



## Fees and Charges Report

**Date:** March 24, 2022  
**To:** Audit, Finance and Enterprise Committee  
**Through:** Natalie Lewis, Deputy City Manager  
**From:** Nana Appiah, Development Services Director  
Chase Carlile, Sr. Fiscal Analyst  
**Subject:** Proposed Changes to Schedule of Fees and Charges (Citywide)

### Purpose and Recommendation

The purpose of this report is to recommend modifications to fees charged by the Development Services Department for fiscal year 2022-23. The Department consists of two areas: Planning, and Development Services (Permitting, Civil and Building Plan Review and Building Inspections).

### Background

Various fees are charged for services related to the land development process in Planning and Development Services. Fees are reviewed regularly to insure they are aligned with the cost of providing the service.

### DEVELOPMENT SERVICES

Development Services is proposing the following fee changes:

1. Adjust the timing of collection of \$120.00 deposit fee charged for fourth and subsequent submittals for building permit reviews and collect the entire fee as part of the final permit issuance.

When a permit application is submitted, applicants pay a deposit that is approximately 65% of the total permit fee. This deposit covers the cost of the first review, and two subsequent reviews. If the applicant needs to submit their application for a fourth or subsequent review, Development Services collects a \$120 deposit, and charges the applicant \$120/hour for each review, with a 2-hour minimum charge. To improve the efficiency of operations, Development Services is proposing a new method of collecting the fees for fourth and subsequent reviews. The department proposes that The City collect the entire fee for the fourth review as part of the issuance of the permit. The entire cost of the review will still be collected: however, the fees will be collected as part of the issuance of the permit, instead of collecting it upfront. There is no fiscal impact to this change.

## PLANNING

The Department is proposing the following changes to Planning's fees and charges:

1. Combined Development Incentive Permit & Site Plan Review/Site Plan Modification fee:

The Planning Division continues to improve various operational processes to make their work functions more effective, and easier for development applicants to understand the land use application submittal review processes. During an assessment of the current fee schedule, staff identified that the fee schedule does not specifically show combined fees for the review of a site plan that also requires a Development Incentive Permit (DIP) application. To be consistent with similar processes such as assessing fees for applications that require rezoning and site plan review, staff is recommending using the same fees structure for site plan reviews that also require a DIP; therefore, staff is recommending a fee of \$1,994 and an additional \$162.00 charge per each acre of the request for projects in the downtown districts. For projects outside of the downtown districts the Site Plan Modification fee has a base fee of \$2,400 and an additional per acre fee that ranges from \$25.00 to \$195.00 depending on the size of the project.

Currently the fee for reviewing rezoning and site plan modification for downtown districts is \$1,994 and an additional \$162.00 charge per each acre of the request. The Site Plan Modification fee for projects outside of the downtown districts is a base fee of \$2,400 and an additional per acre fee that ranges from \$25.00 to \$195.00 depending on the size of the project. Staff is recommending using such a fee structure for assessing the fees for a DIP application. There is no fiscal impact for this change.

2. Combined Substantial Conformance Improvement Permit & Site Plan Review/Site Plan Modification fee.

As part of the review of the fee schedule, staff also identified that the schedule does not specifically show combined fees for the review of a site plan that also requires a Substantial Conformance Improvement Permit (SCIP) application. To be consistent with similar process such as assessing fees for applications that require rezoning and site plan review, staff is recommending using same fees structure for site plan reviews that also require a SCIP; therefore, staff is recommending a fee of \$1,994 and an additional \$162.00 charge per each acre of the request for projects in the downtown districts. For projects outside of the downtown districts the Site Plan Modification fee has a base fee of \$2,400 and an additional per acre fee that ranges from \$25.00 to \$195.00 depending on the size of the project.

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ranges from \$25.00 to \$195.00 depending on the size of the project. Staff is recommending using such a fee structure for assessing the fees for a SCIP application. There is no fiscal impact for this change.

3. The department proposes changing the names of the following fees for marijuana facilities:

<b>Current Name</b>	<b>Proposed Name</b>
Medical Marijuana Dispensary or Cultivation Facility	Marijuana Dispensary or Cultivation Facility
Registration Fee	Marijuana Facility Registration
Annual Renewal	Marijuana Facility Annual Renewal

There is no fiscal impact. The change is to be consistent with the zoning code names for these facilities.

