



Legislation Text

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Resolution to Approve Fiscal Year 2011 Fee Adjustments for the Community Services Area Attached for your consideration and approval is the resolution authorizing fee adjustments for FY 2011. Each year, in conjunction with the preparation of the budget, Service Units are requested to review license and fee revenues to determine if the costs of the services rendered are either covered by the fees or are appropriate in relation to comparative data.

When determining cost to serve, Service Units take into account increases in expenses such as labor, materials and supplies, equipment, and overhead costs. Some Service Unit costs to serve analysis resulted in an increase from the prior fiscal year and the recommended increase in fees reflects the higher cost to serve. Revenues are then budgeted based on the fee analysis. The proposed FY 2011 budget reflects these revenues.

Community Services is proposing fee increases in Parks and Recreation Services. There are various fees for recreation programs and services being proposed with variable rates based on demand, cost differentials, and benchmarking data. A comparison of common fees with those for other facilities in the region shows that our proposed fees are very competitive.

Proposed fee increases for Mack Pool and the Senior Center were developed as part of the task force process and have had significant public input. Increases in rink rental rates at the ice rinks are a result of extensive capital improvements in the past year and rising utility costs. There has been no fee increase since FY 2005 for Vets and FY 2007 for Buhr. Swim pass increases were last increased in FY 2006.

Fees in Planning and Development Services for rental housing inspections and planning are proposed to increase at a reasonable rate to come closer to recovering the full cost of this service. Planning staff have researched fees from several municipalities within and outside of the State of Michigan. Staff is presenting these fees for general comparison. All municipalities surveyed have different requirements for what constitutes the development review process. Due to the fact that municipalities collect review fees at different points of the project review cycle based on different requirements, the fees attached represent only an initial comparison based on available information. Proposed changes in the Construction fees address the need to update the fee structure, improve customer service, and gain efficiency by utilizing better time management.

We have included comparative fees for all fee schedules for Planning and Development. In the case of construction fees, it is very difficult to compare, because some cities charge less for certain inspections as they have large base fees, or they may charge additional fees for various aspects of the development process. For example, Madison, Wisconsin charges higher fees for new construction, supplementing the cost of smaller permits. We would also like to bring to your attention that most of the municipalities in Michigan do not have a dedicated enterprise fund for construction; being part of the general fund does not require they fully recover their cost of service.

Attached are the recommended fee change proposals arranged by Service Unit. Staff is recommending that Council approve these fee changes. A recommendation from the Park Advisory Commission on Parks and Recreation fees will be provided in a separate communication to Council.

Attachments:

- Comparative Data for Parks and Recreation Proposed Fee Changes
- Parks and Recreation Services Proposed Fee Schedule FY 2011

- Comparative Data for Planning and Development Services - Construction Proposed Fee Changes
- Comparative Data for Planning and Development Services - Planning Proposed Fee Changes
- Comparative Data for Planning and Development Services - Rental Housing Proposed Fee Changes
- Planning and Development Services Proposed Fee Schedule FY 2011 - Construction
- Planning and Development Services Proposed Fee Schedule FY 2011 - Planning
- Planning and Development Services Proposed Fee Schedule FY 2011 - Rental Housing
- Planning and Development Services Proposed Fee Schedule FY 2011 - Right of Way

- Systems Planning Proposed Fee Schedule FY 2011 - Engineering Review - Planning
- Project Management Proposed Fee Schedule FY 2011 - Right of Way

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Whereas, All Service Units of the City review their fees each year as part of the budget process;

Whereas, Parks and Recreation Services and Planning and Development Services have reviewed all of their fees as part of the 2011 budget submittal; and

Whereas, Fees in several areas were found to be inadequate to cover the costs of service or remain competitive with the market;

RESOLVED, That fees for Parks and Recreation Services and Planning and Development Services be adjusted according to the attached schedules;

RESOLVED, That the attached fee schedules become effective according to the dates in the attached schedules; and

RESOLVED, That City Council authorize the City Administrator to take necessary administrative actions to implement this resolution.