

RESOLUTION NO. 8522

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDLANDS
ESTABLISHING A FEE AND SERVICE CHARGE REVENUE/COST COMPARISON
SYSTEM AND THE AMOUNTS OF FEES LEVIED IN CONNECTION WITH THE
CITY'S PROVISION OF REGULATIONS, PRODUCTS AND SERVICES, AND
RESCINDING RESOLUTION NO. 8045

BE IT RESOLVED by the City Council of the City of Redlands as follows:

Section 1. Intent. Pursuant to article XIII B of the California Constitution, it is the intent of the City Council of the City of Redlands to require the ascertainment of recovery of costs reasonably borne from fees levied therefor in providing the regulations, products or services hereinafter enumerated in the exhibits to this Resolution. The fee and service charge revenue/cost comparison system established within this Resolution provides a mechanism to ensure that, pursuant to this Resolution, the fees adopted by the City for services rendered do not exceed the reasonable estimated costs for providing the regulations, products or services for which the fees are charged. Accordingly, the City Council, by adoption of this Resolution, adopts the fees described in the attached Exhibit "A".

Section 2. CPI Adjustment. The fees established by this Resolution may be increased annually by the City's Finance Director, in July of each fiscal year, by an amount reasonably equal to the percent change in the Consumer Price Index – All Urban Users (Riverside – San Bernardino – Ontario) over the prior year. In making such adjustments, the Finance Director may round the amount of the increased fee to the nearest dollar for purposes of facilitating efficient payment and collection. Further, the City Manager, or his or her designee, shall undertake periodic reviews of the fees established by this Resolution and provide a written report to the City Council recommending whether such fees should be adjusted to reflect increased costs or efficiencies in the City's provision of regulations, products and services.

Section 3. Authority for Administrative Orders. The City Manager is hereby delegated the authority to issue administrative orders establishing fee collection and financial procedures for implementation of this Resolution. All such administrative orders shall be signed by any affected Department Directors and the Finance Director.

Section 4. Costs Reasonably Borne. The phrase "costs reasonably borne," as used in this Resolution, consists of:

- A. All applicable direct costs including, but not limited to, salaries, wages, fringe benefits, services and supplies, operation expenses, contracted services, special supplies and any other direct expense incurred.
- B. All applicable indirect costs including, but not limited to, building maintenance and operations, equipment maintenance, communication, printing and reproduction, and like expenses when distributed on a rational proration system.

- C. Fixed asset recovery expenses, consisting of depreciation of fixed assets and additional fixed asset expense recovery charges calculated on the current estimated cost of replacement, divided by the approximate life expectancy of the fixed asset. A further additional charge to make up the depreciation not previously recovered and reserved in cash also shall be calculated and considered a cost so as to recover such unrecovered depreciation over the remaining life of the asset.
- D. General overhead, expressed as a percentage, distributing and charging the expenses of the City Council, City Manager, Finance Department, City Clerk, City Treasurer, City Attorney, Human Resources Department and all other staff and support service provided to the entire City organization.
- E. Departmental overhead, expressed as a percentage, distributing and charging the cost of each department director and his or her supporting expenses as enumerated in the above subsections of this section.
- F. Debt service costs, consisting of repayment of principal, payment of interest, and trustee fees and administrative expenses for all applicable bonds, certificates of participation, securities issues or loans. Any required coverage factors of added reserves beyond basic debt service costs shall also be considered a cost if required by covenant within any securities, ordinance, resolution, indenture or general law applicable to the City.

Section 5. Public Hearing. Pursuant to California Government Code sections 66016 and 66018, or other applicable statutory requirements, the City Clerk has caused public notice to be provided as set out in Government Code sections 66016, 66018 and 6062a, and the City Council has received at a regularly scheduled meeting oral and written testimony from staff and members of the public concerning the new fee proposed to be established by this Resolution. The notice, oral and written presentations and public meeting were provided prior to the City Council taking any action on the new fee established by this Resolution.

