



Planning & Zoning Fees Update

Finance Department & Planning and Zoning Department
CAC Meeting | October 15, 2025

Purpose and Goals

Why We're Here:

- ❖ Last major updates were over 10 years ago
- ❖ City growth and increased demand for services
- ❖ Current imbalance between costs and revenues
- ❖ City's cost recovery policy requires a review every 5 years.

Goal: Adjust Planning and Zoning fees to better reflect the cost of services and reduce reliance on the General Fund.

What are P&Z Fees?

Planning and Zoning fees are charges assessed to recover the cost of reviewing development related applications, and land use requests.

Common P&Z Fees Include:

- Development Agreements
- Sign Applications
- Pre-Application Meetings
- Administrative Amendments

Authority to Charge Fees

Authority to Charge Fees - Chapter 158

- ❖ City Council desires that development related application fees cover a significant percentage of the Planning and Zoning Department's expenditures
- ❖ Small Revisions in 2019 via Resolution 19-R82
- ❖ Last Major revisions were over 10 years ago

Cost to Provide Services

Annual Cost - \$1,861,081

Annual Revenue - \$770,601

GF Subsidy - \$1,090,480

Current Cost Recovery – 41%

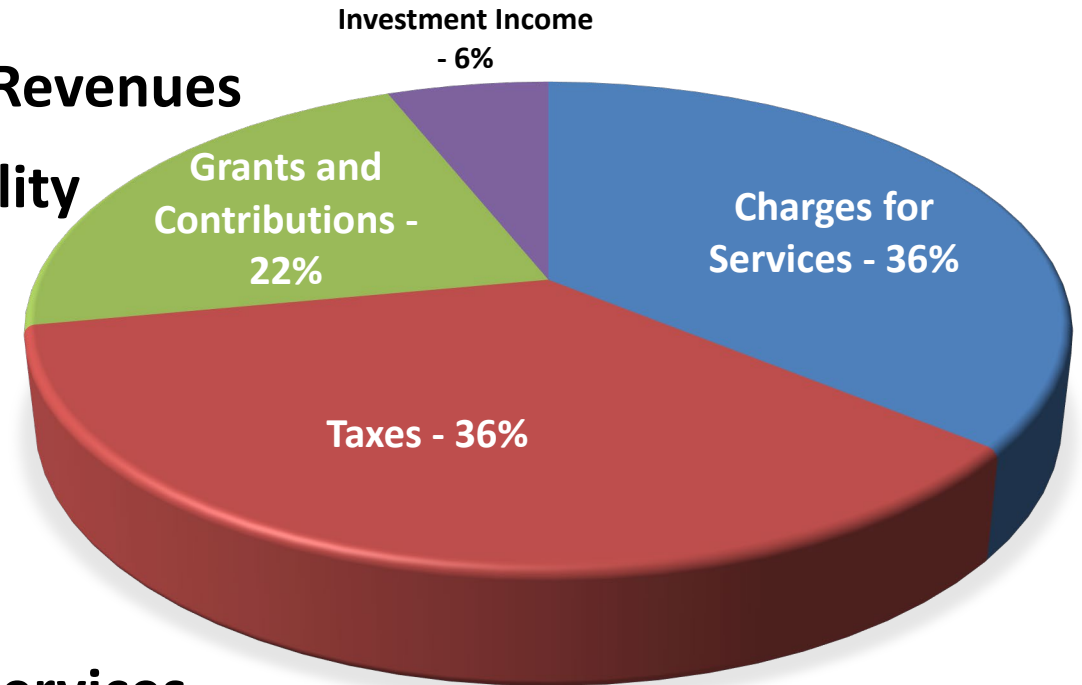
Cost Recovery Policy

Service Tiers and Cost Recovery Targets:

1. **Primary Community Benefit** - programs and services essential to governance, public safety, and community well-being. These are primarily funded by the General Fund.
 - Cost Recovery Target: 0%-10%
2. **Considerable Community Benefit** - Services that improve quality of life and benefit the general public, with limited direct user benefit.
 - Cost Recovery Target: 11%-40%
3. **Balanced Community & Individual Benefit** - Services with shared benefits between the community and the user. Costs are split between user fees and tax support.
 - Cost Recovery Target: 41%-60%
4. **Considerable Individual Benefit** - Discretionary services that primarily benefit individuals but still offer some public value. Fees should cover the majority of costs.
 - Cost Recovery Target: 61%-90%
5. **Primary Individual Benefit** - Services offering direct, individual benefit with little to no public impact. These should be fully funded by the user, with fees possibly exceeding 100% if justified by market rates.
 - Cost Recovery Target: 91% - 100%+

Why it's Important to Charge Fees

- ❖ **Accounts for 36% of all City Revenues**
- ❖ **Promotes Fairness and Equality**
- ❖ **Supports Cost Recovery**
- ❖ **Encourages Responsible Use of City Services**
- ❖ **Aligns with Best Practices**
- ❖ **Helps Fund Growth-Driven Services**



What's Changing?

Recommending Seven New Fees

1. Accessory Use Reviews - \$50
2. Agreement Amendments - \$5,500
3. Construction Plan Amendments - \$50
4. Landscape Inspections - \$100
5. Meeting Fee - \$500
6. Mobility Fee Estimates - < 10 acres \$250; > 10 acres \$500
7. Business Tax Use and Occupancy Review - \$50

These services currently cost the City \$506,788 annually

What's Changing?

Adjusting Existing Fees:

- ❖ Resident/Small Business Fees – 16% (\$145) increase
 - ❖ Liquor licenses
 - ❖ Variances
 - ❖ Special Exception Uses
- ❖ New Development Fees – 111% (\$1,651) increase
 - ❖ Developer Agreements
 - ❖ Annexation Applications
 - ❖ Comp Plan Amendments
- ❖ Both – 74% (\$441) increase
 - ❖ Sign Applications
 - ❖ Site Plans
 - ❖ Administrative Amendments

Revised Cost to Provide Services

Annual Cost - \$1,864,881

Annual Revenue - \$1,323,726

GF Subsidy - \$538,155

Revised Current Cost Recovery – 71%

4. **Considerable Individual Benefit** - Discretionary services that primarily benefit individuals but still offer some public value. Fees should cover the majority of costs.

- Cost Recovery Target: 61%-90%

Recap/Next Steps

- **Last significant revisions over 10 years ago**
- **Current recovery: 41% → Proposed: 71%**
- **Annual General Fund subsidy reduced by \$230,000**

Recommendation: Approve proposed cost recovery tier of Considerable Individual Benefit 61%-90%