



Legislation Details (With Text)

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On agenda: 6/16/2025 **Final action:**
Title: Fiscal Year 2025-26 Rates and Fees - Public Hearing and Adoption of Resolution 2025-08 to authorize proposed new fees, increases, and adjustments to the City's Rates and Fees Schedule for Fiscal Year 2025-26.

Sponsors:

Indexes:

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Attachments: 1. Attachment A - Fiscal Year 2025-26 Rates and Fees Document, 2. Attachment B - Resolution 2025-08

| Date | Ver. | Action By | Action | Result |
|-----------|------|----------------------|---------|--------|
| 6/16/2025 | 1 | Visalia City Council | Adopted | Pass |

Agenda Item Wording:

Fiscal Year 2025-26 Rates and Fees - Public Hearing and Adoption of Resolution 2025-08 to authorize proposed new fees, increases, and adjustments to the City's Rates and Fees Schedule for Fiscal Year 2025-26.

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Department Recommendation

Staff recommends that City Council takes the following action tonight:

1. Conduct a Public Hearing to receive testimony on additions, changes, and deletions to the City's Rates & Fees Schedule
2. Adopt Resolution 2025-08 to amend the City's fee document for the FY 2025-26; and
3. If desired, take action on specific fees, such as:
 - a. Fee increases exceeding CPI
 - b. Adjusted fees
 - c. All fees

Summary:

Annually, fees are recommended for cost-of-living adjustments for the upcoming fiscal year. City ordinances limit annual Impact Fees and Business Tax adjustments to specific CPI indices. These annual inflationary adjustments help departments cover their costs and reduce the burden on the General Fund, allowing the fund to support operations, including public safety.

Background Discussion:

Proposed new fees, increases, and adjustments for FY 2025-26 Rates & Fees include, but are not limited to, animal services, parks and recreation, transit, fire, police, and finance.

The California Consumer Price Index for All Urban Consumers (CCPI-U) is the basis for most fee adjustments for the City. City ordinances require Impact Fees to use the building industry standard index, the Engineering News Record Construction Cost Index (ENRCCI). Similarly, City ordinance dictates that the Business Tax be adjusted by the US City Average for All Items (USVPI-U), using the average of the most recent three years. Table 1: Index Period Changes lists the indices and effective dates.

| <i>Table 1</i> | | | | |
|-------------------------------|----------------------|---------------------|---------------|------------------|
| Proposed Index Period Changes | | | | |
| CPI | Time Period | Rate Effective Date | FY 25-26 Rate | Fee |
| C.C.P.I. - U. | | | | |
| | Jan. - Dec. 2024 | Jul 1, 2025 | 3.06% | All Other Fees |
| E.N.R.C.C.I. | | | | |
| | May 2024 - Apr. 2025 | Aug 16, 2025 | 1.68% | Impact Fees |
| U.S.C.P.I. - U. | | | | |
| | Jan. - Dec. 2024 | | 2.95% | |
| | Jan. - Dec. 2023 | | 4.12% | |
| | Jan. - Dec. 2022 | | 8.00% | |
| | Three Year Average | Jul 1, 2025 | 5.02% | Business Tax Fee |

During the June 2, 2025, City Council meeting, several questions were raised by Council regarding specific fees, which are addressed below.

Tennis and Pickleball Court Rentals - Council requested that staff review whether the proposed increase would provide sufficient funding to maintain the courts.

- Staff researched neighboring cities to compare rental rates and found that most of these cities either do not have dedicated pickleball or tennis courts or do not reserve courts for private use; the courts are available to the public on a first-come, first-served basis only. The City of Tulare does have a rental rate of \$10 per hour per court for tennis, with a two-hour minimum, and the City of Fresno has a rental rate of \$5 per hour per court for both pickleball and tennis. At the Clovis Recreation Center, the City of Clovis offers four indoor basketball courts striped for pickleball, available for rent for \$40 per hour. Renters do need to supply nets for pickleball. Additional cities are listed in the table below:

