

Responses to Questions from the May 21, 2019 User Fee Study Session

Councilmember Mahan

Question: Housing & Community Services - What are the two new fines (i.e. NCIP and FTHB/BMP) in Housing & Community Services for and who is subject to paying them? Also, do the fines need an Ordinance to become part of the City Code?

Response: The Neighborhood Conservation Improvement Program (NCIP) Fine is assessed if a property was found to be out of compliance with regards to rental requirements. The fine is only applicable to NCIP loan applicants. The costs calculated are associated with developing the Notice of Default and monitoring for compliance.

Similar to the NCIP fine, the First Time Home Buyer (FTHB) / Below Market Purchase (BMP) fine is assessed only if a property was found to be out of compliance with regards to rental requirements. The fine is applicable to FTHB and BMP applicants. The costs calculated are associated with developing the Notice of Default and monitoring for compliance. Housing & Community Services will work with the City Attorney's Office to determine if the fees require a separate Ordinance. Staff will move these two proposed fines to Phase II.

Question: Parks & Recreations – Can we have a breakdown of costs by class versus renting a room for Parks and Recreations?

Response: Staff will provide the details in the Facilities Rental discussion at Phase II.

Councilmember Watanabe and Davis

Question: Non-profit Fee Structure - Did the study include a non-profit fee structure? The Council would like to look into a non-profit fee structure.

Response: No, the User Fee Study did not include a non-profit fee structure. The City currently has a facility rental subsidy for non-profit organizations but does not extend it to all other fees. Staff will work with the consultant to provide a recommendation on a non-profit fee subsidy % in Phase II.

Public Comments/Feedback

Question: Parks & Recreations – Will the City study the marginal costs for Room Rental? Also, is there a way to reduce costs associated with Room Rentals? For example, it takes a phone call to reserve a room, an in-person visit to book the room, a trip to pick up the key, and another trip to drop off the key. Can residents setup tables and chairs on behalf of staff to reduce costs?

Response: Staff will address this item in the Facilities Rental discussion in Phase II.

Question: Parks & Recreations – What's the City's plan on providing feedback or survey forms for Room Rental? Currently, there's no such form for the renter to provide suggestions or feedbacks on room experience or missing/broken items.

Response: Staff will address this item in the Facilities Rental discussion in Phase II.

Question: Room Rentals – How are Airbnb providers being charged by the City?

Response: Individual Airbnb providers charge Transient Occupancy Tax (TOT) which is remitted to Airbnb and then submitted to the City. Staff is in the process of hiring a third-party vendor to provide compliance monitoring services for short-term rentals.

Question: Cemetery – What does the \$3,400 subsidy under Perpetual Care represent (slide 20)? Is this a per unit or plot cost for the Cemetery and how does this roll into the \$139,198 subsidy for Cemetery?

Response: Perpetual Care is not factored into the annual subsidy of \$139,198, as these funds are not related to current services, but are rather meant as a set-aside for future needs. Essentially, these funds are collected with the purpose of funding care of a burial area after the Cemetery is no longer taking in new burials. The reason for this is that the City is responsible for maintaining the cemetery in perpetuity. The \$3,400 subsidy is for Perpetual Care and it is per burial.