

ATTACHMENT B
NEWPORT BEACH MUNICIPAL CODE SECTION 3.36.030 CHANGES

Chapter 3.36
COST RECOVERY FOR USER SERVICES

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3.36.010 Findings.

The City Council of the City of Newport Beach finds as follows:

A. The City funds certain municipal services such as fire, police and residential trash collection using primarily property, sales and other tax revenues. These municipal services are typically performed without request by the user, benefit the public generally, and are traditionally funded by tax revenue.

B. The City performs other services and offers certain programs which are funded in whole or in part by the person or entity requesting the service or participating in the program. These services and programs are typically initiated by an application submitted by the person requesting the service or program participation, primarily benefit the person requesting the service or participation, and are traditionally funded in whole or in part from fees charged to the person who initiates the services.

C. The City Council has retained consultants to conduct cost allocation plan and cost of services studies. Cost allocation studies determine the general City and departmental overhead rates to be used in calculating the cost of City services. Cost of services studies determine the costs of providing certain City services by, among other things, identifying the City employees performing the service and the amount of time spent in performing the service. The City Council has thoroughly reviewed and considered the studies prior to adopting the ordinance codified in this chapter. In order to ensure that fees charged for services are an accurate reflection of actual costs, the City Council finds that cost studies should be conducted at least every five years.

D. The Finance Committee of the City Council has conducted public meetings to discuss the cost allocation plan and cost of services studies, the factors relevant to the appropriate cost recovery percentage for the services studied, and to receive public input on the issues. The Finance Committee has submitted recommendations to the City Council regarding the appropriate cost recovery percentage and those recommendations have been reviewed and considered by the City Council prior to adopting the ordinance codified in this chapter.

E. The City Council has fully complied with provisions of State and local law in establishing the cost recovery percentages specified in this chapter, including, Section [66000](#) et seq. of the Government Code, and Articles XIII C and XIII B of the State Constitution. (~~Ord. 2008-14 § 1 (Exh. 1) (part), 2008; Ord. 97-8 § 1 (part), 1997~~)

3.36.020 Definitions.

For purposes of this chapter, the following definitions shall apply:

“Actual cost” means the estimated cost to the City of providing a user service to a user as initially determined by analysis of the cost factors in the studies and as modified from time to time in accordance with changes in cost factors.

“Cost factors” means the various factors identified in the studies relevant to the calculation of the actual cost to the City of providing user services to a user.

“Cost recovery percentage” means the percentage of the actual cost to the City of providing a user service that the City Council determines should be recovered from the user.

“Cost studies” means the Cost of Services and Cost Allocation Studies conducted by the City’s consultant(s).

“Fee resolution” means the resolution adopted by the City Council pursuant to this chapter which establishes the fees and charges for user services.

“User” means the person or entity who requests, by filing an application or otherwise, City performance of, or user’s participation in, a user service.

“User services” means services or programs that are initiated by request or by an application submitted by the person requesting the service or program participation which primarily benefits the person requesting the service or participation. User services include, but are not limited to, the services or programs identified in the cost studies and which are funded, in whole or in part, by fees or charges imposed on the user of the service. ~~{Ord. 2008-14 § 1 (Exh. 1) (part), 2008: Ord. 97-8 § 1 (part), 1997}~~

3.36.030 Cost Recovery Percentages.

A. The municipal functions the City Council has determined to be user services and for which the City Council has initially determined the actual costs and the appropriate cost recovery percentage are described in the fee resolution. The cost recovery percentage appropriate for each user service shall be one hundred (100) percent with the exception of the user services listed in Exhibit “A” and those services for which the fee is limited by statute. The City Council may include in the fee resolution a schedule to phase in specific fee increases over a period not to exceed four years.

B. The City Council shall establish, pursuant to the fee resolution, the actual fee or charge for each user service described in the fee resolution. The fee or charge shall be based upon the actual cost of providing the user service, multiplied by the relevant cost recovery percentage.

C. The City Council may, without amending this chapter, modify (increase or decrease) the fee resolution to amend the amount of any fee or charge for, and the actual cost of providing, any user service upon a determination that there has been an increase or decrease in one or more of the cost factors relevant to the calculation of the actual cost of providing that service.

