

**Office of
The City Attorney
City of San Diego**

**MEMORANDUM
MS 59**

(619) 236-6220

DATE: April 16, 2012
TO: James Barwick, Director, Real Estate Assets Department
FROM: City Attorney
SUBJECT: Proposition 26 Review of Proposed Real Estate Assets Department User Fees for FY 2013

INTRODUCTION

Under Council Policy 100-05, general fund departments are required to conduct comprehensive user fee studies every three years. These fee studies ensure City departments identify and recover all reasonable and allowable costs incurred in providing government services.

Financial Management staff has asked participating departments to obtain an opinion on the legality of their proposed user fee adjustments and additions from the Office of the City Attorney in light of Proposition 26. Approved by the voters in 2010, Proposition 26 amends articles XIII A and XIII C of the California Constitution to provide that a levy, charge, or exaction of any kind imposed, increased, or extended by a local government is a tax unless an exception applies. Exceptions to Proposition 26 include user fees; government service or product fees; regulatory fees; government property entrance fees; fines and penalties imposed by a court or local government; property development impact fees; and assessments and property-related fees governed by Proposition 218.¹

¹ For a fuller discussion of Proposition 26, see City Att’y MOL No. 11-3 (Mar. 4, 2011), “Proposition 26 and Its Impact on City Fees and Charges.”

Each Proposition 26 exception involves its own legal standard for determining the amount of a legally permissible fee. Under article XIII C, section 1(e)(1)(2)(3) of the California Constitution, which discusses some of the exceptions to Proposition 26, no fee may exceed the reasonable cost of providing the service. However, such fees should reimburse the government entity for all reasonable direct and indirect expenses incurred. *United Business Commission v. City of San Diego*, 91 Cal. App. 3d 156, 166 (1979). As noted in *United Business Commission*, “. . . the municipality need only apply sound judgment and consider ‘probabilities according to the best honest viewpoint of informed officials’ in determining the amount of the fee.” *Id.* This Office has advised City staff to explain the link between the cost and the service provided and justify all fee calculations based on a study of the costs associated with the fee for Council’s consideration and approval. Therefore, depending on the particular type of fee and individual department activities, staff for each City department developed their proposed user fee adjustments using the comprehensive Citywide method developed by Financial Management and Comptroller staff.²

We have reviewed a detailed summary of the Real Estate Assets Department’s (READ) Department’s cost recovery calculations as described in Exhibit A and proposed fee adjustments as described in Exhibit B. Our Proposition 26 analysis of each fee is discussed below.

PROPOSED USER FEES ANALYSIS

Authority for the READ’s Fees

Pursuant to San Diego Resolution R-208896 (Sept. 25, 1973), “the City Manager is authorized to establish fees to recover costs involved with property acquisition and property management services performed by the Property Department.” The Resolution further states that the fees will “recover City costs involved in providing easements, subordination agreements, exchanges, sublease consent, assignment consent, abandonments, and temporary property use permit requests.”

As shown on Exhibits A and B (collectively referred to as “READ’s User Fee Analysis”), READ is proposing increases to its fees for the following eight City services or products:

- 1) Consent to Assignment of Leasehold Interest – Long Term Agreements;
- 2) Consent to Assignment of Leasehold Interest – Short Term or Non Revenue Agreements;
- 3) Consent to Sublease;
- 4) Easement or Rights on City Property;
- 5) Leases-New, Reviewed or Amended – Long Term Agreements;
- 6) Leases-New, Renewed or Amended – Short Term or Non Revenue Agreements;
- 7) Permits, Rights of Entry and other Temporary Uses; and

² The method was approved by Financial Management and the Comptroller and provided to the departments by Financial Management. The number (budget item) used to apportion rates (overhead and load) against direct cost is the responsibility of each department based on the contents and knowledge of their individual department activities. This Office did not independently verify or recalculate the numbers provided or the validity of the methodology.

8) Valuation Processing Fee.

The eight fees analyzed by READ are fees which would allow the City to recover its costs associated with providing services of the type authorized by R-208896 (User Fees).

