

Lewis Young Robertson & Burningham, Inc

ANALYSIS FOR BUSINESS LICENSE FEES

CITY OF TAYLORSVILLE



TABLE OF CONTENTS

EXECUTIVE SUMMARY 3
 SUMMARY OF HOME OCCUPATION COSTS..... 3
 SUMMARY OF COMMERCIAL AND RENTAL BUSINESS COSTS 3

ANALYSIS OF BUSINESS LICENSE FEES6
 INTRODUCTION AND DEFINITIONS..... 6
 BASIC ADMINISTRATIVE SERVICES 7
 COMMERCIAL BUSINESS LICENSE ANALYSIS..... 9
 HOME OCCUPATION BUSINESS LICENSE APPLICATION ANALYSIS 11
 DISPROPORTIONATE SERVICES 12
 GOOD LANDLORD PROGRAM..... 18
 REVENUE ANALYSIS 20
 ENHANCED SERVICE LEVELS..... 25
 PER EMPLOYEE CHARGE 25
 RELIANCE ON CITY DATA 25

APPENDIX A..... 26
APPENDIX B 27
APPENDIX C 29
APPENDIX D..... 30

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EXECUTIVE SUMMARY

SUMMARY OF HOME OCCUPATION COSTS

Taylorsville City requires home occupation businesses to be licensed. The following table shows the base cost for obtaining a new license or renewing a home occupation business license.

TABLE E.1: HOME OCCUPATION BASE COST SUMMARY

NEW APPLICATIONS	BASE COST
Home Occupation (Class A-D)	\$65
RENEWAL APPLICATIONS	BASE COST
Home Occupation (Class A-D)	\$58

The tables below illustrate the disproportionate costs related to home occupation businesses, as well as the total cost for each home occupation business type. The disproportionate costs are in addition to the base fee for new application or renewals. There are no costs related to disproportionate calls for service for home occupation businesses.

TABLE E.2: HOME OCCUPATION TOTAL COST SUMMARY

NEW APPLICATIONS	BASE COST	DISPROPORTIONATE REGULATORY	TOTAL COST
Home Occupation (Class A)	\$65	\$22	\$87
Home Occupation (Class B)	\$65	-	\$65
Home Occupation (Class C)	\$65	-	\$65
Home Occupation (Class D : 5 or Less Children)	\$65	\$20	\$85
Home Occupation (Class D: 6 or More Children)	\$65	\$139	\$204
RENEWAL APPLICATIONS	BASE COST	DISPROPORTIONATE REGULATORY	TOTAL COST
Home Occupation (Class A)	\$58	-	\$58
Home Occupation (Class B)	\$58	-	\$58
Home Occupation (Class C)	\$58	-	\$58
Home Occupation (Class D : 5 or Less Children)	\$58	\$20	\$78
Home Occupation (Class D: 6 or More Children)	\$58	\$139	\$197

SUMMARY OF COMMERCIAL AND RENTAL BUSINESS COSTS

Table E.3 summarizes the base cost for commercial businesses, rental units, solicitors, temporary licenses and fireworks.

TABLE E.3: COMMERCIAL BASE COST SUMMARY

NEW APPLICATIONS	BASE COST	RENEWAL APPLICATIONS	BASE COST
Commercial	\$137	Commercial	\$78
Rental Units	\$92	Rental Units	\$88
Solicitor	\$145	Fireworks	\$157
Temporary	\$113	Solicitor	\$145
Fireworks	\$157		

Table E.4 shows the total disproportionate regulatory costs for commercial, rental and other business licenses. Disproportionate regulatory costs are in addition to the base cost estimate and should be added to the base cost to arrive at the total cost.

TABLE E.4: COMMERCIAL DISPROPORTIONATE REGULATORY COSTS

COMMERCIAL NEW APPLICATION	BASE COST	DISPROPORTIONATE REGULATORY	TOTAL COST
Restaurants (above 5,000 Sq. Ft.)	\$137	\$79	\$216
Department Stores/Big Box (above 12,000 Sq. Ft.)	\$137	\$79	\$216
Family Services, Including Group Homes (6244) and Senior/Assisted Living	\$137	\$119	\$256
COMMERCIAL RENEWAL APPLICATION			
Family Services, Including Group Homes (6244) and Senior/Assisted Living	\$78	\$119	\$197

Table E.5 summarizes the disproportionate police and fire service call cost for each commercial business class.

