

Agenda Report

TO: CITY COUNCIL **DATE:** May 21, 2007
THROUGH: FINANCE COMMITTEE (April 23, 2007)
FROM: CITY MANAGER
SUBJECT: SCHEDULE OF TAXES, FEES, AND CHARGES

RECOMMENDATION

It is recommended that the City Council approve the scheduled rate increases per the attached Schedule of Taxes, Fees and Charges.

BACKGROUND

Section 1.08.060 of the Pasadena Municipal Code provides that all taxes, fees and charges referred to in the Code, will be adjusted on July 1 of each year to reflect changes in the Consumer Price Index (CPI) during the 12 months which ended the preceding March 1. Pursuant to California Government Code Section 53750, the City Council has the authority to increase taxes pursuant to a CPI adjustment formula that was in place prior to November 6, 1996. The City's CPI formula was adopted in 1978. The Municipal Code requires the Director of Finance to compute the changes and submit them for review. The Council may reject any or all of the recommended increases; however, it may not modify any adjustments before ordering the report filed. The actions to reject any one of the recommendations must be taken by June 30. At that time, changes that have not been rejected will automatically be implemented. The Consumer Price Index for all Urban Consumers in the Los Angeles-Riverside-Orange County Metropolitan areas increased by 3.50% between March 1, 2006 and March 1, 2007.

The attached list is accordingly submitted showing the current rates of all taxes, fees and charges affected by these provisions, and the adjusted rates that would take effect July 1, 2007. Staff is not recommending changes to any tax rate which is based upon a

percentage because under Proposition 218 these are subject to electoral approval. Further, the Traffic Reduction and Transportation Improvement Fees were approved by City Council on July 17, 2006 and the 2008 Grandstand Permit Application Tax, Rose Bowl Admission Tax, and Grandstand Seat Surcharge rates were approved by Council on February 26, 2007.

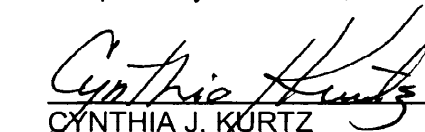
FISCAL IMPACT

Implementation of all scheduled rate adjustments would increase estimated revenues for FY 2008 by the following amounts:

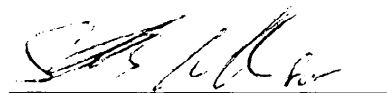
General Fund	\$145,000
Sewer Construction and Maintenance Fund	\$182,000
Library Special Tax Fund	\$58,000

The projected revenue from these increases will be incorporated into FY 2008 Operating Budget if approved by the City Council and have been factored into the City's five year financial plan.

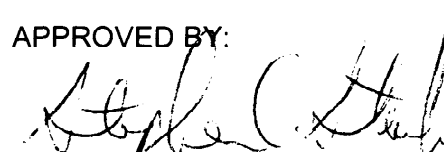
Respectfully submitted,


CYNTHIA J. KURTZ
City Manager

PREPARED BY:


Michael M. Blazenski
Interim Accounting Administrator

APPROVED BY:


Stephen C. Stark
Director of Finance

Attachment

CITY OF PASADENA
SCHEDULE OF TAXES, FEES AND CHARGES
Adopted for Annual CPI Changes Through March 1, 2007 - Effective July 1, 2007

