



Memorandum

**TO: HONORABLE MAYOR
AND CITY COUNCIL**

FROM: Anthony Mata
Jim Shannon

**SUBJECT: 2022-2023 SCHEDULE OF FEES
AND CHARGES AMENDMENT**

DATE: November 7, 2022

Approved

Date

11/15/22

RECOMMENDATION

Adopt a resolution amending the 2022-2023 Schedule of Fees and Charges (Resolution No. 72737, as amended) to update certain Police Department Fees and Charges and make certain changes thereto, including those covered in the Attachment, and superseding Resolution No. 80571.

OUTCOME

Approval of this recommendation amends the 2022-2023 Schedule of Fees and Charges, updating certain Police Department Fees and Charges.

BACKGROUND

The 2022-2023 Proposed Fees and Charges Report, which was released on May 6, 2022 and approved by the City Council by Resolution No. 80571 on June 14, 2022, outlined the proposed fees for the majority of fees and charges accruing to the General Fund and selected fees and charges associated with other funds. Public input on fee proposals was heard by the City Council at public hearings held on Tuesday, May 17, 2022 at 1:30 p.m. and Monday, June 13, 2022 at 6:00 p.m. The proposed fees and charges were approved by the City Council with adjustments that were brought forward during the budget deliberation process through Manager's Budget Addenda (MBA) #31¹, *PRNS Fee Cost Recovery Levels and Title I School Programming Options*, and MBA #40², *2022-2023 Proposed Fees & Charges Amendment*, which were approved as part of the Mayor's June Budget Message for Fiscal Year 2022-2023.

¹ MBA #31: <https://www.sanjoseca.gov/home/showpublisheddocument/86713/637898000765000000>

² MBA #40: 2022-2023 Proposed Fees & Charges Report Amendment

ANALYSIS

The City Auditor's Office and Police Department recently discovered an error in the calculation of Concealable Firearm Permit fees as part of an audit of the City's firearm regulatory processes and policies.³ While the City's fees are individually reviewed each year during the development of the Proposed Fees & Charges Report, the audit process revealed that the allocation of indirect overhead costs were referencing an outdated salary source file, which resulted in the incorrect calculation of overhead costs for Concealable Firearm Permit fees; due to the error, the fees are slightly below cost recovery. Further analysis found that this same error occurred in approximately 50 Police Department permit fees. While the corrections are minor, in an effort to ensure that fees are as accurate as possible to ensure full cost recovery, the Police Department and City Manager's Budget Office recommend amending the fees as listed in the Attachment.

The following Public Safety Fees – Category I sections – which strive to be 100% cost recovery – were found to have the error. A listing of the specific fee changes is found in the Attachment.

- Cardrooms
- Concealable Firearms
- Crime Prevention through Environmental Design
- Event Promoter Permit
- Funeral Escort
- Gaming – Non-Profit Fundraisers
- Ice Cream Vendor
- Massage Parlors
- Miscellaneous Permits
- Parade
- Pawnbroker / Secondhand Dealers
- Peddler
- Peepshow
- Periodicals Canvasser
- Pool or Billiard Room License
- Public Dance Hall
- Public Entertainment
- Sales
- Secondary Employment
- Taxicab, and
- Tow Car

³ The Firearm Regulations report is scheduled to be presented at the Public Safety, Finance & Strategic Support Committee meeting on December 15, 2022.

CONCLUSION

The amendment of the 2022-2023 Schedule of Fees and Charges would address the error in the calculations.

EVALUATION AND FOLLOW-UP

This memorandum will not require any staff follow up.

CLIMATE SMART SAN JOSE

The recommendation in this memorandum has no effect on Climate Smart San José energy, water, or mobility goals

PUBLIC OUTREACH

This memorandum will be posted on the City Council Agenda website for the November 29, 2022 City Council meeting.

COORDINATION

This memorandum has been coordinated with the City Attorney's Office and the City Auditor's Office.

COMMISSION RECOMMENDATION/INPUT

This memorandum does not require input from a board or commission.

COST SUMMARY/IMPLICATIONS

Most of the fees recommended for revision are currently slightly below cost recovery. The difference in revenue collection associated with these recommended changes is minimal at approximately \$20,000 on an annual basis. Therefore, no change is recommended to the Fees, Rates and Charges budgeted revenue estimate revenue in 2022-2023.

HONORABLE MAYOR AND CITY COUNCIL

November 7, 2022

Subject: 2022-2023 Schedule of Fees and Charges Amendment

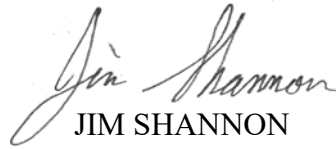
Page 4

CEQA

Not a Project, File No. PP17-004, Government Funding Mechanism or Fiscal Activity with no commitment to a specific project which may result in a potentially significant physical impact on the environment.

