

September 3, 2002

Honorable Mayor and Members of  
The Hermosa Beach City Council

Regular Meeting of  
September 10, 2002

<b>ADDING A REQUIREMENT TO THE MASTER FEE RESOLUTION WITH REGARDS TO COMMUNITY CENTER LEASE RATES</b>
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**Recommendation**

Staff recommends that Council approve a requirement for the Master Fee Resolution that would make Community Center Lease rates “not subject to rounding” to the nearest dollar.

**Background**

At the September 25, 2001 meeting, City Council added Community Center lease rates to the Master Fee Resolution. The intent in doing so was to allow lease rates to adjust in accordance to the CPI each year.

**Analysis**

Current policy dictates fees listed in the Resolution are subject to rounding to the nearest dollar. With lease rates set at a per square foot basis (e.g., currently \$1.13 per square foot), the practice of rounding would defeat the original intent of the inclusion of leases in the Resolution by delaying any increases for several years.

With an allowance for adjustments based on the CPI without rounding, the leases would be on a schedule of increases consistent with past practices. The next increase for example, will be from \$1.13 per square foot to \$1.16 per square foot, matching the CPI. This would deliver the intent of the Council’s prior approval and would rectify a staff error in not adding this additional requirement to the original agenda item.

<b>FISCAL IMPACT: Lease rates will increase from \$1.13 per square foot to \$1.16 per square foot this year and will increase with the CPI each September. Total lease revenues for FY 2002-2003 projected at \$64,670.76</b>
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Respectfully submitted,

Concur:

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Mary C. Rooney  
Director, Community Resources

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Stephen R. Burrell  
City Manager

Noted for Fiscal Impact:

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Viki Copeland  
Finance Director