Application of Proposition 26 to READ's Proposed Increases to its User Fees

Proposition 26 added a definition of "tax" to the California Constitution. That definition now requires that "any levy, charge, or exaction of any kind" imposed, increased, or extended by local government agencies on or after November 3, 2010, is considered a special tax unless an exception applies.

Section 1(e)(2) of Proposition 26 excludes from the new definition of "tax": A charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product.

The User Fees set forth in READ's User Fee Analysis are for specific services or products which will be provided by READ and which will be charged only to the party requesting those same specific services or products. Therefore, READ's proposed User Fees are the type of "charge" contemplated by the above-listed exception to Proposition 26.

Further, READ's User Fee Analysis analyzes each proposed increase to its User Fees by calculating the direct and indirect costs associated with each User Fee, and then comparing the true cost of providing the User Fee activity to a requesting party against the proposed increased User Fee. READ's User Fee Analysis evidences that even with the proposed increases to the User Fees, the City will receive less than total cost recovery (from 35% to 95% of the true total cost to the City) for the user fee activities associated with the proposed increased User Fees.

Accordingly, as the User Fees set forth in READ's User Fee Analysis are fees for specific government services and/or products provided directly to the payor and are not provided to those not charged, and the proposed increased User Fees do not exceed the reasonable cost of providing the services and/or products associated with each of the individual user fee activities, the proposed increased User Fees reasonably appear to fall within the section 1(e)(2) exception to Proposition 26.

CONCLUSION

The increased User Fees proposed by READ are for services associated with rendering specific government services or products to specific payors who request and receive those same services or products. And, based on READ's User Fee Analysis, the actual administrative costs associated with providing those services or products do not exceed the reasonable cost to the

James Barwick, Director, READ

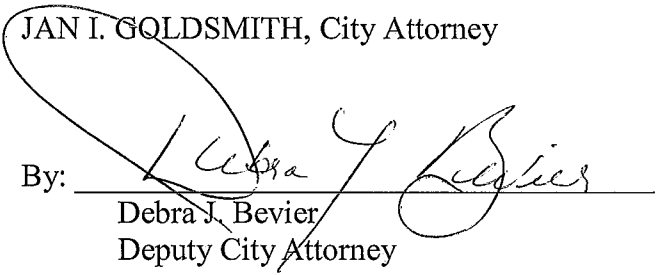
April 16, 2012

Page 4

City of providing those same services or products or READ's proposed increased User Fees. In fact, none of the proposed increased User Fees will constitute full cost recovery for the services or products provided. Accordingly, this Office concludes that the proposed increased User Fees listed in READ's User Fee Analysis are likely exempt from the definition of "tax" under section 1(e)(2) of Proposition 26 and, therefore, are in accordance with the California Constitution.

JAN I. GOLDSMITH, City Attorney

By: _____


Debra J. Bevier

Deputy City Attorney

DJB:mm:amt

Attachments: Exhibits A and B

cc: Mark Leonard, Director, Financial Management

MS-2012-14

Exhibit A

Fiscal Year 2013 Proposed User Fee Adjustments

Cost Recovery Calculations

User Fee Departmental Cost Recovery Calculations

Department: READ **Dept No:** 1613 **Fee Title:** CONSENT TO ASSIGNMENT (LONG TERM) **Load Rate:** 19.1%
Preparer/Contact: Roswitha Sanchez **Date:** Sep. 27, 2011 **Fee Legal Authority:** Reso # 208896 **Overhead Rate:** 115.7%

Fee Description: This includes selling all or part of a leasehold interest or assigning it to another entity. This fee is to recover costs for negotiating, preparing and processing assignments of leasehold interests. Long term agreements require council approval and additional staff time.

