

RESOLUTION NO.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ARROYO GRANDE UPDATING USER FEES RELATED TO SOLAR PERMITS, TRANSPORTATION PERMITS, AND THE CONSUMER PRICE INDEX AS SET FORTH IN THE COMPREHENSIVE FEE SCHEDULE**

**WHEREAS**, the City Council of the City of Arroyo Grande (“City”) has authority to establish fees or service charges which do not exceed the reasonable cost of providing various City programs or services; and

**WHEREAS**, in July 2022 the City retained Willdan Financial Services, independent consultants, to conduct a User Fee Study analyzing the costs of providing various City programs and services; and

**WHEREAS**, user fees are intended to be paid by those utilizing the program or service and to reimburse the City for the estimated, reasonable costs of providing said program or service; and

**WHEREAS**, the City has established a proposed Comprehensive Fee Schedule based on the User Fee Study; and

**WHEREAS**, the existing user fees no longer accurately reflect the City’s costs of providing the programs or services; and

**WHEREAS**, the City council has considered the question of whether or not to adjust user fees for City services to reflect the estimated amount that is required to recover the actual cost of the City providing such services; and

**WHEREAS**, the City Council adopted a methodology to annually update fees in order to reflect the estimated amount that is required to recover the actual cost of the City for providing such services; and

**WHEREAS**, the Director of Administrative Services has recommended the Comprehensive Fee Schedule be increased by 3.3% per the City Council adopted methodology based off the Los Angeles Region Consumer Price Index (CPI) of the preceding January; and

**WHEREAS**, the Fees are subject to the provisions of the Mitigation Fee Act, codified pursuant to Government Code section 66000 et. seq., and more specifically the public meeting requirements of section 66016 and the notice and public hearing requirements of section 66018; and

**WHEREAS**, the amount of the Fees does not exceed the cost of providing the City programs and services; and

**RESOLUTION NO.**  
**PAGE 2**

**WHEREAS**, at a duly noticed public meeting, the City Council considered all verbal and written presentations that were made and desires to adopt the Fees; and

**WHEREAS**, all legal prerequisites to the adoption of this Resolution have occurred.

**NOW, THEREFORE BE IT RESOLVED** that the City Council of the City of Arroyo Grande as follows:

1. The foregoing recitals are true and correct and are incorporated herein by this reference.
2. The City Council finds that all substantive and procedural requirements of the Mitigation Fee Act have been satisfied.
3. The City Council further finds, based upon the information and documents prepared for and presented to the City Council to support this action, that the Fees are for the purposes of and necessary for (i) meeting operating expenses, including employee wage rates and benefits; (ii) purchasing or leasing supplies, equipment, or materials; (iii) obtaining funds necessary for the operations and maintenance of City property and facilities; and (iv) any other costs incurred by the City attributable to providing the program or service for which the Fees are imposed.
4. The City Council further finds that the Fees specified by this Resolution do not exceed the reasonably estimated costs of providing the programs and services or the regulatory actions for which the Fees are imposed.
5. Fees shall be administratively adjusted annually by modifying the adopted value up or down in conformance with the annual change in the CPI for the Los Angeles region. The factor for the adjustment of the Fees shall be calculated and established each year by the Director of Administrative Services, based on the reported CPI change as of the immediately preceding January, for Fee adjustment implementation in July of each year. However, in no event shall the Fees be increased annually to exceed the costs of providing the programs or services.
6. The schedule of fees entitled "Comprehensive Fee Schedule" in Exhibit "A" attached hereto is incorporated herein by this reference as though set forth in full and is hereby adopted.
7. The approval of the Fees is not a project under the California Environmental Quality Act ("CEQA") pursuant to State Guidelines Section State CEQA Guidelines, sections 15060, subd. (c)(2)-(3), 15378 because it has no potential to result in either a direct, or reasonably foreseeable indirect, physical change in the environment. (State CEQA Guidelines, §§ 15060, subd. (c)(2)-(3), 15378.)

**RESOLUTION NO.**  
**PAGE 3**

8. If any section, subsection, sentence, clause, phase, or portion of this Resolution is for any reason held invalid or unconstitutional by a court of competent jurisdiction, such a decision shall not affect the validity of the remaining portions of this Resolution. The City Council hereby declares that it would have passed this Resolution and each section, subsection, sentence, clause, or phase thereof irrespective of the fact that any one of or more sections, subsections, clauses, or phases be declared unconstitutional on their face or as applied.

**BE IT FURTHER RESOLVED** by the City Council that this Resolution shall be effective July 1, 2025.

On motion of Council Member \_\_\_\_\_, seconded by Council Member \_\_\_\_\_, and by the following roll call vote, to wit:

**AYES:**

**NOES:**

**ABSENT:**

the foregoing Resolution was passed and adopted this 25<sup>th</sup> day of March, 2025.

**RESOLUTION NO.  
PAGE 4**

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**CAREN RAY RUSSOM, MAYOR**

**ATTEST:**

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**JESSICA MATSON, CITY CLERK**

**APPROVED AS TO CONTENT:**

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**MATTHEW DOWNING, CITY MANAGER**

**APPROVED AS TO FORM:**

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**ISAAC ROSEN, CITY ATTORNEY**

**RESOLUTION NO.**  
**PAGE 5**

Exhibit "A"  
Comprehensive Fee Schedule