



# City Council Report

**Date:** March 20, 2017  
**To:** City Council  
**Through:** Michael Kennington, Chief Financial Officer  
**From:** Ed Quedens, Business Services Department Director  
Tim Meyer, Business License and Revenue Collection Administrator  
**Subject:** Establishment of Fees for Escort Services  
(Citywide)

## **Purpose and Recommendation**

The purpose of this report is to establish application fees, license fees, and annual renewal fees for escort services, escort runners, and escort bureaus, effective April 1, 2017. The regulation of such services is established in Mesa City Code Title 6, Chapter 24 (Escort Services). The proposed fees are detailed in the attached Exhibit "A".

## **Background and Discussion**

On December 12, 2016, City Council authorized the creation of Mesa City Code Title 6, Chapter 24 (Escort Services) for the regulation of the activities of escorts, escort assistants, and escort bureaus, and to make corresponding amendments to portions of Mesa City Code, Title 6, Chapter 16 (Sexually Oriented Businesses). The Mesa Police Department recommended making changes to the Mesa City Code regarding escort services to enhance the professionalism of the escort industry and provide a more effective tool for law enforcement to protect the health, safety, and welfare of our community by strengthening oversight and enforcement.

To ensure the City recovers the cost of the licensing of such businesses, the Business Services Department is proposing charging application, license, and annual renewal fees for these services. The proposed fees are consistent with fees paid by other licensees which require similar additional oversight.

As it pertains to the potential fee to be charged by the City for an escort license, City staff looked at the fees of other cities that are collected under their respective escort ordinances. The range of fees charged by the major cities in the Phoenix metro area for

an escort industry license are \$23 to \$600. City staff determined that a reasonable application and licensing fee, based on the time and processing of the license, would be potentially approximately \$200 for an escort or escort runner, and \$400 for an escort bureau.

### **Alternatives**

Take no action. Without establishing the fees, Escort Services would not be subject to fees during the application, license issuance, and renewal process.

### **Fiscal Impact**

No fiscal impact is projected at this time, as no licenses have been issued for Escort Services.

Exhibit A

**Department: Business Services  
Revenue Collection Operations**

<b>Description of Services</b>	<b>FY 16/17 Fee/Charge</b>	<b>FY 17/18 Fee/Charge (effective 4/1/17)</b>	<b>Unit</b>	<b>Date Last Revised</b>
<b>ESCORT SERVICE</b>				<b>NEW</b>
Application Fee +		\$100		
License Fee		\$100		
Annual Renewal +		\$100	year	
<b>ESCORT RUNNER</b>				<b>NEW</b>
Application Fee +		\$100		
License Fee		\$100		
Annual Renewal +		\$100	year	
<b>ESCORT BUREAU</b>				<b>NEW</b>
Application Fee +		\$200		
License Fee		\$200		
Annual Renewal +		\$200	year	

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF MESA, MARICOPA COUNTY, ARIZONA  
MODIFYING FEES AND CHARGES FOR THE  
BUSINESS SERVICES DEPARTMENT.**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MESA,  
COUNTY OF MARICOPA, STATE OF ARIZONA, AS FOLLOWS:

Section 1: The fees and charges for services provided by the Business Services Department, true and correct copies of which are attached hereto as Exhibit A and made a part hereof and incorporated herein by reference, are approved and hereby adopted to be effective on April 1, 2017. Deletions are shown as strike-outs: ~~Abe~~. Additions to the text are shown in bold and capital letters: **ABC**. Fee amounts carried forward are shown as "no change". Existing fees and charges that are being relocated in the Schedule are marked with an \*. New or increased fee amounts are shown in bold: **\$10.00**.

Section 2: All fees and charges for services provided by the Business Services Department previously approved and adopted and not amended or increased by this Resolution remain in effect.

Section 3: The various City officers and employees are hereby authorized and directed to perform all acts necessary to give effect to this Resolution.

PASSED AND ADOPTED by the City Council of the City of Mesa,  
Maricopa County, Arizona, this 20th day of March, 2017.

APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

Exhibit A

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Revenue Collection Operations**

<b>Description of Services</b>	<b>FY 16/17 Fee/Charge</b>	<b>FY 17/18 Fee/Charge (effective 4/1/17)</b>
<b>ESCORT SERVICE</b>		
<b>APPLICATION FEE +</b>		<b>\$100</b>
<b>LICENSE FEE</b>		<b>\$100</b>
<b>ANNUAL RENEWAL +</b>		<b>\$100</b>
<b>ESCORT RUNNER</b>		
<b>APPLICATION FEE +</b>		<b>\$100</b>
<b>LICENSE FEE</b>		<b>\$100</b>
<b>ANNUAL RENEWAL +</b>		<b>\$100</b>
<b>ESCORT BUREAU</b>		
<b>APPLICATION FEE +</b>		<b>\$200</b>
<b>LICENSE FEE</b>		<b>\$200</b>
<b>ANNUAL RENEWAL +</b>		<b>\$200</b>