



Administrative Report

L.3., File # 25-0852

Meeting Date: 6/17/2025

To: MAYOR AND CITY COUNCIL
From: STEPHANIE MEYER, FINANCE DIRECTOR

TITLE

PUBLIC HEARING TO CONSIDER PROPOSED USER FEE AMENDMENTS FOR THE COMMUNITY DEVELOPMENT; COMMUNITY SERVICES; POLICE; AND PUBLIC WORKS DEPARTMENTS

ADOPT BY TITLE ONLY RESOLUTION NO. CC-2506-045, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING THE POLICE DEPARTMENT USER FEES

ADOPT BY TITLE ONLY RESOLUTION NO. CC-2506-043, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING THE COMMUNITY DEVELOPMENT DEPARTMENT USER FEES

ADOPT BY TITLE ONLY RESOLUTION NO. CC-2506-046, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING THE PUBLIC WORKS DEPARTMENT USER FEES

ADOPT BY TITLE ONLY RESOLUTION NO. CC-2506-044, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING THE COMMUNITY SERVICES DEPARTMENT USER FEES

PROCEDURES:

- a. Open Public Hearing and take testimony;
- b. Close the Public Hearing; and,
- c. Adopt by title only Resolution Nos. CC- 2506-043, CC- 2506-044, CC- 2506-045 and CC- 2506-046

EXECUTIVE SUMMARY

The City strives to maintain the community's quality of life by providing excellent municipal services. The City regularly reviews City fees to assess whether the established rates reflect the cost to deliver the services to the community, and thus ensure that the City can maintain desired service levels over time. This item proposes fee adjustments for the Community Development, Community Services, Police, and Public Works Departments.

The impact of proposed fee increases are included in the Proposed FY 2025-26 Budget, with descriptions included in Decision Packages #1 and #2 (Police), #4 (Community Development), #5 (Public Works), and #3, #37, and #42 - #45 (Community Services). For discussion purposes, this item also summarizes additional fee changes presented through Budget Response Reports (BRRs), and existing, approved fees which the City does not currently charge, or has not fully implemented.

BACKGROUND

Staff regularly reviews City fees to ensure they accurately reflect current service delivery costs. Staff proposes adjustments for fees associated with services provided by the following Departments:

- Police
- Community Development
- Public Works
- Community Services

These fee increases are presented with the Proposed Budget in Decision Packages as noted above.

Fees Presented in FY 2025-26 Decision Packages:

Police Department

As presented in Decision Package #1, staff recommends a 5% increase to Police Department fees, and a targeted increase for alarm permit fees to align with current rates in neighboring municipalities. The 5% increase would apply to various permits and services provided by the Police Department, as well as parking violations. The increase does not include parking meter permits. The specific fee adjustments are included in the proposed master fee schedule.

Recommended fee increases would result in an estimated ongoing increase to General Fund Revenue of \$152,231.

As presented in Decision Package #2, staff recommends an increase to hourly parking meter rates. In FY 2024-25, City Council approved a two-year fee increase to hourly parking meter rates, which resulted in sustained revenue beyond the projected estimate. This fee includes an additional increase to the hourly rate effective FY 2025-26. The specific fee adjustments are included in the proposed master fee schedule. With this Decision Package, staff also recommends increased appropriations to cover increased credit card transaction fee costs associated with greater parking meter payments.

Recommended fee increases would result in an ongoing estimated General Fund revenue increase of \$665,725. Offset by a recommended ongoing General Fund expenditure appropriation of \$180,143, this leads to a net General Fund increase of \$485,582.

Community Development Department

As presented in Decision Package #4, staff recommends a 6.7% increase to Community Development Building Division fees to adjust for FY 2025-26 average Community Development staff

salary and fringe benefit increases. The increase reflects Council-approved MOU adjustments designed to help the City attract and retain qualified personnel. The proposed increase is a measured approach to generating the necessary revenue to offset rising personnel costs, while striving to minimize the financial impact on applicants and developers. New fees are included in the proposed master fee schedule.

Recommended fee changes result in an estimated ongoing increase to General Fund revenue of \$304,359.

Public Works Department

As presented in Decision Package #5, the recommended new Annual Utility Permit Fee reflects staff time necessary to manage a permit program, developed in coordination with utility companies, that expedites permit issuance for routine maintenance work. City staff and Southern California Edison (SCE) piloted the program in 2024, and based on this experience established the City staff time required to implement the program.

Staff also recommends an increase to the Electric Vehicle Charging Overstay Fee (after 4 hours) from \$1.50 to \$2.00 per hour to align with hourly parking rates paid throughout the City.

Recommended fee changes result in an estimated ongoing increase to General Fund revenue of \$16,500 and an ongoing increase to Vehicle Replacement Fund revenue of \$100.

Community Services Department

As presented in Decision Package #3, the Community Services Department rental rate adjustments for the Redondo Beach Performing Arts Center (RBPAC) are intended to better align pricing with market rates, while being mindful of rental clients who continue to face financial challenges. Staff recommends an incremental fee increase as follows: 1) Commercial/Regular Rates: 3% annually for three consecutive years, and 2) Non-Profit Rates: 5% annually for three consecutive years. If approved, staff projects additional facility rental revenue of \$13,368 in FY 2025-26. Staff proposes that Council approve expenditure adjustments in the same amount of estimated revenue to cover previously unfunded costs.