A JOB CLASS	B CLASS CODE	C REGULAR LABOR HOURS	D REGULAR LABOR RATE X HOURS (B x C)	E LABOR COSTS			F ESTIMATED FRINGE COST (EST HOURLY FRINGE X HOURS) (C x E)	G DIRECT COSTS (LABOR COST + FRINGE) (D + F)	H INDIRECT COSTS			K TOTAL COSTS (DIRECT COSTS + LABOR LOAD + OVERHEAD + FRINGE LOAD) (G + H + I + J)
				D REGULAR LABOR RATE X HOURS (B x C)	E ESTIMATED HOURLY FRINGE	F ESTIMATED FRINGE COST (EST HOURLY FRINGE X HOURS) (C x E)			H LABOR LOAD (LABOR COST X LOAD RATE) (D x 19.1%)	I DEFICIENCY OVERHEAD (LABOR COST + LABOR LOAD) X DEFICIENCY OH (D + H) x 116.0%	J FRINGE LOAD (FRINGE X LOAD RATE) (F x 19.1%)	
Property Agent	1756	14	\$462.84	\$23.16	\$23.16	\$324.24	\$787.08	\$88.40	\$637.79	\$61.93	\$1,575.20	
Supervising Property Agent	1929	7	\$260.96	\$24.46	\$24.46	\$171.22	\$432.18	\$49.84	\$359.60	\$198.10	\$1,039.72	
Program Manager	2270	2	\$92.30	\$30.80	\$30.80	\$61.60	\$153.90	\$17.63	\$127.19	\$0.00	\$298.72	
		23	\$816.10	\$78.42	\$78.42	\$557.06	\$1,375.16	\$155.88	\$1,124.58	\$280.03	\$2,913.64	

Notes: All fees are deposited into the following account: GL 422065

Current fee is \$1,680. Recommending fee increase to \$2,000 for FY13 being a 19% increase. Fee was last adjusted in 2003.

User Fee Departmental Cost Recovery Calculations

Department: READ **Dept No:** 1613 **Fee Title:** CONSENT TO ASSIGNMENT (SHORT TERM) Load Rate: 19.1%
Preparer/Contact: Roswitha Sanchez **Date:** Sep. 27, 2011 **Fee Legal Authority:** Reso # 208896 **Overhead Rate:** 115.7%

Fee Description: This includes selling all or part of a leasehold interest or assigning it to another entity. This fee is to recover costs for negotiating, preparing and processing assignments of leasehold interests.

JOB CLASS	CLASS CODE	A	B	C	LABOR COSTS			INDIRECT COSTS			K
					D	E	F	G	H	I	
			REGULAR LABOR HOURS	REGULAR LABOR COST (HOURLY RATE X HOURS)	ESTIMATED HOURLY FRINGE	ESTIMATED FRINGE COST (EST HOURLY FRINGE X HOURS)	DIRECT COSTS (LABOR COST + COST + FRINGE)	LABOR LOAD (LABOR COST X LOAD RATE)	DEPT/CITY OVERHEAD (LABOR LOAD) X (DEPT/CITY OH)	FRINGE LOAD (FRINGE X LOAD RATE)	TOTAL COSTS (DIRECT COSTS + LABOR LOAD + OVERHEAD + FRINGE LOAD)
				(B x C)		(C x E)	(D + F)	(D x 19.1%)	(D + H) x 116.0 %	(F x 19.1 %)	(G + H + I + J)
Property Agent	1756		5	\$165.30	\$23.16	\$115.80	\$281.10	\$31.57	\$227.78	\$22.12	\$562.57
Supervising Property Agent	1929		2.5	\$93.20	\$24.46	\$61.15	\$154.35	\$17.80	\$128.43	\$11.68	\$312.26
Program Manager	2270		0.5	\$23.08	\$30.80	\$15.40	\$38.48	\$4.41	\$31.80	\$2.94	\$77.63
			8	\$281.58	\$78.42	\$192.35	\$473.93	\$53.78	\$388.01	\$36.74	\$952.46

Notes: All fees are deposited into the following account: GL 422069
 Current fee is \$560. Recommending fee increase to \$670 for FY13 being a 20% increase.
 Fee was last adjusted in 2003.

