

RESOLUTION NO. 2019-0106

Adopted by the Sacramento City Council

April 2, 2019

Approving Shared-Rideable Permit Fees

BACKGROUND

- A. On April 2, 2019 the City Council adopted amended regulations concerning the establishment and operation of shared-rideable businesses in the City of Sacramento and requiring the payment of fees to cover the City's costs to administer the City's shared-rideable permit program (the "program").
- B. The amount of the proposed fees is no more than necessary to cover the City's reasonable costs to issue the permits, provide the parking and other infrastructure needed for shared-rideables, monitor operations, recover parking meter revenue loss, renew or expand permits, and otherwise administer the program.
- C. Pursuant to California Constitution, article XIII, §1(e)(3) (Proposition 26), the proposed shared-rideable business permit fees, parking and infrastructure fees, vehicle fee, and storage fees are not a tax because they are limited to the City's reasonable regulatory costs, including costs for: issuing permits; performing investigations, inspections, and audits; infrastructure; and administrative enforcement and adjudication; and are necessary to sustain the City's program.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The City Council finds and determines that the background statements A through C are true.
- Section 2. The City Council approves the amounts of the fees as follows:
 - a) Shared-rideable business permit application fee: \$4,440
 - b) Shared-rideable business permit annual renewal or expansion application fee: \$2,220

- c) Shared-rideable parking and infrastructure fee of \$0.10 per trip
 - 1) The estimated shared-rideable parking and infrastructure fees for each year of operation shall be deposited annually with the City based on the following formula: amount of fee, times 3 trips per day, times 365 days (annual deposit per device). The City will regularly reconcile the amount deposited against actual trip data and request that it be replenished as required.

- d) Shared-rideable vehicle fee of \$136 per device in Core Areas, comprised of:
 - 1) Parking meter revenue loss fee: \$32 (annual per device)
 - 2) Monitoring fee: \$104 (annual per device)

- e) Shared-rideable vehicle fee of \$104 per device in Opportunity Areas, comprised of:
 - 1) Monitoring fee: \$104 (annual per device)

- f) Shared-rideable storage fee: \$55 per day maximum

Section 3. Based on the background statements A through C and other documents and testimony in the public record, the City Council finds that the establishment and modification of fees for permitting, monitoring, parking, and meter revenue loss fees, as well as the storage fee, are for the purpose of meeting the associated operational expenses associated with the program, and are therefore exempt from CEQA, pursuant to CEQA Guidelines (Title 14 Cal. Code Reg. §15000 et seq.) § 15378 (b)(5).

Section 4. The City Manager is authorized to adjust department operating revenue and expense budgets to reflect the shared-rideable business permit processing costs and revenues.

Section 5. Exhibit A is part of this Resolution.

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Exhibit A – Anticipated Costs and Fees (Attachment 6)

Adopted by the City of Sacramento City Council on April 2, 2019, by the following vote:

Ayes: Members Carr, Guerra, Hansen, Harris, Jennings, Schenirer and Warren

Noes: Member Ashby

Abstain: None

Absent: Mayor Steinberg

Attest: **Mindy Cuppy** Digitally signed by Mindy Cuppy
Date: 2019.04.09 11:58:00
-07'00'

Mindy Cuppy, City Clerk

The presence of an electronic signature certifies that the foregoing is a true and correct copy as approved by the Sacramento City Council.

Anticipated City Costs

					Year 1	Year 2	Year 3
<u>Permit Fees</u>							
First Time Permit	Program Specialist	Rate	Hours	Costs	\$4,440		
Annual Permit Renewal	Program Specialist	\$185	24	\$4,440			
		\$185	12	\$2,220		\$2,220	\$2,220
					Per 1,000 devices	Per 1,000 devices	Per 1,000 devices
<u>Annual Meter Space Fee</u>							
	Average Annual Meter Revenue			\$3,216			
	Assume 10 devices per parking space	10					
	Assume 10 percent parking removal	10%		\$32.16	\$32,160	\$32,160	\$32,160
<u>Bike Parking</u>							
	Staff time (per corral)	\$850					
	Labor to Install Rack (per Corral)	\$1,500					
	Infrastructure Cost	\$1,200					
	Total per corral (10 spaces)	\$3,550					
	Supportive Infrastructure	TBD			TBD	TBD	TBD
	Per space cost			\$355	\$355,000		
<u>Annual Monitoring & Maintenance</u>							
	1 Staff member to monitor program*	\$104	(per device charge)		\$104,000	\$104,000	\$104,000
	Cost to Maintain Parking and Necessry Software	TBD			TBD	TBD	TBD
*Assumes \$150 per hour (includes salary, benefits, and indirect costs for Program Analyst in Public Works), 2,080 hours per year, and 3,000 devices city-wide					\$495,600	\$138,380	\$138,380

Anticipated Fees Collected

					Year 1	Year 2	Year 3
First Time Permit					\$4,440		
Annual Permit Renewal					\$2,220		
					Per 1,000 devices	Per 1,000 devices	Per 1,000 devices
Parking and Infrastructure Fee Per trip	Year 1**			\$0.25	\$171,094		
Parking and Infrastructure Fee Per trip	Years 2 and forward***			\$0.10		\$109,500	\$109,500
Vehicle fee core area (80%)					\$136	\$108,800	\$108,800
Vehicle fee opportunity area (20%)					\$104	\$20,800	\$20,800
**Assumes phasing of devices (250 per quarter for year 1, up to 1,000 total) and 3 trips/day/device					\$305,134	\$241,320	\$241,320
***Assumes 3 trips/day/device							
Costs vs Fees					-\$190,466	-\$87,526	\$15,414****

****Fees do not currently include any ongoing costs for parking maintenance or software; fees will be revisited (before Year 3) to avoid any surplus.