

Fee Schedule Amendments
Summary of Changes

Amendment #1:

7.42.010 Sidewalk Café Permit \$340.00 each to \$24 per chair (Economic Development)

Rationale: Changing to a per seat fee will generate the same amount of revenue to the City, but will level the playing field for small and micro businesses to compete with larger businesses. (See attached analysis.)

Amendment #2

10.16.160 Trash Collection Fee \$275.00 to \$261.25 (based on 5% reduction)

Rationale: To better align the fee for trash service with the cost of trash service.

Amendment #3

17.10.180 B. Stormwater Utility \$10.02 to \$10.22/\$38.25 to \$39.02/\$76.50 to \$78.03/127.50 to \$130.05

Rationale: (based on 2% increase as provided in the Code)

Amendment #4

17.12.024 Use and Occupancy Commercial (Economic Development)

Removal of former fees: <10,000 \$350; >10,000 \$550; >50,000 \$2,000

Intro of new tiered fee schedule:

0-900 Square Feet	\$0.325/per sq. ft
901-1800	\$300
1801-2700	\$325
2701-3600	\$350
3601-5000	\$375
5,001-10,000	\$400
10,001-25,000	\$0.05/per sq ft
25,001+	\$0.04/per sq ft

Rationale: To encourage small and micro businesses to locate in Annapolis and align fees with surrounding jurisdictions. (See attached analysis)

Amendment #5

Strike "Record plat for special exception or planned unit development (This fee is in addition to any fees required under Title 21) \$500.00"

Amendment #6

21. Zoning Certificate \$35.00 (new to Fee Schedule: P&Z)

Rationale: Establishes a fee for zoning certification, when only a zoning certificate is required and not a building permit.

Amendment #7

21.22 Site Design Plan Review Minor \$500.00/Major \$1,000.00 (new to Fee Schedule: P&Z)

Rationale: Establishes a fee for "revised" Site Design Plan Review

Amendment #8

21.24 Planned Unit Development Preliminary (For buildings over 45 feet in height) \$1,000.00 (new: P&Z)

Removal of per acre fee of \$280.00

Planned Unit Development Final (For buildings over 45 feet in height) \$1,120.00 (new: P&Z)

Removal of per acre fee of \$280.00

Planned Unit Development Revision (For buildings over 45 feet in height) \$500.00 (new: P&Z)

Removal of per acre fee of \$280.00

Rationale: Housekeeping item to make terminology consistent with the definitions in Title 21 for Planned Unit Development.

Amendment #9

Truxton Picnic Pavilion \$80.00 to \$150.00 for Residents/\$110.00 to \$180.00 Non-Residents

Rationale: To align fee with surrounding jurisdictions

Amendment #10

Picnic Pavilion \$75.00 to \$100.00 for Residents/\$125.00 to \$130.00 Non-Residents

Rationale: To align fee with surrounding jurisdictions

Amendment #11

Pool Party \$250.00 per two hours

Summer Splash Camps \$139.00 City/ \$169 Non-City

Summer Splash Camp Extended Hours \$30 City/ \$40 Non-City

Rationale: To align fee with surrounding jurisdictions

Proposal to Lower Use & Occupancy and Sidewalk Café Permit Fees for Micro & Small Businesses (Submitted by Hollis Minor, Economic Development Manager, 5/4/16)

The city of Annapolis depends on fee revenue. However, it also competes with surrounding jurisdictions to attract businesses and commercial development. The City's current Use & Occupancy fee floor of \$350 is onerous for small and micro businesses to fund. Such businesses should have an opportunity to start a business and then expect to pay more as they grow. This would allow for more minority and small businesses to be established in Annapolis. Most medium and large firms have grown from a start-up company.

Below is a fee comparison to some peer cities. It demonstrates that Annapolis charges far more than other jurisdictions. A short-term proposal is to follow the fee schedule below for FY2017; then during FY2017, complete a full study of all fees to ensure that businesses can start and grow fairly in Annapolis. The more businesses that grow in Annapolis, the more the personal property taxes those businesses pay to the City is likely to grow, as those businesses grow. It may also encourage commercial property tax assessments to grow as more companies locate in Annapolis.