User Fee Departmental Cost Recovery Calculations

Department: READ **Dept No:** 1613 **Fee Title:** CONSENT TO SUBLEASE **Load Rate:** 19.1%
Preparer/Contact: Roswitha Sanchez **Date:** Sep. 27, 2011 **Fee Legal Authority:** Reso # 208896 **Overhead Rate:** 115.7%
Fee Description: This fee is to cover costs for preparing, processing and administering such sublease agreements.

JOB CLASS	CLASS CODE	LABOR COSTS				INDIRECT COSTS				TOTAL COSTS (DIRECT COSTS + LOAD RATE + OVERHEAD + FRINGE LOAD)	
		REGULAR LABOR HOURS	REGULAR LABOR COST (HOURLY RATE X HOURS)	ESTIMATED HOURLY FRINGE	ESTIMATED FRINGE COST (EST HOURLY FRINGE X HOURS)	DIRECT COSTS (LABOR COST + FRINGE)	LABOR LOAD (LABOR COST X LOAD RATE)	DEPT/CITY OVERHEAD (LABOR COST + LABOR LOAD) X DEPT/CITY OH	FRINGE LOAD (FRINGE X LOAD RATE)		
			(B x C)		(C x E)	(D + F)	(D x 19.1%)	((D + H) x 116.0%)	(F x 19.1%)	(G + H + I + J)	
Property Agent	1756	\$33.06	5	\$165.30	\$23.16	\$115.80	\$281.10	\$31.57	\$227.78	\$22.12	\$562.57
Supervising Property Agent	1929	\$37.28	2.5	\$93.20	\$24.46	\$61.15	\$154.35	\$17.80	\$128.43	\$11.68	\$312.26
Program Manager	2270	\$46.15	0.75	\$34.61	\$30.80	\$23.10	\$57.71	\$6.61	\$47.69	\$4.41	\$116.42
			8.25	\$293.11	\$78.42	\$200.05	\$495.16	\$55.98	\$403.90	\$38.21	\$991.26

Notes: All fees are deposited into the following account: GL 422069
 Current fee is \$600. Recommending fee increase to \$727 for FY13 being a 21% increase.
 Fee was last adjusted in 2003.

User Fee Departmental Cost Recovery Calculations

Department: READ **Dept No:** 1613 **Fee Title:** EASEMENTS OR RIGHTS ON CITY PROPERTY Load Rate: 19.1%
Preparer/Contact: Roswitha Sanchez **Date:** Sep. 27, 2011 **Fee Legal Authority:** Reso # 208896 **Overhead Rate:** 115.7%

Fee Description: Easements may be granted over City-owned property for public utilities, such as electrical, telephone and other uses. All permanent easements or rights conveyed must be processed through the City Council for approval. This fee is to recover costs for negotiating, preparing and processing easement deeds.

JOB CLASS	A	B	C	D	E			F	G	H			I	J	K
					REGULAR LABOR COST (HOURLY RATE X HOURS)	ESTIMATED HOURLY FRINGE	ESTIMATED FRINGE COST (EST HOURLY FRINGE X HOURS)			DIRECT COSTS (LABOR COST + FRINGE)	LABOR LOAD (LABOR COST X LOAD RATE)	DEPT/CITY OVERHEAD (LABOR COST + LABOR LOAD) X DEPT/CITY OH)			
		HOURLY RATE	REGULAR LABOR HOURS	REGULAR LABOR COST (HOURLY RATE X HOURS)	ESTIMATED HOURLY FRINGE	ESTIMATED FRINGE COST (EST HOURLY FRINGE X HOURS)	DIRECT COSTS (LABOR COST + FRINGE)	LABOR LOAD (LABOR COST X LOAD RATE)	DEPT/CITY OVERHEAD (LABOR COST + LABOR LOAD) X DEPT/CITY OH)	FRINGE LOAD (FRINGE X LOAD RATE)	TOTAL COSTS (DIRECT COSTS + LABOR LOAD + OVERHEAD + FRINGE LOAD)				
Property Agent	1756	\$33.06	13.5	\$446.31	\$23.16	\$312.66	\$758.97	\$85.25	\$615.01	\$59.72	\$1,518.94				
Supervising Property Agent	1929	\$37.28	6.5	\$242.52	\$24.46	\$158.99	\$401.31	\$46.28	\$333.91	\$30.37	\$811.87				
Program Manager	2270	\$46.15	2	\$92.30	\$30.80	\$61.60	\$153.90	\$17.63	\$127.19	\$11.77	\$310.48				
			22	\$780.93	\$78.42	\$533.25	\$1,314.18	\$149.16	\$1,076.11	\$101.85	\$2,641.30				

