

PUBLIC SAFETY COMMITTEE REPORT relative to increasing various police permit fees.

Recommendations for Council action:

1. REQUEST the City Attorney to draft the appropriate ordinance(s) to effectuate the recommended fees contained in the Los Angeles Police Department's (LAPD) report to the Board of Police Commissioners dated June 1, 2013 (attached to the Council file).
2. INSTRUCT the LAPD to identify additional businesses and activities which generate significant enforcement activities and report on the feasibility of permitting those businesses.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports the fees proposed by LAPD are estimated to generate an additional \$143,000 per year in revenues for the City, which is an increase from what is included in the 2013-14 Adopted Budget. However, since the estimate assumes that all other City revenues remain on target and are fully recovered, the CAO cautions against increasing appropriations to the LAPD or for any other purpose. The CAO's recommendations are in compliance with City financial policies inasmuch as the proposed fees are fair and recover the full cost of providing such services.

Community Impact Statement: None submitted.

## SUMMARY

In a report to the Mayor dated August 12, 2013 (attached to the Council file), the CAO states that the Executive Director of the Board of Police Commissioners recommends approval of various police permit fee increases. The Police Commission is responsible for issuing permits for more than 50 different businesses and activities within the City. Each permit has an associated fee, intended to recover the actual costs to the City for issuing the permits and administering and enforcing the permit programs. These permits ensure that businesses with a public safety element are operated by qualified persons. Business owners are required to obtain a permit before opening a new business or when a business has changed locations. Owners are also required to renew permits on an annual basis.

The CAO reports that a study conducted LAPD found that many of the permit fees do not fully recover the costs of providing those services administered by the Department. As such, the LAPD recommends various police permit fee increases to ensure full cost recovery. On June 4, 2013, the Board approved the proposed police permit fee increases. The CAO concurs with the action taken by the Board.

At its meeting held September 13, 2013, the Public Safety Committee discussed this matter with the Executive Director of the Board of Police Commissioners. The Executive Director stated that the permit fees are based on the City's cost to process the permits. It was noted that some fees increased, and others decreased. The City is not allowed to base permit fees on the cost of LAPD time investigating

crime associated with certain categories of businesses. The Public Safety Committee recommended that Council approve the CAO's recommendations.

Respectfully Submitted,

PUBLIC SAFETY COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
ENGLANDER:	YES
BUSCAINO:	YES
BONIN:	YES
O'FARRELL:	ABSENT
MARTINEZ:	ABSENT

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**