

STATEMENT OF BUDGET IMPACT
(Policy Number 94-45)
Budgetary Review of Proposed Resolution &
Ordinances with Financial Implication.

Date: June 15, 2016

BIS 16 – 207

FILE: TMP-2016-303

Proposed Legislation:

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, AMENDING THE FRANCHISE FEE FOR COMMERCIAL SANITATION SERVICES TO 25% EFFECTIVE OCTOBER 1, 2016.

Statement of Budget Impact:

1. No Budget Impact associated with this action;
2. Sufficient budgetary resources identified/available;
3. Budgetary resources not identified/unavailable;
4. Potential Revenue is possible with this action;
5. Will not increase the cost of Housing;
6. May increase the cost of Housing; (CDAB review required)

Explanation:

This Resolution seeks to amend the franchise fee rate charged against the gross receipts collected by commercial haulers for commercial sanitation services by five (5) percent from twenty (20) percent to a new rate of twenty – five (25) percent of gross receipts.

Additional Department responsibilities overseeing mandatory recycling for multi-family and commercial properties took effect October 1, 2015. A greater emphasis is placed on litter control on the city's right-of-ways and intersections for better city esthetics. These issues require additional staff time and operational costs during a time of dwindling resources which necessitate an adjustment of rate charges.

The last change in rates became effective July 1, 2006 raising the rate to twenty (20) percent. During this same ten (10) year time period the Consumer Price Index (CPI) in the Miami/Fort Lauderdale; South Region has increased twenty – two (22) percent.

Comparisons from several surrounding cities show their rates ranging from twenty-one (21) to twenty-nine (29) percent.

The additional rate increase is expected to generate an additional \$100,000.00 in revenue.

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