Notes: All fees are deposited into the following account: GL 422069
 Current fee is \$1,590. Recommending fee increase to \$1,750 for FY13 being a 10% increase.
 Fee was last adjusted in 2003.

User Fee Departmental Cost Recovery Calculations

Department: READ **Dept No:** 1613 **Fee Title:** LEASES - NEW, RENEWAL, AMENDED (LONG TERM) **Load Rate:** 19.1%
Preparer/Contact: Roswitha Sanchez **Date:** Sep. 27, 2011 **Fee Legal Authority:** Reso # 208896 **Overhead Ra** 115.7%
Fee Description: This fee is to recover costs for negotiating, preparing and processing new agreements, renewals, or amendments of existing agreements. Long term agreements require council approval and additional staff time.

JOB CLASS	CLASS CODE	LABOR COSTS			INDIRECT COSTS			TOTAL COSTS (DIRECT COSTS + LABOR LOAD + OVERHEAD + FRINGE LOAD)		
		REGULAR LABOR HOURS	REGULAR LABOR COST (HOURLY RATE X HOURS)	ESTIMATED HOURLY FRINGE	ESTIMATED FRINGE COST (EST HOURLY FRINGE X HOURS)	DIRECT COSTS (LABOR COST + FRINGE)	LABOR LOAD (LABOR COST X LOAD RATE)		DEPT/CITY OVERHEAD (LABOR COST + LABOR LOAD) X DEPT/CITY OH	FRINGE LOAD (FRINGE X LOAD RATE)
			(B x C)		(C x E)	(D + F)	(D x 19.1%)	((D + H) x 116.0%)	(F x 19.1%)	(G + H + I + J)
Property Agent	1756		\$760.38	\$23.16	\$532.68	\$1,295.06	\$145.23	\$1,047.79	\$101.74	\$2,587.83
Supervising Property Agent	1929		\$260.96	\$24.46	\$171.22	\$432.18	\$49.84	\$359.60	\$32.70	\$874.33
Program Manager	2270		\$369.20	\$30.80	\$246.40	\$615.60	\$70.52	\$508.75	\$47.06	\$1,241.93
			38	\$1,590.54	\$78.42	\$950.30	\$265.59	\$1,916.15	\$181.51	\$4,704.09

Notes: All fees are deposited into the following account: GL 422069
 Current fee is \$3,970. Recommending fee increase to \$4,454 for FY13 being a 12.2% increase.
 Fee was last adjusted in 2003.

User Fee Departmental Cost Recovery Calculations

Department: READ **Dept No:** 1613 **Fee Title:** LEASES - NEW, RENEWAL, AMENDED (SHORT TERM) **Load Rate:** 19.1%
Preparer/Contact: Roswitha Sanchez **Date:** Sep. 27, 2011 **Fee Legal Authority:** Reso # 208896 **Overhead Ra** 115.7%
Fee Description: This fee is to recover costs for negotiating, preparing and processing new agreements, renewals, or amendments of existing agreements.

