been updated per Emeryville Municipal Code (EMC) Section 7-8.306. The fees are based on the change in the ENR Construction Cost Index for March 2025, which is 2.9%.

Revenues from this fee are placed into the Sewer Connection Fee Fund (Fund 513). It is estimated that this fee change will result in \$5,600 in added revenue to this fund.

Planning Division

Updated the State Department of Fish and Wildlife CEQA fees for 2025. These fees are set and increased every year by the State on January 1st.

2. Finance Department

The new credit card processor for Community Services will apply a 3% fee on all credit and debit card transactions. Staff recommend increasing the service fee for all credit and debit card transactions from 2.5% to 3% to cover the new provider's credit card charges. It will also establish a standardized service fee across the city.

3. Police Department

Removed the fee for DVD copies of communications with voice recordings to resolve a conflict with other media-related fees.

4. Public Works

Staff proposes a reduction in the Sewer Lateral Performance Security Deposit. Based on historical trends, the higher deposit amount was determined to be unnecessary due to the amounts being refunded to permittees after the completion of the work based on inspection costs.

5. Community Services Department
Community Services

Staff recommend shifting from per-day to per-hour park rental fees to maximize space availability and accommodate multiple rentals in a single day. With the addition of a Park Ambassador to facilitate transitions between rentals, this change allows for greater flexibility, increased community access, and more efficient use of park facilities. This includes the addition of fees related to open space rentals for organized sports and programs in the city's parks and streamlined the Ongoing Rental Discounts rates.

Youth Services

Staff seek approval to increase the Afterschool Program fees by 4% instead of the recommended 2.7% CPI to account for rising operational costs, as well as staffing. This adjustment will support the city in maintaining the quality of programs while continuing to invest in core staff and resources that enhance the experience for participants, including the addition of fees for the Teen Center drop-in and monthly non-resident rates.

Fiscal Impact

Adoption of the 2025 Master Fee Schedule will result in an increase in Fee Revenues in the General Fund and in the Sewer Connection Fee Fund. The amount of additional revenue will depend on the level of services requested that are subject to fees. The recommended actions also provide the City with an opportunity to recover the costs incurred for providing services to specific individuals and companies.

ADVISORY BODY REVIEW

The approved Master Fee Schedule will be presented to the Budget & Governance and Budget Advisory Committees prior to their effective date of July 1, 2025.

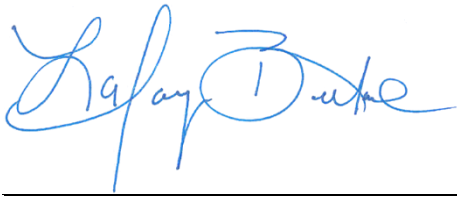
CONCLUSION

Staff recommend that the City Council approve the proposed revisions to the Master Fee Schedule for Fiscal Year 2026.

PREPARED BY: Andrea Arriaga, Accountant

REVIEWED BY: Lilybell Nakamura, Acting Finance Director
Brian Moura, RGS Finance & Economic Consultant

**APPROVED AND FORWARDED TO THE
CITY COUNCIL OF THE CITY OF EMERYVILLE:**



LaTanya Bellow, City Manager

ATTACHMENTS

- Attachment A – Draft Master Fee Schedule (Redline)
- Draft Resolution
 - Exhibit A – Fiscal Year 2026 Master Fee Schedule (Clean)