

Citywide Cost Recovery Policy

January 2026





Citywide Cost Recovery Policy

Purpose and Objectives

- Generate revenue to cover service costs
- Ensure user fees are reasonable and consistent
- Promote transparency and regular reviews
- Communicate fee information effectively



Citywide Cost Recovery Policy

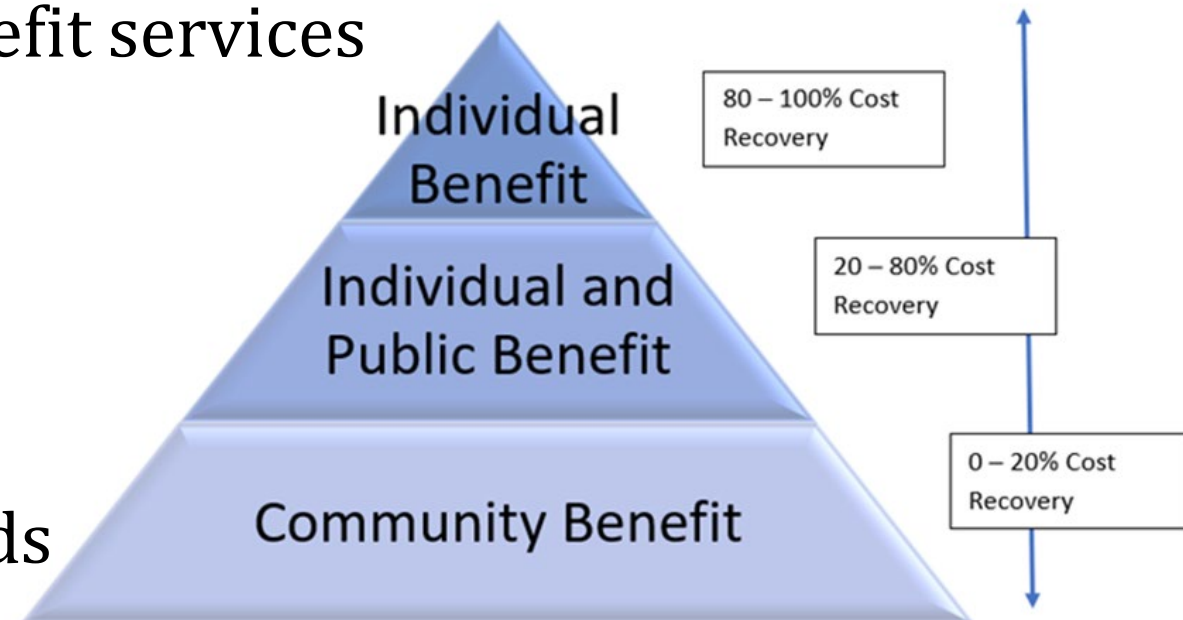
Cost Recovery Framework

- Framework

- Classification pyramid: Community vs. Individual benefit
- Higher recovery for individual benefit services
- Lower recovery for community benefit services

- Factors for recovery levels

- Affordability and access
- Market comparisons
- Cost effective for collecting
- Community use and regulatory needs





Citywide Cost Recovery Policy

Periodic Reviews

- Proposing scheduled annual reviews of user fees
- Delays in frequent reviews create higher increases
- Comprehensive reviews every 5 years
- Administrative reviews every 3–4 years
- Off-cycle reviews for significant changes
- Level of effort effects evaluation and adoption timelines



Citywide Cost Recovery Policy

Data Elements for Cost Analysis

- Activity data
- Cost data

Fee Establishment and Reporting

- Equitable
- Process for revisions outside 5-year cycle
- Fee collection
- Periodic reporting and accountability



Citywide Cost Recovery Policy

Cost Recovery Schedule

- Reviewed exiting list of user fees
- Divisions provided where user fees fall in the cost pyramid
- Final review with Leadership Team
- As we review, fees could change or add new fees for consideration

Appendix A
Cost Recovery for User Fees, Rates and Charges

Section	User Fees, Rates and Charges	Target Cost Recovery / Benefit Level
Prosecution	City Attorney <ul style="list-style-type: none">• Police Videos	80% to 100% Individual
Engineering	City Engineering <ul style="list-style-type: none">• Engineering As-Builts• Grading and Drainage Field Inspection• Grading, Drainage, Paving Plan Review• Materials Testing Fee• Offsite Permits	80% to 100% Individual
Community and Civic Engagement	Communication and Civic Engagement <ul style="list-style-type: none">• Liquor Licenses• Off-Track Betting/Bingo• Partner Registry• Public Records Copy Request• Sexually Oriented Businesses	80% to 100% Individual
Planning and Development Services	Planning and Development Services <ul style="list-style-type: none">• Annexations• Building Permits• Conditional Use Permit• Development Agreement – Major• General Plan Amendment• Sidewalk Encroachment License• Subdivision Plat• Sign Permits• Temporary Use Permit• Zoning Variance	80% to 100% Individual
Planning and Development Services	Planning and Development Services <ul style="list-style-type: none">• Appeals• Continuance• Development Agreement - Minor• Heritage Preservation Review• Minor Improvements Permit• Site Plan Review• Subdivision – Lot Split/ Adjustments• Planning Fees, Development• Outdoor lighting• Zoning Map Amendment	20% to 80%
Planning and Development Services	Planning and Development Services <ul style="list-style-type: none">• Variance	0% to 20%



Citywide Cost Recovery Policy

Fee Review Schedule

- Addressing user fees unchanged 10+ years
- Mixture of low, moderate, and high effort
- Goal to complete this calendar year

Calendar Year/Division	Area of Review	Level of Effort	Year of Last Review with a Change
CY 2026			
Sustainability	All Rates and Fees	Moderate	2007
Communications and Civic Engagement	All Rates and Fees	Low	2007
Economic Vitality	Airport	Moderate	2011
Parks, Recreation, Open Space and Events	All Rates and Fees	High	2014

Citywide Cost Recovery Policy

January 2026

- **Questions and Comments**
- **Council Approval of the Policy**