| City | Pickleball Courts | Tennis Courts |
|-------------|---|--|
| Tulare | <ul style="list-style-type: none"> None in park inventory | <ul style="list-style-type: none"> Rental \$10/hr/court 2hr min. |
| Hanford | <ul style="list-style-type: none"> None dedicated in park inventory Some basketball courts are painted with pickleball lines. User must bring nets. No rental option. First come, first serve basis only | <ul style="list-style-type: none"> None in park inventory |
| Dinuba | <ul style="list-style-type: none"> 2 courts in inventory No rental option. First come, first serve basis only. | <ul style="list-style-type: none"> None in park inventory |
| Porterville | <ul style="list-style-type: none"> None dedicated in park inventory Tennis courts have pickleball lines. Users must bring nets No rental option. First come, first serve basis only. | <ul style="list-style-type: none"> No rental option. First come, first serve basis only |
| Clovis | <ul style="list-style-type: none"> None in park inventory 4 indoor multiuse courts with pickleball lines. Court rental \$40/h User must bring nets | <ul style="list-style-type: none"> None in park inventory |
| Fresno | <ul style="list-style-type: none"> None dedicated in park inventory Tennis courts have pickleball lines. Users must bring nets <i>Tentative Grand Opening on July 16, 2024</i> <i>Pickleball complex</i> Rental will be \$5/hr/court when opened | <ul style="list-style-type: none"> Rental \$5/hr/court |

Visalia's park system includes six tennis courts at Plaza Park, eight pickleball courts at Plaza Park, and two pickleball courts at Recreation Park, and there has been a notable increase in the rental use of the courts. Between 2023 and 2024, the pickleball courts at Plaza Park had a 47% increase in reserved hours, and the Recreation Park courts had an increase of 253% in hours reserved. The tennis courts at Plaza Park are projected to have a 62% increase in reserved hours from 2024 to 2025.

| | Rental Hours | | | |
|---|--------------|-------|-------|------------|
| | 2022 | 2023 | 2024 | 2025 (1/1) |
| Plaza Park - Tennis - 6 courts | 1,079 | 1,048 | 888 | 763 |
| Plaza Park - Pickleball - 8 courts | 1,277 | 1,609 | 2,373 | 869 |
| Recreation Park - Pickleball - 2 courts | 111 | 123 | 435 | 124 |

Annually, as part of the Rates and Fees process, the Parks and Recreation Department's Fee Policy (pg 3-7) is adopted, which establishes a pricing model for activities supported by the department. Tennis and Pickleball are considered part of the Community Benefit category, which is designed for facilities that benefit the community as a whole. It has not been the City's intent to recuperate maintenance costs through rental fees for amenities within this category. The programs, facilities, and services in this category are items that can increase property values, provide safety, address social needs, and enhance the quality of life for residents. The

community pays for these items through taxes and may utilize them free of charge. Parks & Recreation data shows that Visalia residents make 85% of all court rentals. The increase in court use has driven the increased need for maintenance, as seen by the rental hours for pickleball courts at Plaza Park from 2023 to 2024. As the courts are an amenity open to the public and available on a first-come, first-served basis, recuperating all maintenance expenses through reservation fees is not feasible for the reservation customer. The ability to reserve these courts is desired by community members, as it allows individuals to secure the use of these public courts at specific times for their private use. This desire to secure a location for private use is seen in the rental of other park amenities, such as picnic arbors, soccer fields, softball fields, and open space for special events.

In evaluating the Recreation Department Fee Policy and researching neighboring cities, staff recommends increasing the tennis and pickleball court hourly rental rate to \$8 per hour per court for the fiscal year 2025-26.

| Athletic & Miscellaneous Facility Fees | EY 24-25 | EY 25-26 |
|---|-----------------|-----------------|
| Park Athletic Courts | | |
| Tennis Courts - Per Hour | \$ 6.00 | \$ 8.00 |
| Pickleball Courts - Per Hour | \$ 6.00 | \$ 8.00 |

Trolley/Bus Hourly Rental - Council requested that staff round the Trolley rental rate for clarity for customers.

