



Agenda Report

December 8, 2014

TO: Honorable Mayor and City Council

THROUGH: Finance Committee

FROM: Director of Finance

SUBJECT: ADJUSTMENTS TO THE FISCAL YEAR 2015 SCHEDULE OF TAXES, FEES, AND CHARGES AND TO THE FISCAL YEAR 2015 GENERAL FEE SCHEDULE

RECOMMENDATION:

1. Approve the scheduled rate increases effective February 1, 2015 for the Grandstand Permit Application, the Rose Bowl Admission Tax, and the New Year's Day Related Business Grandstand Seat Surcharge as set forth in the body of this report. (Schedule of Taxes Fees, and Charges)
2. Adopt a resolution to approve fee amendments for Processing Residential Alterations and Remodels, and; Processing Fee – Demolition Only Projects in the General Fee Schedule.

BACKGROUND:

Normally, Rose Bowl and Grandstand fee adjustments are presented separately from other fee adjustments however, since there are other fee adjustments at this time, it is requested to present these adjustments to both the Fiscal Year 2015 Revised Schedule of Taxes, Fees, and Charges and the Fiscal Year 2015 Revised General Fee Schedule. The distinction between the Schedule of Taxes, Fees, and Charges and the General Fee Schedule are:

Schedule of Taxes, Fees, and Charges is set by Municipal Code

General Fee Schedule is set by City Council Resolution

Rose Bowl Admission Tax, New Year's Day Related Business Grandstand Seat Surcharge and, the Grandstand Permit Application Fee

Pursuant to Pasadena Municipal Code Section 1.08.060 the Rose Bowl Admission Tax, the Grandstand Seat Surcharge, and the Grandstand Permit Application Fee are to be adjusted on February 1st of each year by an amount equal to the change in the Consumer Price Index (CPI) for the Los Angeles-Riverside-Orange County metropolitan area for the preceding 12 month period ending October 1st. The change in CPI for all urban consumers in the Los Angeles Riverside-Orange County metropolitan area was 1.6744 percent between October 1, 2013 and October 1, 2014; accordingly, it is proposed that the Rose Bowl Admission Tax, the Grandstand Seat Surcharge, and the Grandstand Permit Application Fee be increased by a like amount on the FY 2015 Revised Schedule of Taxes, Fees, and Charges as indicated below.

Municipal Code Section 4.48.040 – Rose Bowl Admission Tax

This tax is levied upon every ticket for admission to the Rose Bowl.

	<u>Current Rate</u>	<u>Proposed Rate</u>	
Tax on first dollar of ticket price	\$0.08	\$0.08	*
Charge per each additional \$1.00 or fractional part of a dollar on ticket price exceeding \$1.00	\$0.11	\$0.11	*
Maximum rate	\$1.59	\$1.61	

*CPI increase results in a change of less than one half of one cent; therefore, the rate does not change.

Municipal Code Section 5.16.070-B – New Year's Day Related Business Grandstand Seat Surcharge

This is a special business license tax levied upon every vendor engaged in the business of selling seats for viewing the Tournament of Roses Parade.

	<u>Current Rate</u>	<u>Proposed Rate</u>
Per Seat	\$5.49	\$5.58

Municipal Code Section 3.12.040 – Grandstand Permit Application

This fee is charged for each seat in each grandstand designed or used for seating for a person viewing the Tournament of Roses Parade.

	<u>Current Rate</u>	<u>Proposed Rate</u>
Per Seat	\$0.67	\$0.68
Minimum	\$40.84	\$41.52

Public Works Department – Amend Processing Residential Alterations and
Remodels Fee, and Processing Fee – Demolition Only Projects.

Reduce the fees for Processing Residential Alterations and Remodels (Fee #1419) and Processing Fee-Demolition Only Projects (Fee #1420) from \$63.70 to \$63.32. Due to an administrative oversight the incorrect fee was adopted.

COUNCIL POLICY CONSIDERATION:

The proposed actions are consistent with the City Council's Strategic Planning goal of: (1) maintaining fiscal responsibility and (2) supporting and promoting the quality of life and local economy.

FISCAL IMPACT:

Implementation of the proposed rate adjustments for the Grandstand Permit Application, the Rose Bowl Admission Tax, and the New Year's Day Related Business Grandstand Seat Surcharge would increase estimated revenues for FY 2016 in the New Year's Day Event Fund by \$2,300 (6030/6183-106-952510) and \$3,800 in additional revenue for the Rose Bowl Operating Company.

The revenue reduction caused by the reduction to the Public Works' Processing Fees is anticipated to be minimal (less than \$170) (6725-406-764200).

There is no fiscal impact to the budgeted appropriations as a result of these actions nor will there be indirect or support cost requirements. The anticipated impact to other operational programs or capital projects as a result of this action will be none.

Respectfully submitted,

for Robert S. Ridley

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