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Memorandum 22-151

| TO: | MAYOR CASTNER AND HOMER CITY COUNCIL |
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| FROM: | RACHEL TUSSEY, CMC, DEPUTY CITY CLERK II |
| THROUGH: | ROBERT DUMOUCHEL, CITY MANAGER |
| DATE: | JUNE 2, 2022 |
| SUBJECT: | AMENDING CITY LEASE FEES |

Staff in the City Manager's Office, City Clerk's Office, Port and Harbor, and Economic Development have been meeting to internally restructure how City leases are managed. Changes to the standard operating procedures for lease applications and lease management have made it clear the lease fees the City charges no longer match the procedures or the amount of staff time required to process amendments or new leases.

City Staff is proposing a one-time, non-refundable "Lease Application Fee" of \$1,000 at the time an official new lease application is submitted to more adequately cover the costs of staff time from the beginning of the process, and remove the \$300 "Lease Fee" that's charged at the end of the process when a final lease is signed. A new "Lease Amendment/Transfer Fee" of \$500 will be for less time-consuming lease processes where an existing lease is being amended or transferred, rather than a whole new lease, and charged at the time a lessee submits a lease amendment or transfer proposal.

Proposed lease fees are made with the intention of aligning the fees with actual lease procedures and recouping more of the costs from staff time, while understanding that the fees still remain considerably lower than actual staff time costs.

Recommendation

Adopt Ordinance 22-59 amending the City Fee Schedule under City-Wide Administrative Fees.