

RESOLUTION NO. ____-15

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SUNNYVALE AMENDING THE CITY'S FEES, RATES AND
CHARGES RESOLUTION, PERTAINING TO ADULT
ENTERTAINMENT AND MASSAGE ESTABLISHMENTS
LICENSING AND PERMITTING FEES, AND SUPERSEDING
RESOLUTION NO. 717-15**

WHEREAS, the City Council of the City of Sunnyvale ("City") adopted Resolution No. 704-15, the Master Fee Schedule, on June 23, 2015; and

WHEREAS, on September 29, 2015, the City Council adopted Resolution No. 717-15, to amend the fees and rates pertaining to adult entertainment and massage establishments licensing and permitting fees; and

WHEREAS, the City now wishes to further amend the Fee Schedule to include a new permitting fee for massage businesses that engage solely in outcall massage and provide no on-premises services or treatment of clients; and

WHEREAS, the City Council is empowered to impose reasonable fees, rates, and charges to offset the costs for municipal services; and

WHEREAS, the City Council approved an ordinance updating and reenacting Chapter 9.41 (Massage Establishments and Professionals) of the Sunnyvale Municipal Code; and

WHEREAS, to ensure consistency with the new ordinance, the City desires to implement updated Licensing and Permitting Fees for Massage Establishments as set forth in Exhibit "A."

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUNNYVALE AS FOLLOWS:

1. Section 7.06, "Adult Entertainment and Massage Establishments" of the Master Fee Schedule, is hereby adopted as set forth in Exhibit "A", attached hereto and incorporated herein.
2. The establishment of fees herein is exempt from the requirements of the California Environmental Quality Act pursuant to Public Resources Code 15378(b)(4) because it is related to the creation of government funding mechanisms or other fiscal activities which do not involve any commitment to any specific project.

3. This resolution shall be effective on the effective date of ordinance number ____-15 (Repealing and Reenacting Chapter 9.41 (Massage Establishments and Professionals) of the Sunnyvale Municipal Code.
4. This Resolution shall supersede Resolution No. 717-15.
5. All other provisions of Resolution No. 704-15 shall remain in effect.

Adopted by the City Council at a regular meeting held on _____, 2015, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

RECUSAL:

ATTEST:

APPROVED:

City Clerk
(SEAL)

Mayor

APPROVED AS TO FORM:

City Attorney

EXHIBIT A

	Current Fiscal Year <u>2015/16</u>	Proposed Fiscal Year <u>2015/16</u>	Charge Code	Object Level <u>3 & 4</u>	Title <u>(Obj. Lvl. 3)</u>	Title <u>(Obj. Lvl. 4)</u>
<u>SECTION 7.06 ADULT ENTERTAINMENT AND MESSAGE ESTABLISHMENTS</u> (SMC Ch. 9.40 and Ch. 9.41 and CA Business & Professions Code 4612)						
A. Adult Establishment License						
Application (includes background for first owner)	\$4,675.00	\$4,675.00	799583	1373	Adult Entertainment Permits	
Annual Renewal (includes background for first owner)	\$4,587.00	\$4,587.00	799583	1373	Adult Entertainment Permits	
Additional Owner(s) (Each)	\$110.00	\$110.00	799583	1373	Adult Entertainment Permits	
Non-Compliance Penalty	20% of Amt Due	20% of Amt Due	799583	1373	Adult Entertainment Permits	
B. Massage Establishment Permit (Not Certified with CAMTC)						
Application (includes background for first owner)	\$1,149.00	\$1,060.00	799583	1371	Misc. DPS Permits & Services	
Annual Renewal (includes background for first owner)	\$1,060.00	\$999.00	799583	1371	Misc. DPS Permits & Services	
Additional Owner (Each)	\$110.00	\$110.00	799583	1371	Misc. DPS Permits & Services	
Amendment Fee (<i>new</i>)	NEW	\$30.00	799583	1371	Misc. DPS Permits & Services	
Non-Compliance Penalty	\$250.00	\$250.00	799583	1371	Misc. DPS Permits & Services	
C. Massage Establishment License (CA Massage Therapy Council Certified)						
The fees for massage establishment license and massage therapist licenses are set in California Business & Professions Code 4612 and became effective January 1, 2012.						
	See	Text Deleted				
	Attachment D	No longer applicable				
C. Non-CAMTC Certified Therapist Exemption Application (<i>new</i>)	NEW	\$94.00	799583	1371	Misc. DPS Permits & Services	
D. Massage Establishment Permit (CAMTC Certified) (<i>new</i>)						
Application	NEW	\$999.00	799583	1371	Misc. DPS Permits & Services	
Annual Renewal	NEW	\$999.00	799583	1371	Misc. DPS Permits & Services	
Additional Owner (Each)	\$110.00	\$110.00	799583	1371	Misc. DPS Permits & Services	
Amendment Fee	\$30.00	\$30.00	799583	1371	Misc. DPS Permits & Services	
Non-Compliance Penalty	\$250.00	\$250.00	799583	1371	Misc. DPS Permits & Services	
E. Massage Establishment Permit- Outcall Only (<i>new</i>)						
<i>for businesses engaged solely in Outcall Massage - no on-premise services or treatment of clients</i>						
Owner (non-CAMTC Certified)	NEW	\$142.00	799583	1371	Misc. DPS Permits & Services	
<i>additional Owner (each)</i>	NEW	\$71.00	799583	1371	Misc. DPS Permits & Services	
Sole Proprietor or owner (CAMTC Certified)	NEW	\$81.00	799583	1371	Misc. DPS Permits & Services	
<i>additional Owner (each)</i>	NEW	\$10.00	799583	1371	Misc. DPS Permits & Services	
Additional Massage Therapists (each)	NEW	\$30.00	799583	1371	Misc. DPS Permits & Services	

