



AGENDA REPORT

TO: Edward D. Reiskin
City Administrator

FROM: Ryan Russo
Director, OakDOT

SUBJECT: FY 2020 – 21 Master Fee Schedule
Amendment

DATE: July 13, 2020

City Administrator *Approval*

Date: July 17, 2020

RECOMMENDATION

Staff Recommends That The City Council Conduct A Public Hearing. And Upon Conclusion, Adopt An Ordinance Amending Ordinance No. 13599 C.M.S. Which Adopted The Fiscal Year (FY) 2020-21 Master Fee Schedule, To Modify City Of Oakland Taxi Permit Fees And Department Of Transportation Survey Fees.

EXECUTIVE SUMMARY

The Fiscal Year (FY) 2020-21 Master Fee Schedule (MFS) documents the fees and charges accrued to the City's General Purpose Fund (GPF) and selected fees within other funds. The fees proposed in this document are assumed in the revenue estimates contained in the FY 2020-21 Budget.

In developing the FY 2020-21 fee structure, staff was guided primarily by the requirements of Proposition 26, and City Council's policy direction to strive for 100 percent cost recovery for most fee-related programs.

Several fees were not included in the schedule brought forth in June 2020; staff is proposing adjustments to the fees related to the survey maps and the taxi program, as presented in *Attachment A*. Approving these fee adjustments will allow departments to continue to provide valuable programs and services to the community.

BACKGROUND / LEGISLATIVE HISTORY

The Master Fee Schedule (MFS) documents the fees and charges accrued to the City's General Purpose Fund (GPF) and selected fees within other funds. Ordinance No. 13599 C.M.S., passed on June 9, 2020, established the Fiscal Year 2020-21 Master Fee Schedule. This item seeks to update Ordinance No. 13599 C.M.S. to modify fees related to survey map review and taxi permitting.

City Council
July 28, 2020

ANALYSIS AND POLICY ALTERNATIVES

The proposed ordinance shows recommended changes to the MFS for FY 2020-21 as presented in Attachment A. The changes fall into two categories:

Survey Map Fees

The technical review the Office of the City Surveyor conducts is a requirement of the Subdivision Map Act. Staff analyzed the time required to provide parcel map and final map services and determined that the current fees in the Master Fee Schedule do not recover actual costs. The fees underestimate the true cost to conduct the work by over 100%, and therefore staff is proposing to increase the fees for parcel map and final map review to align with the actual time spent. Even with these fee changes, a competitive analysis shows that Oakland's fees are still low when compared with other cities tabled below.

| City | Fiscal Year | Map | Amount/map |
|----------------------------|--------------------|-------------|-------------------|
| Current City Oakland MFS | 19/20 | Parcel (PM) | \$1,792 |
| Current City Oakland MFS | 19/20 | Final | \$1,992 |
| Proposed City Oakland MFS | 20/21 | PM | \$3,615 |
| Proposed City Oakland MFS | 20/21 | Final | \$4,034 |
| | | | |
| City of San Francisco (SF) | 19/20 | PM | \$11,725 |
| City of SF | 19/20 | Final | \$11,867 |
| City of Sacramento | 19/20 | PM | \$3,200 |
| City of Sacramento | 19/20 | Final | \$3,800 |
| City of San Jose | 19/20 | PM | \$5,888 |
| City of San Jose | 19/20 | Final | \$6,505 |

In addition to underrecovering, survey mapping review demands have gone up over 200% in the last five years. Meanwhile, there has been no increase in staffing to offset this unprecedented increase. Due in part to the lack of staffing and an increase in demand, the City has utilized third-party surveyors to assist with review of the mapping backlog. Resolution No. 87494 C.M.S., passed in 2019, established a mechanism for "on call" survey firms to handle this increase in demand. This capacity to outsource some review can result in faster turn around.

Taxi Fees

The Taxi Detail was reorganized in 2017, moving from the City Administrator Office to the new Department of Transportation. This reorganization was undertaken in part to improve customer service while controlling expenses in an effort to support the City's taxi businesses which have been under a considerable amount of pressure since the introduction of Transportation Network Companies (TNCs such as Uber and Lyft) and more recently because of the COVID-19 emergency.

Measures taken include process improvement, streamlining review and oversight, shared office space and bundling the taxi detail with similar transportation programs for the efficient use of skilled staff. These innovations combined with the shrinking number of permitted taxis has resulted in efficiencies and costs savings that translate into reductions in many of the taxi-related fees.

The taxi-related fees that are proposed to increase are the fees for Taxi Driver Permit Replacement, Additional/Transfer Permit and to Amend the Permit Record. These fees are updated to reflect the classifications of staff doing taxi support now that the function has moved to OakDOT. The salaries of the updated classifications are represented in the increase of the hourly rates of Manager and Admin.

Staff calculated fees at full cost, considering all salary, fringe benefits, overhead, and retirement, to determine the actual costs; the changes to existing fees comply with Proposition 26. To meet this requirement, the Department of Transportation submitted fee analyses to document findings and fee calculations for all fees proposed.

Adoption of the proposed changes will allow the survey unit to recover the costs incurred to provide service. For taxi, most of the fees are reduced, resulting in a reduced cost burden on operations of the taxi industry.

If these proposed updates are not adopted, the City will not be cost recovery for survey mapping review and the taxi industry will not be able to realize relief of their operating costs associated with working with the City.

FISCAL IMPACT

The revenues anticipated from fees are assumed in the FY 2020-21 Proposed Budget, and any modifications to the fee proposal may impact budget balancing. Anticipated revenues will help offset costs to provide services for which the fees are assessed, with no net gain to the City's overall budget.

For survey mapping, the current fee is well below cost recovery, therefore, these adjustments are required to ensure adequate service is provided. For the Taxi Detail, efficiencies in administering the program have resulted in a reduction of costs without compromising service levels. The impact on revenues from the proposed change in taxi fees is a reduction of approximately \$72,400.00.

PUBLIC OUTREACH / INTEREST

This item requires a Public Hearing, allowing for public comment at that time.

COORDINATION

This report was prepared and data was compiled with the cooperation of the Department of Transportation, City Administrator's Office, Office of the City Attorney and the Budget Bureau.

SUSTAINABLE OPPORTUNITIES

Economic: Revenues generated from the fees listed in the MFS are to fund essential City Services.

Environmental: There are no direct environmental impacts associated with the City Council action requested in this report.

Race & Equity: There are no direct race or equity impacts associated with the City Council action requested in this report.

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends Adoption Of An Ordinance Amending Ordinance No. 13533 C.M.S., which adopted the FY2020-21 Master Fee Schedule, To Modify City Of Oakland Taxi Permit Fees and Department of Transportation Survey Fees.

For questions regarding this report, please contact Ariel Espiritu Santo, Agency Administration Manager, OakDOT at (510) 421-8691.

Respectfully submitted,



RYAN RUSSO
Director
Department of Transportation

Reviewed by:
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Assistant Director

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Ariel Espiritu Santo
Administration, OakDOT

Attachments: (1)

A: Proposed Master Fee Schedule Updates

Signature:

Email: