TO:         JAMES L. APP, CITY MANAGER

FROM:       BOB LATA, COMMUNITY DEVELOPMENT DIRECTOR

SUBJECT:    NEWSRACK FEES

DATE:       DECEMBER 21, 1999


Needs:       For the City Council to consider a schedule of fees for permits and appeals as provided for in the newsrack ordinance adopted as Ordinance 780 N.S.

Facts:       1.  At its meeting of September 21, 1999, the City Council adopted Ordinance 780 N.S., which revised the regulations for newsracks.

             2.  Ordinance 780 N.S. provides that the City may, by resolution, establish fees for the following:
                 a.  Issuance of permit for each newsrack to be placed in the public right-of-way or on public property;
                 b.  Appeals of decisions of the Director of Public Works (to deny a permit or issue a Notice of Correction) to the City Council

             3.  Ordinance 780 N.S. provides that the City may recover its costs for impounding and storing newsracks.

             4.  At its meeting of November 16, 1999, the City Council considered a proposed fee schedule for newsrack permits, but continued the matter in order that staff conduct further research to ascertain what newsrack permit fees are being charged by other cities.

Analysis and
Conclusion:   Staff contacted 21 cities that had newsrack ordinances and found the following:

| Fee & Permit Frequency | # of Cities | Cities and Fees |
|---|---|---|
| No fee, one-time permit | 6 | Glendale, Huntington Beach, Pleasanton, Redlands, Vista |
| No fee, annual permit | 3 | Arcadia, San Clemente, Simi Valley |
| No fee, 5 year permit | 1 | Laguna Beach |
| Fee per newsrack, one-time permit | 3 | Camarillo ($30), Santa Barbara ($15), Walnut Creek ($50) |
| Fee per newsrack, annual permit | 3 | Carpinteria ($10), Novato ($40), Thousand Oaks ($5) |
| Fee per distributor *, one-time permit | 1 | La Verne ($100) |
| Fee per distributor *, annual permit | 2 | Carlsbad ($30), Carmel ($10) |
| Combination of fee per distributor and fee per newsrack, annual permit | 1 | South Pasadena ($75/distributor plus $8 per newsrack) |
| Fee per newsrack **, 5 year permit | 1 | Danville ($115) |

*   Each distributor may place an unlimited number of newsracks per permit.
**  Most newsracks in Danville are modular units (several publications/newsrack).

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Ordinance 780 N.S. provides that the City issue a newsrack permit, on an annual basis, for each newsrack placed in the public right-of-way or on public property. Ordinance 780 N.S. also provides that the City collect a fee for each permit. This is the same set of provisions applicable to the cities of Carpinteria, Novato and Thousand Oaks in the shaded row on the above table. Annual fees for newsrack permits for those cities range between $5 and $40.

Attached is a Newsrack Fee Analysis, which shows details of staff time estimates for issuing permits and impounding newsracks. Staff has estimated that the cost of staff time, postage and reproduction for issuing a permit for each newsrack will be $20 (in current dollars). A $20 annual fee would be a mid-range fee, compared to those cities with the same requirement for annual permits for each newsrack.

One publisher inquired whether the City would consider a sliding scale of fees in which those publications seeking multiple newsrack permits could receive a discounted permit fee on the basis that City staff could achieve economies of scale in handling multiple applications from a single publisher. If there were any economies of scale, they would be in clerical time, which is estimated to total 0.5 hour (for 4 separate tasks) or $9.30 per permit. It is possible that there may be time savings of up to 0.25 hour per permit if 5 or more permits are submitted. The Council may want to consider a rate of $15 per newsrack permit when 5 or more permit applications are filed by a single distributor at a time (i.e. on the same date).

For appeals, a fee of $50 is recommended. This is half of the current fee for a zoning appeal. A newsrack appeal would require staff time to prepare a staff report and costs for mailing and reproduction; it would not require notices to be published in the newspaper or mailed to surrounding properties, as do zoning appeals.

The cost of staff time, postage and reproduction for impounding and storing newsracks is estimated at $50 (as shown on the attached Newsrack Fee Analysis).

Policy
Reference:      Ordinance 780 N.S.

Fiscal
Impact:         The suggested fees would minimize fiscal impacts associated with administering the Newsrack Ordinance.

Options:        a.   That the City Council adopt the attached Resolution Establishing Fees for Administration of the Newsrack Ordinance.

                b.   Amend, modify or reject the foregoing option.

Prepared by:

Ed Gallagher
Housing Programs Manager

Attachments:

1.   Resolution Establishing Fees for Administration of the Newsrack Ordinance.
2.   Newsrack Fee Analysis

RESOLUTION NO. 99-

## A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES ESTABLISHING FEES FOR ADMINISTRATION OF THE NEWSRACK ORDINANCE

WHEREAS, Ordinance 780 N.S., which was adopted by the City Council of the City of El Paso de Robles on September 21, 1999 to amend regulations for newsracks placed in the public right-of-way and on public property, authorizes the establishment of certain fees for various activities related to administration of the regulations established by said ordinance; and

WHEREAS, an analysis has been performed of the city's costs of providing services related to the activities of issuing permits, processing appeals, and impounding and storing newsracks, and said analysis is on file in the Community Development Department;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of El Paso de Robles to adopt the following schedule of fees for administration of newsrack regulations established by Ordinance 780 N.S.

Issuance of a Newsrack Permit, per Sections 11.35.030 and 11.35.110 .................................................................. $20;

Appeal of Public Works Director's decision to the City Council, per Section 11.35.100 .................................... $50;

Impoundment and Storage Fee, per Section 11.35.090 .................................................................................. $50.

PASSED AND ADOPTED by the City Council of the City of El Paso de Robles this 21st day of December, 1999, by the following roll call vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

_____
Duane Picanco, Mayor

ATTEST:

_____
Sharilyn M. Ryan, Deputy City Clerk

# NEWSRACK PERMIT FEE ANALYSIS

The following analysis was conducted to estimate the City's costs for three tasks: (1) processing newsrack permits for the first time; (2) renewing permits on an annual basis; and (3) impounding and storing newsracks. The purpose of this analysis is to determine the appropriate fee for each of the three tasks so that the City's costs might be recovered, as provided for in Ordinance 780 N.S.

## Permit Issuance

| Task | Staff * | Hours/Task | Hourly Rate | Cost |
|---|---|---|---|---|
| Review application to ensure that it is complete; processing fee. | Clerical | 0.1 | 18.61 | 1.86 |
| Review application to ensure that the requested design and location for a newsrack conforms to the Code. | Management | 0.1 | 35.94 | 3.59 |
| Issue permit letter or letter of denial | Clerical | 0.2 | 18.61 | 3.72 |
| Field verification to ensure that the newsrack conforms to the permit. | Maintenance | 0.2 | 19.08 | 3.82 |
| File application | Clerical | 0.1 | 18.61 | 1.86 |
| Permit Sticker (printing costs per unit) | | | | 1.34 |
| Annual monitoring to ensure that permits are renewed or newsracks are removed. | Clerical | 0.1 | 18.61 | 1.86 |
| | Maintenance | 0.1 | 19.08 | 1.91 |
| TOTAL COST | | | | **$19.96** |

## Impoundment

| Task | Staff * | Hours/Task | Hourly Rate | Cost |
|---|---|---|---|---|
| Receive complaint, inform management. | Clerical | 0.1 | 18.61 | 1.86 |
| Field verification of complaint. | Maintenance | 0.2 | 19.08 | 3.82 |
| Issue Notice of Correction. | Clerical | 0.2 | 18.61 | 3.72 |
| Field removal of newsrack. ** | Maintenance | 1.0 | 19.08 | 19.08 |
| Issue Notice of Impoundment. | Clerical | 0.2 | 18.61 | 3.72 |
| | Management | 0.1 | 35.94 | 3.59 |
| Retrieve newsrack; process fee. | Clerical | 0.2 | 18.61 | 3.72 |
| | Maintenance | 0.2 | 19.08 | 3.82 |
| TOTAL COST | | | | **$43.33** |

\*   Clerical is Admin Assistant II; Management is Professional Manager II; Maintenance is Maintenance Specialist II. All rates are as of 4/1/99. Benefits are estimated at 28% of hourly salary/wage.

\*\*   Assumes anchor must be removed and sidewalk patched.

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