### **Alternatives**

Alternatives to the recommended fee modifications could include increasing, decreasing, or making no changes to the various fees.

### **Fiscal Impact**

Total estimated FY22/23 fiscal impact for Development Services is \$0.00

Total estimated FY22/23 fiscal impact for Planning is \$0.00.

## Fees & Charges Schedule – Key

### Heading Configuration

<b><u>Schedule of Fees &amp; Charges</u></b>
<b>Department</b>
Contact Information
<b>HEADING 1</b>
HEADING 2
<i>Heading 3</i>
Description of Fee
Description of Fee 2

### Font Indications

Font	Font Indications
Regular Font	Existing fee or language
<del>Strikethrough</del>	Fee or language will be deleted from the Fee Schedule
<b>BOLD CAPS</b>	Language is being added to Fee Schedule
<b>Bold</b>	New or increased Fee Amount

**Schedule of Fees & Charges**

**Exhibit A**

**Department: Development Services and Planning**

Description of Service	Current Fee Range	Proposed Fee Range	Unit	Revenue Source Code	Total Fiscal Impact	Notes
<b>OTHER RESIDENTIAL</b>						
<i>Fourth and Subsequent Re-submittals of Drawings</i>						
<p>Applicants submitting revisions to permit applications and drawings beyond the third submittal and prior to the issuance of a permit will be assessed an additional plan review fee calculated at the rate of \$120.00 per staff hour, with a minimum of two hours. <del>A non-refundable deposit of \$120.00 for each resubmittal shall be collected with the submission of each resubmittal after the third submittal.</del></p>	\$120.00		Hour	4201 & 4202	\$0.00	<p>When a permit application is submitted, applicants pay a deposit that is approximately 65% of the total permit fee. This deposit covers the cost of the first review, and two subsequent reviews. If the applicant needs to submit their application for a fourth or subsequent review, Development Services collects a \$120 deposit, and charges the applicant \$120/hour for each review, with a 2-hour minimum charge. To improve the efficiency of operations, Development Services is proposing a new method of collecting the fees for fourth and subsequent reviews. The department proposes that The City collect the entire fee for the fourth review as part of the issuance of the permit. The entire cost of the review will still be collected: however, the fees will be collected as part of the issuance of the permit, instead of collecting it upfront. There is no fiscal impact to this change.</p> <p>Rather than collect the \$120 up front at the beginning of the 4<sup>th</sup> submittal, the \$120 will be collected at permit issuance</p>

Planning Service Fee						
<p><b>COMBINED DEVELOPMENT INCENTIVE PERMIT &amp; SITE PLAN REVIEW/SITE PLAN MODIFICATION</b></p>						<p>To be consistent with similar processes such as assessing fees for applications that require rezoning and site plan review, staff is recommending using the same fees structure for site plan reviews that also require a DIP; therefore, staff is recommending a fee of \$1,994 and an additional \$162.00 charge per each acre of the request for projects in the downtown districts. The Site Plan Modification fee for projects outside of the downtown districts has a base fee of \$2,400 and an additional per acre fee that ranges from \$25.00 to \$195.00 depending on the size of the project. Staff is recommending using such a fee structure for assessing the fees for a DIP application.</p> <p>Currently applicants applying for a Development Incentive Permit or Substantial Conformance Improvement Permit that requires a site plan review must apply for both reviews separately. This requires staff to perform two reviews that could be completed concurrently. By consolidating the process, the Substantial Conformance Improvement Permit and Development Incentive Permit processes will be streamlined and allow the site plan to be reviewed concurrently with the Substantial Conformance Improvement Permit and Development Incentive Permit. The proposed fee for a combination site plan/ Development Incentive Permit or site plan/ Substantial Conformance will have a negligible fiscal impact and provide more clarity for the applicant which will save the applicant time.</p>

ALL DOWNTOWN DISCTRICTS		BASE FEE OF \$1,944.00 PLUS \$162/ ACRE		3137	\$0.00	
ALL OTHER DISTRICTS		<p>\$2,400.00 PLUS \$195/ACRE FOR FIRST 100 ACRES</p> <p>\$2,400.00 PLUS \$235/ACRE FOR 101- 250 ACRES</p> <p>\$2,400.00 PLUS \$60/ACRE FOR 2581- 500 ACRES</p> <p>\$2,400.00 PLUS \$25/ACRE FOR 501 PLUS ACRES</p>		3137	\$0.00	