D. The City Council may modify the municipal functions determined to be user services in the fee resolution and the cost recovery percentage for any service only by amending this chapter.

E. Fees for service established in the fee resolution may be waived by:

(1) ~~to~~ The City Council;

(2) ~~to~~ The City Manager, up to ~~an amount not to exceed one thousand dollars (\$1,000.00), per occurrence, for~~ may waive fees imposed on nonprofit organizations for nonprofit sponsored events; ~~or in an amount not to exceed one thousand dollars (\$1,000.00) per year.~~

(3) The City Manager or Finance Director up to an amount not to exceed five thousand dollars (\$5,000.00), per occurrence, if the City Manager or Finance Director determines that the imposition of the fee would exceed the actual cost to the City, would result in duplicative fees for services rendered, or would impose a hardship.

Exhibit A

The City's cost of providing the following services shall be recovered through direct fees charged for services. Exhibit "A" limits cost recovery fees to the percentages or dollar amounts indicated below.

Service	Percentage of Cost or Amount to Be Recovered from Direct Fees
<u>All Departments</u>	
<u>Appeals – for any user services Appeal not otherwise specified – Applicant Successful</u>	<u>0%</u>
<u>Appeals – for any user services Appeal not otherwise specified – Applicant Unsuccessful</u>	<u>50%</u>
Community Development Department	
Chapter 17.65 Appeal—Applicant Successful	0%
Chapter 17.65 Appeal to City Council—Applicant Unsuccessful	\$940
Chapter 17.65 Appeal to Harbor Commission—Applicant Unsuccessful	\$1,250

Service	Percentage of Cost or Amount to Be Recovered from Direct Fees
Building	
Appeals Board Hearing—Applicant Successful	0%
Appeals Board Hearing—Applicant Unsuccessful	\$1,715
Harbor Construction	50%
Preliminary Plan Review	First Two Hours Free, Full Cost Thereafter
Planning	
Appeals to City Council	\$1,715
Appeals to Planning Commission	\$1,715
Coastal Development Permit Application Appeals from Zoning Administrator to Planning Commission	0%
Reasonable Accommodation	0%
Finance Department	
Admin. Cite Hearings	0%
Parking Hearings	0%
Payment Plans (Except Parking)	\$25

Service	Percentage of Cost or Amount to Be Recovered from Direct Fees
Short Term Lodging Permit Suspension or Revocation Hearing—Applicant Successful	0%
Short Term Lodging Permit Suspension or Revocation Hearing—Applicant Unsuccessful	50%
Zero Bill Reprint	0%
Fire Department	
Emergency Medical Services	
Advanced Life Support (ALS)—Nontransport	\$400
Basic Life Support (BLS)—Nontransport	\$400
ALS First Responder Fee	\$400
BLS First Responder Fee	\$400
Fire Prevention	
Candle Permit Program	76%
Care Facilities 7—99 Clients	36%
Care Facilities >99 Clients	40.8%
Commercial Day Care Facilities	36%

Service	Percentage of Cost or Amount to Be Recovered from Direct Fees
Hotels/Motels 50—299 Rooms	36%
Hotels/Motels 300 or More Rooms	92.4%
Operational Permits—Level 1	40%
Operational Permits—Level 2	38.1%
Residential Care Facility Prelicense Inspection	96%
Special Event Permits—Single Event	88%
State Fire Clearance	82%
Harbor Department	
Chapter 17.65 Appeal—Applicant Successful	0%
Chapter 17.65 Appeal to City Council—Applicant Unsuccessful	\$940
Chapter 17.65 Appeal to Harbor Commission—Applicant Unsuccessful	\$1,250
Library Services Department	
Black and White Copies <u>from Self-Service Copiers or Printers</u>	\$0.15

Service	Percentage of Cost or Amount to Be Recovered from Direct Fees
<u>Color Copies from Self-Service Copiers or Printers</u>	<u>\$0.45</u>
Passport Photo	\$150
Use Fees—Materials	\$1
Inter-Library Loan	\$5
Police Department	
Bike Licenses	17%
Secondhand/Pawn Dealer Tag Check	0%
Registrant—Narcotics	0%
Animal Shelter	
Adoption Fee—Dogs	\$150
Adoption Fee—Puppies	\$225
Adoption Fee—Cats	\$90
Adoption Fee—Kittens	\$110
Adoption Fee—Small Animals	\$45
Boarding Fee (per day)—Animals	\$25
Boarding Fee (per day)—Small Animals	\$10
Owner Turn-In Fee	\$100

