

FY 2019 Proposed Revenue Changes

Title, Description & Impact	Current Tax/Fee	Proposed FY 2019 Tax/Fee	County Revenue Impact
Targeted Tax Changes			
<p>Increase Residential Utility Taxes <i>Description:</i> The residential utility tax was established in FY 2008 and increased last in FY 2018. The tax is charged to all residential and apartment residents based on usage. <i>Impact of change:</i> Almost all residential utility consumers will be charged the \$3 per month maximum. County revenue from the increase in this tax is committed to AHIF. As with all local tax revenue, 46.6% of the revenue increase is shared with APS.</p>	<p>Electricity: \$0.005115 per kWh, \$3 monthly max & first 400 kWh exempt</p> <p>Gas: \$0.045 per CCF, \$3 monthly max & first 20 CCF exempt</p>	<p>Electricity: \$0.01110 per kWh, \$3 monthly max & no exemption</p> <p>Gas: \$1.38 per CCF, \$3 monthly max & no exemption</p>	<p>\$2.7 million, \$1.4 million to the County & \$1.3 million to APS</p>
<p>Increase Commercial Utility Taxes 5% <i>Description:</i> The commercial utility tax was last increased in FY 2006. The tax is charged to all commercial properties based on usage. <i>Impact:</i> The revenue generated from the 5% proposed increase will be first shared with APS. The County's portion of the revenue is committed to AHIF.</p>	<p>Electricity: \$0.00649 per kWh, plus a \$1.15 fixed monthly charge</p> <p>Gas: \$0.06522 per CCF, plus a \$0.845 fixed monthly charge</p>	<p>Electricity: \$0.00681 per kWh, plus a \$1.15 fixed monthly charge</p> <p>Gas: \$0.06848 per CCF, plus a \$0.845 fixed monthly charge</p>	<p>\$0.5 million, \$0.3 million to the County & \$0.2 million to APS</p>

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Fee Increases			
<p>Parking Meters <i>Description:</i> Parking meter rates have remained unchanged since 2015.</p> <p><i>Impact:</i> The rate increase and hours of operation change are intended to encourage more frequent turnover in parking spaces during hours of greatest demand. Arlington will be more consistent with other rates and hours in the region.</p>	<p>Short Term (less than 4 hours): \$1.50 per hour</p> <p>Long Term (more than 4 hours): \$1.25 per hour</p> <p>Monday to Saturday, 8a.m. to 6 p.m.</p>	<p>Short Term (less than 4 hours): \$1.75 per hour</p> <p>Long Term (more than 4 hours): \$1.50 per hour</p> <p>Monday to Saturday, 8a.m. to 8 p.m.</p>	<p>\$1,575,000 for the rate increase and \$2,200,000 to extend by two hours</p>
<p>Parking tickets for exceeding the time limit on parking meters <i>Description:</i> Increasing the fines for parking tickets for exceeding the time limit on parking meters by \$5 per infraction.</p> <p><i>Impact:</i> Individuals who receive parking tickets for this infraction will pay \$5 more.</p>	<p>\$35 per infraction</p>	<p>\$40 per infraction</p>	<p>\$236,457</p>
<p>Increase to the hourly rate for fire system testing & hazardous material permit inspections <i>Description:</i> Increases to the hourly fees for the Fire Systems Testing Program and inspections for Hazardous Material permits.</p> <p><i>Impact:</i> Achieves the intended full cost recovery for these programs. The cost to property owners of commercial and residential high rises, low rise sprinkled and alarmed structures, and others from whom fire systems tests are required will increase 25%. Less than 150 hazardous material permit inspections are completed annually, which will also increase 25%.</p>	<p>\$130 per hour</p>	<p>\$162 per hour</p>	<p>\$334,200</p>

