



CITY OF LAKE FOREST PARK

CITY COUNCIL

AGENDA COVER SHEET

Meeting Date	November 9, 2023
Originating Department	Finance Department
Contact Person	Lindsey Vaughn
Title	Resolution 23-1923/Adopting 2024 User Fees

Legislative History

- First Presentation October 26, 2023, Regular Meeting
 - Second Presentation/Action November 9, 2023, Regular Meeting
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Attachments:

1. Resolution 23-1923
 2. 2024 User Fee Schedule with Markups
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Executive Summary

The City updates the User Fee Schedule annually for the various user fees that are charged for City services. The proposed update includes increases to the building permit fees. The surface water and sewer utility rates are also both included in the 2024 user fee rate increases. The Tree Permit fee has increased and there is a corresponding increase in the right-of-way tree corridor permit fee adopted last month.

Background

The City reviews the User Fee Schedule annually during biennial or mid-biennial budget proceedings and requests input from all departments. The purpose of this annual review is to ensure that the user schedule fees are appropriate and consistent with policy and accurately recover incurred City costs.

Sewer Utility Rate

The proposed Sewer Utility Rate increase for 2024 has two portions of the proposed increase. King County's portion of the sewer utility rate is set to increase by 5.75% in 2024 and will be a pass-through for all residential and commercial customers. The City is requesting to increase the City's portion of the

sewer rate by 3% for increasing costs related to operations, maintenance, and future capital infrastructure needs. The total rate increase is 5.0%.

The 2024 Sewer Utility Rate will increase the Residential sewer rate from \$72.88 to \$76.50, a total of \$3.62 per month. The Commercial/Multi-Family Residential rate per hundred cubic feet (ccf) increases from \$10.78 to \$11.28, a total of \$0.50 per month. The table below shows the sewer utility rate increases:

Description	Rate
Residential (single-family and housing units with four or less residential units per building),	\$72.88 \$ 76.50 per month per unit
Multi-family Residential (housing units with five or more units per building)	\$10.78 \$11.28 per hundred cubic feet (ccf) per month
Commercial	\$10.78 \$11.28 per hundred cubic feet (ccf) per month per unit of business

Surface Water Management Fee

The proposed surface water rate increase for 2024 is 10%.

Surface Water				
Class	Class Description	2023 Rate	10%	2024 Rate
1	single family residential	\$ 246.24	\$ 24.62	\$ 270.86
2	very light (0-10 IA)	\$ 246.24	\$ 24.62	\$ 270.86
3	light (10-20% IA)	\$ 591.86	\$ 59.19	\$ 651.04
4	moderate (20-45% IA)	\$ 1,190.32	\$ 119.03	\$ 1,309.35
5	moderately heavy (45-65% IA)	\$ 2,298.52	\$ 229.85	\$ 2,528.37
6	heavy (65-85% IA)	\$ 2,914.15	\$ 291.42	\$ 3,205.57
7	very heavy (85-100% IA)	\$ 3,817.17	\$ 381.72	\$ 4,198.88

Building Fees

The proposed increase in building fees was discussed at the September 28th Regular Meeting. The 2024 Building Fees will increase by 9.8% in accordance with the International Code Council’s August 2023 updated table. This approach is an industry best practice, it will offset the 14.3% anticipated salary increase for our largest single department expense, and other increases in insurance, benefits, software, and other department needs. The Building Fee will increase from \$150.87 to \$165.67/SF for a Standard Home, an increase from \$185.00/SF to \$203.15/SF for Custom Homes, and Utility/Garage Fees will increase from \$60.43/SF to \$66.35/SF. The Building Valuation Table will also increase at the rate of 9.8%.

Fiscal & Policy Implications

The 2024 User Fee Schedule increases allow the City to charge appropriately to cover expenses for City services on an annual basis.

Alternatives

<i>Options</i>	<i>Results</i>
<ul style="list-style-type: none">• Adopt the user fee schedule with current updates	User fees will be established for 2024, and full cost recovery will be achieved
<ul style="list-style-type: none">• Do not increase any fees	Will not achieve full cost recovery, and alternate measures may need to be taken for financial stability.

Staff Recommendation

Adopt Resolution 23-1923 establishing the 2024 User Fee Schedule