<u>MUNICIPAL CODE SECTION</u>	<u>ADOPTED FY2007 RATE</u>	<u>PROPOSED FY2008 RATE</u>
3.12.040 GRANDSTAND PERMIT APPLICATION TAX		
Per Seat	0.58	0.60 (1)
Minimum	34.34	35.52 (1)
3.16.07 TOURNAMENT OF ROSES PROGRAM PERMIT DEPOSIT FEES		
Fee	80.01	82.81
For each of the cards	0.14	0.14
4.17.050 RESIDENTIAL IMPACT FEE		
Per unit	N/A	N/A
Number of Bedrooms		
Studio	14,588.00	15,098.58
1	15,395.00	15,933.83
2	17,098.00	17,696.43
3	19,662.00	20,350.17
4	23,890.00	24,726.15
5 or more	27,003.00	27,948.11
Per Unit Fee for Affordable Housing pursuant to the Inclusionary Housing Regulations, Skilled Nursing Units,	756.00	782.46
Fee Reduction of 30 Percent for Non-Affordable Units if Affordable Housing is Built On-Site		
Studio	10,211.60	10,569.01
1	10,776.50	11,153.68
2	11,968.60	12,387.50
3	13,763.40	14,245.12
4	16,723.00	17,308.31
5 or more	18,902.10	19,563.67
4.19.040 TRAFFIC REDUCTION AND TRANSPORTATION IMPROVEMENT FEE		
New Industrial use per square foot	3.22	3.10
New Office use per square foot	3.22	3.72
New Retail use per square foot	3.22	8.62
New Residential use per new unit	-	2,480.00

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<u>MUNICIPAL CODE SECTION</u>	<u>ADOPTED FY2007 RATE</u>	<u>PROPOSED FY2008 RATE</u>
4.24.020 UNDERGROUND SURTAX RATE		
First \$ 1,000 of monthly bill	4.34%	4.34%
4,000 of monthly bill	3.70%	3.70%
20,000 of monthly bill	2.47%	2.47%
Over 25,000 of monthly bill	1.21%	1.21%
4.32.020 CONSTRUCTION TAX		
Percentage of value	1.92%	1.92% (2)
4.36.020 REAL PROPERTY TRANSFER TAX		
For each \$500.00 of value	0.275	0.275 (3)
4.44.030 TRANSIENT OCCUPANCY TAX		
Percentage of rent	12.11%	12.11%
4.48.040 ROSE BOWL ADMISSION TAX		
Tax	0.08	0.08 (1)
Additional charge per \$1.00	0.11	0.11 (1)
Maximum	1.33	1.38 (1)
4.52.020 SEWER USE TAX		
A. 100 cu. ft. - homes served under Ordinance	0.20	0.21
Maximum per year	94.96	98.28
B. 100 cu. ft. - homes not served under Ordinance	0.25	0.26
Minimum per month	7.87	8.15
C. 100 cu. ft. - all other sources	0.36	0.37
4.52.025 STORM DRAIN SEWER USE TAX		
Per unit of runoff quantity	30.60	31.67

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<u>MUNICIPAL CODE SECTION</u>	<u>ADOPTED FY2007 RATE</u>	<u>PROPOSED FY2008 RATE</u>
4.54.020 STREET LIGHT & TRAFFIC SIGNAL TAX		
Percentage of charges (first 1,000 KWH exempted)	7.43%	7.43%
UTILITY USER TAXES		
4.56.030 TELEPHONE TAX		
Percentage of charges	8.28%	8.28%
4.56.040 ELECTRICITY TAX		
Commercial - percentage of charges	7.67%	7.67%
Residential - percentage of charges	7.67%	7.67%
4.56.050 GAS TAX		
Commercial - percentage of charges	7.90%	7.90%
Residential - percentage of charges	7.90%	7.90%
4.56.060 WATER TAX		
Commercial - percentage of charges	7.67%	7.67%
Residential - percentage of charges	7.67%	7.67%
4.56.070 CABLE TV TAX		
Percentage of charges	9.40%	9.40%
4.109.180 LIBRARY SPECIAL TAX		
Single family residence or residential unit in a residential condominium project	27.66	28.63
Each residential unit of a multi-unit building which is not a condominium project	17.97	18.60
Each parcel of non-residential property	203.30	210.41

