

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Debra Figone

**SUBJECT: 2012-2013 ADOPTED FEES AND
CHARGES**

DATE: December 13, 2012

INFORMATION

PURPOSE

This memorandum serves as a supplemental insert to the 2012-2013 Proposed Fees and Charges document and outlines those fees revised between the release of the 2012-2013 Proposed Fees and Charges and the final adoption of the 2012-2013 Fees and Charges. It is recommended that this memorandum be retained with the 2012-2013 Proposed Fees and Charges document for a complete record of all fees and charges adopted for 2012-2013.

BACKGROUND

The 2012-2013 Proposed Fees and Charges document was released on May 4, 2012 and outlined the proposed fees for the majority of fees and charges accruing to the General Fund and selected fees and charges associated with other funds. Public input on fee proposals was heard by the City Council at public hearings held on Tuesday, May 15, 2012, at 7:00 p.m. and Monday, June 11, 2012, at 7:00 p.m. in the Council Chambers. The proposed fees and charges were approved by the City Council with two adjustments that were brought forward during the budget deliberation process through a Manager's Budget Addendum, and incorporated into the City Council approved Mayor's June Budget Message for Fiscal Year 2012-2013.

Consistent with the 2011-2012 Fees and Charges process, this memorandum serves to document the changes from the 2012-2013 Proposed Fees and Charges to the 2012-2013 Adopted Fees and Charges. This memorandum is being released in lieu of a 2012-2013 Adopted Fees and Charges document, given the minimal fee changes, and cost to publish a 2012-2013 Adopted Fees and Charges document.

The following two revisions were made between the release of the 2012-2013 Proposed Fees and Charges document and the final adoption of the 2012-2013 Fees and Charges:

- Establish an Administrative Process Fee of \$100 for Temporary Outdoor Uses of Private Property for commercially-zoned surface parking lots in the Downtown Core;

- Eliminate the Downtown Core Commercial Zone Multiple-Event Permit Fee in the Office of Economic Development.

In addition to these revisions, this memorandum documents corrections to inadvertent errors in the 2012-2013 Proposed Fees and Charges document, as described in the analysis section below.

ANALYSIS

Approved Changes

Following is a description of each of the changes to the 2012-2013 Proposed Fees and Charges approved by the City Council.

Office of Economic Development

Temporary Outdoor Uses of Private Property Fee

As described in the Manager's Budget Addendum #10, an "Administrative Process Fee" of \$100 was established for permits to be issued "over the counter" to an event organizer for a temporary outdoor use of a single parcel of commercially-zoned private property surface parking lot in the Downtown Core. The staff cost to process one permit is \$212, thus a \$100 fee would lead to a 48% cost recovery level. However, no revenue is assumed for this fee for 2012-2013 at this time because it is unknown what impact this fee may have on potential activity levels for downtown events.

The new fee allows event organizers greater flexibility in activating the Downtown Core, and makes it more cost-effective for them to do so. This, in turn, is expected to create greater vibrancy and economic impact from events in the Downtown Core. The administrative permit will require less staff time than the current process, while still preserving a nominal level of oversight for safety and coordination purposes to ensure zoning requirements are met and appropriate coordination is conducted with other City Departments.

Downtown Core Commercial Zoned Multiple-Event Permit Fee

The Downtown Core Commercial Zoned Multiple-Event Permit fee was eliminated with the approval of the "Administrative Process Fee" described above. The Downtown Core Commercial Zoned Multiple-Event Permit fee of \$1,200 per permit was originally established in 2010 at a 100% cost recovery level to generate more activity in the Downtown Core; however, no event organizers have utilized this opportunity to date and no revenue was assumed as part of the 2012-2013 Adopted Budget.

Other Changes

It should be noted that subsequent to the adoption of the 2012-2013 Fees and Charges, the City Council approved further changes to the 2012-2013 Fees and Charges on August 21, 2012 (City Council Agenda item 4.2). This memorandum established new fees for outdoor event use of Parque de los Pobladores, in concert with the transfer of permitting authority and management of the space from the Department of Parks, Recreation & Neighborhood Services (PRNS) to the Office of Economic Development/Office of Cultural Affairs (OCA). Additional details on these changes can be found at:

http://www3.sanjoseca.gov/clerk/Agenda/20120821/20120821_0402.pdf.

Technical Corrections

Two technical corrections are needed to the Proposed Fees and Charges document, as follows:

Police Department

Visa Clearance Letters Fee

On page 108 of the 2012-2013 Proposed Fees & Charges document, the following paragraph should be amended as shown below:

The Visa Clearance Letters fee is a fee charged to individuals who require a criminal history check to obtain a travel visa. If there is no criminal history, the Police Department prepares a letter, provides the information to the individual and charges \$17 per letter. If there is a criminal history, ~~no fee is charged~~, the information is sent to the government agency processing the visa, and the individual is referred to the government agency to continue the process of obtaining a visa.

Fire Department

On page 30 of the 2012-2013 Proposed Fees & Charges document, the Proposed Fee amounts for items 8 and 9 were inadvertently reversed. The correct fee levels are as follows:

8. Photocopies of Records and Documents – 11” x 17”: \$0.25 per page
9. Photocopies of Records and Documents – 8.5” x 11”: \$0.24 per page.

CONCLUSION

The changes outlined in this document reflect the revisions to the 2012-2013 Proposed Fees and Charges as approved by the City Council. No changes to the revenue estimates resulted from these revisions. This memorandum in combination with the 2012-2013 Proposed Fees and Charges document comprise the 2012-2013 Adopted Fees and Charges. It is recommended that this memorandum be retained with your 2012-2013 Proposed Fees and Charges document for a complete record of all fees and charges approved for 2012-2013.



DEBRA FIGONE
City Manager

Attachment A – 2012-2013 Adopted Fee Changes

For questions, please contact Jennifer A. Maguire, Budget Director, (408) 535-8144.

2012-2013 ADOPTED FEE CHANGES

Fee Name	2012-2013 Fees & Charges		2012-2013 Estimated Cost	2012-2013 Estimated Revenue		2012-2013 % Cost Recovery		2012-2013 Proposed Fees & Charges Pg #
	Proposed Fee	Adopted Fee		Proposed Fee	Adopted Fee	Proposed Fee	Adopted Fee	
OFFICE OF ECONOMIC DEVELOPMENT								
<i>Category I</i>								
Administrative Process Fee	None	\$100 per permit	\$212	N/A	\$100	N/A	48.0%	New
Downtown Core Commercial Zoned Multiple-Event Permit	\$1,200	Eliminated	N/A	N/A	N/A	N/A	N/A	8
FIRE DEPARTMENT								
<i>Category I</i>								
Photocopies of Records and Documents - 11" x 17"	\$0.24 per page	\$0.25 per page	-	-	-	-	-	30
Photocopies of Records and Documents - 8.5" x 11"	\$0.25 per page	\$0.24 per page	-	-	-	-	-	30