**COMBINED SUBSTANTIAL  
CONFORMANCE IMPROVEMENT  
PERMIT & SITE PLAN REVIEW/SITE  
PLAN MODIFICATION**

To be consistent with similar process such as assessing fees for applications that require rezoning and site plan review, staff is recommending using same fees structure for site plan reviews that also require a SCIP; therefore, staff is recommending a fee of \$1,994 and an additional \$162.00 charge per each acre of the request for projects in the downtown districts. The Site Plan Modification fee for projects outside of the downtown districts is a base fee of \$2,400 and an additional per acre fee that ranges from \$25.00 to \$195.00 depending on the size of the project. Staff is recommending using such a fee structure for assessing the fees for a SCIP application.

Currently applicants applying for a Development Incentive Permit or Substantial Conformance Improvement Permit that requires a site plan review must apply for both reviews separately. This requires staff to perform two reviews that could be completed concurrently. By combining the fees, the Substantial Conformance Improvement Permit and Development Incentive Permit processes will be streamlined and allow the site plan to be reviewed concurrently with the Substantial Conformance Improvement Permit and Development Incentive Permit. The proposed fee for a combination site plan/ Development Incentive Permit or site plan/ Substantial Conformance will have a negligible fiscal impact and provide more clarity for the applicant which will save the applicant time.



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<del>Medical Marijuana Dispensary or Cultivation Facility</del>						
<del>Registration Fee MARIJUANA FACILITY REGISTRATION</del>	\$648.00			3124	\$0.00	Modification to terminology
MARIJUANA FACILITY Annual Renewal	\$50.00			3124	\$0.00	Modification to terminology

**Total Development Services and Planning - Exhibit A Fiscal Impact = \$0.00**



## Fees and Charges Report

**Date:** March 24, 2022  
**To:** Audit, Finance and Enterprise Committee  
**Through:** Scott J. Butler, Deputy City Manager  
**From:** Corinne Nystrom, A.A.E., Airport  
Director Rick Welker, Financial  
Coordinator  
**Subject:** Proposed Changes to Falcon Field Airport Schedule of Fees and Charges  
(Citywide)

### Purpose and Recommendation

The purpose of this report is to recommend modifications to the Falcon Field Airport's Schedule of Fees and Charges.

### Background

Falcon Field Airport continues to serve the general aviation needs of the region. It currently rents City of Mesa-owned property and facilities, including three (3) Large Executive Hangars, 6 Small Executive Hangars, 39 Large T-Hangars, 361 Regular T- hangars, 115 Covered Tie-downs, 282 Tie-downs, 80 small end of hangar storage units and 8 large end of hangar storage units. There are increases in Administrative Maintenance and Operations expenses. These include increased utility, insurance and pavement costs. We propose an increase to the Hangar and Storage Room Rents and an accompanying Hangar and Storage Room Rent Deposits. There is increase demand for aircraft storage including Open Tie-down storage. This has created a waiting list for the Open Tie-down spaces. We assess a wait list fee for hangars and storage rooms and propose an Open Tie-down storage wait list fee. Increased activity on the airport has amplified the need for additional administrative fees for on airport coordination. We propose a Special Events Parking on airport fee and a Special Events Administration fee. These changes will enable the Airport to continue to be self-sustained and to stay more current with the rates being charged for enclosed aircraft storage by similar businesses and airports.

### Discussion

Falcon Field Airport reviews its Schedule of Fees and Charges on an annual basis to determine the relevance and reasonableness of all fees and charges. An annual survey

is conducted to compare similar fees and charges with surrounding general aviation airports. Based on an analysis of the most recent survey results, Falcon Field proposes an approximate 5% increase in the current monthly rental rate for all aeronautical storage and accompanying wait list fees and new administrative fees. This provides additional financial resources for increased costs in utilities, insurance and pavement costs at the Airport and enables the Airport to stay more current with the rates being charged for enclosed aircraft storage.

### **Alternatives**

The alternative would be to leave the current fees in place and not reflect any adjustments.

### **Fiscal Impact**

The estimated fiscal impact that the proposed fee adjustments will result in approximately \$146,015 of total additional revenue in FY 2022/23.

### **Coordinated With**

Falcon Field Airport has coordinated with the Office of Management and Budget on this recommendation to make changes to the Airport's Schedule of Fees and Charges.

