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Sedgwick County

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Wichita, KS 67203

Legislation Text

File #: 17-1030, Version: 1

INCREASED CHARGES FOR SERVICES BY THE METROPOLITAN AREA PLANNING DEPARTMENT.

Presented by: Dale Miller, Director of Planning.

RECOMMENDED ACTION: Approve the increased charges for services and adopt the resolution.

Background:

The 2018 adopted budget for the Metropolitan Area Planning Department (MAPD) includes an increase in budgeted revenue from charges for services of approximately 20 percent. On November 21, 2017, the Wichita City Council adopted increased MAPD charges for services that will become effective January 1, 2018. Planning staff recommends that the Board of County Commissioners adopt the same MAPD charges for services as the City of Wichita.

The proposed MAPD charges for services are attached. The proposed increase is approximately 35 percent, which includes increasing charges for services by approximately 20 percent and increasing Sedgwick County charges approximately 15 percent to match City of Wichita charges.

Analysis:

Currently MAPD charges for services in the unincorporated area are approximately 15 percent lower than the charges for services in the City of Wichita; however, the cost of service provision is the same or potentially higher in the unincorporated area since the notification area in the unincorporated area is five times greater than in the City of Wichita.

In 2018, MAPD estimates that it will take 5.5 full-time equivalent positions to process the applications for which there is a charge for services. The total cost of processing these applications, including the cost of equipment and supplies, is estimated to be \$662,840. With the proposed increases, the estimated revenue generated by MAPD charges for services is \$256,382, resulting in an estimated cost recovery of approximately 39 percent.

The attached peer comparison shows that the proposed increased charges for services by MAPD are comparable to charges for services by Oklahoma City, Tulsa, Kansas City, and Omaha, and for most services, MAPD will have the lowest or next to lowest charge.

Alternatives:

1. Approve increased charges for services at the same rates as the City of Wichita.
2. Direct Planning staff to prepare proposed charges for services at increased rates that are approximately 15 percent less than the rates charged by the City of Wichita.
3. Do not approve increased charges for services.

Financial Considerations:

The increased charges for services will generate approximately \$42,482 in additional revenue in

2018 for MAPD. The 2018 adopted budget includes increased revenue from charges for services to enhance cost recovery and improve financial sustainability of the department.

Legal Considerations:

The Board of County Commissioners is authorized to consider increased charges for services by the MAPD pursuant to the provisions of K.S.A. 12-757, K.S.A. 12-759, and K.S.A. 12-752. The resolution has been reviewed and approved as to form by the County Counselor's Office.

Policy Considerations:

For services that have a direct individual benefit, best practices indicate that there should be a charge for services, with the amount of cost recovery increasing commensurate with the level of direct individual benefit of the service. MAPD charges for zoning and subdivision services, which provide a direct individual benefit to property owners proposing to change the zoning or subdivide properties for development. The community also benefits from zoning and subdivision services because the services ensure that zoning changes and subdivisions are consistent with community plans. With the proposed charges for services, cost recovery for zoning and subdivision services will be approximately 39 percent in 2018, meaning the majority of the cost of zoning and subdivision services will continue to be paid by the community rather than benefitting individuals.

Outside Attendees: Not applicable.

Multimedia Presentation: Not applicable.