TABLE E.5: DISPROPORTIONATE COSTS BY COMMERCIAL BUSINESS CLASS

BUSINESS CLASS	POLICE DISP. COST W/O OUTLIERS	FIRE DISP. COST W/O OUTLIERS	TOTAL COST
Construction & Manufacturing Trades	\$56	\$15	\$71
Small Retail/Wholesale Sales	\$382	\$36	\$418
Medium Retail/Wholesale Sales	\$2,777	\$553	\$3,330
Convenience Stores, w/ Gas	\$3,098	\$601	\$3,699
Department/Big Box	\$18,282	\$2,289	\$20,571
Full Service Grocery	\$7,395	\$995	\$8,390
Professional/Business Services	\$59	\$30	\$89
Finance	\$804	\$85	\$889
Personal Services	\$84	\$10	\$94
Senior/Assisted Living, per Bed	\$0	\$129	\$129
Family Services, Including Group Homes	\$338	\$270	\$608
Arts Entertainment and Recreation	\$375	\$18	\$393
Food Services	\$743	\$198	\$941
Automotive	\$380	\$34	\$414
Accommodation, per Room	\$62	\$21	\$83
Private Club	\$5,268	\$0	\$5,268
Non Profit	NA	NA	NA
Mobile Home Communities, per Unit	\$0	\$70	\$70
Storage Units	\$0	\$0	\$0
Solicitor	\$0	\$0	\$0
Temporary Use	\$0	\$0	\$0

Table E.6 illustrates the disproportionate costs for rental units. The City may wish to establish a uniform fee of \$90 for both new application and renewal rental applications to allow for ease of administration.



TABLE E.6: RENTAL COST ANALYSIS

NEW APPLICATIONS	COST ESTIMATES		TOTAL BASE COST	DISP. SERVICE COST		DISPROPORTIONATE COST PER UNIT
	BASE COST	DISP. REGULATORY		POLICE	FIRE	
3-Plus Apartments	\$92	-	\$92	\$46.00	\$23.00	\$69.00
Single Family Detached Residential Rentals	\$92	-	\$92	\$63.00	\$8.00	\$71.00
Duplex	\$92	-	\$92	\$62.00	\$16.00	\$78.00
RENEWAL APPLICATIONS						
Analysis of 3-Plus Apartments	\$88	-	\$88	\$46.00	\$23.00	\$69.00
Single Family Detached Residential Rentals	\$88	-	\$88	\$63.00	\$8.00	\$71.00
Duplex	\$88	-	\$88	\$62.00	\$16.00	\$78.00

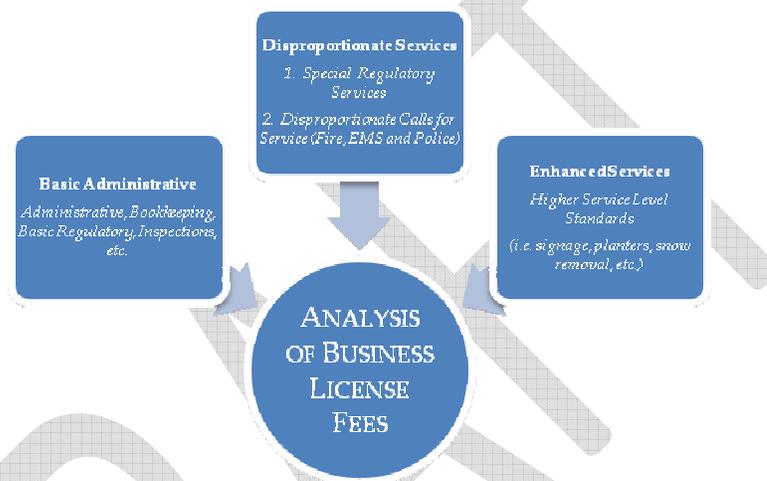
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ANALYSIS OF BUSINESS LICENSE FEES

INTRODUCTION AND DEFINITIONS

Lewis Young Robertson & Burningham Inc. (“LYRB”) was retained by Taylorsville City (“Taylorsville” or the “City”) to complete an analysis of business license fees that meets the requirements of Utah law as established by Utah Code 10-1-203. The law provides that fees charged reflect the amount necessary to reasonably regulate business activity, including the costs of disproportionate or enhanced levels of municipal services required by some business classes, geographic locations, number of business employees, etc. The framework for business license fees is based upon a reasonableness test to determine appropriate distribution of costs.

The analysis considers costs to businesses under three main categories as follows:



BASIC ADMINISTRATIVE charges include the costs incurred to register, oversee and maintain records on licensed businesses within the city. Some regulatory services and accompanying costs are essential to all businesses while others (such as inspections and premises checks) are unique to certain types of business activity. In short, basic administrative costs include the standard labor for *all* businesses: i) business license application and registration process, ii) issuance of license, iii) collection of fees, iv) maintenance of records, v) preparation of business reports and required verifications.

In order to estimate the *basic* administrative costs of a business license, our primary source of information has been Taylorsville City. Costs have been evaluated based on time spent by employees, wages and benefits involved for these employees, and cost of materials and equipment used. Business License Fees also account for the business license department’s fair share of indirect administrative costs that benefit the business license department.

DISPROPORTIONATE SERVICES include the additional costs which some businesses generate that are in excess of their proportionate presence in the community. This includes the additional regulatory services that are required by some classes of businesses such as day-care and establishments selling alcohol, as well as businesses with a disproportionately high demand for municipal services (i.e. fire, EMS, police). In order to identify disproportionate service levels, LYRB has interviewed city officials and service providers and has obtained data regarding calls for service from the Taylorsville City Police Department and the Unified Fire Authority (UFA). Costs were applied based on the estimated costs of services calculated from the Fiscal Year 2009 Budget.

