



# Staff Report

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**Meeting Date:** June 17, 2019  
**From:** Tyler Deems, Finance Director  
**SUBJECT:** Public Safety Fee

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**Background:**

At the June 11th workshop, Council received information and discussed establishing a Public Safety Fee. The staff report from this meeting can be found [here](#). Both the Budget Committee and the Council agreed to find a new revenue source to increase policing services through the hiring of additional officers. After exploring various options, it was determined that implementing a public safety fee that would be added to utility bills would be the most reasonable way to generate the revenue for these two positions. The fee will be based on customer class and the number of dwelling units. For example, a single family home would pay \$4.60 per month. A three unit multi-family complex would pay \$4.60 for each unit, for a total of \$13.80 per month.

Class	Units	Fee	Proj. Annual Revenue
Single Family	3,382	\$ 4.60	373,373
Multi-Family*	700	\$ 4.60	77,280
Comm/Indust	256	\$11.30	69,427
			\$ 520,080

Staff is verifying the current number of existing multi-family units in the City. Depending on the results of the verification, the proposed fee amount could change very slightly in the accompanying resolution next month.

**Implementation Process**

The first reading of this ordinance, including a public hearing, will occur at the June 17th meeting. Staff will provide as much information to the public regarding this ordinance as possible. The second reading of this ordinance will take place at the July 15th meeting. A public hearing will again take place to receive comments from the public. Once adopted, the ordinance will not take effect for 30 days. Following the adoption of the ordinance, Council will need to adopt a resolution setting the amount(s) of the Public Safety Fee. This will likely be done in tandem with the adoption of the ordinance on July 15th.

We will continue to communicate the public safety fee need and purpose and input opportunities for the public hearings through sharing information on social media and

the city's website. We will also include information about the fee in the upcoming Utility Bill Newsletters.

**Recommendation:**

Adopt Ordinance 2019-11, an Ordinance Establishing a Public Safety Fee.

**Budgetary Impact:**

None. The expected revenue from the fee has already been included in the adopted BN 19-21 budget.



NO. 2019-11

**An Ordinance Establishing a Public Safety Fee**

**WHEREAS**, the City of Sandy has determined that current General Fund Revenues are not keeping pace with Law Enforcement needs; and

**WHEREAS**, police services benefit all utility users in the City; and

**WHEREAS**, in order to safeguard, facilitate, and encourage safety and welfare of the citizens and businesses of the city, the Council finds that a Police Department that is sufficiently well-funded to attract and retain qualified individuals to serve as police officers provides a multitude of economic and social benefits to the public, including, but not limited to:

- Increased police protection.
- Prevention of crime.
- Enhanced protection of property.
- Promotion of business and industry.
- Promotion of community spirit and growth.

**Now Therefore**, The City of Sandy ordains as follows:

**Section 1: Chapter 3.34 is hereby added to the Sandy Municipal Code to read as follows:**

**3.34.010 PURPOSE AND INTENT:**

A. It is the intent of this ordinance to provide a funding mechanism to help pay for the benefits conferred on city residents and businesses by the provision of an adequate program of public safety; and further to help bring the Police Department up to acceptable service levels.

B. The Public Safety Fee enacted in this ordinance is intended to supplement existing funding, and is not intended to provide full funding for the Police Department.

**3.34.020 DEFINITIONS:**

For purposes of this ordinance, the following shall mean:

CITY UTILITY SERVICE: water, sewer, stormwater or broadband services provided by the City.

**DEVELOPED PROPERTY:** A parcel or portion of real property on which a dwelling, structure, or building exists and is receiving City utility services.

**NON-RESIDENTIAL UNIT:** Developed property that is not primarily for personal domestic accommodation, such as a business or commercial enterprise. A non-residential structure which provides facilities for one or more businesses, including, but not limited to, permanent provisions for access to the public, shall have each distinct business facility considered as a separate non-residential unit. Motels and hotels shall be considered non-residential units for these purposes.

**PERSON:** A natural person, unincorporated associates, tenancy in common, partnership, corporation, limited liability company, cooperative, trust, any governmental agency, including the State of Oregon, but excluding the City of Sandy, and any other entity in law or in fact.

**RESIDENTIAL UNIT:** Developed property with a residential structure which provides complete living facilities for one or more persons including, but not limited to, permanent provisions for living, sleeping, and sanitation. A home business in a residential zone will be regarded only as a residential unit, not as a non-residential unit. Multi-family residential property consisting of two or more dwelling units, condominium units or individual mobile home units shall have each unit considered as a separate residential unit. A lot or parcel which contains a non-residential building or structure used primarily for personal purposes, not primarily for business or commercial purposes, shall be considered a residential unit.

**RESPONSIBLE PARTY:** The person owing the Public Safety Fee; either the individual who normally pays the City utility bills for a developed property or another individual who has agreed in writing to pay the fee.

**UNDEVELOPED PROPERTY:** A parcel or portion of real property not receiving City utility services.

### **3.34.030 CREATION OF A PUBLIC SAFETY FEE:**

There is hereby created a Public Safety Fee for the purpose of providing funding for Police Department. All revenues and expenditures shall be distinctly and clearly noted in the city budget. The revenues from the Fee shall be collected in the General Fund and shall be used for Police Department expenses (both operational and capital).

