

PUBLIC SAFETY COMMITTEE relative to adjustments to Police Permit Fees for Calendar Year (CY) 2020.

Recommendation for Council action:

REQUEST the City Attorney to prepare and present the Ordinances necessary to effectuate the recommended fees as detailed in the June 4, 2019 Los Angeles Police Commission report, attached to the Council file and July 9, 2019 City Administrative Officer (CAO) report.

Fiscal Impact Statement: The CAO reports that the proposed fees detailed in the June 4, 2019 Los Angeles Police Commission report are estimated to generate approximately \$1.67 million in revenue during Fiscal Year (FY) 2019-20. It is anticipated that the Los Angeles Police Department will achieve the budgeted revenue from the Police Permit fees in 2019-20. The recommendations in this report are in compliance with the City's Financial Policies as the proposed fees are deemed fair and recover the full cost of the services provided.

Community Impact Statement: None submitted.

Summary:

On August 14, 2019, your Committee considered a July 9, 2019 CAO report relative to proposed adjustments to Police Permit Fees for Calendar Year 2020. A June 4, 2019 Police Commission report detailing the proposed fees is attached to the CAO and was submitted with the CAO report. According to the CAO, the Los Angeles Police Department (LAPD), through the Los Angeles Police Commission (Board), submitted for review its Police Permit Fee Study for CY 2020. A total of 54 Police Permits are in effect, as of March 2018. The submitted Board report addresses 53 of the total 54 Permits. The remaining Alarm System Subscriber Initial Permit Fee is currently pending litigation, in the matter *Linderman et al. v. City of Los Angeles* (Council File No. 19-0386). The LAPD stated this fee will be addressed separately in a forthcoming Board report.

The LAPD is recommending a fee increase for 53 initial (new) Police Permit fees to ensure full cost recovery of the services provided in the issuance of the permits. The adjustments to the initial Police Permit fees are due to increases in the salary and Cost Allocation Plan (CAP) rates that are applied to the fee calculations. Previously unaccounted costs are also attributable to the increase in initial Police Permit fees, including the time spent by the Police Commission civilian staff to calculate and prepare reports regarding Police Permittee recommendations; the annual maintenance of CryWolf and Medallion (software systems used to manage police and alarm permits); user license fees for CryWolf and Medallion; and, printing and postage fees. Similar to the increase in initial Police Permit fees, adjustments to the Police Permit renewal fees are attributable to increases in salaries, higher CAP rates, and the inclusion of costs that were previously unaccounted for in prior fee studies.

All recommended adjustments to the fee structure will require an Ordinance to amend applicable Los Angeles Municipal Code (LAMC) sections prior to implementation, and are subject to the approval of the Mayor and Council. The updated fee structure will be effective for the entire CY 2020. New permits issued during the first six-months of FY 2019-20 will be issued under the

current Police Permit fee schedule and new permits issued for the latter six-months of FY 2019-20, starting January 1, 2020, will utilize the proposed initial Police Permit fee schedule. Permit renewals issued beginning November 1, 2019, which are effective January 1, 2020 for the entire calendar year, will be issued under the proposed Police Permit renewal fee schedule. This CAO concurs with the recommendations proposed and methodology undertaken by the LAPD in determining the fee adjustments. After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the recommendation contained in the July 9, 2019 CAO report and detailed in the above recommendation. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

PUBLIC SAFETY COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
RODRIGUEZ:	YES
O'FARRELL:	YES
BUSCAINO:	YES
RYU:	YES
SMITH:	ABSENT

ARL  
8/14/19

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**