



CITY OF SURPRISE
Regular City Council Work Session Agenda
16000 N. Civic Center Plaza
Surprise, AZ 85374

Tuesday, June 6, 2017 @ 5:00 PM
COUNCIL CHAMBERS

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- A. Call To Order
- B. Roll Call
- C. Pledge of Allegiance
- D. Call To The Public:

INSTRUCTIONS: In order to address the City Council, you will need to fill out a Call to the Public Form available at the front counter, and then turn it in to the City Clerk before the meeting begins.

[Download the Call to the Public form](#) (PDF download requires [Adobe Acrobat Reader](#))

[Fill out the Call to the Public form online](#) If submitting form electronically, please submit to City Clerk at least one hour before the meeting start time.

The Call to the Public form is also available at the front counter.

Note: A.R.S. 38-431.01(H)- During this time members of the public may address City Council only on issues within the jurisdiction of the City Council which are not an item on the agenda. At the conclusion of the open call, City Council may respond to criticism, may ask staff to review the matter or may ask that the matter be put on a future agenda. No discussion or action shall take place on any item raised.

Approval of items on the Consent Agenda – all items with an asterisk (*) are considered to be routine matters and will be enacted by one motion and one roll call vote to the City Council. There will be no separate discussion on these items unless a Councilmember requests, in which event the item will be removed from the consent agenda and considered in its normal sequence on the agenda.

E. Regular City Council Work Session Agenda:

Regular Agenda Item - Non-Public Hearing:

1. District Citywide [Presentation and discussion on new/revised Community Development user fee schedule.](#)

None
Eric Fitzer -
Community
Development

F. Executive Session:

For information Purposes; Upon a public majority vote of a quorum of the City Council, the Council may hold an executive session, which will not be open to the public, but for only the following purposes:

- discussion or consideration of personnel matters (A.R.S. §38-431.03 (A)(1));

- discussion or consideration of records exempt by law from public inspection (A.R.S. §38-401.03 (A) (2));
- discussion or consultation for legal advice with the city's attorneys (A.R.S. §38-431.03 (A)(3));
- discussion or consultation with the city's attorneys regarding the city's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation, or in settlement discussions conducted in order to avoid or resolve litigation (A.R.S. §38-431.03 (a)(4));
- discussion or consultation with designated representatives of the city in order to consider its position and instruct its representatives regarding negotiations with employee organizations (A.R.S. §38-431.03 (A)(5)); or
- discussion, consultation or consideration for international and interstate negotiations or for negotiations by a city or town, or its designated representatives, with members of a tribal council, or its designated representatives, of an Indian reservation located within or adjacent to the city or town. A.R.S. §38-401.03 (A)(6)).
- discussing or consulting with designated representatives of the city in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property (A.R.S. §38-431.03 (A)(7)).

Confidentiality Requirements Pursuant to A.R.S. §38-431.03(C)(D): Any person receiving executive session information pursuant to A.R.S. §38-431.02 shall not disclose that information except to the Attorney General or County Attorney by agreement of the City Council, or as otherwise ordered by a court of competent jurisdiction.

The council may vote to hold an executive session for the purpose of obtaining legal advice from the Board's attorney on any matter listed on the agenda pursuant to A.R.S. § 38-431.03(A)(3).

G. Adjournment:

SHERRY ANN AGUILAR, CITY CLERK, MMC

POSTED:

SPECIAL NOTE: PERSONS WITH SPECIAL ACCESSIBILITY NEEDS, INCLUDING LARGE PRINT MATERIALS OR INTERPRETER, SHOULD CONTACT THE CITY CLERK'S OFFICE @ 623.222.1200 OR TTY 623.222.1002, BY NO LATER THAN 24 HOURS IN ADVANCE OF THE REGULAR SCHEDULED MEETING TIME.



CITY OF SURPRISE
Regular City Council Work Session

June 6, 2017 @ 5:00:00 PM

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Council Meeting Date:	June 6, 2017	Contact Person:	Eric Fitzer - Community Development
Submitting Department:	CD	District:	Citywide
Staff Recommendations:	None		

Consent	Regular	Public Hearing	Report/Discussion
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Agenda Wording:

Presentation and discussion on new/revised Community Development user fee schedule.