Section 6. Public Data. At least ten (10) days prior to the required public hearing described herein, the City Clerk made available to the public data indicating the cost or estimated cost required to support the fee for which the charge is proposed to be made. The data demonstrates that the new fee established by this Resolution is not a tax; that the amount of the fee is necessary to cover the reasonable costs of the City for the Service for which it is imposed; and the manner in which the costs are allocated to a payor bear a fair and reasonable relationship to the payor's burden on, or benefit received from, the City's governmental activities.

Section 7. Public Notice. Notice of the time and place of the public hearing, including a general explanation of the matter to be considered, has been mailed by the City Clerk at least 14 days prior to the public hearing to all interested parties who have filed written requests with the City for mailed notice of meetings relating to new or increased fees.

Section 8. Actual Costs/Deposits. The actual cost for a regulation, product, service or project is determined by the affected City Department Directors. Initial deposits are determined by the amount of time historically spent by City staff on similar projects. Whenever seventy five percent (75%) of a deposit has been expended and the department determines that the estimated actual cost of the project or service will exceed the amount deposited, an additional deposit of such estimated excess amounts shall be required. When an additional deposit has been requested, work will be suspended on the project or service when eighty percent (80%) of the deposit previously received has been expended.

Section 9. Proposition 26 Determination. The City Council hereby finds and determines that the fees referenced within this Resolution are not taxes as defined in Article XIII C Section 1(e) of the California Constitution because the fees are either:

- A. Imposed for a specific benefit conferred or privilege granted directly to the payors, that is not provided to those not charged, and which do not exceed the reasonable costs in the City of conferring the benefit or granting the privilege;
- B. Imposed for a specific government service or product provided directly to the payor that is not provided to those charged, and which do not exceed the reasonable costs to the City of providing the service or product;
- C. Imposed for the reasonable regulatory costs to the City for issuing licenses and permits, performing investigations, inspections, or audits, and the administrative enforcement and adjudication thereof;
- D. Imposed for entrance to, or use of, City property; or the purchase, rental or lease of City property; or
- E. Charges imposed as a condition of property development.

Section 10. Prior Resolutions Rescinded. Resolution No. 8045 of the City Council of the City of Redlands relating to fees is hereby rescinded on the effective date of this Resolution, except for the fees identified in this Resolution as becoming effective sixty (60) days after December 5, 2023. For the fees identified in this Resolution No. 8522 as becoming effective sixty (60) days after December 5, 2023, such portions of Resolution No. 8045 shall not be rescinded until sixty (60) days after December 5, 2023.

Section 11. CEQA Exemption. The City Council hereby finds and determines that the adoption of this Resolution is exempt from review and under the California Environmental Quality Act (“CEQA”) pursuant to Public Resources Code Section 21080(b)(8)(1) and CEQA Guidelines Section 15273 because this Resolution relates to fees and charges for the purpose of meeting the operating expenses of the City.

Section 12. Severability. Should any part or portion of this Resolution be rendered or declared invalid by a court of competent jurisdiction, including any of the fees identified in the Exhibit to this Resolution, such invalidation of such part or portion of this Resolution, or of any

fee, shall not invalidate the remaining portions hereof, of the remaining fees, and they shall remain in full force and effect.

Section 13. Effective Date. This Resolution and the fees established by this Resolution shall become effective on December 5, 2023, except for new or modified fees which apply to the “filing, accepting, reviewing, approving, or issuance of an application, permit or entitlement to use” for a development project, as defined in Government Code section 66000, which shall become effective sixty (60) days after December 5, 2023.

ADOPTED, SIGNED AND APPROVED this 5th day of December 2023.

Eddie Tejada, Mayor

ATTEST:

Jeanne Donaldson, City Clerk

I, Jeanne Donaldson, City Clerk of the City of Redlands, hereby certify that the foregoing Resolution was duly adopted by the City Council at a regular meeting thereof, held on the 5th day of December, 2023, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Jeanne Donaldson, City Clerk