

HAND OUTS

**CITY COUNCIL
MEETING**

JULY 18, 2023

City of La Quinta

CITY COUNCIL MEETING: July 18, 2023

STAFF REPORT

AGENDA TITLE: ADOPT RESOLUTION TO UPDATE THE CITY'S USER AND REGULATORY MASTER FEE SCHEDULE

RECOMMENDATION

Adopt a Resolution to update the City's current user and regulatory Master Fee Schedule.

EXECUTIVE SUMMARY

- Staff annually reviews user and regulatory fees as part of the City's normal course of operations.
- Fees were most recently updated in August 2022. As part of that update, Council authorized annual fee adjustments, whereby fees would be increased based on the annual change in the regional Consumer Price Index for the Riverside, San Bernardino, Ontario region (CPI).
- The annual change in CPI was 4.57%. Accordingly, most fees are proposed to be adjusted by 4.57%. Similar, to other organizations, the City faces inflationary pressures. The fee adjustment is intended to recognize this while continuing to prioritize collaboration between the City, the development community, and other fee payers.
- Several minor refinements are proposed to specific fee categories to enhance fee schedule clarity, and more closely align fees to the City's current costs of service.
- If adopted, the proposed Master Fee Schedule (MFS) would take effect October 1, 2023.

FISCAL IMPACT

Based on historical revenues and permit volume, the new fee schedule may generate an additional \$183,000 in annual revenue.

BACKGROUND/ANALYSIS

Each year, staff reviews user and regulatory fees as a basis for recovering allowable costs of certain City services. Periodically (generally every five-to-seven years), the City conducts a comprehensive fee study; the last one was completed in July 2019. In the

interim years, fees are primarily adjusted by the annual change in CPI for the region. Regional CPI is based on the most recent annual change in the Consumer Price Index for All Urban Consumers in the Riverside, San Bernardino, Ontario Region. The annual timeframe used is March to March.

Fee adjustments are made to improve the correlation between the City’s cost of providing services and the fees imposed to recover those costs. If fees remain unchanged while the City’s costs increase, the City’s cost recovery levels will decrease.

The following table summarizes the proposed updates to the fee schedule.

	Fee Category	Summary of Primary Proposed Changes
1	Building Fees	<ul style="list-style-type: none"> • 4.57% increase to reflect CPI change • Clarify applicable fee for plan revisions
2	Planning Fees	<ul style="list-style-type: none"> • 4.57% increase to reflect CPI change • Adjust initial deposit to recover City Attorney time associated with development agreement review • Remove unused fee categories • Clarify fees for multiple concurrent submittals from same applicant for different projects that require similar application review
3	Public Works Fees	<ul style="list-style-type: none"> • 4.57% increase to reflect CPI change
4	Fire Fees	<ul style="list-style-type: none"> • 4.57% increase to reflect CPI change • Add additional fee descriptions/categories to improve fee schedule clarity. No new permit requirements have been added.
5	NPDES Inspection Fees	<ul style="list-style-type: none"> • 4.57% increase to reflect CPI change
6	STVR Permit Fees	<ul style="list-style-type: none"> • 4.57% increase to reflect CPI change
7	Medical Cannabis Delivery Permit Fees	<ul style="list-style-type: none"> • 4.57% increase to reflect CPI change
8	False Alarm Response	<ul style="list-style-type: none"> • 4.57% increase to reflect CPI change
9	Vehicle Impound Fees	<ul style="list-style-type: none"> • 4.57% increase to reflect CPI change
10	Code Enforcement	<ul style="list-style-type: none"> • 4.57% increase to reflect CPI change

11	Home Occupation Permit	<ul style="list-style-type: none"> • 4.57% increase to reflect CPI change
12	Pool Drain Permit	<ul style="list-style-type: none"> • 4.57% increase to reflect CPI change
13	Bingo Permit	<ul style="list-style-type: none"> • No change (limited by State)
14	Film/Photography Permit	<ul style="list-style-type: none"> • 4.57% increase to reflect CPI change
15	Administrative Fees	<ul style="list-style-type: none"> • No change (limited by State)
16	Appeal Fees	<ul style="list-style-type: none"> • No change
17	Facility Rental Rates	<ul style="list-style-type: none"> • No change
18	SilverRock Rental Rates	<ul style="list-style-type: none"> • No change • 4.57% increase to reflect CPI change
19	Parking Lot Rental Rates	<ul style="list-style-type: none"> • No change • 4.57% increase to reflect CPI change (rounded to nearest \$0.25 per space)
20	Technology Enhancement Fee	<ul style="list-style-type: none"> • No change
21	Credit Card Transaction Fee	<ul style="list-style-type: none"> • No change

- Attachment 1 identifies current fees, proposed fees, and proposed fee change percentage
- Attachment 2 includes cost of service analysis supporting any non-CPI fee adjustments.
- Attachment 3 provides the source data for the annual CPI adjustment.