Motion:

Discussion only

Background:

The current FY2018 budget is supported in part by direct charges for services provided by the city. These charges for services fall into three broad groups including utility rates, development impact fees, and user fees. The revision of utility rates and development impact fees is highly regulated by state law. Though less regulated, user fees do have state mandated posting requirements. Additionally, the Comprehensive Financial Management Policies call for a periodic examination of user fees to determine an acceptable rate of cost recovery. In order to ensure compliance with state mandates and to facilitate a more consistent user fee policy process, a consolidated user fee schedule was adopted by the Mayor and Council in FY2016. This consolidated schedule was the basis for all future user fee modifications. These modifications mostly encompassed three departments have identified new fees or revisions to existing fees. The departments are the City Clerk's Office, the Surprise Police Department, and the Surprise Fire and Medical Department; with Community Development adding a Solar permit fee. The Community Development Department has not conducted a formal overhaul of the Community Development User Fees (Development Services Fee Schedule) since 2010, under Resolution 2010-23, effective date April 1, 2010. There have been subsequent minor modifications in 2012 and 2016, but not a thorough review of the fees. Attached is the proposed Community Development User fee schedule for public review that includes the new and revised fees.

Objective Analysis:

The establishment and/or revision of the Community Development user fees allow the city to recover a portion of the costs associated with providing services. In the absence of user fees, these services either would not be provided, or would be provided with funding received from taxes, state shared revenues, or some other source. This, in turn, would lead to the reduction of other services currently supported by those sources.

Policy Compliant:

This action is compliant with City and Council policy. It supports the Comprehensive Financial Management Policies, specifically: 8. A diversified revenue system will be developed to protect City services. 14. All user fees (excluding water, wastewater, and solid waste) will be examined periodically to determine the direct and indirect cost of service recovery rate. The acceptable recovery rate and any associated changes to user fees and charges will be approved by the City Council.

Financial Impact:

Charges for Services/Other revenue is estimated to be \$9.8 million or 10% of the General Fund revenue in the FY2018 City Manager's Tentative Budget. Community Development User fees make up approximately \$2.4 million or 24% of the Charges for Services/Other revenue.

Budget Impact:

Anticipated operational costs associated with this item are included in the FY2018 City Manager's recommended budget. If there is a higher than expected level of activity in the programs, the expenditure budget may need to be amended. This potential increase to the expenditure budget would be offset by higher revenues.

FTE Impact:

There is no FTE impact at this time.

ATTACHMENTS:

Click to download

- ☐ [Community Development User Fee Update Council Work Session Presentation 060617](#)
 - ☐ [Community Development Fee Schedule Update](#)
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Community Development User Fee Update

June 6, 2017

Community Development User Fee Update

HISTORY

- Resolution 07-226 adoption of a fee schedule designed to recover the cost of services provided on January 1, 2008
- April 1, 2010 Resolution 2010-203 Established the Development Services Fee Schedule and revised Resolution 07-226
- March 5, 2012 Resolution 2012-1 revised the following:
 - Reduced water heater permit fees
 - Reduced Temporary Use Permit Fees
 - A-Frames
- July 1, 2016 Resolution 2016-62 established the Solar Permit Fee

Community Development User Fee Update

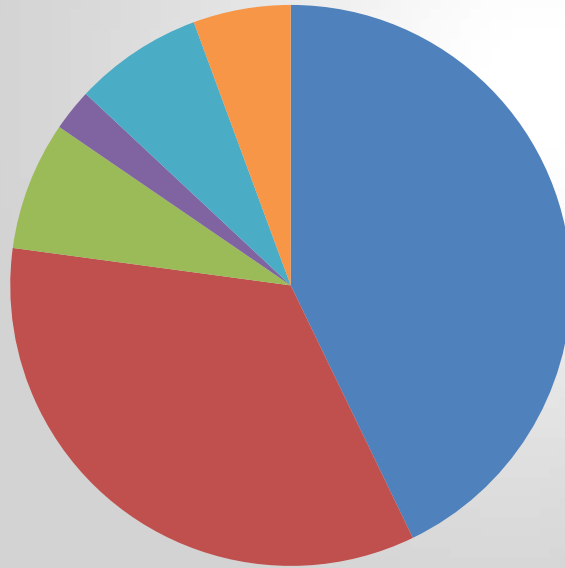
GOAL/REQUIREMENTS

- Recover all or part of program costs associated with development including various departments:
 - Community Development
 - Public Works (Engineering)
 - Fire/Police
 - Others including Legal, CRS, Finance
 - 60 day process per ARS § 9-499.15
 - Website notice
 - Effective upon action of Council resolution