Section 7.06: Adult Entertainment and Massage Establishments

B. Massage Establishment License (Not Certified with CAMTC)		
Application (includes background for first owner)	\$	1,060.00
Annual Renewal (includes background for first owner)	\$	999.00
Additional Owner (each)	\$	110.00
Non-Compliance Penalty	\$	250.00
D. Massage Establishment License (CAMTC Certified)		
Application	\$	999.00
Annual Renewal	\$	999.00
Additional Owner (each)	\$	49.00
Non-Compliance Penalty	\$	250.00
E. Massage Establishment License - Outcall Only		
<i>for businesses engaged solely in Outcall Massage - no on-premise services or treatment of clients</i>		
Owner (non-CAMTC Certified)	\$	142.00
<i>additional Owner (each)</i>	\$	71.00
Sole Proprietor or owner (CAMTC Certified)	\$	81.00
<i>additional Owner (each)</i>	\$	10.00
Additional Massage Therapists (each)	\$	30.00
<i>must be CAMTC Certified</i>		
Non-Compliance Penalty	\$	250.00

Proposed Fee: Massage Establishment Fees

<u>DIRECT COSTS</u>						
Personnel	Rate	Specialty Pay	Total Hrlly	Hours	Unit Cost	Total Cost
Public Safety Officer II **	\$ 148.00	\$ 6.69	\$ 154.69	2.00	\$ 309.37	
Public Safety Lieutenant **	\$ 172.50	\$ 7.77	\$ 180.27	2.00	\$ 360.54	
Dir. of Public Safety	\$ 235.34	\$ -	\$ 235.34	0.25	\$ 58.84	
Sr. Office Assistant	\$ 61.48	\$ -	\$ 61.48	1.00	\$ 61.48	
Management Analyst	\$ 92.27	\$ -	\$ 92.27	0.25	\$ 23.07	
Other	Rate per each			Units	Unit Cost	
Fingerprinting - DPS charge (Penal Code 13300 (e))	\$ 10.00			1.0	\$ 10.00	
Fingerprinting - DOJ cost	\$ 32.00			1.0	\$ 32.00	
Fingerprinting - FBI cost	\$ 19.00			1.0	\$ 19.00	
Finance/Banking Fee (DPS invoices)	\$ 2.97			1.0	\$ 2.97	
TOTAL DIRECT COSTS						\$ 877.27
TOTAL INDIRECT COSTS						\$ 120.51
Subtotal - Direct + Indirect						\$ 997.78
Plus: City-Wide Overhead					6.21%	61.96
TOTAL FEE BASIS:						\$ 1,059.74
PROPOSED FEE:						\$ 1,060.00
Notes:						
PSOII/LT: Officer time based on a two-person team performing an initial 1 hour review and 2 followup inspections at 1/2 hour each						
Sr. Office Asst. reviews background and assembles all documentation. Management Analyst approves prior to Chief's review.						
Fee calculations includes background and fingerprinting for first owner. Each additional owner is required to pay fingerprinting and processing fee						

Proposed Fee: Massage Establishment Fee, Additional Owner

<u>DIRECT COSTS</u>						
Personnel	Rate	Specialty Pay	Total Hrly	Hours	Unit Cost	Total Cost
Sr. Office Assistant	\$ 61.48	\$ -	\$ 61.48	0.50	\$ 30.74	
Other	Rate per each			Units	Unit Cost	
Fingerprinting - DPS charge (Penal Code 13300 (e))	\$ 10.00			1.0	\$ 10.00	
Fingerprinting - DOJ cost	\$ 32.00			1.0	\$ 32.00	
Fingerprinting - FBI cost	\$ 19.00			1.0	\$ 19.00	
Finance/Banking Fee (DPS invoices)	\$ 2.97			1.0	\$ 2.97	
TOTAL DIRECT COSTS						\$ 94.71
TOTAL INDIRECT COSTS						\$ 8.95
Subtotal - Direct + Indirect						\$ 103.66
Plus: City-Wide Overhead						6.21%
TOTAL FEE BASIS:						\$ 110.10
PROPOSED FEE:						\$ 110.00

City of Sunnyvale
Fiscal Year 2015/2016
Proposed Fee Schedule - Massage Establishment Permits

Proposed Fee: Massage Establishment Fee, Outcall Only

For massage establishment businesses operating on outcall-only basis (no fixed location).

