

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

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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.)

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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 25th day of March, 2025.

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CAREN RAY RUSSOM, MAYOR

ATTEST:

JESSICA MATSON, CITY CLERK

APPROVED AS TO CONTENT:

MATTHEW DOWNING, CITY MANAGER

APPROVED AS TO FORM:

ISAAC ROSEN, CITY ATTORNEY

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Exhibit "A"
Comprehensive Fee Schedule