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<p>Increases to DES Land Disturbance Permits <i>Description:</i> Increases to Chapter 22 and Chapter 23 fees for the review of private site civil engineering design plans, building permits, right-of-way use permits, erosion and sediment control fees, plat review and public improvement bond administration fees, and other related permitting and construction inspection services.</p> <p><i>Impact:</i> The reviews completed and services provided will achieve greater cost recovery. The development community, engineering firms, builders, and contractors will incur greater costs.</p>	Various	8% increase to Plan and Permit Review fees last changed in FY 2014 and 30% increase to Erosion and Sediment Control fees last changed in FY 2002	\$170,640 for the General Fund and \$292,500 for the Stormwater Fund
<p>Recycling Inspection <i>Description:</i> New fee structure for the Multi-Family and Commercial Recycling Program</p> <p><i>Impact:</i> The Multi-Family and Commercial Recycling Program Fee and fee structure is amended to be more equitable across business types and sizes, while still preserving program funding for services including outreach, site visits, and inspections.</p> <p>The proposed new fee structure will result in a decrease in the annual fee for approximately 72 percent of the Commercial Establishments in the County, while 28 percent will see an increase in the annual fee.</p> <p>The program will achieve full cost recovery.</p>	\$66 per inspection	Dependent on type of business and number of employees for most commercial properties or size of multi-family property. Fees range from \$16.25 to \$260.	\$142,597
<p>Credit Card Convenience Fee <i>Description:</i> A new fee to shift the cost of using a credit card to those individuals who choose that payment method rather than having the County absorb that cost at the general taxpayer's expense.</p>	No fee currently except for those who pay taxes with credit cards	2.5% fee applied to credit card transactions	\$162,600

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<p><i>Impact:</i> Individuals who choose to pay for County services – including camp or exercise class participants and library patrons with fines to pay – with a credit card will pay 2.5% more.</p>			
<p>Household Solid Waste <i>Description:</i> Annual increase to cover program costs including salary, benefit, and contractual cost increases.</p> <p><i>Impact:</i> The annual cost increase per household is \$2.</p>	\$314.14 per year	\$316.16 per year	\$66,400
<p>New DHS Fees for Sexually Transmitted Infection (STI) Services <i>Description:</i> New fees for STI clients receiving clinical, testing, and pharmaceuticals services. The new fee structure is in line with the state’s reimbursement structure and in response to the new state mandate to use commercial vendors for testing.</p> <p><i>Impact:</i> The new fees 1) put the Department in alignment with the State’s new reimbursement structure for the provision of STI services, 2) allow for increased reimbursement from insurers, and 3) include safeguards to limit the impact on low income, uninsured clients (self-paying clients would be charged a rate based on their income and in some instances all fees would be waived).</p>	No fee	Sliding scale fees based on income with a \$0 minimum up to a maximum for each service provided ranging from \$0.05 to \$202.29	\$12,000
<p>CPHD Historic Preservation <i>Description:</i> The County currently covers all costs associated with Local Historic District designation.</p> <p><i>Impact:</i> Implementing a Local Historic District Designation Report fee would offset the administrative costs associated with the requests</p>	No fee	\$250 per property up to \$1,000 for four or more properties	\$500

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Department of Parks and Recreation Program and Service Fees	Various	Various	\$341,400 inclusive of \$160,000 for the credit card convenience fee noted above. The remainder of the revenue increase is offset by expense increases.
<i>Description:</i> Annual fee changes and new fees are proposed for FY 2019 including short-term rental program rentals, tournament hosting fees, realignment of a variety of camp and class offerings as well as aquatics and gymnastics team fees, a change to the preschool program to upgrade the Teacher without a Paid Aide offering to Teacher with a Paid Aide for all offerings, and an increase to creative arts programs due to supply cost increases.			
<i>Impact:</i> Participants in these programs will incur slightly higher fees.			
CPHD Development Fund Fees	Various	2.5% inflationary increase to fees	\$370,000 in Development Fund revenue
<i>Description:</i> The Inspection Services Division (ISD) is responsible for reviewing requests for building and related trade permits, plans and inspecting buildings that have been newly constructed or renovated.			
The Zoning Division interprets, administers and enforces the Zoning Ordinance to ensure orderly development of Arlington.		Increase the automation fee to 10%	\$317,000 in Development Fund revenue
Fees charged by these divisions fully fund their operations. A 2.5% inflationary increase is proposed to all Development Fund fees so that the fees keep pace with the annual increases associated with the cost of employee salaries and benefits. Additionally, authority for the County Manager to implement a 5% percent increase to the Automation Enhancement Surcharge is proposed upon the successful implementation of the first phase of a two-phased implementation of the One-Stop Arlington online permitting system during FY 2019.			
<i>Impact:</i> Residents, businesses, developers, and other customers that			

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<p>use the Divisions' services will pay fees that are 2.5% higher. When the technology fee increase is implemented, fees will be further increased. Both fee increases will contribute to greater fiscal sustainability in the Development Fund and ensure appropriate funding for technology investments including the second phase of the online permitting system.</p>			