<i>DIRECT COSTS</i>						
Personnel	Rate	Specialty Pay	Total Hrly	Hours	Unit Cost	Total Cost
Sr. Office Assistant	\$ 61.48	\$ -	\$ 61.48	0.75	\$ 46.11	
Other	Rate per each			Units	Unit Cost	
Notary Fee	\$ 10.00			1.0	\$ 10.00	
Fingerprinting - DPS charge (Penal Code 13300 (e))	\$ 10.00			1.0	\$ 10.00	
Fingerprinting - DOJ cost	\$ 32.00			1.0	\$ 32.00	
Fingerprinting - FBI cost	\$ 19.00			1.0	\$ 19.00	
Finance/Banking Fee (DPS invoices)	\$ 2.97			1.0	\$ 2.97	
TOTAL DIRECT COSTS						\$ 120.08
TOTAL INDIRECT COSTS						\$ 13.43
Subtotal - Direct + Indirect						\$ 133.51
Plus: City-Wide Overhead					6.21%	8.29
TOTAL FEE BASIS:						\$ 141.80
PROPOSED FEE:						\$ 142.00

Notes:

Sr. Office Asst. sets up an appointment, reviews application, notarizes and assembles all documentation.
Management Analyst reviews documentation - N/C

City of Sunnyvale
Fiscal Year 2015/2016
Proposed Fee Schedule - Massage Establishment Permits

Proposed Fee: Massage Therapist Exemption Fee

Section 7.06 - C Massage Therapist Exemption Application

For existing non-CAMTC Certified Therapist who qualify for the exemption \$ 94.00

DIRECT COSTS							
Personnel	Rate	Specialty Pay	Total Rate	Total Hrs	Unit Cost	Total Cost	
Sr. Office Assistant	\$ 61.48	\$ -	\$ 61.48	0.50	\$ 30.43	\$ 30.43	
Other			Rate per each	Units	Unit Cost		
Fingerprinting - DPS charge (Penal Code 13300 (e))			\$ 10.00	1.0	\$ 10.00		
Fingerprinting - DOJ cost			\$ 32.00	1.0	\$ 32.00		
Fingerprinting - FBI cost			\$ 19.00	1.0	\$ 19.00		
Finance/Banking Fee (DPS invoices)			\$ 2.97	1.0	\$ 2.97	\$	63.97
TOTAL DIRECT COSTS				4.50		\$	94.40
INDIRECT COSTS: Program 477 - DPS Administration							
DEPARTMENT WIDE ADMIN	\$ 5,132,548	539,739	4.495	0.0000083281	\$ 42.74		
DEPARTMENT WIDE ISC	\$ 4,531,807	539,739	4.495	0.0000083281	\$ 37.74		
						0.00	
TOTAL INDIRECT COSTS						\$	-
Subtotal - Direct + Indirect						\$	94.40
Plus: City-Wide Overhead						6.21%	\$ -
TOTAL FEE BASIS						\$	94.40
PROPOSED FEE						\$	94.00

Proposed Fee: Amendment to Massage Establishment Permit

Section 7.06 B - Amendments to Massage Establishment License

- | | |
|---|----------|
| (a.) Any change to the name or telephone number of the massage establishment | \$ 30.00 |
| (b.) Any change to the name, residence address or phone number, business address or phone number of any owner of | \$ 30.00 |
| (c.) Any change to the name(s) of each individual who the massage establishment employs or retains to perform massage | \$ 30.00 |
| (d.) Any change to the description of the proposed massage establishment, including types of treatments to be | \$ 30.00 |

DIRECT COSTS							
Personnel	Rate	Specialty Pay	Total Rate	Total Hrs	Unit Cost	Total Cost	
Sr. Office Assistant	\$ 61.48	\$ -	\$ 61.48	0.50	\$ 30.43	\$ 30.43	
TOTAL DIRECT COSTS				0.50		\$ 30.43	
INDIRECT COSTS: Program 477 - DPS Administration							
DEPARTMENT WIDE ADMIN	\$ 5,132,548	539,739	0.495	0.0000009171	\$ 4.71		
DEPARTMENT WIDE ISC	\$ 4,531,807	539,739	0.495	0.0000009171	\$ 4.16		
						0.00	
TOTAL INDIRECT COSTS						\$ -	
Subtotal - Direct + Indirect						\$ 30.43	
Plus: City-Wide Overhead					6.21%	\$ -	
TOTAL FEE BASIS						\$ 30.43	
PROPOSED FEE						\$ 30.00	