



MEMORANDUM

Council Agenda
Item No. XI. V
5/21/2024

The City of OKLAHOMA CITY

TO: Mayor and City Council

FROM: Craig Freeman, City Manager

Ordinance on final hearing, relating to General Schedule of Fees, amending Chapter 60 of the Oklahoma City Municipal Code, 2020, amending Title 35 – Nuisances, Article III – Weeds and Noxious Plants, by amending Section 60-35-11 – Abatement of weeds and noxious plants by City; amending Article IV - Trash, by amending Section 60-35-16 – Abatement of trash by City; amending Article V – Boarding and Securing of Unsecured Structures, by amending Sections 60-35-17 – Boarding and securing of unsecured structures and 60-35-18 – Demolition of dilapidated structures; amending Article VI – Abandoned Buildings, by enacting Section 60-35-21 – Abandoned building release administrative fee and enacting Section 60-35-22 – Abandoned building monitoring fee; and providing for an effective date.

Purpose:

The purpose of the ordinance amendment is to update fees for City services that were reviewed during the city-wide fee study. Fee increases are proposed that would better recover costs associated with delivery of those services.

Background:

Fees and charges for services provided by the City are set by ordinance. The City periodically reviews these fees to ensure that they are reasonably tied to the actual cost of service delivery. On August 17, 2021 (Item No. IX. AN.), the City Council approved a contract with MGT of America Consulting LLC to provide a citywide fee study. The scope of the project was to review user fees and charges for services provided to residents and recommend a fee that would provide full cost recovery.

MGT and City staff collaborated to review hundreds of fees with the consultant completing its report in early Fiscal Year 2024. MGT found that across City functions, the fees charged were recovering between 7% and 87% of costs; based on Fiscal Year 2022 data. This disparity between actual costs and fee revenue represents an approximate \$21 million-dollar gap between service costs and fee revenue in the general fund. This figure was expected, as it had been over a decade since a prior fee study was completed. Personal Services growth (salaries and benefits) have grown at about 3.6% annually during that same period.

City departments then evaluated and recommended adjustments for reasonableness, consistency with similar services, and impact to City residents. In many cases, an amount less than full recovery is proposed.

The Municipal Counselor's Office has prepared the attached Ordinance to implement the recommended adjustments to fees and charges effective July 1, 2024.

Estimated Revenue:

\$657,194

Revenue Account:

General Operations – Various Accounts

Review:

Development Services Department

Recommendation: Ordinance be adopted.