



ECONOMIC DEVELOPMENT AND INTERGOVERNMENTAL  
RELATIONS COMMITTEE

**Status Update**

**Online Self-Service Options *and*  
Business Regulatory & Taxation  
Consolidation Project**

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# Agenda

## **Self-Service Options Update**

- Office of the City Treasurer Self-Service Overview
- Customer Usage Update
- Projects Update
- Treasury Pipeline . . . What's Next?



# Current Self-Service Options

- Business Tax Application and Payments
- Rental Unit Business Tax Payments
- Transient Occupancy Tax and TMD Assessment Remittance and Payments
- Parking Citation Payments and Administrative Review (Appeals)
- Delinquent Accounts Payments



# Self-Service Usage Update

Application	Customer Usage February 2012	Customer Usage Today
TOT/TMD	28%	60%
Business Tax Application	36%	60%
Business Tax Renewal Payments	37%	39%
Rental Tax Renewal Payments	17%	22%
Parking Citation Payments	34%	43%
Parking Administrative Reviews	48%	47%
Delinquent Accounts	39%	35%



# Treasury Projects Update

Project	Current Status
Business Regulatory & Taxation Consolidation Project	Next Presentation (Phase I – in process)
Enhancing Online Tax Remittance for CCFD Special Tax Levy	Completed
Electronic Billing Options for Business Tax	<ul style="list-style-type: none"><li>• Implemented January 2014 Rental Tax Customers</li><li>• Implementation planned August 2014 Business Tax Customers</li></ul>
Online Administrative Review Enhancement for Parking Citations	Completed



# Treasury Pipeline . . . What's Next?

- Online Registration and Permitting for Temporary Overnight Recreational Vehicle Parking (supporting *Neighborhood Parking Protection Ordinance*)
- Electronic Bill Presentment – Business Tax
- Online Registration and Permitting for Residential Parking Permits
- Online Permitting for Regulatory Businesses
- Smart Parking Meter Options
- Customer Satisfaction Survey



# **Business Regulatory and Taxation Consolidation Project**



# Agenda

## **Business Regulatory & Taxation Consolidation Project**

- Background
- Efficiency Study Objectives
- Recommendations
- Project Updates
- Efficiencies/Benefits
- Phase I Timeline
- Challenges



# Background

- Business Regulatory and Taxation – Efficiency Study
  - In FY12 the Office of the City Treasurer took the lead
- Participating Departments
  - Development Services
  - Fire
  - Police
  - Transportation and Storm Water
- Create a one-stop-shop for businesses
- Eliminate duplication of effort associated with collection of Business Tax and permitting data



# Efficiency Study Objectives

- Improve effectiveness and efficiency of City's licensing/permitting and fee collection processes for businesses operating in the City of San Diego
- Identify and clarify roles and responsibilities of City departments that perform work related to business taxes, permits and fees



# Efficiency Study Objectives (cont.)

- Ensure that recommendations comply with governing documents and propose improvements to those governing documents as appropriate to achieve greater efficiencies
- Determine the cost of the recommended approach and propose revisions to the fee structure as appropriate



# Efficiency Study Recommendations

## Recommendation #1

- Centralize business registration process for regulation and taxation within the Office of the City Treasurer's Business Tax Program
- Any supplemental regulatory applications to be processed by Business Tax personnel

## *Revised Recommendation*

### Phased implementation

- Phase I – Police Regulated Business Permitting
- Phase II – Fire Permits and Transportation Permits
- Note: Zoning Use Clearance (ZUC) permitting currently processed within Business Tax Program



# Efficiency Study Recommendations

## Recommendation #2

- Replace each of the individual business regulatory permits and current Business Tax Certificate with one *Business Tax License*

## *Revised Recommendation*

- Business Tax Certificate and Regulatory Permits will be issued separately



# Efficiency Study Recommendations

## Recommendation #3

Revise Regulatory permit fee structure

- Business owners assessed an annual regulatory administration fee. Proposed fee to consist of Office of the City Treasurer's administrative costs and costs incurred by each regulatory department to perform clearance review
- Businesses that do not pass background clearance will not be entitled to refund of administrative fee
- Regulatory permit fees adjusted to recover cost of providing the regulatory service as allowed by Government Code §50076.

## *Revised Recommendation*

(No Change)



# Efficiencies/Benefits

- Streamline data collection and application process
- Automate daily deposit and accounting processes for regulatory payments
- Maintain customer account information in one database
- Create synergies between regulatory departments
  - PD Permit and Business Tax Certificate renewal to occur on same date
  - Combined billing statement
- Ensure regulatory services are invoiced timely
- Centralize regulatory payment process within TTCS
- Ensure delinquent accounts are timely referred to Delinquent Account Collections Program
- Reassign Fire and Police resources to focus on public safety



# Phase I – Project Timeline

- “To Be” Documentation Process – *Completed*
- System requirements for CGI quote - *Completed*
- Review and streamline PD Permit Applications – *Completed*
- Finalize new PD applications – July 2014
- Receive quote from CGI – July 2014
- Enhance Treasurer Tax Collection Systems – August through December 2014
- Council Committee Approval – October 2014
  - Municipal Code updates
  - Revised Permitting Fees
- Staff Training – October through December 2014
- Outreach to regulated business community – November 2014
- “Go Live” – January 2015



# Challenges

- Change Management
- Ensure Municipal Code reflects new business requirements
- Treasurer Tax Collection System enhancements to incorporate permit process
- Treasury staff training
- Phase II – Fire Permitting (CEDMAT Hazardous Material Permit)



# Questions?