

In September 2021, City staff hired a consultant (Lewis Young Robertson & Burningham) to conduct a review of Community Development fees. Specifically, the consultant was tasked with reviewing the City's current Business License, Planning, and Building Permit fees to determine compliance with state statute and assess the level of subsidization, if any, relative to the associated costs in these areas. Administrative Services and Community Development staff also worked closely with the consultant to consider alternative fee structures and adjust fees to enhance equity, transparency, accuracy, simplicity, and administrative efficiency of the fees. The attached presentation and fee schedules summarize the results and recommendations of this 15-month analysis.

Throughout the process of evaluating potential fee adjustments, great care has been taken to balance the City's need to recoup incurred costs with the impact of fee adjustments on the business and development community. A significant amount of staff time and the consultant's time has been spent considering equitable fee levels and attempting to compare with other cities' fees that often do not compare easily. As much as possible, these comparisons have been considered when setting the proposed fees. When appropriate, fee reductions have been recommended, and in most cases, fees are proposed below costs justified by the analysis.

Staff is providing these fee adjustments for the council's review and consideration, and it is proposed that they be adopted in the next business meeting on January 31st. Questions regarding the analysis may be directed to Brett Neumann or Brian Kelley.