### **3.34.040 IMPOSITION OF A PUBLIC SAFETY FEE:**

A. The Public Safety Fee shall be assessed to each residential unit and to each non-residential unit. The amount of the fee shall be set made by Council resolution. In the event that funds collected exceed the City's need, the rate of the fees may be decreased or omitted by Council resolution.

B. Except as the fees may be reduced or eliminated under 3.34.070, the obligation to pay a Public Safety Fee arises when a person responsible uses or otherwise benefits from City utility services. It is presumed that City utility services are used, and that a benefit arises, whenever the subject real property is within the City Limits.

C. All developed properties within the City limits shall be charged a Public Safety Fee.

D. The imposition of surcharges shall be calculated on the basis of the number of residential or non-residential units supported, without regard to the number of water meters serving that property. Example – 40-unit complex, with one utility bill will receive a fee for each unit. Exemptions for ADU's and hardship trailers or other financial hardship may be granted if requested and a hardship is demonstrated. A responsible party seeking an exemption for a hardship must pursue the exemption via the appeal process described in Section 3.37.070.

### **3.34.050 COLLECTION:**

A. Public Safety Fees shall be collected monthly. Statements for the fee shall be included as an additional item on the city's monthly utility billing wherever feasible, unless otherwise specified below.

B. Unless another person has agreed in writing to pay, and a copy of that writing is filed with the City, the person normally responsible for paying any City utility service charges for a developed property is responsible for paying the Public Safety Fee.

C. A request for any City utility service will automatically initiate appropriate billing for the Public Safety Fee.

D. There shall be no charge for an undeveloped property until such time as an application for any City utility service is submitted for that property.

### **3.34.060 PROGRAM ADMINISTRATION:**

A. Except as provided below, the City Manager shall be responsible for the administration of this Chapter and for the collection of fees hereunder.

B. The City Manager is authorized and directed to review the operation of the Chapter and, where appropriate, recommend changes thereto in the form of administrative procedures for adoption by the City Council by resolution or amendments to this Chapter. Such procedures, if adopted by the Council, shall be given full force and effect, and unless clearly inconsistent with this chapter, shall apply uniformly throughout the city.

C. The amount and collection process of the Public Safety Fee shall be examined by the City Manager, City Council, and Budget Committee on a biennial basis as part of the City's bi-annual budget formulation process.

#### 3.34.070 APPEAL PROCESS

A. Any responsible party who disputes any interpretation given by the city as to property classification may appeal such interpretation. If the appeal is successful, relief will be granted by reassignment to a more appropriate billing category. In such instances, reimbursement will be given for any over payment, retroactive to the filing date of the appeal. Factors to be taken into consideration include, but are not limited to: availability of more accurate information; equity relative to billing classifications assigned to other developments of a similar nature; changed circumstances; and situations uniquely affecting the party filing the appeal.

B. Application for appeal shall state the reason for appeal, with supporting documentation to justify the requested change or relief.

C. The City Manager shall be responsible for evaluating appeals. If the City Manager decides information provided through the appeal process justifies change, the City manager may authorize this change (up or down) retroactive to the date the appeal was filed.

D. The City Manager shall make all reasonable attempts to resolve appeals utilizing available existing information, including supporting documentation filed with the appeal, within thirty (30) days of the date the appeal was filed. If, however, more detailed site-specific information is necessary, the City Manager may request the applicant provide information.

E. In any event, the City Manager shall file a report within ninety (90) days of the date the appeal was filed explaining the disposition of the appeal, along with the rationale and supporting documentation for the decision reached.

F. Decisions of the City Manager may be further appealed to the City Council, and shall be heard at a public meeting. Upon such further appeal, the City Council shall at its first regular meeting thereafter set a hearing date. The matter shall be heard solely upon the record. In no event shall a final decision be made later than ninety (90) days after the matter was formally appealed to the City Council.

G. Appeals filed within one hundred twenty (120) days of the effective date of this chapter shall not be subject to paying a filing fee. After this period, the initial filing fee for an appeal shall be fifty (\$50.00) dollars. An additional fifty (\$50.00) dollars fee is required for further appeal to the City Council. These fees are fully refundable should the appellant adequately justify and secure the requested change or relief.

#### **3.34.080 ENFORCEMENT:**

A. In the event funds received from city utility billings are inadequate to satisfy in full all of the water, sewer, stormwater, broadband and Public Safety charges, credit shall be given first to the Public Safety Fee, second to the water service charges, third to the charges for sewer service, fourth to the stormwater, and fifth to broadband.

B. Notwithstanding any provision herein to the contrary, the city may institute any necessary legal proceedings to enforce the provisions of this chapter, including but not limited to injunctive relief and collection of charges owing. The city's enforcement rights shall be cumulative. If the City commences any legal proceedings to enforce the provisions of this Chapter, and the City prevails, the City is entitled to all fees and costs it incurred, as well as any sum that a court, including any appellate court, may deem reasonable as attorney's fees.

**3.34.090 SEVERABILITY:**

The sections and subsections of this Chapter are severable. The invalidity of one section or subsection of this Chapter shall not affect the validity of the remaining sections or subsections.

**Section 2: EFFECTIVE DATE:**

This ordinance shall become effective from and after 30 days following its enactment by the City Council, and the first billing for a payment of fees hereunder shall begin for the billing cycle ending on or after the 15th day of August, 2019.

This ordinance is adopted by the Common Council of the City of Sandy and approved by the Mayor this 17 day of June 2019

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Stan Pulliam, Mayor

ATTEST:

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Karey Milne, City Recorder