

To: Manzanita City Council

Date: September 28, 2020

From: Martin Chaw, Project Manager *MChaw*

CC: Todd Chase, Principal

RE CITY OF MANZANITA BUILDING FEE STUDY

The purpose of this memorandum is to provide the City Council with an update on the development fee cost-of-service analysis.

- FCS GROUP has developed an initial financial model.
- We are in process of working with City staff to derive detailed permit activity and staff time-labor records by fee service.
- The City is in process of implementing electronic permitting, which will allow staff the ability record permit activity volume, staff time-labor, and customer payments, for each fee service within planning and public works. Staff are currently receiving training on the use of the electronic permitting system and the expected 'go-live' date is November 23, 2020.
- FCS GROUP is working closely with staff on reports available from electronic permitting. This information will be exported and used to populate the financial model and determine cost-of-service based development fees.
- FCS GROUP along with staff will assess the adequacy of data collected at the end of each quarter starting end of 4Q 2020 before resuming our development fee cost-of-service analysis. We anticipate resuming our cost-of-service analysis by about 3Q 2021.
- FCS GROUP will check in monthly with City staff and we will schedule regular check-ins with the City Council on status of electronic permitting and our cost-of-service analysis (Question for Council: how often would Council like FCS GROUP and City staff to provide status reports (monthly? Quarterly? Other?))

If you have any questions, please do not hesitate to contact Martin Chaw at 425.274.2853 or Todd Chase, Principal, at 503.374.0676.