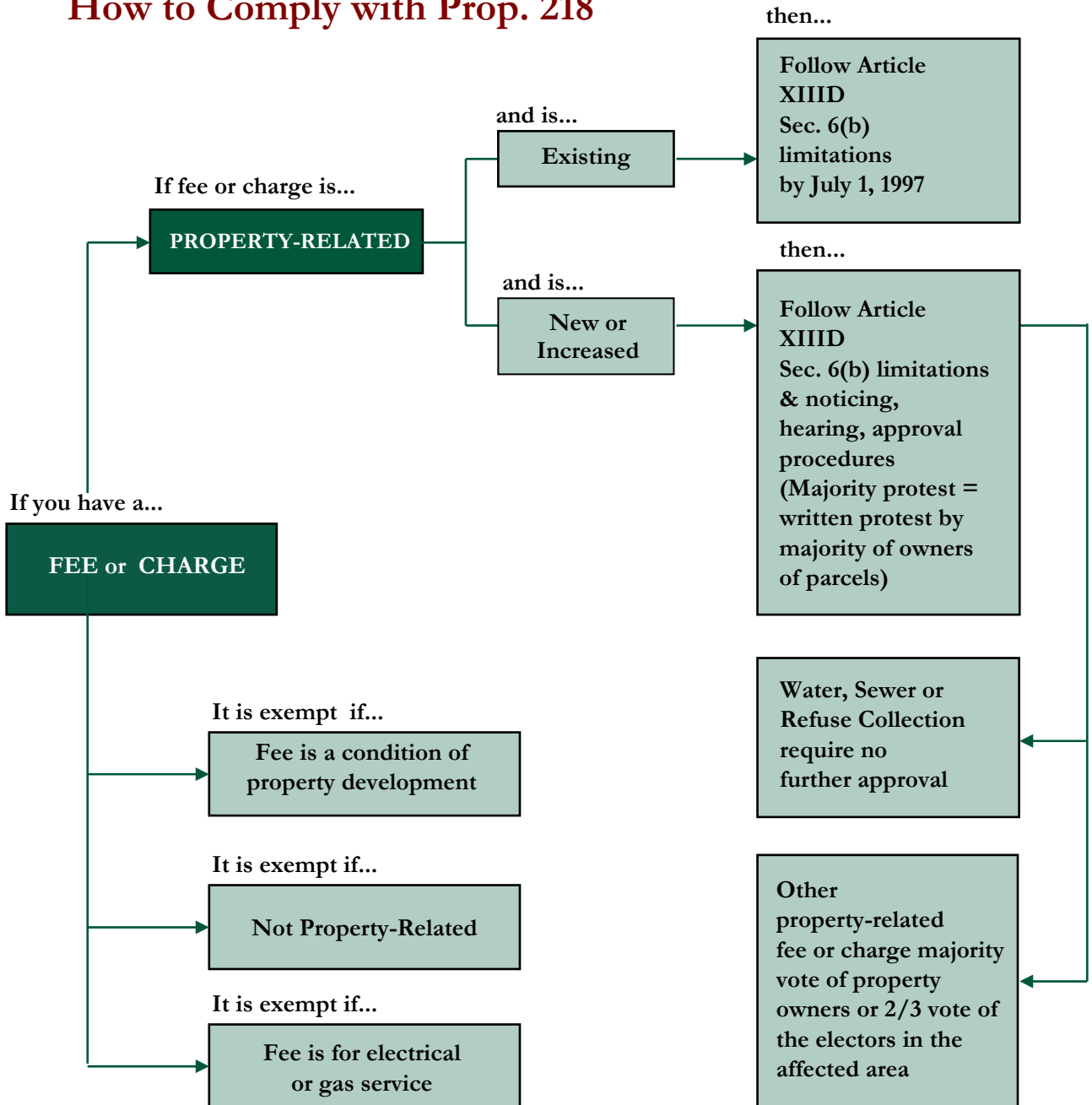


Property Related Fees & Charges How to Comply with Prop. 218

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Sources: League of California Cities and
 Legislative Analyst's Office

Property Related Fees & Charges

- ◆ A “fee” or “charge” is defined as any levy (other than an ad valorem tax, a special tax, or an assessment) imposed by an agency upon a parcel or upon a person as an incident of property ownership, including a user fee or charge for a property related service.
- ◆ A “property related service” is defined as a service having a direct relationship to property ownership.
- ◆ Cannot exceed the funds required to provide the property related service.
- ◆ Cannot be used for any purpose other than that for which the fee or charge is imposed.
- ◆ Cannot exceed the proportional cost of the service attributable to the parcel.
- ◆ Cannot be imposed for a service unless that service is actually used by, or immediately available to, the owner of the property in question.
- ◆ No property related fee or charge may be imposed for general governmental services (ie. Police, fire, ambulance or library) where the service is available to the public at large.
- ◆ Requires 45 day mailed notice, a protest hearing and in many cases a vote.
 - ✓ Protests by majority of owners of identified parcels proposed to be subject to the fee or charge represents majority protest.
 - ✓ No vote required for fees or charges for water, sewer and refuse collection services.
 - ✓ Voter approval required by a majority vote of the property owners (option - 2/3 vote of electorate residing in the affected area) for all other property related fees or charges.
- ◆ Development fees not impacted. Standby charges are assessments.
- ◆ Effective date is probably November 6, 1996, however, beginning July 1, 1997, all property related fees and charges must be in compliance with Proposition 218.
- ◆ The burden of proof is on the public agency in legal any action contesting the validity of the property related fee or charge.
- ◆ Property related fees and charges are subject to the initiative process.