

STAFF REPORT
City of Lancaster, California

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05/08/07
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Date: May 8, 2007

To: Mayor Hearn and City Council Members

From: Barbara Boswell, Finance Director

Subject: **Annual CPI Adjustment of Fee Schedule Relating to Cost of Services**

Recommendations:

Adopt Resolution No. 07-91, rescinding Resolution No. 06-242 in its entirety and establishing the citywide fee schedule relating to cost of services.

Fiscal Impact:

Based on projected service levels, it is estimated the adjustment will increase General Fund revenues by \$84,000 and revenues in other funds by \$231,000 for a total increase to projected 07/08 revenues of \$315,000.

Background:

On December 12, 2006 the City Council adopted Resolution 06-242 establishing a citywide fee schedule relating to cost of services for both development and non-development services. Included in the resolution was allowance for an annual adjustment based on the March Los Angeles-Riverside-Orange Co – All Urban Consumers (CPI-U) annual percentage change. For March 2007 that percentage was 3.8%. Adjusting fees incrementally by the CPI results in the fees keeping pace with the cost of providing those services.

There is also one new fee proposed as part of this action: Rental Housing Business License Change \$15. This fee will recover the cost of processing name changes on an existing Rental Housing Business License, consistent with the fee charged for Business Licenses.

The fee schedules will go into effect July 9, 2007.

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