



# City of Emeryville

CALIFORNIA

## MEMORANDUM

**DATE:** June 4, 2019  
**TO:** Christine Daniel, City Manager  
**FROM:** Susan Hsieh, Finance Director  
**SUBJECT:** **Resolution Of The City Council Of The City Of Emeryville Amending The City Of Emeryville Master Fee Schedule For Fiscal Year 2019-20**

### RECOMMENDATION

Staff recommends that the City Council hold a Public Hearing and thereafter approve the resolution updating the Master Fee Schedule. Amended fees relating to development projects would become effective August 5, 2019. The remaining fees would become effective July 1, 2019.

### 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. 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. 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.

The last comprehensive fee analysis for Emeryville was conducted in fiscal year 2015-16 by NBS and adopted by the City Council on July 19, 2016. 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, the Engineering News Record Construction Cost Index for San Francisco.

### DISCUSSION

The Master Fee Schedule attached to the proposed resolution identifies fee changes and additions proposed by City departments. The tables contain a description of the fee, the current level of the fee and the proposed change. Primarily the proposed changes reflect adjustments of 3.5% as measured by the average change in the SF Bay Area Consumer Price Index from February 2018 to February 2019. Certain notes in the fee schedule are also revised to reflect updated information. Proposed increases for fees in the City Manager & City Clerk, Finance and Police departments were based on the annual CPI changes. Other new or significantly revised updates are detailed by department below.

Most of the proposed changes will take effect on July 1, 2019 if approved by the City Council. However 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. Thus the increased Planning Division fees relating to development projects would become effective August 5, 2019, the first business day following the 60 day period. The Planning Division fees with the August 5, 2019 effective date are noted in the attachment.

## **Highlights of Proposed Changes**

### *1. Building Division*

Most Building Division fees are based on construction valuation. These fees remain unchanged to ensure that Emeryville's fees are comparable to those of other cities. Flat fees have been increased by CPI. Hourly plan check fees have been changed from a one-hour minimum fee to a two-hour minimum fee to reflect actual practice. Sewer connection fees have been increased by the March 2018 to March 2019 increase in the Construction Cost Index for San Francisco as published by Engineering News Record, which was 0.28%, as stipulated in Emeryville Municipal Code Section 7-8.306.

### *2. Planning Division*

Many planning activities are "charged per formula" in which 100% cost recovery is expected; the City's costs are recovered through the cost recovery system (billing of staff time and consultant costs). Most flat fees have been increased by CPI, except those for Sidewalk Cafes, Short-Term Rentals, Planning Commission study sessions, and appeals, which remain unchanged. Wireless Telecommunications Facilities have been added to the list of "all other" Zoning Compliance Reviews, in accordance with amendments to the Planning Regulations adopted by the City Council in January 2019. The filing fees for Negative Declarations and Environmental Impact Reports have been increased to reflect the amount currently charged by the Alameda County Clerk.

### *3. Economic Development & Housing*

Many Economic Development & Housing Division activities are "charged per formula" in which 100% cost recovery is expected; the City's costs are recovered through the cost recovery system (billing of staff time and consultant costs). Flat fees have been increased by CPI.

### *4. Fire Department*

Some Fire Department fees are based on construction valuation. These fees remain unchanged to ensure that Emeryville's fees are comparable to those of other cities. Flat fees have been increased by CPI.

## *5. Public Works Department*

Many fees for Public Works have been adjusted based on the annual CPI change. The discharge of ground water into sanitary sewer fee will increase to \$1.76 per \$100 cubic feet of discharge based on the City Ordinance effective January 1, 2020.

## *6. Community Services Department*

In general, community service programs are subsidized by the General Fund. It has been the City's longstanding policy to keep the fees low to ensure programs are affordable to residents and non-residents. Community Services Department fees are presented below.

### *Child Development Center Division*

Staff proposes increasing the Child Development Center fees by 3.5%. Based on staff's research, the Center's fees appear to be low to moderate compared to those of other centers; this increase will help control the program subsidy.

### *Rental Fees*

Certain fees have been adjusted to reflect the CPI increase or current cost. Staff proposes to add additional dynamic pricing for certain ECCL facilities to encourage rentals during non-peak hours. A volume discount of 10-30% is being proposed to encourage on-going rentals. A monthly fee is being proposed for the office space formerly housing the Chamber of Commerce at Bridgecourt.

### *Youth Services Division*

Certain fees have been adjusted to reflect the CPI increase or current cost. Youth Camps and After School Program Fees are being adjusted to end in a number divisible by 10 so that the sliding scale fees calculate to a whole dollar. New fees have been proposed for new Aquatics programs including CPR classes, Semi-Private Swim Lessons, and Swim Team. Late Registrations fees are being proposed to encourage early registration to allow for better program planning and staffing.

### *Adult Services Division*

Certain fees have been adjusted to reflect the CPI increase or current cost. The fees for the ECCL Fitness Passport Season Pass are being adjusted to a 3-month fee rather than a 4-month fee.

## **FISCAL IMPACT**

The recommended actions will provide the City an opportunity to recover costs for providing services.

## **ADVISORY BODY REVIEW**

The proposed master fee schedule was reviewed by the Joint Budget and Governance and Budget Advisory Committees on May 16, 2019. Following presentation to the committees, the City Attorney's Office advised that some of the planning fees would become effective August 5, 2019. These fees are noted by an asterisk in the Proposed Master Fee Schedule.

## **CONCLUSION**

Staff recommends that the City Council approve the proposed revisions to the master fee schedule.

**PREPARED BY:** Susan Hsieh, Finance Director

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



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Christine Daniel, City Manager

## **ATTACHMENTS**

- Draft Master Fee Schedule (Redline)
- Draft Resolution
  - Exhibit A – FY19-20 Proposed Master Fee Schedule (Clean)