Community Development User Fee Update

GENERAL FUND REV SOURCES

FY18 Revenue Projections \$99.7 Million



- Local Sales Tax \$42.7 Million
- Intergovernmental \$34.2 Million
- Charges for other Services/other than CD \$7.4 Million
- **Community Development Fees \$2.4 Million**
- Primary Property Tax \$7.4 Million
- Franchise Fees \$5.6 Million

Community Development User Fee Update

FINANCIALS

- User Fees
 - Make up \$9.8 million of estimated User Fee Revenue FY18
 - Community Development \$2.4 Million at 24% FY18
 - Based on current fee schedule
 - Tied to Comprehensive Financial Management Policies
 - Help to provide diversified revenue system
 - Help to recover some costs of service
 - Examined periodically
 - Last comprehensive assessment 2010

Community Development User Fee Update

NEW FEES

Planning & Development Services

- Administrative Use Permit
- Conditional Use Permit (Use only)
- Conditional Use Permit with Site Plan
- Design Review Elevation Only
- Map of Dedication
- Minor Land Division
- Parcel Assemblage
- Lot Line Adjustment
- Variance

Building Safety & Development Services

- Plan Revision Request
- Fourth and subsequent reviews
- Administrative Processing Fee – valuation of \$1 - \$999,999.00
- Administrative Processing Fee – valuation of \$1,000,001.00 +
- Self-Certification meeting
- Plan Revision after permit is approved

Community Development User Fee Update

REVISED FEES

Planning & Development Services

- Annexation
- Development Agreement & Amendment
- Pre Plat and Final Plat
- General Plan Amendment (Minor & Major)
- Home Product Review
- Rezone
- Site Plan
- Text Amendment
- Zoning Verification/Compliance Letter
- Model Home Complex
- Landscape Plan Review

Building Safety & Development Services

- Building/Fire Permit Fee - valuation of \$1,000 or less
- Building/Fire Permit Fee - valuation of \$1,000.01 to \$999,999.99
- Building/Fire Permit Fee - valuation of \$1,000,000+Administrative
- Temporary Power Permit
- Temporary Sales/Construction Trailer
- Temporary Use Permit
- Re-inspection
- After hour inspection

Community Development User Fee Update

SCHEDULE

- **Work Session with Council June 6, 2017**
- Post on City Website (60 days before Council Action) post prior to June 13th, 2017
 - Written Notice of the proposed fee
 - Fee schedule with amount of fee
 - Written report and data that supports fee
- File with City Clerk by June 13th, 2017
 - Schedule with amount of the tax/fee
 - Written report or data that supports the tax/fee
- Post of City's Website by July 31, 2017
 - Notice of intent that includes the date, time, and place of the Council meeting in which the fee/tax will be considered and a statement that a schedule with the amount of the tax/fee and a written report or data that supports the tax/fee is available on the City's website.
- Distribute through the City's social media accounts by July 31, 2015
 - Notice of intent that includes the date, time, and place of the Council meeting in which the fee/tax will be considered and a statement that a schedule with the amount of the tax/fee and a written report or data that supports the tax/fee is available on the City's website.
- **Potential City Council adoption of Resolution on August 15, 2017**



SURPRISE
ARIZONA

DISCUSSION

Thank You

Proposed Development Fee Schedule

Fee Name	Current Amount	Proposed Amount	Unit of Measure
Administrative Use Permit (AUP)		\$400.00	Each
Annexation	\$675.00	\$800.00	Each
Development Agreement	\$1,275.00	\$5,000.00	Each
Development Agreement Amendment	\$1,210.00	\$2,500.00	Each
Conditional Use Permit (Use Only)		\$1,250.00	Each
Conditional Use Permit with Site Plan		\$3,600.00 Plus \$30.00 Per Acre	Each Plus Per Acre
Design Review Elevation Only (Remodel, Colors)		\$50.00	Hourly
Final Plat	\$300.00	\$1,200.00 Plus \$17.00 Per Lot/Tract/Parcel	Each Plus Per Lot/Tract/Parcel
General Plan Amendment (Major)	\$4,045.00	\$6,000.00	Each
General Plan Amendment (Minor)	\$1,735.00	\$2,500.00	Each
Home Product Review	\$615.00	\$125.00	Per Plan
Landscape Design Review	\$200.00	\$300.00	Per Sheet
Preliminary Plat	\$320.00	\$2,500.00 Plus \$30.00 Per Lot/Tract/Parcel	Each Plus Per Lot/Tract/Parcel
Rezone	\$2,700.00	\$3,000.00 Plus \$20.00 Per Acre	Each Plus Per Acre
Site Plan (Narrative and elevations included in per sheet fee)	\$975.00	\$3,000.00 Plus \$30.00 Per Acre	Each Plus Per Acre
Text Amendment	\$1,035.00	\$2,000.00	Each
Zoning Amendment (Major)	\$1,770.00	\$2,500.00	Each
Zoning Verification, Compliance Letter	\$60.00	\$100.00	Each
Map of Dedication		\$750.00	Each
Minor Land Division		\$400.00 Plus \$17.00 Per Lot/Tract/Parcel	Each Plus Per Lot/Tract/Parcel
Parcel Assemblage		\$400.00	Each
Lot Line Adjustment		\$400.00	Each
Swimming Pool Signs	\$4.31 Per Sign	Actual Cost to Jurisdiction	Per Sign
Document Handling	\$1.00 Per Document	Actual Cost to Jurisdiction	Per Document
Public Meeting Notice/Advertising	\$185.22 Per Advertisement	Actual Cost to Jurisdiction	Per Advertisement