City Name	Annapolis	Laurel	Salisbury	College Park	Hagerstown	Rockville	Frederick
Population	38,880	25,346	30,484	30,587	39,890	62,334	66,169
Sidewalk Café Fee	\$340/yr	\$25/yr	\$50/yr	No info	No info	No info	\$128/yr (\$68/yr following yrs - if no changes)
Commercial Occupancy Fee	\$350-\$2000	\$250	No info	\$150 (if no const)	\$45	\$125.00 per 5,000 square feet or fraction thereof	\$128

The chart below summarizes a proposed short-term fee schedule for Use & Occupancy permits for FY2017. It lowers the pressure on small businesses and yet, provides an almost neutral effect upon the revenue stream from Use & Occupancy Permits from the last two years (see spreadsheet attached for more detail).

SUMMARY of Proposed Fees	
Square Footage	Multiplier or Flat Fee
0-900	x \$0.325
901-1800	\$300
1801-2700	\$325
2701-3600	\$350
3601-5000	\$375
5,001-10,000	\$400
10,001-25,000	x \$0.05
25,001+	x \$0.04

Sidewalk Café Fees

After reviewing options for charging sidewalk café fees, a fee of \$24 per seat will generate the same amount of revenue to the City as in the past two years, while at the same time leveling the

playing field for small and micro businesses to compete with larger businesses (see chart pg. 2). The more we can allow people to start businesses and then pay more as they grow, the more innovation and business activity we will incubate in our City vs. other jurisdictions capturing it.

Restaurant	# Seats	# Tables	Past Fee	\$24 Per Seat
Stan & Joe's	4	2	\$340.00	\$96.00
Federal House	32	8	\$340.00	\$768.00
Westin	16	4	\$340.00	\$384.00
Davis' Pub	20	5	\$340.00	\$480.00
Kilwan's	8	2	\$340.00	\$192.00
Nano	8	4	\$340.00	\$192.00
McGarvey's	22	9	\$340.00	\$528.00
Miss Shirley's	24	6	\$340.00	\$576.00
Red Bean	4	2	\$340.00	\$96.00
India's	6	3	\$340.00	\$144.00
Acme	8	2	\$340.00	\$192.00
Sakura	6	3	\$340.00	\$144.00
John Barry	16	4	\$340.00	\$384.00
Tutti Fruitti	4	2	\$340.00	\$96.00
City Dock Café	6	2	\$340.00	\$144.00
Potato Valley	6	3	\$340.00	\$144.00
49 West	8	2	\$340.00	\$192.00
Red Red Wine	32	8	\$340.00	\$768.00
Dry 85	8	2	\$340.00	\$192.00
Mission BBQ	24	6	\$340.00	\$576.00
Castlebay	8	2	\$340.00	\$192.00
Lobster Roll	6	3	\$340.00	\$144.00
Jimmy John's	12	3	\$340.00	\$288.00
Mangia	12	3	\$340.00	\$288.00
Buddy's	24	6	\$340.00	\$576.00
Hard Bean	16	4	\$340.00	\$384.00
Iron Rooster	16	4	\$340.00	\$384.00
Factors Row	12	3	\$340.00	\$288.00
Dock Street	12	3	\$340.00	\$288.00
Ram's Head	40	10	\$340.00	\$960.00
O'Brien's	32	10	\$340.00	\$768.00
Metropolitan	22	6	\$340.00	\$528.00
Lemongrass	6	3	\$340.00	\$144.00
Tsunami	20	6	\$340.00	\$480.00
Armadillo's	8	2	\$340.00	\$192.00
Luna Blu	4	2	\$340.00	\$96.00
Reynold's Tavern	10	5	\$340.00	\$240.00
Totals	522	154	\$12,580.00	\$12,528.00