



# FY 2026 PROPOSED BUDGET HEARINGS

## FY 2026 MUNICIPAL FEE SCHEDULE

Staff Report #2504-4591

# Background & Fee Adjustment Summary

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- Annual update of over 350 fees, excluding the PDS and Citywide cost study in March & April.

- User Fee Cost Recovery Level Policy

Low	Medium	High*
0% - 30%	30.1% - 70%	70.1% - 100%

*\*Certain types of fees not bound by state laws that limit to full cost recovery (e.g. fines, penalties, late charges, or charges for entrance to, use of, purchase, rental, or lease of local government property) may not be restricted by cost recovery levels.*

- General Rate of Increase (GRI) = 6.8%
- Based on the general premise of exception reporting
- Updates to Parking In-Lieu Fees and Development Impact and In-Lieu Fees – Construction Cost Index (CCI) decrease of 0.7%

# New Fees

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## **New Fees (6 in total)**

- Community Services Department (6 fees):
  - Three (3) for rental spaces at Roth
  - Three (3) for rental spaces at Bryant Street

# Deleted Fees

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## Deleted Fees (2 in total)

- Office of Transportation (2 fees):
  - Fares for Palo Alto Link
    - One (1) for One-Way Fare
    - One (1) for Discounted Fare

# Changed Fees (Attachment A)

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## Fees Changing by Factors other than GRI (304 in total)

Justifications include but are not limited to:

- 1) Attaining a cost recovery level consistent with other fees;
- 2) Aligning with rates charged by comparable jurisdictions
- 3) Modifying the fee structure to align with current service delivery; or
- 4) Holding a fee flat to preserve accessibility or encourage participation; or
- 5) Reflecting fees or rates consistent with prior Council action.

Also reflects the discounted East Palo Alto residential golf rates, per Council referral.

# Recommendation

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Finance Committee review amendments to the Municipal Fee Schedule for FY 2026 and make recommendations to Council for incorporation into the FY 2026 budget.