ENHANCED SERVICE levels are generally those services which are increased in a particular geographic location of town, such as downtown, or the town center of a resort community. These may include services for enhanced levels of snow removal, police patrol, streetscape design, more frequent trash removal, more signage, etc. If these

services are provided, appropriate fees may be charged to compensate the City for the related costs. Taylorsville City has indicated that, at this point in time, the City does not provide enhanced service levels to any areas of the community and has no immediate plans to do so. Therefore, no fees have been calculated for enhanced levels of service.

All businesses in Taylorsville City have been classified as either “Commercial” or “Home Occupation.” Utah legislation allows cities wide latitude in defining the business classes and groupings which are most appropriate for each locality. Based on discussions with Taylorsville City, a review of the calls for service and a review of the distinctions used by other cities, we feel that type of business activity is the most accurate means of calculating the true costs associated with various businesses. By law, “all license fees and taxes shall be uniform in respect to the class upon which they are imposed” [Utah Code 10-1-203(6)]. Appendix A contains a list of all business classes established in Taylorsville City.

BASIC ADMINISTRATIVE SERVICES

All businesses, whether home occupation or commercial, must be licensed. The costs associated with licensing a business stem from two main sources – 1) direct business license costs; and 2) administrative (“indirect” costs).

DIRECT BUSINESS LICENSE COSTS

Direct business license costs include labor costs and department overhead required for all processes included in issuing and overseeing business licenses in the City of Taylorsville. The following departments are involved in business licensing: 1) Business Licensing; 2) Building & Inspection; 3) Code Enforcement; 4) Police; and 5) Fire (inspections). A direct per minute cost was calculated for each employee involved in the business licensing process using the following method:

1. Labor Cost per Minute = (Salary + Benefits)/ Total annual minutes worked
2. Department Overhead Cost per Minute = Total department overhead applicable to business licensing /Total annual minutes worked.
3. Direct Business License Costs = Labor Cost Per Minute + Department Overhead Cost Per Minute

Direct Business costs for the business licensing department also include the cost of supplies for business licenses. Supply costs are estimated by the City at \$2,200 annually, equaling a cost per minute of \$0.02.

TABLE 1.1: TOTAL BUSINESS LICENSE SUPPLY COSTS

BUSINESS LICENSE SUPPLIES	COUNT	COST
License Renewals (Paper)	4800	\$27.46
Renewal Reminders (Paper)	600	\$3.43
Business License Renewal Envelopes	2400	\$108.00
New Business License Envelopes	325	\$14.63
Business License Reminder Envelopes	300	\$13.50
Business License Applications	325	\$45.50
Business License Certificates	1425	\$85.50
Business License Renewal Postage	1200	\$492.00
New Business Application Postage	325	\$133.25
Renewal Reminder Postage	300	\$123.00
File Folders	325	\$13.00
File Folder Labels	325	\$3.25
File Folder Label Protectors:	325	\$5.20
Total Cost for Supplies		\$2,200
Total Cost for Supplies per Minute	\$0.02	

BUSINESS LICENSE SUPPLIES	COUNT	COST
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Source: Taylorsville City

Due to salary confidentiality, this report does not include figures for City personnel labor costs per minute. However, Table 1.2 shows the total per minute direct business license costs. All figures used in calculating direct business licensing costs were provided by Taylorsville City.

TABLE 1.2: SUMMARY OF DIRECT BUSINESS LICENSE COSTS

DIRECT BUSINESS LICENSE COSTS	
Business Licensing (Including Supplies)	\$0.44
Building & Inspection	\$0.73
Code Enforcement	\$0.54
Police	\$0.90
Fire	\$0.56
Source: Taylorsville City	

INDIRECT COSTS

In addition to the direct costs associated with the business license department, the business license department must pay for its fair share of the City's indirect costs –services provided to all departments such as legislative, executive and financial services as well as non-departmental and building costs. These indirect costs of approximately \$2.7 million are shown in Table 1.3 below. Indirect costs are divided into two separate costs: 1) fixed costs; and 2) variable costs. Fixed costs represent administrative services provided to each department regardless of size. Variable costs represent administrative services provided to each department in proportion to the size of the department. Based on the City's ratio of total fixed costs to total variable costs for each department, we have calculated fixed costs to be approximately 12 percent, with the remaining 88 percent of administrative services assigned as variable costs. As shown in table 1.4, the Community Development department, which includes business licensing, is allocated \$297,320 in fixed and variable costs.

