



Item: Public Hearing-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 adopt Resolution 9805

Public Hearing:

1. Mayor conducts public hearing, calling three times each for opponents and proponents.
2. Mayor closes public hearing and asks the will of the Commission.

Suggested Motion:

1. Commissioner moves:

“I move that the City Commission (adopt/deny) 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 that the City Commission revise the 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 22nd meeting, the Board chose to instead ask the Planning Board's 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 23rd, the Planning Board 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 its Finance Committee's 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. If fees are not increased, then additional general revenue funds would be needed to address the Planning Department budget shortfall with its resulting impact on the overall City budget.

Alternatives: The City Commission could deny adoption of Resolution 9805 and thus forego any fee increases with a resulting fiscal impact on the Planning Department budget, as well as to general revenue funds in the overall City budget, as presented above.

Attachments/Exhibits:

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