ATTACHMENT 1

RESOLUTION NO. 2026-xx

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, UPDATING AND ESTABLISHING USER AND REGULATORY FEES FOR VARIOUS CITY SERVICES

THE CITY COUNCIL OF THE CITY OF COSTA MESA HEREBY FINDS AND DECLARES AS FOLLOWS:

WHEREAS, user and regulatory fees are established by the City Council; and

WHEREAS, the City of Costa Mesa (City) recently completed a study to identify the cost of providing various user and regulatory fee-related services (Study); and

WHEREAS, the Study examined fee-related services provided by the City, the costs reasonably borne by the City in providing those services, the beneficiaries of those services, and the revenues produced by those paying fees and charges for direct services; and

WHEREAS, the City Council finds that providing these services provides benefit to those persons receiving the services both separate and apart from the general benefit to the public; and therefore, in the interests of fairness to the general public, the City desires to better recover the costs of providing these services from persons who have sought or require the City's services by revising its schedule of fees; and

WHEREAS, the City Council hereby finds that the Study provides adequate evidence to conclude that the revised fees do not exceed the cost to provide the services for which the fees are charged; and

WHEREAS, the City Council has authorized the annual adjustment of various fees, each July 1, based on the prior year annual change in the all-urban Consumer Price Index for Los Angeles-Long Beach-Anaheim, CA (CPI), typically published each January, not to exceed five percent (5%) per year. If the CPI does not change or goes down in a given year, no change shall be made to the fee schedule that year; and

WHEREAS, in adopting this Resolution, the City Council is taking action only on those fees for the services, programs or products set forth in Exhibit “A” which have been modified from prior resolutions of the City Council. The remaining fees that have not been modified from prior resolutions shall remain in full force and effect; and

WHEREAS, all legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, BE IT RESOLVED as follows:

Section 1: The City Council hereby finds and determines that based upon the data, information, analysis, oral and written documentation presented to the City Council concerning the rates, fees, and charges described in Exhibit “A” attached hereto and by this reference incorporated herein, the rates, fees, and charges set forth in said Exhibit “A” do not exceed the established reasonable cost of providing the service for which the rates, fees, or charges are levied.

Section 2: The rates, fees, and charges set forth in Exhibit “A” are hereby adopted and approved as the rates, fees, and charges for the services identified for each such rate, fee, and/or charge, effective November 1, 2027, except as provided in Section 4, below.

Section 3: Any new fees adopted that are not imposed upon a development project, as defined in Section 66000 of the California Government Code shall be effective November 1, 2026.

Section 4: Any new fees that are imposed upon a development project, as defined in Section 66000 of the California Government Code shall be effective February 1, 2027, to comply with the requirements of the Government Code.

Section 5: The City Council authorizes the annual adjustment of various fees, each July 1, commencing July 1, 2027, based on the prior year annual change in CPI, not to exceed five percent (5%) per year. If the CPI does not change or goes down in a given year, no change shall be made to the fee schedule that year.

Section 6: Severability. If any section, subsection, sentence, clause, phrase or portion of this Resolution is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Resolution. The City Council of the City of Costa Mesa hereby declares that it would have adopted this Resolution and each section, subsection, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases or portions be declared invalid or unconstitutional.

Section 7: The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED, APPROVED AND ADOPTED ON _____.

_____

John Stephens, Mayor

ATTEST:

_____

Brenda Green, City Clerk

APPROVED AS TO FORM:

_____

Kimberly Hall Barlow, City Attorney

Exhibit “A”