/s/

ANTHONY MATA
Chief of Police



JIM SHANNON
Budget Director

For questions, please contact Lisa Perez, Division Manager, at (408) 537-1624 or Jennifer Otani, Administrative Officer, at (408) 537-1625.

Attachment: Amendment to the 2022-2023 Adopted Fees and Charges Report San José Police Department

ATTACHMENT
AMENDMENT TO THE 2022-2023
ADOPTED FEES AND CHARGES REPORT

SAN JOSE POLICE DEPARTMENT

Service	2022 - 2023 Adopted Fee		2022 - 2023 Proposed Amended Fees	
PUBLIC SAFETY PERMITS - CATEGORY I				
Cardrooms				
Work Permit Fees - Employee Transfer Fee	\$	252	\$	261
Work Permit Sworn - New	\$	514	\$	534
Work Permit Sworn - Renewal	\$	431	\$	448
Work Permit Non-Sworn - New	\$	451	\$	458
Work Permit Non-Sworn - Renewal	\$	377	\$	382
Concealable Firearms				
Dealer Renewal	\$	353	\$	367
Change of Location	\$	353	\$	367
Dealer Initial Application	\$	786	\$	819
Crime Prevention Through Environmental Design	\$	178	\$	186
Event Promoter Permit	\$	1,633	\$	1,702
Funeral Escort				
Operator Permit - Initial	\$	326	\$	336
Operator Permit - Renewal	\$	139	\$	144
Vehicle Inspection Permit	\$	116	\$	120
Gaming - Non-Profit Fundraisers	\$	326	\$	336
Ice Cream Vendor				
Ice Cream Business - New	\$	217	\$	224
Ice Cream Business - Renewal	\$	217	\$	224
Ice Cream Employee - New	\$	279	\$	288
Ice Cream Employee - Renewal	\$	279	\$	288
Ice Cream Truck Inspection	\$	60	\$	62
Massage Parlors				
Massage Business	\$	2,371	\$	2,368
Massage Renew	\$	927	\$	995
Massage Reinspection	\$	279	\$	288
Ownership/Management - New	\$	457	\$	472
Ownership/Management - Renewal	\$	411	\$	423
Misc Permits				
License/Permit Transfer	\$	41	\$	42
Media Production Permit	\$	466	\$	480
Replace ID Cards, Permits, Licenses	\$	41	\$	42
One-Day Liquor	\$	361	\$	373
Parade	\$	217	\$	224
Pawnbroker/Secondhand Dealers				

Pawnbroker License - New	\$	597	\$	616
Pawnbroker License - Renewal	\$	597	\$	616
Secondhand Dealers - incl Jewelry	\$	597	\$	616
Peddler				
Peddler - Issuer ID Card	\$	41	\$	42
Peepshow				
Application Fee	\$	222	\$	228
Periodicals Canvasser				
	\$	74	\$	76
Pool or Billiard Room License				
	\$	466	\$	480
Public Dance Hall				
New Permit - Class A&C	\$	492	\$	509
New/Renewal - Class B	\$	186	\$	192
Renewal - Class A&C	\$	399	\$	413
Public Entertainment				
Business - New	\$	1,860	\$	1,941
Business - Renewal	\$	1,019	\$	1,063
Identification Card	\$	41	\$	42
Management License - Change of Venue	\$	214	\$	223
Management License - New	\$	965	\$	1,007
Management License - Renewal	\$	542	\$	565
Ownership License - New	\$	965	\$	1,007
Ownership License - Renewal	\$	542	\$	565
Sales				
Closing Out - 30 day renewal	\$	93	\$	96
Closing Out - 60 day renewal	\$	93	\$	96
Secondary Employment				
Employer - New	\$	262	\$	271
Employer - Renewal	\$	262	\$	271
Event lasting 5 days or less	\$	262	\$	271
Taxicab				
Restricted Owner's License	\$	2,011	\$	2,073
Taxi Company - New	\$	7,520	\$	7,749
Taxi Company - Renewal	\$	504	\$	520
Taxi Driver's Permit - New	\$	676	\$	697
Taxi Driver's Permit - Renewal	\$	387	\$	399
Taxi Driver's Permit - Retest	\$	318	\$	327
Taxicab Vehicle Inspection	\$	233	\$	240
Taxicab Vehicle Reinspection	\$	233	\$	240
Tow Car				
Private Property Tow	\$	364	\$	375
Private Property Tow Reinspection	\$	364	\$	375
Tow Car Business - New	\$	326	\$	336
Tow Car Business - Renewal	\$	326	\$	336
Tow Car Driver - New	\$	248	\$	255
Tow Car Driver - Renewal	\$	248	\$	255