The purpose of this report is to propose a new Technology Improvement Fee. A $2.00 Technology Improvement Fee is proposed to be charged on Specialty Licenses, Alarm Permits, and Fire Safety Operational Permits. The Business Services Department requests Council approval of this additional fee to be effective for Fiscal Year (FY) 2016/17.

Development Services and Business Services are in the process of implementing a replacement Land Development System (Accela Automation). Development Services has an existing Technology Improvement Fee which covers the bulk of the annual costs for Accela Automation. However, the Accela Automation system also includes a licensing module and new licensing "wizard" software called OpenCounter, which walks customers through a series of questions to determine what licenses or permits they need to obtain from the City. The Department is proposing assessing a $2.00 Technology Improvement Fee on each Specialty License, Alarm Permit, and Fire Safety Operational Permit. The revenues from the proposed Technology Improvement Fee on specialty business licenses will initially be applied to the annual costs for OpenCounter (approx. $52,500.00/annually). This methodology assesses the fee to those using the services. Funds collected from this fee would also be used to acquire and implement other improvements to licensing and permitting technologies as approved by the City Manager.
The Technology Improvement Fee would be applied to the following licenses:

- Antique Dealer
- Auction House
- Auctioneer
- Bingo
- Extension of Premise
- Fire Safety Occupational Permit
- Fireworks
- Fortune Teller
- Liquor
- Liquor Special Event
- Livestock
- Massage Establishment
- Off-Track Betting
- Park and Swap
- Pawn Broker
- PD Alarms
- Peddler
- Scrap Metal
- Secondhand Dealer
- Sexually Oriented Business
- Special Event
- Teen Dance Hall
- Tent

**Alternatives**

Alternatives to the recommended fee could include not implementing the fee, increasing, or reducing the amount of the fee. Without the Technology Improvement Fee, another funding source for OpenCounter would be searched out.

**Fiscal Impact**

If the fee is not implemented, a dedicated revenue source for needed technology improvements would not be established.

Total estimated FY16/17 Fiscal Impact is $58,400.00.

<table>
<thead>
<tr>
<th>Specialty License/Permit</th>
<th>Quantity</th>
<th>Fee</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Specialty License</td>
<td>1,200</td>
<td>$2.00</td>
<td>$2,400.00</td>
</tr>
<tr>
<td>Alarm Permit</td>
<td>20,000</td>
<td>$2.00</td>
<td>$40,000.00</td>
</tr>
<tr>
<td>Fire Safety Operational Permit (FSOP)</td>
<td>8,000</td>
<td>$2.00</td>
<td>$16,000.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>$58,400.00</strong></td>
</tr>
</tbody>
</table>
## Fee Recommendation Schedule

Department: Business Services  
Revenue Collection Operations  
Proposed Changes to Fees and Charges

**Document of Change: Resolution**

<table>
<thead>
<tr>
<th>Description of Services:</th>
<th>FY 15/16 Fee/Charge</th>
<th>Unit</th>
<th>FY 16/17 Fee/Charge (Effective 7/1/16)</th>
<th>Date Last Revised</th>
<th>FY 16/17 Fiscal Impact</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>TECHNOLOGY IMPROVEMENT FEE</td>
<td>NA</td>
<td>Each Permit/License*</td>
<td>$2.00</td>
<td>NA</td>
<td>$58,400</td>
<td>Proposed new fee</td>
</tr>
</tbody>
</table>

*EACH AND EVERY SPECIALTY BUSINESS LICENSE, ALARM PERMIT AND FIRE SAFETY OPERATION PERMIT SHALL BE ASSESSED AN ADDITIONAL $2.00 TECHNOLOGY IMPROVEMENT FEE.*