TABLE 1.3: SUMMARY OF TOTAL INDIRECT COSTS

TOTAL INDIRECT COSTS	
Executive	\$183,632
Legislative	\$554,202
Administrative Services	\$1,177,193
Government Buildings	\$186,585
Non-Departmental	\$650,030
Total Indirect Costs	\$2,751,642
Source: Taylorsville City Budget (FY 09)	

TABLE 1.4: ALLOCATION OF INDIRECT COSTS BY DEPARTMENT

DEPARTMENT ALLOCATED COSTS	FIXED	VARIABLE	SUM OF INDIRECT COSTS	TOTAL FTEs	% OF TOTAL (FTE)
Justice (Combined Municipal Justice Court)	\$47,171	\$310,185	\$357,356	15.50	12.8%
Police	\$47,171	\$1,220,728	\$1,267,900	61.00	50.4%
Public Works	\$47,171	\$200,119	\$247,290	10.00	8.3%
Community Development	\$47,171	\$250,149	\$297,320	12.50	10.3%
Economic Development	\$47,171	\$40,024	\$87,195	2.00	1.6%
Fire Department (Contracted)	\$47,171	\$200,119	\$247,290	10.00	8.3%
Planning and Community Services	\$47,171	\$200,119	\$247,290	10.00	8.3%
Total Departments = 7	\$330,197	\$2,421,445	\$2,751,642	121.00	

Planning and Community Services includes the Planning Commission, and the Community Comfort and Citizen Committees)
Source: Taylorsville City FY2009 Budget, LYRB

The business license department is allocated 9.2 percent of the Community Development department fixed and variable costs based on the percent of FTE's working on business licensing.¹ The total indirect costs allocated to business licensing equal \$27,216.

TABLE 1.5: INDIRECT COSTS ALLOCATED TO BUSINESS LICENSING

COST CATEGORY	
Indirect "Fixed" Costs Attributed to Community Development	\$47,171
Business License as a % of Total Community Development	9.2%
Indirect "Fixed" Costs Attributed to Business License	\$4,318
Indirect "Variable" Costs Attributed to Community Development	\$250,149
Business License as a % of Total Community Development	9.2%
Indirect "Variable" costs allocated to Business License	\$22,398
Total Indirect Costs Allocated to Business License	\$27,216
Total Minutes Worked	142,800
Business Licensing Indirect Cost Per Minute	\$0.19

The percent allocation attributed to business licensing is based on the total hours worked within business licensing divided by the total hours allocated to Community Development.

A summary of the costs of the total per minute cost for Business Licensing personnel is as follows:

TABLE 1.6: SUMMARY OF BUSINESS LICENSE COSTS

Direct Business License Costs	\$0.44
Indirect Business License Costs	\$0.19
Total Business License Cost Per Minute	\$0.63

Source: Taylorsville City, LYRB

TOTAL PER MINUTE COSTS

The following table shows the total cost per minute for all departments involved in the business licensing process.

TABLE 1.7: SUMMARY OF OTHER PER MINUTE COSTS

	DIRECT COST	INDIRECT COST	TOTAL COST
Business Licensing	\$0.44	\$0.19	\$0.63
Building and Inspection	\$0.73	\$0.19	\$0.92
Code Enforcement	\$0.54	\$0.19	\$0.73
Police	\$0.90	\$0.17	\$1.07
Fire	\$0.56	\$0.10	\$0.66

COMMERCIAL BUSINESS LICENSE ANALYSIS

The Business Licensing and Fire department provide services for processing business license renewals. The Business Licensing department takes applications, copies documents, prepares and mails business licenses, distributes appropriate forms to assisting personnel, prepares and mails reminder letters and assists with business license compliance issues. Taylorsville City estimates that it takes roughly 55 minutes per business

¹ Calculated by dividing the total minutes worked in business licensing (142,800) by the total department hours worked in Community Development (12.5 FTE's x (2080x60) = 1,560,000 min.).

license renewal in order to adequately perform the previously identified tasks. The Fire department conducts annual inspections on all commercial businesses except rental units (apartments, duplexes, single family rental homes).

The basic costs for *renewal* of a commercial business are summarized in the table below. Note that the renewal time includes the direct time for processing the paperwork for renewal of a business license (previously identified at 55 minutes), plus each license's fair share of all business license activities on an annual basis (i.e., customer service, reports, meetings, phone calls, etc.).

TABLE 1.8: COMMERCIAL BASE COST (RENEWAL)

	TIME ALLOCATION	COST PER MINUTE	ESTIMATED COST
Business License Costs (prepares forms, review returned application, prepare business license, obtain signatures, respond to phone calls, etc.)	60	\$0.63	\$38
Fire (Performs on premise inspection)	60	\$0.66	\$40
Total Commercial Renewal Base Cost			\$78

New commercial business license applications require additional services above and beyond those required for commercial business license renewals. First-time applications require more time than renewals due to 1) the explanation of the application procedure; and 2) the additional review required for each new application. Extraordinary costs for first-time business licenses include a building inspection review and inspections. New business license application costs for commercial businesses are shown in table 1.9 below.

TABLE 1.9: COMMERCIAL BASE COST (NEW APPLICATION)

	TIME ALLOCATION	COST PER MINUTE	ESTIMATED COST
Business License Costs (prepares forms, review returned application, prepare business license, obtain signatures, respond to phone calls, etc.)	67	\$0.63	\$42
Fire (Performs on premise inspection)	60	\$0.66	\$40
Building Inspections (Reviews application and provides a building inspection)	60	\$0.92	\$55
Total Commercial New Application Base Cost			\$137

Taylorsville City is instituting a *Good Landlord* incentive program. The *Good Landlord* incentive program offers a reduced business license rate for those landlords who actively participate in the program. This program has been proven effective in reducing illegal activities and code violations on rental properties whose landlords implement the procedures learned in the *Good Landlord* training seminars. The *Good Landlord* program cost included in the business license renewal for rental units is the cost of the training seminars and other administrative work required to administer the *Good Landlord* program divided equally among all rental business licenses. Compliance costs include the cost of ensuring all rentals are in compliance with City code. Renewals require a slightly smaller amount of time than a new application, similar to commercial businesses.