## Fees & Charges Schedule – Key

### Heading Configuration

<b><u>Schedule of Fees &amp; Charges</u></b>
<b>Department</b>
Contact Information
<b>HEADING 1</b>
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<i>Heading 3</i>
Description of Fee
Description of Fee 2

### Font Indications

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**Schedule of Fees & Charges Exhibit A**  
**Department: FALCON FIELD AIRPORT**

Description of Service	Current Fee Range	Proposed Fee Range	Unit	Revenue Source Code	Total Fiscal Impact	Notes
<i>Tiedowns</i>						
Small Single Engine Aircraft	\$47.00	\$49.00	Month	3688	\$6,360.00	
Small Twin Engine Aircraft	\$56.00	\$59.00	Month	3688	\$9,912.00	
Large Propeller Aircraft (>12,500 lbs. MCTW)	\$121.00	\$127.00	Month	3688	\$504.00	
Jet Aircraft	\$121.00	\$127.00	Month	3688	\$216.00	
Helicopter	\$114.00	\$120.00	Month	3688	\$72.00	
Covered Tiedowns	\$109.00	\$114.00	Month	3688	\$575.00	
<i>Hangars</i>						
Regular T-Hangars	\$227.00	\$238.00	Month	3676 3677	\$48,312.00	
Large T-Hangars	\$381.00	\$400.00	Month	3677	\$8,892.00	
Small Executive	\$591.00	\$620.00	Month	3677	\$2,088.00	
Large Executive Hangars	\$1,195.00	\$1,255.00	Month	3677	\$2,160.00	
Hangar Transfer Fee	\$217.00	\$228.00	Per transfer	3692	\$1,320.00	
Hangar Cleaning Deposit (fully refundable if clean)	\$272.00	\$285.00	Per Hangar	3677	\$1,872.00	
<i>Storage Rooms</i>						
Small	\$68.00	\$71.00	Month	3680	\$1,800.00	
Large	\$164.00	\$172.00	Month	3680	\$768.00	
Storage Room Cleaning Deposit (fully refundable if clean)	\$163.00	\$171.00	Unit	3680	\$320.00	
<i>Waiting List/Security Deposit (equal to one month's current monthly rent)</i>						
<b>OPEN TIE DOWN SMALL SINGLE ENGINE AIRCRAFT</b>		\$49.00	<b>MONTH</b>	3689	\$5,880.00	Implement wait list fee for open tie-down
<b>OPEN TIE DOWN SMALL TWIN ENGINE AIRCRAFT</b>		\$59.00	<b>MONTH</b>	3689	\$1,416.00	Implement wait list fee for open tie-down
<b>OPEN TIE DOWN LARGE PROPELLER AIRCRAFT (12,500 LBS)</b>		\$127.00	<b>MONTH</b>	3689	\$1,524.00	Implement wait list fee for open tie-down
<b>OPEN TIE DOWN JET AIRCRAFT</b>		\$127.00	<b>MONTH</b>	3689	\$1,524.00	Implement wait list fee for open tie-down
<b>OPEN TIE DOWN HELICOPTER</b>		\$127.00	<b>MONTH</b>	3689	\$1,524.00	Implement wait list fee for open tie-down
Covered Tie-Down	\$109.00	\$114.00		3689	\$3,600.00	
Regular T-Hangar	\$227.00	238.00		3689	\$11,800.00	

Large T-Hangar	\$381.00	\$400.00		3689	\$2,280.00	
Small Executive Hangar	\$591.00	\$620.00		3689	\$3,480.00	
Large Executive Hangar	\$1,195.00	\$1,255.00		3689	\$1,440.00	
Small Storage Room	\$68.00	\$71.00		3689	\$3.00	
Large Storage Room	\$164.00	\$172.00		3689	\$192.00	
Waiting List Deposit Refund Fee	\$27.00		Each			Delete this fee
Late Payment Fee (Hangars, Tie-Downs, Storage Rooms)	\$20.00	20% OF ACCOUNT BALANCE DUE	Month	9806	\$400.00	
<i>Fuel Flowage Fee</i>						
100LL AVGAS & Alternative Fuels	\$0.10	\$0.11	Per gallon	3674	\$9,842.00	
Jet A Fuel	\$0.12	\$0.13	Per gallon	3674	\$8,908.00	
<i>Access Control Card</i>						
Additional or Replacement Access Control Card	\$40.00	42.00	Each	3682	\$100.00	
<i>Lease Document Transaction Fee</i>						
Lease Document Transaction Fee	\$250.00	\$265.00		3692	\$300.00	
<i>Rental Car Concessions</i>						
Rental Car Concessions Fee – On Airport	5%	7%	Of gross contract	3697	\$2,111.00	
Rental Car Concessions Fee – Off Airport	5%	7%	Of gross contract	3697	\$320.00	
<b>SPECIAL EVENTS PARKING (ON AIRPORT)</b>		\$150.00	<b>PER EVENT</b>		\$1,200.00	Implement fee for tenant sponsored on Airport event
<b>SPECIAL EVENTS ADMINISTRATION NON-AERONAUTICAL, NOT FOR PROFIT EXEMPT</b>		\$150.00	<b>PER EVENT</b>		\$3,000.00	Implement fee for tenant sponsored on Airport event