If Council adopts the resolution, the updated Master Fee Schedule will go into effect on October 1, 2023.

AGENCY AND PUBLIC REVIEW

Notice regarding the proposed fee changes was provided in accordance with Government Code Sections 66016 and 6062(a). Interested stakeholders, the Building Industry Association of Southern California – Riverside County Chapter (BIA), Desert Valleys Builders Association (DVBA), and the Southern California Gas Company (SC Gas) received notice of these recommendations on July 3, 2023. Public Hearing notices were also published in *The Desert Sun* on July 7 and 14, 2023. As of this writing, the City received a letter support from the DVBA, dated July 7, 2023, included as Attachment 4.

ALTERNATIVES

- Council may elect to adjust fees by a different amount than recommended by staff.
- Council may elect not to adjust the proposed fees.

Prepared by: Monika Radeva, City Clerk

Approved by: Jon McMillen, City Manager

Attachments:

1. Fee Schedule Showing Current Fees, Proposed Fees, and Proposed Fee Change Percentage
2. Cost of Service Analysis
3. Regional CPI Table – Riverside-San Bernardino-Ontario 2022-2023
4. DVBA Letter of Support dated July 7, 2023

City of La Quinta
Master Fee Schedule
Schedule of SilverRock Event Site Facility Rental Fees

Entire Park Area Rental						
Fee Description	Current Fee		Proposed Fees		Fee Change	Notes
	Non-Profit	All Others	Non-Profit	All Others		
SILVERROCK EVENT SITE (4-Hour Minimum Rental)						
1 Permit Processing Fee (per application)	\$128	\$128	\$128	\$128	0.00%	
2 Facility Rental Fee (per hour)	\$272	\$272	\$272	\$272	0.00%	
3 Security Deposit						
a) One Day Event	\$500	\$500	\$500	\$500	0.00%	
b) Event Lasting Two or More Days	\$1,000	\$1,000	\$1,000	\$1,000	0.00%	

Partial Park Area Rental										
Fee Description	Current Fee				Proposed Fees				Fee Change	Notes
	Class II	Class III	Class IV	Security Deposit	Class II	Class III	Class IV	Security Deposit		
1 SilverRock - 50 people or less	\$75/hour	\$125/hour	\$175/hour	\$100	\$75/hour	\$125/hour	\$175/hour	\$100	0.00%	
2 SilverRock - Non-profit events with 100 people or more; TUP required	\$150/hour	N/A	N/A	\$200	\$150/hour	N/A	N/A	\$200	0.00%	
3 SilverRock Meeting Room	\$50/hour	\$50/hour	\$50/hour	\$100	\$50/hour	\$50/hour	\$50/hour	\$100	0.00%	

CLASSIFICATION

Non-Profit: 501(c)3 tax organization.

Class II: LQ non-profit organizations, community-based organizations

Class III: LQ residents (DSUSD - for all other facilities other than the Sports Complex)

Class IV: LQ business and profit organizations; non-city residents, organizations, and businesses

City of La Quinta				
Master Fee Schedule				
Use of Public Property - Parking Lots and Open Space				
Fee Description	Current Fee	Proposed Fee	Change	Notes
Parking Lot / Open Space Use Fees				[a];[b]
1 Daily Use Rate Per Space			0.00%	[c]
a) Per Hour Rate	\$1.75	\$1.75	if CPI increase	
b) Maximum Per Day	\$14	\$14	rounded to	
			nearest \$0.25	
			per space	
			↓	
2 Daily Use Rate Per Area				[c]
a) Per Quarter Acre				
i) Hourly Rate	\$55	\$55		
ii) Maximum Per Day	\$440	\$440		
b) Per Acre				
i) Hourly Rate	\$219	\$219		[c]
ii) Maximum Per Day	\$1,752	\$1,752		

[a] Public property use rental is facilitated by obtaining the relevant use permit approval from the Planning Division.

[b] As part of permit review and review of potential impacts on the community and facilities, staff will determine if there is a need for a security deposit. Security deposit amount will be determined based on use requirements and will be refundable assuming conditions of rental/use are met.

[c] Four-hour minimum.