CITY OF PASADENA
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<u>MUNICIPAL CODE SECTION</u>	<u>ADOPTED FY2007 RATE</u>	<u>PROPOSED FY2008 RATE</u>
BUSINESS LICENSE TAXES		
5.04.040 BUSINESS LICENSE MAXIMUM TAX		
Maximum	51,397.32	53,196.23
5.10.030 COMBINATION BUSINESSES TAX		
Off-sale alcoholic licenses Additional per license	856.62	886.60
5.10.190 LICENSE TRANSFER TAX		
Per license	35.81	37.06
5.10.210 DUPLICATE LICENSE TAX		
Fee for duplicate	7.17	7.42
5.16.020 GENERAL BUSINESS TAX		
License tax	133.62	138.30
Each employee in excess of one	26.72	27.65
5.16.025 BUSINESS WITH TAKE-OUT SERVICE TAX		
Basic tax	267.23	276.58
Each employee in excess of one	53.45	55.32
5.16.030 PROFESSIONAL BUSINESS TAX		
First professional	356.30	368.77
For additional	178.15	184.39
Non-professional employee	26.72	27.65

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<u>MUNICIPAL CODE SECTION</u>	<u>ADOPTED FY2007 RATE</u>	<u>PROPOSED FY2008 RATE</u>
5.16.040 COIN OPERATED MACHINES TAX		
A. Vending Machines		
1. Annual tax		
First \$5,000 gross receipts	143.40	148.42
Each additional \$1,000	7.13	7.38
2. Per year per machine		
\$.01 and under	7.13	7.38
.02 to .05	14.32	14.82
.06 to .10	35.81	37.06
.11 OR MORE	71.70	74.20
B. Music and Game Machines		
1. Annual Tax		
First \$5,000 Gross receipts	143.40	148.42
Each additional \$1,000	7.13	7.38
2. Per year per machine	143.40	148.42
5.16.050 SERVICE BUSINESS TAX		
License tax	133.62	138.30
Each employee in excess of one	26.72	27.65
5.16.070 NEW YEAR'S DAY RELATED BUSINESS TAX		
A. Temporary-food/merchandise		
1. Vendor	107.46	111.22
2. Solicitor or peddler	71.69	74.20
B. Grandstand seat surcharge	4.62	4.78 (1)
5.16.090 THEATERS TAX		
Per seat	1.84	1.91
5.16.100 JUNK AND REFUSE COLLECTORS TAX		
First four vehicles	358.48	371.02
Each additional vehicle	179.18	185.45

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<u>MUNICIPAL CODE SECTION</u>	<u>ADOPTED FY2007 RATE</u>	<u>PROPOSED FY2008 RATE</u>
5.16.120 RETAIL AND WHOLESALE DELIVERY TAX		
Per year	179.18	185.45
5.16.130 NEWSPAPERS AND ADVERTISING TAX		
License tax	143.40	148.42
Each employee in excess of one	28.68	29.68
5.16.140 CHRISTMAS TREES TAX		
License tax	143.40	148.42
5.16.150 AUCTIONS TAX		
Per day	179.21	185.48
5.16.160 SELF-SERVICE MACHINES TAX		
A. First \$5,000 or less of gross receipts	71.69	74.20
Each \$1,000 of gross receipts or fraction thereof in excess of \$5,000	7.13	7.38
B. License tax per year	143.40	148.42
Per machine	14.32	14.82
Each employee in excess of one	28.68	29.68
C. Each machine in another licensed business	14.32	14.82
5.16.180 CONTRACTING & BUILDING TRADES (ANNUAL TAX)		
General engineering contractor	1075.46	1,113.10
General building contractor	716.97	742.06
Specialty contractor	537.74	556.56
Other building tradesman	537.74	556.56
Six-month license-percentage of annual tax	60.00%	60.00%
Three-month license-percentage of annual tax	30.00%	30.00%

