

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA
AMENDING THE CITY'S FEE SCHEDULE FOR
FISCAL YEAR 2024-2025**

WHEREAS, the City has the authority to impose fees, charges, and rates to offset the costs for municipal services and regulatory programs pursuant to its policy powers under California Constitution Article XI section 7; and

WHEREAS, the City Council has, over the years, adopted various fees and charges for City services. These fees are generally incorporated into a fee schedule, which the City Council updates annually ("Fee Schedule"); and

WHEREAS, the Government Code of the State of California, Section 66018 requires local agencies to notice and hold at least one open and public meeting prior to levying a new fee or increasing an existing fee; and

WHEREAS, the City Council of the City of Capitola has held duly noticed public hearings on November 7 and November 14, 2024, to consider amending existing fees charged for various City services. At both public hearings, the public was provided an opportunity to offer public comment; and

WHEREAS, it is the general policy of the City to charge for the full costs of services provided by City Staff when such services benefit individual users rather than the entire community as a whole; and

WHEREAS, non-profit organizations provide a valuable service to the community by organizing events and programs that serve the City's residents and that attract visitors to the City;

WHEREAS, to best achieve the City's cost recovery goals and decrease pressure on the general fund, the City Council deems it advisable and consistent with the best interests of the public to adopt and update certain fees, as indicated on the Fee Schedule; and

WHEREAS, because non-profit organizations provide wide-ranging benefits to the City, use of funds from the City's General Fund; and

WHEREAS, the City has retained a consultant to complete a comprehensive fee study also presented to City Council on November 7 and November 14, 2024; and

WHEREAS, the fee study examined the costs to the City of providing certain services; in addition, City staff researched and analyzed the cost of services provided by the City and determined the appropriateness of these adjusted rates relative to the cost of providing services. The proposed fees on the Fee Schedule are based on information in the fee study and staff's determinations; and

WHEREAS, the proposed adjusted rates do not exceed the reasonable cost of providing these services; and

WHEREAS, this proposed Fee Schedule sets forth the City's cost recovery fee programs, which includes minimum deposits against which staff costs, adjusted for overhead, are assessed; and

WHEREAS, all flat fees, with the exception of those established by law, may be adjusted annually by the Consumer Price Index (CPI) for the San Francisco, Oakland, San Jose area; and

WHEREAS, the City will analyze the fee schedule on a yearly basis to ensure hour estimates and staff costs are reasonable; and

WHEREAS, the City has made available to the public the required data pursuant to Government Code Section 66018 for at least ten days prior to adoption of a revised fee schedule.

NOW, THEREFORE, BE IT RESOLVED that:

1. The above recitals are true and correct and incorporated herein by reference.
2. The City Council of the City of Capitola does hereby adopt the City of Capitola Fee Schedule, attached hereto as Exhibit A, to become effective on Dec. 1, 2024, or as otherwise required by statute.
3. Commencing on July 1, 2024 and on July 1 of each fiscal year thereafter, the proposed fees as shown on the attached Fee Schedule may be administratively reviewed and increased annually based on any changes in City hourly rates. The proposed changes must be approved by the City Council.
4. This City Council finds that this action is not subject to the California Environmental Quality Act (“CEQA”), as the adoption of a revised fee schedule is not a project within the meaning of CEQA Guidelines 15378 and 15061(b)(3). Also, pursuant to CEQA Guidelines 15378(b)(4), the creation of government funding mechanisms that do not involve any commitment to any specific project that may cause significant effect on the environment is not defined as “project” under CEQA.

I HEREBY CERTIFY that the above and foregoing Resolution was passed and adopted by the City Council of the City of Capitola at its regular meeting held on the 14th day of November 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Kristen Brown, Mayor

ATTEST:

Julia Gautho, City Clerk