A JOB CLASS	B CLASS CODE	C REGULAR LABOR HOURS	D REGULAR LABOR COST (HOURLY RATE X REGULAR LABOR HOURS)	E LABOR COSTS			F ESTIMATED FRINGE COST (EST HOURLY FRINGE X HOURS)	G DIRECT COSTS (LABOR COST + FRINGE)	H INDIRECT COSTS		K TOTAL COSTS (DIRECT COSTS + LABOR LOAD + OVERHEAD + FRINGE LOAD)
				D	E	F			I	J	
			(B x C)	ESTIMATED HOURLY FRINGE	LABOR LOAD (LABOR COST X LOAD RATE)	DEPT/CITY OVERHEAD (LABOR COST + LABOR LOAD) X DEPT/CITY OH	(C x E)	(D + F)	(D x 19.1%)	((D + H) x 116.0%)	(G + H + I + J)
Property Agent	1756	5	\$165.30	\$23.16	\$33.06	\$115.80	\$281.10	\$31.57	\$227.78	\$22.12	\$562.57
Supervising Property Agent	1929	2.5	\$93.20	\$24.46	\$37.28	\$61.15	\$154.35	\$17.80	\$128.43	\$11.68	\$312.26
Program Manager	2270	2	\$92.30	\$30.80	\$46.15	\$61.60	\$153.90	\$17.63	\$127.19	\$11.77	\$310.48
		9.5	\$350.80	\$78.42		\$238.55	\$589.35	\$67.00	\$483.40	\$45.56	\$1,185.31

Notes: All fees are deposited into the following account: GL 422069
 Current fee is \$600. Recommending fee increase to \$727 for FY13 being a 21% increase.
 Fee was last adjusted in 2003.

User Fee Departmental Cost Recovery Calculations

Department: READ Dept No: 1613 Fee Title: PERMITS, RIGHTS OF ENTRY & OTHER TEMP. USES Load Rate: 19.1%
 Preparer/Contact: Roswitha Sanchez Date: Sep. 27, 2011 Fee Legal Authority: Reso # 208896 Overhead Ra 115.7%

Fee Description: Temporary uses of City property cover a wide range of situations. This fee is to recover costs for preparing and processing these permits.

A JOB CLASS	B CLASS CODE	C			D			E			F			G			H			I			J			K		
		REGULAR LABOR HOURS	HOURLY RATE	REGULAR LABOR COST (HOURLY RATE X HOURS)	ESTIMATED HOURLY FRINGE	ESTIMATED HOURLY FRINGE COST (EST HOURLY FRINGE X HOURS)	DIRECT COSTS (LABOR COST + FRINGE)	LABOR LOAD (LABOR COST X LOAD RATE)	DEPT/CITY OVERHEAD (LABOR COST + LABOR LOAD) X DEPT/CITY OH)	INDIRECT COSTS	DEPT/CITY OVERHEAD (LABOR COST + LABOR LOAD) X DEPT/CITY OH)	LABOR LOAD (LABOR COST X LOAD RATE)	FRINGE LOAD (FRINGE X LOAD RATE)	TOTAL COSTS (DIRECT COSTS + LABOR LOAD + OVERHEAD + FRINGE LOAD)	(D + F)	(D x 19.1%)	(D + H) x 116.0 %	(F x 19.1 %)	(G + H + I + J)									
Property Agent	1756	5	\$33.06	\$165.30	\$23.16	\$115.80	\$281.10	\$31.57	\$227.78	\$31.57	\$22.12	\$562.57	\$281.10	\$31.57	\$227.78	\$22.12	\$562.57											
Supervising Property Agent	1929	2.5	\$37.28	\$93.20	\$24.46	\$61.15	\$154.35	\$17.80	\$128.43	\$17.80	\$11.68	\$312.26	\$154.35	\$17.80	\$128.43	\$11.68	\$312.26											
Program Manager	2270	1	\$46.15	\$46.15	\$30.80	\$30.80	\$76.95	\$8.81	\$63.59	\$8.81	\$5.88	\$155.24	\$76.95	\$8.81	\$63.59	\$5.88	\$155.24											
		8.5		\$304.65	\$78.42	\$207.75	\$512.40	\$58.19	\$419.80	\$58.19	\$39.68	\$1,030.07	\$512.40	\$58.19	\$419.80	\$39.68	\$1,030.07											

Notes: All fees are deposited into the following account: GL 422069

Current fee is \$600. Recommending fee increase to \$727 for FY13 being a 21% increase.