TABLE 1.10: RENTAL UNIT BASE COST (RENEWAL APPLICATION)

	TIME ALLOCATION	COST PER MINUTE	ESTIMATED COST
Business License Costs (prepares forms, review returned application, prepare business license, obtain signatures, respond to phone calls, etc.)	60	\$0.63	\$38
Compliance/Good Landlord Program			\$50
Total Rental Renewal Base Cost			\$88

TABLE 1.11: RENTAL UNIT BASE COST (NEW APPLICATION)

	TIME ALLOCATION	COST PER MINUTE	ESTIMATED COST
Business License Costs (prepares forms, review returned application, prepare business license, obtain signatures, respond to phone calls, etc.)	67	\$0.63	\$42
Compliance/Good Landlord Program			\$50
Total Rental New Application Base Cost			\$92

In addition to commercial and rental units, the City requires solicitors, temporary uses, and fireworks sales to be licensed. The following tables show the costs for these licenses.

TABLE 1.12: SOLICITOR LICENSE

SOLICITOR USE	TIME ALLOCATION	COST PER MINUTE	ESTIMATED COST
Business License Costs (prepares forms, review returned application, conducts data verification including -- state/special use tax identification number, and identity -- prepare business license, obtain signatures, respond to phone calls, etc.)	180	\$0.63	\$113
Police (Conduct background check and application review)	30	\$1.07	\$32
Total Solicitor Use Cost			\$145

TABLE 1.13: TEMPORARY LICENSE

TEMPORARY USE	TIME ALLOCATION	COST PER MINUTE	ESTIMATED COST
Business License Costs (prepares forms, review returned application, prepare business license, obtain signatures, respond to phone calls, etc.)	60	\$0.63	\$38
Fire (Review self-reporting form)	30	\$0.66	\$20
Building Inspections (Reviews application and provides an inspection)	60	\$0.92	\$55
Total Temporary Use Cost			\$113

TABLE 1.14: FIREWORK LICENSE

FIREWORKS	TIME ALLOCATION	COST PER MINUTE	ESTIMATED COST
Business License Costs (prepares forms, review returned application, prepare business license, obtain signatures, respond to phone calls, etc.)	60	\$0.63	\$38
Fire (Classified as High Hazard and requires multiple inspections)	180	\$0.66	\$119
Total Firework Costs			\$157

HOME OCCUPATION BUSINESS LICENSE APPLICATION ANALYSIS

Taylorsville City also requires home occupation businesses to be licensed. The following table shows the base cost for renewing a home occupation business license.

TABLE 1.15: HOME OCCUPATION BASE COST (RENEWAL)

	TIME ALLOCATION	COST PER MINUTE	ESTIMATED COST
Business License Costs (prepares forms, review returned application, prepare business license, obtain signatures, respond to phone calls, etc.)	60	\$0.63	\$38

Fire(Review of self reporting documents by department)	30	\$0.66	\$20
Total Home Occupation Renewal Cost			\$58

Similar to commercial businesses, new home occupation business license applications require additional services above and beyond those required for the renewal process as outlined below. First-time applications require more time than renewals due to 1) the explanation of the application procedure; and 2) the additional review required for each new application.

TABLE 1.16: HOME OCCUPATION BASE COST (NEW APPLICATION)

	TIME ALLOCATION	COST PER MINUTE	ESTIMATED COST
Business License Costs (prepares forms, review returned application, prepare business license, obtain signatures, respond to phone calls, etc.)	71	\$0.63	\$45
Fire(Review of self reporting documents by department)	30	\$0.66	\$20
Total Home Occupation Base Fee			\$65

DISPROPORTIONATE SERVICES

Disproportionate fees include additional services required for: 1) special regulations and inspections; and/or 2) calls for police and fire services that exceed the base level of services provided in the community.

SPECIAL REGULATORY SERVICES

Special regulatory costs have been considered for both home occupation and commercial businesses. These costs included services provided by both Code Enforcement and UFA. Some businesses require special regulatory services from only one of the above sources, while others require services from more than one source. Therefore, the following discussion sets forth increased regulatory costs by business type rather than by service provider.

Disproportionate regulatory services are required for home occupation and commercial daycares, restaurants (above 5,000 sq. ft.), department stores/big box (above 12,000 sq. ft.), and family service related business (i.e. group homes and senior/assisted living). Costs for these special services are shown in tables 1.17 – 1.20. These costs are in addition to the base fee for new application or renewals.

