



---

---

# CITY OF POMONA

## COUNCIL REPORT

---

---

May 20, 2019

To: Honorable Mayor and Members of the City Council

From: Linda Lowry, City Manager

Submitted By: Anita Gutierrez, Development Services Director

**SUBJECT: ADOPT A RESOLUTION AMENDING THE FY 2018-19 GENERAL FUND OPERATING BUDGET BY INCREASING REVENUES BY \$478,696 AND APPROPRIATIONS BY \$311,152 IN THE DEVELOPMENT SERVICES DEPARTMENT TO ACCOUNT FOR BUILDING AND SAFETY ACTIVITY**

---

### RECOMMENDATION:

It is recommended that the City Council adopt:

**RESOLUTION NO. 2019-58 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POMONA, ADOPTING A RESOLUTION TO AMEND FY 2018-19 BUILDING AND SAFETY OPERATING BUDGET BY INCREASING REVENUES BY \$478,696 AND APPROPRIATION BY \$311,152 TO ACCOUNT FOR BUILDING AND SAFETY ACTIVITY**

### EXECUTIVE SUMMARY

The Development Service Department, Building and Safety Division has experienced a greater level of service than anticipated in the FY 2018-19 Operating Budget. In order to compensate the contractor, Interwest, the Budget requires amendment (Attached Resolution) to appropriate an additional \$311,152 (for Interwest contract services) and to recognize increased revenue generated by permit/inspection fees in the amount of \$478,696.

### FISCAL IMPACT

Currently the adopted budget for building permit revenue is \$2,600,000 and to date \$2,604,876 in revenues has been generated. It is anticipated that an additional \$478,696 will be generated through the remainder of Fiscal Year (FY) 2018-19 and a budget amendment in this same amount will revise the FY 2018-19 revenue estimate to a total of \$3,078,696. There is also a request to increase the FY 2018-2019 appropriation for Building and Safety Contract by \$311,152 to pay for the Interwest Consulting Services contract that provides Building and Safety Services, increasing the total line item to \$2,001,152.

**PUBLIC NOTICING REQUIREMENTS:** No public noticing is required as the appropriations do not constitute a substantial amendment per the City’s Consolidated Plan and Citizen Participation Plan.

**PREVIOUS RELATED ACTION:** City Council adopted the FY 2018-19 Operating Budget, on June 4, 2018, with amendments (including those for the Building Services Division of the Development Services Department) to the General Fund operating budget approved on March 18, 2019.

## **DISCUSSION**

As adopted, the City’s FY 2018-19 General Fund Operation Budget’s building permit revenue was forecast in the amount of \$2,600,000. The forecast was based on activities in the prior year, as well as anticipating major projects that would be come up during the fiscal year. Through March 2018, Building and Safety revenues have far exceeded expectations. This can be attributed to a general improvement in the economy, additional staff in the Planning Division, as well as projects anticipated in the Pomona Corridor Specific Plan coming to fruition much earlier than expected. In addition to the high volume of plan check and permit activity, the increase to the budget was due to the following projects:

- 65 Rancho Camino Drive: Total fees \$1,043,076.
- 1185 W. Grand: Total Fees: \$52,134.
- 4350 Valley Blvd: Total Fees: \$24,491.

As a result, staff is requesting that revenue for the building permits budget be increased by \$478,696, bringing the year end to \$3,078,696 for the current fiscal year. Along with the revenue increase, expenditures will need to be increased by \$311,152 to pay the required contract amount with Interwest Consulting Services, bringing the total to \$2,001,152.

The requested amendments to the FY 2018-2019 City Operating Budget are as follows:

<b>BUILDING PERMITS</b>	Requested Revenue Adjustment FY 2018-19	Requested Appropriation Adjustment FY 2018-19
<b>Fund/Div/Account</b>		
101-2521-40090-00000 101-2521-40050-00000	\$478,696	
101-2521-52930-00000		\$311,152

Prepared by:

Nancy Garcia  
Program Specialist

**ATTACHMENT(S):**

Attachment No. 1 - Resolution No. 2019-58