Fee was last adjusted in 2005.

User Fee Departmental Cost Recovery Calculations

Department: READ **Dept No:** 1613 **Fee Title:** VALUATION PROCESSING FEE **Load Rate:** 19.1%
Preparer/Contact: Roswitha Sanchez **Date:** Sep. 27, 2011 **Fee Legal Authority:** Reso # 208896 **Overhead Rate:** 115.7%

Fee Description: This fee is to recover the cost of staff appraisals and review of independent appraisals for City properties for sale, lease, market value adjustments, etc. The department collects the actual fee charged by any outside appraisers when possible.

A	B	C	D	E			G	H			I	J	K
				LABOR COSTS	ESTIMATED FRINGE COST (EST HOURLY FRINGE X HOURS)	DIRECT COSTS (LABOR COST + FRINGE)		LABOR LOAD (LABOR COST X LOAD RATE)	INDIRECT COSTS	TOTAL COSTS (DIRECT COSTS + LOAD RATE + OVERHEAD + FRINGE LOAD)			
JOB CLASS	CLASS CODE	REGULAR LABOR HOURS	REGULAR LABOR COST (HOURLY RATE X HOURS)	ESTIMATED HOURLY FRINGE	ESTIMATED FRINGE COST (EST HOURLY FRINGE X HOURS)	DIRECT COSTS (LABOR COST + FRINGE)	LABOR LOAD (LABOR COST X LOAD RATE)	DEPT/CITY OVERHEAD (LABOR COST + LABOR LOAD) X DEPT/CITY OH	FRINGE LOAD (FRINGE X LOAD RATE)	TOTAL COSTS (DIRECT COSTS + LOAD RATE + OVERHEAD + FRINGE LOAD)			
Property Agent	1756	8	\$264.48	\$23.16	\$185.28	\$449.76	\$50.52	\$364.45	\$35.39	\$900.11			
Program Manager	2270	16	\$738.40	\$30.80	\$492.80	\$1,231.20	\$141.03	\$1,017.51	\$94.12	\$2,483.86			
		24	\$1,002.88	\$53.96	\$678.08	\$1,680.96	\$191.55	\$1,381.96	\$129.51	\$3,383.98			

Notes: All fees are deposited into the following account: GL 422069
 Current fee is \$1,000. Recommending fee increase to \$1,200 for FY13 being a 20% increase.
 Fee was last adjusted in 2003.

Exhibit B
Fiscal Year 2013 Proposed User Fee Adjustments
Department Summary

FY 2013 User Fee Analysis - Proposed Fee Adjustments

Department	Fee Title	Unit of Measurement	Current Fee	Current Cost Recovery %	Proposed Fee	Proposed Cost Recovery %
Real Estate Assets						
	Consent to Assignment of Leasehold Interest - Long Term Agreements	Per Item	\$ 1,680.00	58%	\$ 2,000.00	69%
	Consent to Assignment of Leasehold Interest - Short Term or Non Revenue Agreements	Per Item	\$ 560.00	59%	\$ 670.00	70%
	Consent to Sublease	Per Item	\$ 600.00	61%	\$ 727.00	73%
	Easement or Rights on City Property	Per Item	\$ 1,590.00	60%	\$ 1,750.00	66%
	Leases-New, Renewed or Amended - Long Term Agreements	Per Item	\$ 3,970.00	84%	\$ 4,454.00	95%
	Leases-New, Renewed or Amended - Short Term or Non Revenue Agreements	Per Item	\$ 600.00	51%	\$ 727.00	61%
	Permits, Rights of entry and other Temporary Uses	Per Item	\$ 600.00	58%	\$ 727.00	71%
	Valuation Processing Fee	Per Item	\$ 1,000.00	30%	\$ 1,200.00	35%

Real Estate Assets - Estimated Revenue Variation of Proposed Fee Adjustments: (\$111,659)