



City of Ketchum

August 15, 2022

Mayor Bradshaw and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Bradshaw and City Councilors:

Presentation and Discussion Regarding Planning Fees

Recommendation and Summary

During the June budget workshop, the Council supported reviewing existing planning fees which have not been updated since 2015. Staff has completed the review of fee methodology and audited against historical staff work allocation to determine cost recovery rate. Staff will review findings from the review and seek guidance from Council regarding the desired percentage of cost recovery versus General Fund support.

Financial Impact

The analysis concluded that the city is currently recovering approximately 62% cost recovery with the remaining portion supported by the General Fund.

Sustainability Impact

No direct impact

Attachments

Staff presentation



Planning Fees Discussion

August 15, 2022



Agenda

- Review of Planning Fees
 - Methodology
 - Cost Recovery
- Staffing Request (revenue neutral)

Methodology

- 45 different permits analyzed
- Direct allocation of labor hours by permit type
 - Ranging from 1.5 hours (Fence) to 204.5 hours (Development Agreement)
- Current “fully loaded” costs



Current Cost Recovery

- Cost Recovery is well under full cost recovery
 - Currently estimated at 62% in total
- Individual fee cost recovery varies, with only 2 fees achieving full cost recovery
 - Fence
 - Subdivision Final Plat





Cost Recovery Discussion



Budgetary Impact

- Assumes current cost recovery on Planning Fees (Category 1100)
- Recommended changes result in revenue still well below the 3-Year Average

		FY 2022 YTD	FY 2022 Projection	Current FY 2023 Budget	3-Year Average	Potential FY 2023 Budget
01-3400-1100	Planning Fees*	\$ 98,505	\$ 105,000	\$ 75,000	\$ 157,088	\$ 90,000
01-3400-1110	Building Plan Check	\$ 260,351	\$ 275,000	\$ 130,000	\$ 261,527	\$ 180,000
01-3400-1120	Planning Plan Check	\$ 184,439	\$ 195,000	\$ 91,000	\$ 178,862	\$ 125,000
	Total	\$ 543,295	\$ 575,000	\$ 296,000	\$ 597,476	\$ 395,000
	Revenue Budget Increase					\$ 99,000

*This assumes no change to cost recovery targets, as previously discussed, account category 01-3400-1100 could increase in total about 37% to get to full cost recovery.

Revenue Neutral Staffing Request



- Add an Associate Planner Position
 - Total cost: \$131,038
 - Split 70/30 with KURA
 - Total City Cost: \$91,727
- Formal Request
 - Adjust budgeted revenues to desired levels per Council direction
 - Add 1.0 FTE, \$131,038 in expenditure appropriation, \$39,311 in reimbursement revenue for a net expenditure increase of \$91,727 offset by an increase in budgeted revenues.



General Discussion