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5.16.190 RENTAL ACCOMMODATIONS TAX		
A. Hotel, Roominghouse, etc.		
Three rental accommodations	131.40	136.00
Each additional accommodation	14.32	14.82
B. Boarding Homes, Rest Homes, etc.		
First person accommodated	125.59	129.98
Each additional person	14.32	14.82
5.16.200 CIRCUS OR MENAGERIE TAX		
Per day	716.97	742.06
5.16.210 SIDE SHOW TAX		
Per day	64.03	66.27
5.16.220 ANIMALS TAX		
Per day	159.82	165.42
5.16.230 AMUSEMENT PARK TAX		
Per year - up to 5 devices	639.52	661.90
Per each device in excess of 5	159.82	165.42
5.16.240 BOXING AND WRESTLING TAX		
Three month license	645.25	667.83
Per year	2,539.35	2,628.23
5.16.250 MOVING PICTURES TAX		
Per day City owned property	797.28	825.19
Per day Private property	625.96	647.86
10-20 days Nonresidentially zoned property	6,259.56	6,478.64
Still photography	52.40	54.23

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5.16.260 OTHER AMUSEMENTS TAX		
Admission: Donation only per day	41.77	43.23
\$.25 and under per day	41.77	43.23
\$.25 to \$.50 per day	53.72	55.60
\$.51 and over per day	71.69	74.20
5.16.270 NON-RESIDENTIAL BUILDINGS TAX		
Base fee - Properties under 1,000 sq. ft.	71.59	74.10
Owner occupied	35.80	37.05
Base fee - Properties over 1,000 sq. ft.		
First 1,000 sq. ft.	143.18	148.20
Owner occupied	71.59	74.10
Each additional 1,000 sq. ft.	14.32	14.82
5.20.040 ADVERTISEMENT FEES TAX		
One year	358.48	371.02
Six months	209.06	216.38
Three months	119.47	123.65
One month	47.78	49.45
5.32.090 BILLIARD AND POOL ROOMS TAX		
Per application	123.20	127.51
Each person named in application	24.67	25.53
Renewal	30.79	31.86
Each additional person not named	24.67	25.53
5.33.060 BINGO GAMES WRITTEN APPLICATION FEES		
Per application	117.25	121.36
Renewal	117.25	121.36
5.40.080 ESCORT BUREAUS APPLICATION		
Per application	672.15	695.68
Renewal	597.48	618.39

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<u>MUNICIPAL CODE SECTION</u>	<u>ADOPTED FY2007 RATE</u>	<u>PROPOSED FY2008 RATE</u>
5.44.040 USE OF PUBLIC RIGHTS OF WAY		
Application processing fee	308.07	318.85
5.48.110 MESSAGE ESTABLISHMENT PERMIT FEES		
A. Per application	154.04	159.43
Per employee	61.66	63.82
B. Per renewal	92.40	95.63
Per employee	30.79	31.86
5.52.130 MODEL STUDIOS PERMIT FEES		
A. Per application	308.07	318.85
Per employee	308.07	318.85
B. Renewal	215.59	223.13
Per employee	215.59	223.13
5.56.030 LICENSE - PAWNBROKER OR SECONDHAND DEALER		
Secondhand Dealer - each establishment or place of business	18.37	19.02
Pawnbroker - each establishment or place of business	91.86	95.07
5.56.040 JUNK DEALER OR COLLECTOR		
Application -each establishment or place of business	183.72	190.15
For number of vehicles used in business:		
1 vehicle	None	None
2 to 4 vehicles	183.72	190.15
5 or more vehicles	91.86	95.07
5.60.070 SALES AND CLOSE-OUTS PERMIT FEES		
Permit for first 30 days	597.49	618.41