Proposed Development Fee Schedule

Model Home Complex	\$990.00	\$600.00 Each Plus \$30.00 Per Lot/Tract/Parcel	Each Plus Per Lot/Tract/Parcel
Variance		\$500.00 Each Plus \$25.00 Per Item Requested	Each Plus Per Item Requested
Plan Revision Requested by Applicant		50% of Initial Base Fee	Each
Misc. 4th and subsequent reviews (any plan type)		20% of Initial Base Fee	Each
Administrative Processing Fee - Valuation of \$1.00 - \$999,999.00		0.50% of Valuation	Valuation
Administrative Processing Fee - Valuation of \$1,000,001.00 +		0.052% of Valuation	Valuation
Self-Certification Meeting		\$300.00	Per Meeting
Building/Fire Permit Fee - Valuation of \$1,000 or Less	\$30.00 Plus \$4.11/\$1,000.00 of Valuation	\$75.00	Each Based on Valuation
Building/Fire Permit Fee - Valuation of \$1,000.01 to \$999,999.99	\$30.00 Plus \$4.11/\$1,000.00 of Valuation	\$100.00 Plus \$6.00 Per \$1,000.00 of Valuation	Each Plus Per \$1,000.00 of Valuation
Building/Fire Permit Fee - Valuation of \$1,000,000.00+	\$30.00 Plus \$4.11/\$1,000.00 of Valuation	\$100.00 plus \$5.00 per \$1,000.00 of Valuation	Each Plus Per \$1,000.00 of Valuation
Commercial Factory Built Building	\$4.50 Per Linear Foot/Per Story Including System	Per Arizona Department of Housing Intergovernmental Agreement	Each
Residential Factory Built Building	\$450.00 Per Story Including System	Per Arizona Department of Housing Intergovernmental Agreement	Each
Manufactured Home	\$350.00 Per Home	Per Arizona Department of Housing Intergovernmental Agreement	Each
Temporary Power Permit	\$45.00	\$75.00	Based on Valuation Under \$1,000.00
Temporary Sales/Construction Trailer	\$55.00	\$100.00 Plus \$6.00 Per \$1,000.00 of Valuation	Per \$1,000.00 of Valuation
Water Heater/Water Softener Permit	\$0.00	\$100.00 Plus \$6.00/\$1,000.00 of Valuation	Per \$1,000 of Valuation

Proposed Development Fee Schedule

Temporary Use Permit/Special Event		\$135.00	Per Permit
Grand Opening Event	\$20.00		Per Event
Minor Temporary Use Permit	\$40.00		Per Permit
Major Temporary Use Permit	\$60.00		Per Permit
Re-Inspection	\$75.00	\$100.00	Per Hour (\$200.00 min.)
After Hour Inspection	\$75.00	\$100.00	Per Hour (\$200.00 min.)
After Hour Inspection - Weekends/Holidays/3rd Shift	\$75.00	\$100.00	Per Hour (\$300.00 min.)
Landscape Plan Review	\$2.67/\$1,000.00 of Total Cost	\$100.00 Plus \$6.00 Per \$1,000.00 of Valuation	Per \$1,000.00 of Valuation
Plan Revisions - After Permit is Approved	\$0.00	\$100.00	Per Hour
City Jurisdiction or Service Area – Civil Construction Permit	3% for City Service	3% of Construction Cost	Per Permit
City Jurisdiction or Service Area, Private Utility	1% for Private Service	1% of Construction Cost	Per Permit
Development Preliminary Grading, and Drainage and Utilities	\$135.00	\$135.00	Per Sheet
Comprehensive Sign Program (CSP)		\$1,750.00	Each