TABLE 1.17: COMMERCIAL DISPROPORTIONATE REGULATORY COSTS (NEW APPLICATION)

RESTAURANTS (ABOVE 5,000 SQ. FT.)	TIME ALLOCATION	COST PER MINUTE	ESTIMATED COST
Fire (Requires multiple visits above the initial visit, estimated at 60 minutes each visit)	120	\$0.66	\$79
Department Stores/Big Box (above 12,000 Sq. Ft.)			
Fire (Requires multiple visits above the initial visit, estimated at 60 minutes each visit)	120	\$0.66	\$79
Family Services, Including Group Homes (6244) and Senior/Assisted Living			
Fire (Requires multiple visits above the initial visit, estimated at 60 minutes each visit, these businesses are visited quarterly. An additional three visits are added to the initial base visit)	180	\$0.66	\$119

TABLE 1.18: COMMERCIAL DISPROPORTIONATE REGULATORY COSTS (RENEWAL APPLICATION)

FAMILY SERVICES, INCLUDING GROUP HOMES (6244) AND SENIOR/ASSISTED LIVING	TIME ALLOCATION	COST PER MINUTE	ESTIMATED COST
Fire (Requires multiple visits above the initial visit, estimated at 60 minutes each visit, these businesses are visited quarterly. An additional three visits are added to the initial base visit)	180	\$0.66	\$119

The tables below illustrate the disproportionate costs related to home occupation businesses. These costs are in addition to the base fee for new application or renewals.

TABLE 1.19: HOME OCCUPATION DISPROPORTIONATE REGULATORY COSTS (NEW APPLICATION)

HOME OCCUPATION (CLASS A)	TIME ALLOCATION	COST PER MINUTE	ESTIMATED COST
Code Enforcement (Code compliance review, application review)	30	\$0.73	\$22
Home Occupation Renewal (Class D: 5 or Less Children)			
Fire (Complete self reporting and reviewed by Department & Requires Inspection)	30	\$0.66	\$20
Home Occupation Renewal (Class D: 6 or More Children)			
Fire (Complete self reporting and reviewed by Department & Requires Multiple Inspections throughout the year)	210	\$0.66	\$139

TABLE 1.20: HOME OCCUPATION DISPROPORTIONATE REGULATORY COSTS (RENEWAL APPLICATION)

Home Occupation Renewal (Class D: 5 or Less Children)	TIME ALLOCATION	COST PER MINUTE	ESTIMATED COST
Fire (Complete self reporting and reviewed by Department & Requires Inspection)	30	\$0.66	\$20
Home Occupation Renewal (Class D: 6 or More Children)			
Fire (Complete self reporting and reviewed by Department & Requires Multiple Inspections throughout the year)	210	\$0.66	\$139

CALLS FOR SERVICE

In order to calculate disproportionate costs and fees, cities must first establish what constitutes the base level for each of the varying services they provide – such as the number of calls for service to the police department and fire departments, business-related paperwork and administrative oversight, inspections, etc. According to Utah Code 10-1-203(5)(iii)(c), “Before the governing body of a municipality imposes a license fee or tax on a business that causes disproportionate costs of municipal services under Subsection (5)(a)(iii), the governing body of the municipality shall adopt an ordinance defining the purposes of the tax under Subsection (5)(a)(iii) that constitutes disproportionate costs and what amounts are reasonably related to the costs of the municipal services provided by the municipality.”

Calls for service were obtained from the Taylorsville City Police Department and from UFA for the 2007 and 2008 calendar years. The database was geo-coded to Taylorsville City streets to determine the location of each incident, excluding traffic related calls. **Appendix E** illustrates the results of the geo-coding process. Due to the accuracy of the original call data and the detail of the streets center lines shape files used in the geo-coding process, the match rate for the call data was very high at approximately 95 percent for both police and fire.

The data was then analyzed to determine the base number of calls per business as compared to non-rental residential units. The base level of service for police calls was determined to be an average of 0.6670 calls per unit per year. This was calculated by taking the average of the total calls for each year divided by the total number of non-rental single family units, shown below. The base level of service for fire is estimated at 0.0648 calls for service for each single family non-rental residential unit annually. It was found that the average number of calls per business for police and fire exceeded the average number of calls per residence. Therefore, it was determined that businesses as a “class” require a higher level of police and fire services and have disproportionate calls for service when compared to residential calls for service. The average police and fire calls per non-rental residence was applied as the base figure for determining what constituted a disproportionate number of calls for service and further distinctions were then drawn between “types” of businesses within the overall business “class.”

TABLE 1.21: RESIDENTIAL CALL DATA – BASELINE LEVEL OF SERVICE

PROPERTY CODE TYPES: 111, 116, 119	UNITS	2007 POLICE CALLS	2008 POLICE CALLS	2007 FIRE CALLS	2008 FIRE CALLS
Single Family Residential Calls	14,799	10,840	10,327	1,026	933
Less Rental Units	(1,663)	(1,795)	(1,849)	(144)	(113)
Total Calls	13,136	9,045	8,478	882	820
Ratio		0.6886	0.6454	0.0671	0.0624
Average			0.6670		0.0648
Estimated Cost per Call²			\$145		\$621

Source: Taylorsville City FY09 Budget, LYRB

DISPROPORTIONATE CALLS FOR SERVICE: COMMERCIAL

For businesses, the calls for service were determined by matching the location of each service call to a list of business addresses.³ Business classes were then formed using North American Industry Classification System (NAICS) Codes provided by the City, with similarly coded businesses grouped within the same category (see **Appendix A** for a list of code inclusions for each business class). For each business class, the total number of calls was divided by the total number of businesses, resulting in an annual average number of calls for service per business class, as illustrated below. Within a business class, there may be a few businesses with a much higher number of service calls than the majority of business establishments in that particular business class. These businesses excessively skew the average disproportionate cost per business and are referred to as statistical outliers. When calculating the business license fee, it is recommended the City consider setting the disproportionate fee to be on par with disproportionate costs per business without the statistical outliers.