Service	Percentage of Cost or Amount to Be Recovered from Direct Fees
Impound Fee—Dogs, Cats, Small Animals	\$55
Public Works Department	
Chapter 17.65 Appeal—Applicant Successful	0%
Chapter 17.65 Appeal to City Council—Applicant Unsuccessful	\$940
Chapter 17.65 Appeal to Harbor Commission—Applicant Unsuccessful	\$1,250
RGP Dredging Permit	42%
Recreation and Senior Services Department	
Adult Sports	50%—95%
Administrative Processing Fee	\$5
Badge Replacement	\$5
After School/Camp Programs	
Camps	20%—50%
After-School/Teen Program	20%—50%
Preschool Program	20%—50%
Aquatics	20%—50%

Service	Percentage of Cost or Amount to Be Recovered from Direct Fees
Contract Classes	50%—95%
Class Refunds	
\$74 or less	\$10
\$75 or more	\$20
Youth Sports	20%—50%
Special Events—Levels 1, 2, and 3	
Resident, Level 1 and Late Fees for Level 1	0%—20%
Resident, Levels 2—3 and Late Fees for Levels 2—3	20%—50%
Nonresident, Levels 1—2 and Late Fees for Level 1	20%—50%
Nonresident, Level 3 and Late Fees for Levels 2—3	50%—95%
<u>Appeal to City Council – Applicant Successful</u>	<u>0%</u>
Appeal to City Council – <u>Applicant Unsuccessful</u>	50%—95%
Natural Resources Programs	0%—20%
Senior Services	
Oasis Transportation	\$1—\$3 each way

Service	Percentage of Cost or Amount to Be Recovered from Direct Fees
Contract Classes	20%—50%
Fitness Center	50%—95%
Utilities Department	
Construction Water Meter Establishment	50%
Fats, Oils, and Grease (FOG) Annual Permit	0%
City Council, Board, Commission, Committee or Any Individual Member Thereof When Acting Within the Scope of Their Official Duties	
Review from a Lower Body or Official	\$0

~~(Ord. 2021-13 § 1, 2021; Ord. 2021-7 § 1, 2021; Ord. 2020-10 § 1, 2020; Ord. 2020-5 § 4, 2020; Ord. 2018-15 § 1, 2018; Ord. 2018-13 § 1, 2018; Ord. 2016-14 § 1, 2016; Ord. 2015-29 § 1, 2015; Ord. 2015-9 § 1, 2015; Ord. 2013-18 §§ 1, 2, 2013; Ord. 2013-1 § 1, 2013; Ord. 2011-28 § 1, 2011; Ord. 2011-10 § 1, 2011; Ord. 2009-32 § 1 (Exh. A), 2010; Ord. 2009-21 § 1 (Att. 1), 2009; Ord. 2008-14 § 1 (Exh. 1) (part), 2008; Ord. 2004-4 § 3, 2004; Ord. 2002-26 Exh. A, 2002; Ord. 2000-24 § 1, 2000; Ord. 98-18 § 1, 1998; Ord. 97-8 §§ 1 (part), 2, 1997)~~

3.36.040 Late Fees and Charges.

Notwithstanding any other provision of this Code, the City Council shall establish, in the fee resolution, late fees and interest to be paid by any user of user services who fails to make payments when required by this Code or any resolution, policy, or program adopted by the City Council. To the maximum extent practical, the late fees and interest shall be uniform for all user fees. ~~(Ord. 2008-14 § 1 (Exh. 1) (part), 2008; Ord. 97-8 § 1 (part), 1997)~~

3.36.050 Severability.

If any section, subsection, sentence, clause or phrase of this chapter is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this chapter. The City Council declares that it would have passed the ordinance codified in this chapter and each section, subsection, clause or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses and phrases be declared unconstitutional. (~~Ord. 2008-14 § 1 (Exh. 1) (part), 2008; Ord. 97-8 § 2, 1997~~)