**Total Falcon Field Airport - Exhibit A Fiscal Impact = \$146,015.00**



## Fees and Charges Report

**Date:** March 24, 2022  
**To:** Audit, Finance, and Enterprise Committee  
**Through:** Christopher J. Brady, City Manager  
**From:** Jeffrey McVay, Manager of Downtown Transformation  
**Subject:** Consider proposed changes to the monthly parking permit rates for parking spaces within City-owned parking garages and surface parking lots  
**Council District 4**

### Purpose and Recommendation

Consider proposed changes to the Permitted Parking Rates Schedule of Fees. Staff recommends approval of the proposed changes.

### Background

Administered by the Downtown Mesa Association (DMA), the City offers monthly permitted parking within four parking garages and four surface parking lots within downtown. The current Permitted Parking Rates have not been modified in more than 15 years.

### Discussion

The current and proposed Permit Parking Rates shown in Exhibit A include a \$3.00/month increase for surface parking (\$32.00 to \$35.00), \$2.00/month increase for covered garage parking (\$43.00 to \$45.00), and a \$4.00/month increase for uncovered garage parking (\$21.00 to \$25.00). The increase Permit Parking Rates would only be applicable to individual monthly parking permit users and would not be applicable to stand-alone parking license agreements currently in affect.

In recent years increased downtown commercial activity, significant development activity, and coming opening of ASU at Mesa City Center, has significantly increased demand for permitted parking, while parking supply has remained constant. The proposed monthly Permitted Parking Rates better reflect the increased demand and the increased costs associated with managing downtown parking.

In comparison to our peer cities, the proposed Permit Parking Rates continue to be very competitive. Monthly covered parking rates in downtown Tempe range from \$65.00 to \$105.00. Monthly covered parking rates in downtown Phoenix range from

\$45.00 to \$120.00. Monthly covered parking rates in Chandler and Glendale are \$65.00 and \$70, respectively.

### **Alternatives**

Modify the Permitted Parking Rates to include a smaller increase than recommended.

Modify the Permitted Parking Rates to include a greater increase than recommended.

Make no changes to the Permitted Parking Rates.

### **Fiscal Impact**

In 2020, individual monthly permit parking generated approximately \$200,000 in revenue, approximately \$280,000 in 2021, and approximately \$240,000 in the first seven months of 2022.

Based on the 844 individual monthly parking permits issued as of January 2022, the proposed Permitted Parking Rates would generate approximately \$27,000/year in additional parking revenue.

### **Coordinated With**

The proposed Permitted Parking Rates were coordinated with the Downtown Mesa Association (DMA). The DMA supports the recommended Permitted Parking Rates.



## Fees & Charges Schedule – Key

### Heading Configuration

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**Schedule of Fees & Charges Exhibit A**

**Department: Economic Development**

Description of Service	Current Fee Range	Proposed Fee Range	Unit	Revenue Source Code	Total Fiscal Impact	Notes
<i>Permitted Parking Rates*</i>						
Surface Parking	<del>\$32.00</del>	<b>\$35.00</b>		3116	\$2,664.00	
Garage (shaded)	<del>\$43.00</del>	<b>\$45.00</b>		3116	\$12,888.00	
Garage (unshaded roof and below grade)	<del>\$21.00</del>	<b>\$25.00</b>		3116	\$11,184.00	

\*All rates are monthly

**Total Economic Development - Exhibit A Fiscal Impact = \$26,736.00**