



**Item:** Resolution 9805 to Revise Land Development Application Fees  
**From:** Benjamin Rangel, Planning Director  
**Initiated By:** Great Falls Planning Board  
**Presented By:** Benjamin Rangel, Planning Director  
**Action Requested:** City Commission set public hearing for Resolution 9805

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**Suggested Motion:**

1. Commissioner moves:

“I move that the City Commission set a public hearing for December 16, 2008, to consider adoption of Resolution 9805.”

2. Mayor calls for a second, discussion, inquiries from the public, and calls the vote.

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**Planning Board Recommendation:** During a meeting on November 12, 2008, the Planning Board unanimously passed a motion recommending the City Commission revise the City’s current land development application fees and establish new fees.

**Background:** During development of the FY 2008-09 Planning Department Budget, it became apparent that costs have continued to increase, but that some revenue sources have remained the same for the past several years. As such, a review was made of all department revenue sources, including fees the Planning Department charges to process land development activities through the Planning Board, Zoning Commission and City Commission. These activities include annexations, subdivisions and zone changes. The review included comparing Great Falls fees with those charged by Cascade County and several other Montana communities. See the attached Fee Schedule Comparison. The current Great Falls fees were established in November, 1995.

Based primarily on the comparison, the Planning staff recommended in an agenda report to the Planning Board on July 22, 2008, that the fees be increased to what would have amounted to a doubling of the current fees. The proposed fees would have been directly in line with those charged by Cascade County and, in most cases, below those charged in several other Montana communities.

Following discussion at the July 22<sup>nd</sup> meeting, the Board chose to instead ask its Finance Committee to review the fees with the Planning staff and to bring a recommendation back to the full Board for consideration.

During a meeting on October 23<sup>rd</sup>, the Finance Committee concurred that the fees should be increased, citing the current fees have been in place for nearly 13 years. The Committee also generally agreed in principle that local tax revenues provided in the Planning Department budget should help fund the Department's various core programs, but that user fees should also be applied toward specific services, including land development activities. The Committee then wrestled with how much of the total estimated cost for each land development service should be borne by the local taxpayer and how much should be borne by the service user. The members felt a 50/50 cost share would be reasonable. Based on this principle, the Committee recommended the fees be adjusted as noted on the attached cost estimate sheets labeled as Exhibits 1-5 and as listed on the attached Fee Schedule Comparison matrix, dated 2008. The Committee also felt this approach would help to establish a process by which future fee adjustments could be more reasonably justified because the fees would be more directly related to actual Planning staff costs to provide each type of service.

On November 12, 2008, the Planning Board considered the Finance Committee recommendation and concurred with making a similar recommendation to the City Commission.

**Concurrences:** The Planning Board concurs with the proposed fee revisions.

**Fiscal Impact:** If the proposed fees are applied to a similar level of land development activity experienced during the past few years, it is estimated an additional \$15,000 could possibly be generated to augment the Planning Department budget.

**Alternatives:** The City Commission could deny setting a public hearing for consideration of Resolution 9805 and thus forego consideration of any fee revisions.

**Attachments/Exhibits:**

1. Resolution 9805
2. Fee Schedule Comparison Matrix, dated 2008
3. Cost Estimate Sheets (5)