

Resolution No.

# STOCKTON CITY COUNCIL

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## **RESOLUTION APPROVING AN AMENDMENT TO THE FISCAL YEAR 2015-2016 FEE SCHEDULE RELATED TO COMMUNITY DEVELOPMENT FEES**

In 2012 Management Partners was contracted to conduct an operational audit of the Community Development Department; and

As a direct result of the operational audit, a set of steps referred to as an Implementation Action Plan (IAP) were developed to improve customer service and organizational function in the Community Development Department; and

That same year, the Urban Land Institute (ULI) Downtown Revitalization Study was released which called for a wholesale revamping of the City's development fee system; and

Both reports concluded that development fees in Stockton were above market range, unwieldy in structure, and likely required a revisit of the nexus for collection of some fees; and

Responding to the fee-related recommendations from these reports, CDD developed a four-phase fee study to review and address fees related to development in Stockton; and

Part of this process required the City to map out the framework and show how the City of Stockton could legally charge permit processing and development fees. This was done and provided to all interested parties so everyone could begin with a clear understanding of what permit processing and development fees the city could and could not charge; and

Activities that fall into a category where the City cannot collect a permit processing or other development related fee are classified as "general government" fees and must be funded by means other than fee revenues, typically the City's General Fund; and

With a goal of permit fee simplification and consolidation, staff looked for opportunities to make fees easier to understand and to consolidate fees requiring a similar level of effort into fewer, or in some cases, a single category; and

The proposed fee reductions will reduce development fees to a level commensurate with other local agencies fees and result in a reduction in annual permit revenue of approximately \$1.27 million; and

In addition, the level of General Fund subsidy necessary to cover general government activities that do not benefit development activities has been evaluated. The result is that the current annual General Fund subsidy of \$1 million along with some minor revenues collected for specific activities not directly related to development services are sufficient to cover the cost of general government activities; and

Further phases of the Community Development fee study should be evaluated in relation to the recovery of the Community Development Fund and any future subsidies proposed should be considered in relation to the impact on the General Fund and the impact to the Long-Range Financial Plan of the City; and

California Government Code Section 66017(a), requires that a fee increase go into effect no earlier than 60 days after approval; and

On August 18, 2015, the City Council conducted a duly noticed public hearing on an amendment to Fiscal Year (FY) 2015-2016 Fee Schedule related to Community Development Department Permit Processing Fees; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. The proposed amendment to the FY 2015-16 Fee Schedule related to Community Development Department Processing Fees is adopted as outlined in Exhibit 1, attached hereto and incorporated by this reference.

2. The amended FY 2015-2016 Fee Schedule shall become effective on the same date as Community Development's live implementation of its new permit tracking system, but in no case shall it be earlier than 60 days following this adoption.

PASSED, APPROVED, and ADOPTED August 18, 2015.

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ANTHONY SILVA  
Mayor of the City of Stockton

ATTEST:

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BONNIE PAIGE  
City Clerk of the City of Stockton