Recommended fee changes result in an estimated ongoing General Fund revenue and expenditure increase of \$13,368 for a net zero impact in FY 2025-26. Staff expects future years to generate revenue for the General Fund as additional annual increases take effect.

As presented in Decision Package #37, staff recommends implementing a \$60 non-refundable annual registration fee for after-school program participants, consistent with common practice for similar programs. Staff recommends increasing appropriations by the amount of estimated revenue to extend part-time staff hours to ensure consistent leadership, enhance program oversight, and improve overall quality across all school sites.

Recommended fee changes would result in an estimated ongoing General Fund revenue increase of \$34,500, which would be offset by proposed expenditure increases, resulting in a net neutral impact to the General Fund.

As presented in Decision Package #44, staff recommends use of the Teen Center for private rentals,

including associated fees, to provide accessible, high-quality spaces and maximize the use of public resources. Staff recommends a \$5,000 appropriation along with proposed fees to support the staff time needed to manage the space.

Recommended fee increases result in an ongoing estimated General Fund revenue increase of \$30,000. With the proposed ongoing General Fund appropriation of \$5,000 in staff time to support rental activity, this results in a net \$25,000 General Fund revenue increase.

As presented in Decision Package #45, the Community Services Department proposes new youth and adult tennis tournaments and associated fees at the Alta Vista Tennis Center. This initiative responds to community interest for more recreational tennis opportunities that encourage both engagement and friendly competition. Staff also recommends a related \$15,000 appropriations increase for expenses related to tournaments.

Recommended fee increases result is an ongoing estimated General Fund revenue increase of \$30,000, which, offset by \$15,000 appropriation, leading to a net \$15,000 positive General Fund impact.

In addition to the items presented as Decision Packages and shown in the attached fee schedules, staff presented the City Council with information on additional fee changes in response to Council requests through BRRs, as detailed below:

Fees Discussed in BRRs

Redondo Beach Performing Arts Center Surcharge (BRR #33)

As requested through this BRR, staff presents options for fees to support facility upgrades and general upkeep for the building, at 2% of total fees (\$20,110); 3% of total fees (\$30,165), and 5% of total fees (\$50,276). Staff recommends a 3% surcharge as a way to begin collecting funds while being mindful of the impact of such a charge in addition to the rate increases proposed through Decision Package #3 discussed above.

Seaside Lagoon Entrance Fees (BRR #56)

As requested through this BRR, staff has presented the impact of a \$1 increase to each daily entrance fee category, following the City's last increase in 2023. Staff estimates additional annual ongoing revenue of approximately \$55,000. This revenue would accrue to the Harbor Tidelands Fund.

Preferential Parking (BRR #57)

As requested through this BRR, staff presented the City's current preferential parking zones and rates, including the date of the City's last fee update, which was in FY 2024-25. Staff estimates that each \$1 fee increase generates roughly \$2,780 in additional annual revenue. Annual General Fund revenue from preferential parking Preferential Parking Permits is approximately \$45,000 from sales and an additional \$23,000 from citations for violations. These revenues are offset by the costs to manage and enforce the program.

Existing, Approved Fees for Further Discussion / Action

In budget discussions, staff and City Council have identified existing, approved fees for which the

City has not fully implemented:

Harbor Patrol Services. Harbor Patrol currently provides storage, towing, and personnel services. However, staff not implemented a billing program to charge for these services. Initiating consistent billing for these services could yield additional revenue to the Harbor Tidelands Fund.

EMS 911 Response Fee (Pre-Hospital Paramedic Assessment Fee). The City Council originally adopted this fee in 2010, and approved an increase to the fee in FY 2023-24. However, implementation of the fee requires approval of a billing policy and collection program which has not yet occurred. A discussion regarding implementation of the fee is scheduled as a stand-alone item as part of the June 17, 2025 City Council meeting agenda.

The proposed fee increases, and any further changes to City fees included in the City Council's final budget motion, should be reflected in the Fee Resolutions associated with this item and be approved to take effect on July 1, 2025.

COORDINATION

The City Manager's Office and the Finance, Community Development, Public Works, Police, and Community Services Departments participated in preparing the proposed fee amendments. The Resolutions were approved as to form by the City Attorney's Office.

A Public Hearing Notice was published in the Easy Reader, at City Hall, and on the Financial Services webpage.

FISCAL IMPACT

The estimated impact of the fee changes proposed through the recommended Budget Decision Packages is summarized below. The impact of other possible fee changes will depend on the City Council's final budget motion.

Department	Fund	Estimated Additional
Community Development Department	General Fund	304,359
Public Works Department	General Fund	16,500
Police Department	General Fund	637,813
Community Services Department	General Fund	40,000
Total General Fund		\$998,672
Public Works Department	Vehicle Replacement Fund	100
Total Other Funds		\$100
GRAND TOTAL		\$1,378,789

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Reso - No. CC-2506-045 Amending Police Department User Fees including Exhibit A -

Proposed Master Fee Schedule, Police Department Adjustments

- Reso - No. CC-2506-043 Amending Community Development Department User Fees including Exhibit A - Proposed Master Fee Schedule, Community Development Department Adjustments
- Reso - No. CC-2506-046 Amending Public Works Department User Fees including Exhibit A - Proposed Master Fee Schedule, Public Works Department Adjustments
- Reso - No. CC-2506-044 Amending Community Services Department User Fees including Exhibit A - Proposed Master Fee Schedule, Community Services Department Adjustments