

October 29, 2019

Ref: 20010

Common Council File 190910 contains an ordinance increasing various fees. These increases are part of Mayor Barrett's 2020 Proposed Executive Budget.

Standard budget practice is to annually review and update as appropriate selected licenses, permits, fees, and service charges. This helps establish a responsible balance between service and expenditure reductions and revenue increases. It also helps avoid unintended property tax levy support for the services in question. The 2020 budget presents several challenges, including stagnant State aid and losses in revenue as a result of State legislation. Adopting this file addresses this fiscal imbalance and helps preserve service levels.

The file updates the amounts charged for certain permits, fees and charges for services, primarily in the Department of Neighborhood Services and the Department of Public Works. Increases are proposed for the Electrical Permits, Fire inspection fees, Initial and re-inspection fees, Building Additions Alterations and Repairs, Building Permits New Construction, Street Occupation fees, Use of Streets permit fees, and Permit Processing Fees. Additional detail is in the table below:

Dept.	Fee Description	Current Fee amount	2020 Proposed Fee	Fee Increase	Anticipated increase in Revenue	Last time updated
DNS	Building Mover Permit Processing	\$6	\$8	\$2	TBD	2017
DNS	Electrical Installation & Repair Permits	Various	Various	\$5 to \$25	\$72,450	2010 - 2017
DNS	Fire Inspections	1.5%,\$65min & <\$390	\$100Min \$525 Max	Min \$35 - Max \$135	\$673,000	2007
DNS	Initial Registration Fee	\$40	\$75	\$35	\$168,000	2013
DNS	Re-inspection Fee - 1st re-inspection	1st: \$100	\$175	\$75	\$215,000	2016
DNS	2nd re-inspection & each re-inspection thereafter	2nd: \$200	\$350	\$150	\$1,135,000	2016
DNS	Title Search	\$40	\$50	\$10	\$99,500	2010
DNS	Alterations & Repairs	Min \$65 and \$85	Min \$75 and \$100	\$10 or \$15	\$100,000	2018
DNS	New building construction permits	Various	Various	5%	\$50,000	2018
DPW	Use of Streets- Excav. Permit General*	\$112	\$125	\$13	\$44,200	2015
DPW	Road Restoration Special Permit*	\$250	\$300	\$50	\$16,667	2016
DPW	Street Occupation Fees	Many various (\$44-\$278)	Various	Various	\$31,250	Various
Fire	Fire Paramedic rates	Varies	\$4,669,000	5%	\$200,000	2018
City Wide	Increase permit processing fees	\$8	\$10	\$2	\$100,000	Various

This file is part of the Mayor's 2020 Proposed Executive Budget. City Charter and State law require the Mayor to submit a budget that is a complete financial plan, including estimates of all proposed expenditures and anticipated revenues. However, the Mayor does not control estimates of anticipated revenues. The City Charter authorizes the Comptroller to submit anticipated revenues with the budget request and then submit such changes in anticipated revenues as the Comptroller deems appropriate. The Comptroller generally withholds revenue recognition of increased revenue resulting from proposed fee increases until the Common Council adopts legislation to increase

these fees. Action on this file allows for recognition of the anticipated revenues included in the Mayor's Proposed Budget.

The estimated annual fiscal impact of these changes is approximately \$2.9 million. Actual 2020 budget revenue impact is dependent on the Comptroller's recommended estimates.

RECOMMENDATION: ADOPT COMMON COUNCIL FILE NUMBER 190910

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BJR: ns
FINANCE: 190910sr.doc