



Legislation Text

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City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 26, 2019

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: MARK B. JINKS, CITY MANAGER /s/

DOCKET TITLE:

Consideration of a Resolution to Adopt Fee Changes to Increase Cost Recovery for the Department of Recreation, Parks and Cultural Activities (RPCA) Programs for FY 2020. [ROLL-CALL VOTE]

ISSUE: Resolution to adopt fee changes to increase cost recovery for the Department of Recreation, Parks and Cultural Activities (RPCA) programs for FY 2020.

RECOMMENDATION: That Council adopts the proposed resolution (Attachment) for the recommended fee changes as part of the FY 2020 Approved Budget. The new fees will be effective July 1, 2019 as outlined below.

BACKGROUND: The Department of Recreation, Parks and Cultural Activities regularly adjusts program and activity fees that include, classes, camps, workshops, admissions and other programs as needed in order to stay in line with market trends and cost recovery efforts. As part of the FY 2008 budget process, Council provided the City Manager the authority to adjust RPCA non-programmatic fees annually, with a maximum increase equal to the annual rate of inflation (CPI-U). Within this authority, the actual fee may be rounded to an administratively convenient amount to assume efficient assessment and collection of fees. Increases in fees exceeding this amount will continue to be considered by Council. On September 24, 2013, Council adopted the Resource Allocation and Cost Recovery Policy that guides the department's resource allocation and will continue setting fees based on the adopted model. The recommended fee changes include in this resolution continues the process to build the department's fees at the appropriate cost recovery tier level. The department expects to gradually adjust fees over time to be fully in compliance with the cost recovery model.

DISCUSSION: The FY 2020 budget includes an increase to the fees charged for use of the City's Marina. The proposal includes a \$1 per foot increase in the annual license fee for pleasure boaters in the City Marina. The fee would increase from \$11/ft./mo. to \$12/ft./month for City residents and from \$13/ft./month to

\$14/ft/month for nonresident license holders. The change would result in an average annual increase of \$360 per license holder. These rate changes are relatively consistent with comparable Marinas. This will have an ongoing impact to 54 vessel slips with an increase of General Fund revenues at approximately \$21,000. The last change to annual licensing fees occurred in FY 2014.

As part of the FY 2020 budget a fee increase in Power On Out-of-School Program activities fee for after-school and summer time programs was proposed. This would increase the fees from \$459 to \$475 and from \$335 to \$345, respectively. For non-residents participating in the summer program the fee would increase from \$615 to \$635. Based on prior enrollment this is estimated to provide an additional \$20,515 in General Fund revenue.

Finally, staff have proposed a fee increase for Tennis Court Rentals. Currently RPCA charges hourly tennis court rental rates for singles (\$3) and doubles (\$4). The FY 2020 budget would increase the fee to a flat \$10 per hour for residents and \$15 per hour for non-residents. Each year, RPCA reviews market rate services, including facility rentals. The rate adjustment is based on comparator data from Fairfax and Arlington Counties whom are charging \$10 per hour for residents to rent tennis courts and \$15 to \$20 per hour respectively for non-residents. This proposal adjusts Alexandria fees to be market rate with neighboring jurisdictions. Residents can continue to use courts for free on a first come first served basis. Based on current usage the proposed budget assumes an additional \$4,000 of General Fund revenue.

All FY 2020 RPCA fee information will be available on the City's fee compendium for public information. In addition, the RPCA section of the City's website will post information to notify the public of all fee changes.

FISCAL IMPACT: The FY 2020 Budget includes an estimated increase of approximately \$45,515 in General Fund revenues in anticipation of the RPCA fee changes described above

ATTACHMENT: Resolution

STAFF:

Debra R. Collins, Deputy City Manager

Morgan Routt, Budget Director

James Spengler, Director, RPCA

Faye Maslaki, Division Chief, Administrative Services, RPCA