

Financing City Services Task Force Five Year Financial Plan

Revenue Considered but not included

G. Property Transfer Tax – No authority as General Law city.

I. Parking Fee for all vehicles in City (City registration fee) – No authority as a General Law city.

J. Transaction tax or transfer tax for sale of commercial business – No authority as a General Law city.

K. Medical Marijuana – licensing, permitting and taxing options (General) – Federal law prohibits and State law allows. There are extreme legal liabilities associated with permitting medical marijuana as well as enforcement liabilities.

Pro: Provides the medical marijuana

Con: Legal issues, City liabilities and enforcement costs. In most cities, the fees generated do not cover the cost of the permitting and enforcement.

O. Firearms Storage Fee (Police Department). The law allows for the City to recover fees (revenue) associated with the storage/release/destruction of firearms. This is an area, in the past, the City has not sought recovery fees. The police department is proposing a \$98/per case storage/release fee. The department does not seize/store many firearms on an annual basis and would estimate that this fee would generate approximate \$2,000 annually based on approximately 20 firearms cases annually.

Pro: Allows the City to recover revenue for staff time that is being spent on facilitating these firearms through the system.

Con: The fee is passed onto the citizen(s).

P. Taxi Permits, Massage Permits and Secondhand Dealer Licenses (Police Department). Due to limited staffing, the police department is not aggressively monitoring the permitting of Taxi Drivers, Massage Therapists or Secondhand Dealers. Current fees for taxi permits are at \$250 for the permit and \$25 for taxi inspection. The police department would recommend increasing those fees to \$400 for the permit and \$50 for the inspection. These increases in fees would account for the staff time required to do the backgrounding, investigation and issuing of the taxi permit and well as performing the inspections on the taxis. The massage fees have been adjusted in the recent past and are reasonable for the required staff time, as are the Secondhand Dealer fees. The police department would look at identifying personnel and/or volunteers that could monitor the permitting of these groups more actively, which would result in an increase in permit fees annually.

Pro: Direct benefit to the City and community as to being aware of who is conducting business in the City, as well as, generating additional revenue. Closer monitoring of the taxi permit program could bring the City approximately **\$4,000 annually in additional revenue**. It should be noted that any taxi company that picks up a fare in Pacifica is required to be permitted by the City of Pacifica. The company does not have to be stationed out of Pacifica. Closer monitoring of massage therapist permits would result in approximately **\$2,500 annually in additional revenue**. Enforcing Secondhand Dealers to be permitted would result in approximately **\$3,000 annually in additional revenue**. Secondhand Dealer stores are that type of business that deals in used jewelry, games, serialized property, etc.

Con: additional staff time is required to monitor these programs more closely. Currently, taxi companies, massage therapists and secondhand dealers are not aggressively being held accountable for permit fees. These business owners may initially object to the requirements to be licensed and the fees, but that would probably only occur during the initial transition.

V. Revenue from other government agencies (General) - The City receives state collected revenue like the Gas Tax and Motor Vehicle License Fee (VLF).
The City has no control over this revenue.

W. Street Sweeping Penalties: The City is required to sweep the streets to reduce pollutants from washing into the storm drains (and eventually the ocean). At this time the City does not sign the streets or issue tickets for parking on a street sweeping day.

Con: The cost of implementing a sign program, hiring enforcement personnel and issuing/processing tickets would outweigh the revenue.

Expenditure Options Considered but not included

A. Combine Departments (General): Combine Departments such as Planning and Engineering as was done with Finance and Human Resource to create Administrative Services. No numbers have been developed.

Pro: Can result in savings when one Department Director position is eliminated.

Con: This works only in departments where there is sufficient staff resources to pick up the extra work load. With a lean staff combining departments and eliminating a position often results in a reduction in capacity to perform necessary tasks.

D. Non-Departmental Expenditures (General):

- Animal Control **\$249,400**
SPCA Contract

The California Penal Code, Section 597.1, mandates many regulations regarding providing care and treatment to animals found within the city. Due to the exorbitant costs involved with providing a facility and staffing, the City has elected to contract these services with the Peninsula Humane Society.

The City of Pacifica is currently in a contract with the Peninsula Humane Society, which is effective the period from July 1, 2011 through June 30, 2015. This agreement is between the cities of Atherton, Belmont, Brisbane, Burlingame, Colma, Daly City, East Palo Alto, Foster City, Half Moon Bay, Hillsborough, Menlo Park, Millbrae, Pacifica, Portola Valley, Redwood City, San Bruno, San Carlos, San Mateo, South San Francisco, Woodside and the County of San Mateo.

The City of Pacifica is responsible for enforcing local ordinance governing the regulation, licensing and impounding of certain animals within the territorial limits of the City. The City of Pacifica contracts with the County for the performance of those services.

Pro: The City could have its own animal control program and have overall control and management of such program. The City would better be able to regulate the level of service.

Con: The City could not realistically offer such a program for the amount \$249,400 it currently contracts for those services. The City would need to provide for 24/7 officer staffing in addition to management, clerical and facility staffing, as well as the benefits for those positions. There would be the additional cost for facilities and equipment. Animal control not only includes dogs and cats, but all animals within the city limits, such as raccoons, deer, birds, etc. Programs in similar cities require around \$330,000 in annual support. This amount does not include the cost of locating a site for and building a facility plus the cost of vehicles and equipment.