TABLE 1.22: AVERAGE CALLS FOR SERVICE BY COMMERCIAL BUSINESS CLASS

BUSINESS CLASS	POLICE w/OUTLIERS	FIRE/EMS w/OUTLIERS	POLICE w/o OUTLIERS	FIRE/EMS w/o OUTLIERS	DESCRIPTION OF OUTLIER
Construction & Manuf. Trades	1.0536	0.0893	1.0536	0.0893	
Small Retail/Wholesale Sales	3.3049	0.1220	3.3049	0.1220	
Medium Retail/Wholesale Sales	19.8182	0.9545	19.8182	0.9545	
Convenience Stores, w/ Gas	22.0333	1.0333	22.0333	1.0333	
Department/Big Box	277.667	13.333	126.75	3.7500	A single business is responsible for nearly 70 to 80 percent of the calls for service on average. The City may wish to consider this business as an outlier and work directly with the business to reduce calls for service.
Full Service Grocery	67.800	2.9000	51.667	1.6667	A single business is responsible for nearly 55 to 66 percent of the calls for service on average.
Professional/Business Services	1.9495	0.2980	1.0744	0.1128	A few businesses (2% of the total) within this category showed a higher ratio of calls than the other business and

² The cost per call for police and fire services was determined using the FY2009 budget data regarding the overall expenditures/service contract related to police and fire, less a percentage of costs determined as fixed cost, divided by the total number of service calls.

³ For apartments each "unit" address was matched to the business address for the entire complex.

BUSINESS CLASS	POLICE w/ OUTLIERS	FIRE/EMS w/ OUTLIERS	POLICE w/o OUTLIERS	FIRE/EMS w/o OUTLIERS	DESCRIPTION OF OUTLIER
					have been excluded.
Finance	7.0313	0.6771	6.2128	0.2021	There are 48 businesses within this category, with one business showing a higher level of calls relative to others.
Personal Services	2.1860	0.2209	1.2438	0.0813	A few businesses (approximately 6 percent) showed a higher level of calls and were excluded.
Senior/Assisted Living, per Bed	0.6429	0.5357	0.3947	0.2727	One of the three businesses showed a higher ratio of calls per bed and was excluded.
Family Services, Including Group Homes	4.1500	0.5500	3.0000	0.5000	One day-care center was excluded based on higher call data.
Arts Entertainment and Recreation	3.2500	0.0938	3.2500	0.0938	
Food Services	5.7889	0.3833	5.7889	0.3833	
Automotive	3.2857	0.1190	3.2857	0.1190	
Accommodation, per Room	1.0912	0.0985	1.0912	0.0985	
Private Club	37.000	-	37.000	-	
Non Profit	6.5588	1.0882	6.5588	1.0882	
Outdoor Advertising	0.0000	0.0000	0.0000	0.0000	The call data for these businesses could not be directly tied to the outdoor advertising businesses, thus they were excluded.
Mobile Home Communities, per Unit	0.6291	0.1772	0.6291	0.1772	
Storage Units	0.0146	0.0010	0.0146	0.0010	

The average number of calls for service for each class was then compared to the previously calculated baseline level of service (annual average call per non-rental residence, table 1.21). (See **Appendix B** for a summary of the call data by business grouping). The baseline level of service was subtracted from the annual average call per business class to arrive at the average disproportionate calls for service. Table 1.23 shows the disproportionate cost for each business class.

TABLE 1.23: AVERAGE DISPROPORTIONATE CALLS FOR SERVICE BY COMMERCIAL BUSINESS CLASS

BUSINESS CLASS	POLICE w/ OUTLIERS	FIRE/EMS w/ OUTLIERS	POLICE w/o OUTLIERS	FIRE/EMS w/o OUTLIERS
Construction & Manufacturing Trades	0.3866	0.0245	0.3866	0.0245
Small Retail/Wholesale Sales	2.6379	0.0572	2.6379	0.0572
Medium Retail/Wholesale Sales	19.151	0.8898	19.151	0.8898
Convenience Stores, w/ Gas	21.366	0.9685	21.366	0.9685
Department/Big Box	276.99	13.268	126.08	3.6852