- Staff performs this calculation every two years, utilizing the contracted costs and hours of use to ensure that the fee accurately reflects actual costs. These vehicles are funded with FTA funding, which will allow for a small profit from their usage as long as the funds remain in the Transit Division. Since there are two tiers to this rate, staff recommends no change to the City Rate but does recommend rounding the Non-City Rate to the nearest whole dollar, which is \$162.00. This rounding would create a "clean" number for customers to refer to while maintaining a rate that is closely consistent with the cost. By performing this calculation every two years, staff would also be able to control any excessive increase caused by rounding and propose a decrease during the Rates & Fees presentation.

| Trolley/Bus | EY 24-25 | EY 25-26 |
|--------------------------|-----------------|-----------------|
| City Rate - Per Hour | \$ 118.03 | \$ 147.5 |
| Non City Rate - Per Hour | \$ 134.61 | \$ 162.0 |

Sequoia Shuttle Fare Discounts - Council asked staff to consider offering discounts to veterans, seniors, and children on the Sequoia Shuttle.

- Transit offers discounts for Fixed Routes, VLine, Dial-A-Ride, and the 31-Day T-Pass and has proposed a 25% decrease in the round-trip fare for the Sequoia Shuttle for this year. The proposed fare decrease for the Shuttle is designed to compensate for changes in schedule, pickup and drop-off locations, and delays in the Federal Government's activation of the reservation system, with the goal of providing a discount to all those who wish to enjoy this service. The Sequoia Shuttle program is currently subsidized by Local Transit Funds (LTF), so any additional discounts within this program would require a higher subsidy. Using more LTF funding for the Sequoia Shuttle would ultimately reduce the funds available for the City's local

programs. Calculations for this decrease were done within the budget, and further discounts could change the financial balance of this program.

Even more applicable at this point, the season is well underway, and trying to change the fee structure and reservation system now would be difficult and disruptive to the service. Staff will bring back a rate structure at the end of the year, before the beginning of the 2026 reservation season. Therefore, staff does not recommend any additional discounts at this time.

| Sequoia Shuttle | FY 24-25 | FY 25-26 |
|------------------------|-----------------|-----------------|
| General (Round Trip) | \$ 20.00 | \$ 15.00 |

Rounding All Fees - Council requested a review of all fees to possibly round up to the nearest dollar for a cleaner look and to ease calculations.

- Staff recommends deferring this request to next year's (FY 26/27) rates and fees due to the need for additional time to review each fee and its basis to determine if it can be rounded up. Several of the fees are tied to government ordinances, city contracts, Proposition 218 regulations, grants, and federal funding, which may impose restrictions on the calculation of these fees. In addition, rounding up may create a cumulative effect over time, causing us to inflate our rates excessively above the actual rate.

Fiscal Impact: Increasing City rates and fees will help departments and capital projects cover costs.

Prior Council Action: The Council reviewed and discussed new fees and adjustments to the Rates & Fees for Fiscal Year 2025-26 on June 2, 2025.

Other: The following committees and commissions have reviewed the proposed rates and fee adjustments and recommend to the City Council the adoption of the adjustments to the City's Rates & Fees for Fiscal Year 2025-26.

| Committee or Commission | Meeting Date | Recommended Fees |
|---|---------------------|---------------------------------------|
| Transit Advisory Committee* | April 16, 2025 | Transit Fees - Recommended |
| Planning Commission | April 28, 2025 | Planning Fees - Recommended |
| Citizens Advisory Committee - Subcommittee | May 5, 2025 | All Fees - Recommended |
| Parks & Recreation Commission | May 13, 2025 | Parks & Recreation Fees - Recommended |
| Citizens Advisory Committee | May 15, 2025 | All Fees - Recommended |
| * This is an Ad-Hoc committee with no formal member appointments. | | |

Alternatives: Partially amend or do not amend the proposed fees.

Recommended Motion (and Alternative Motions if expected):

I move to adopt Resolution 2025-08 to amend the City's Rates & Fees document for Fiscal Year 2025-26 as presented.

Or

I move to adopt Resolution 2025-08 to amend the City's Rates & Fees document for Fiscal Year 2025

-26, with changes as approved by Council.

Environmental Assessment Status: N/A

CEQA Review: N/A

Deadline for Action: 6/16/2025

Attachments: Attachment A - Fiscal Year 2025-26 Rates & Fees Document; Attachment B - Resolution No. 2025-08