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5.60.090 SALES AND CLOSE-OUTS PERMIT RENEWALS		
Renewal additional 30 days	597.49	618.41
5.68.030 UNDERGROUND FACILITIES USE		
Per duct ft. per year	0.02	0.02
5.72.220 TAXI CAB DRIVERS PERMIT FEES		
Permit	30.79	31.86
5.72.230 TAXI CAB OWNERS PERMIT FEES		
Taxi - per year	358.48	371.02
Six months	209.06	216.38
Per day - New Years's Day only	20.89	21.62
Limited owner - per year	29.85	30.90
Temporary 30 days or less	35.84	37.09
6.16.020 DOG LICENSE REGULATIONS		
Transfer fee	4.52	4.68
6.16.050 DOG LICENSE FEES		
Spayed or neutered	14.11	14.60
Not spayed or neutered	28.19	29.17
6.16.060 DOG LICENSE REGULATIONS		
Time limit on fee payment	18.07	18.70
6.16.100 DOG LICENSE REGULATIONS		
Duplicate license tags	5.27	5.45
6.20.090 REGULATIONS FOR KEEPING HORSES		
Per year	15.70	16.25

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<u>MUNICIPAL CODE SECTION</u>	<u>ADOPTED FY2007 RATE</u>	<u>PROPOSED FY2008 RATE</u>
9.36.210 NOISE RESTRICTIONS - AMPLIFIED SOUND FEE FOR OPERATION		
Per day	79.81	82.60
9.48.030 FIRE HYDRANT CONNECTION PERMIT REQUIRED		
Permit fee	16.20	16.77
12.16.100 MOVING BUILDINGS ALONG STREETS - PERMIT, FEES, AND DEPOSITS		
A. Class A permit	25.89	26.80
B. Class B permit	161.98	167.65
C. Class C permit	161.98	167.65
D. Class D permit	259.15	268.22
E. Class E permit	534.52	553.23
12.16.120 RELOCATION PERMITS REQUIRED (MOVING BUILDINGS)		
APPLICATION FEE:		
For a building - minimum	N/A	N/A
For each dwelling unit, subject to building minimum	N/A	N/A
For buildings located outside the city	N/A	N/A
13.24.060 SEWER CONSTRUCTION & MAINTENANCE CHANGE TO Y OR T		
For permission to connect a house sewer to a public sewer	24.34	25.19
13.24.400 SEWER DISCHARGE		
Permit to discharge objectionable substance	24.34	25.19

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17.42.050 IN LIEU FEE (per square foot)			
10-49 Rental Units			
Sub-area A	TBD	TBD	(4)
Sub-area B	1.00	1.04	
Sub-area C	22.00	22.77	
Sub-area D	20.00	20.70	
50 + Rental Units			
Sub-area A	TBD	TBD	(4)
Sub-area B	1.00	1.04	
Sub-area C	30.00	31.05	
Sub-area D	28.00	28.98	
10-49 For Sale Units			
Sub-area A	38.00	39.33	
Sub-area B	14.00	14.49	
Sub-area C	23.00	23.81	
Sub-area D	18.00	18.63	
50 + For Sale Units			
Sub-area A	53.00	54.86	
Sub-area B	19.00	19.67	
Sub-area C	32.00	33.12	
Sub-area D	25.00	25.88	

(1) Adjusted by the Oct. 1 Consumer Price Index.

(2) As in the prior year, the following fee waivers per unit are applicable for projects with less than or equal to 50% affordable units:

- Very Low Household Income
- Low Household Income
- Moderate Household Income

The following fee waiver per unit are applicable for projects with greater than 50% affordable units:

- Very Low Household Income
- Low Household Income
- Moderate Household Income

The maximum fee waiver (Construction Tax and Building Permit combined) will not exceed \$125,000 per project.

As of July 1, 2006, for each City validated affordable dwelling unit provided on-site in a building complying with the Green Building Practices Ordinance \$1,000 will be reimbursed from the Construction Tax revenue received from the project effective for plans submitted to the City for plan check review on or before December 20, 2008.

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<u>MUNICIPAL CODE SECTION</u>	<u>ADOPTED FY2007 RATE</u>	<u>PROPOSED FY2008 RATE</u>
(3) Rate established by State code.		
(4) The rental in-lieu fees for Sub-area A shall be determined (TBD) in accordance with the Keyser Marston Associates (KMA) study methodology at the time of application for payment of In-lieu fees for a rental housing project.		