BUSINESS CLASS	POLICE W/ OUTLIERS	FIRE/EMS W/ OUTLIERS	POLICE W/O OUTLIERS	FIRE/EMS W/O OUTLIERS
Full Service Grocery	67.133	2.8352	50.999	1.6019
Professional/Business Services	1.2825	0.2332	0.4074	0.0480
Finance	6.3643	0.6123	5.5458	0.1373
Personal Services	1.5190	0.1561	0.5768	0.0165
Senior/Assisted Living, per Bed	(0.0241)	0.4709	(0.2723)	0.2079
Family Services, Including Group Homes	3.4830	0.4852	2.3330	0.4352
Arts Entertainment and Recreation	2.5830	0.0290	2.5830	0.0290
Food Services	5.1219	0.3185	5.1219	0.3185
Automotive	2.6187	0.0542	2.6187	0.0542
Accommodation, per Room	0.4242	0.0337	0.4242	0.0337
Private Club	36.333	(0.0648)	36.333	(0.0648)
Non Profit	5.8918	1.0235	5.8918	1.0235
Outdoor Advertising	0.0000	0.0000	0.0000	0.0000
Mobile Home Communities, per Unit	(0.0379)	0.1124	(0.0379)	0.1124
Storage Units	(0.6524)	(0.0638)	(0.6524)	(0.0638)
Solicitor	(0.6670)	(0.0648)	(0.6670)	(0.0648)
Temporary Use	(0.6670)	(0.0648)	(0.6670)	(0.0648)

If a business class had a higher average number of calls than the base (average call per non-rental residence), the difference was multiplied by the average cost of a service call shown in table 1.21 above.⁴ The following table summarizes the disproportionate costs for each business class identified for Taylorsville City. The fees shown represent the maximum disproportionate fees that can be supported by the data. The City may choose not to enact the full fee in some business categories, as a matter of policy, in order to encourage the development of certain business classes. Note that fees for all businesses within a given business class must be constant.

TABLE 1.24: DISPROPORTIONATE COSTS BY COMMERCIAL BUSINESS CLASS

BUSINESS CLASS	POLICE DISP. COST W/O OUTLIERS	FIRE DISP. COST W/O OUTLIERS	TOTAL COST
Construction & Manufacturing Trades	\$56	\$15	\$71
Small Retail/Wholesale Sales	\$382	\$36	\$418
Medium Retail/Wholesale Sales	\$2,777	\$553	\$3,330
Convenience Stores, w/ Gas	\$3,098	\$601	\$3,699
Department/Big Box	\$18,282	\$2,289	\$20,571
Full Service Grocery	\$7,395	\$995	\$8,390
Professional/Business Services	\$59	\$30	\$89
Finance	\$804	\$85	\$889
Personal Services	\$84	\$10	\$94
Senior/Assisted Living, per Bed	\$0	\$129	\$129
Family Services, Including Group Homes	\$338	\$270	\$608

⁴ The cost per call for each police and fire services was determined using the FY2009 budget data regarding the overall expenditures/service contract related to police and fire, less a percentage of costs determined as fixed cost, divided by the total number of service calls.

BUSINESS CLASS	POLICE DISP. COST W/O OUTLIERS	FIRE DISP. COST W/O OUTLIERS	TOTAL COST
Arts Entertainment and Recreation	\$375	\$18	\$393
Food Services	\$743	\$198	\$941
Automotive	\$380	\$34	\$414
Accommodation, per Room	\$62	\$21	\$83
Private Club	\$5,268	\$0	\$5,268
Non Profit	NA	NA	NA
Mobile Home Communities, per Unit	\$0	\$70	\$70
Storage Units	\$0	\$0	\$0
Solicitor	\$0	\$0	\$0
Temporary Use	\$0	\$0	\$0

DISPROPORTIONATE CALLS FOR SERVICE: RENTAL UNITS

The City currently has 23 licensed apartment complexes and three mobile home communities, with a total of 4,269 units and 906 units respectively. In addition, there are 11 unlicensed 3-4 unit apartment buildings and 1,896 residential rental units (comprised of single family residential rentals and duplex properties) as outlined below.

TABLE 1.25: SUMMARY OF CALL DATA BY RENTAL CLASS

TYPE	DESCRIPTION	NUMBER OF UNITS	2007 POLICE CALLS	2008 POLICE CALLS	2007 FIRE CALLS	2008 FIRE CALLS
	Licensed 3+ Unit Apartments	4,280	4,303	4,099	459	417
	Average Call Ratio per Unit		1.01	0.96	0.11	0.10
106	Res Mother-Law Apt	2	7	10	-	-
111	Single Family Residential Rentals	1,241	1,604	1,698	125	95
116	Condo Unit	258	106	68	13	9
118	Manuf. Home Rentals	1	1	-	-	-
119	PUD	164	85	83	6	9
	Subtotal: Residential Rentals	1,666	1,803	1,859	144	113
	Average Call Ratio per Unit			1.10		0.08
112	Duplex	230	276	228	26	16
	Average Call Ratio per Unit			1.10		0.09

Source: Salt Lake County Property Data, Taylorsville City, LYRB

For each of the rental types described above there was a disproportionate level of calls for both fire and police services. The disproportionate call ratio is the average call ratio less the base call ratio for non-rental residential units summarized in table 1.23. The disproportionate call data, with estimated costs, is summarized in table 1.28.

TABLE 1.26: DISPROPORTIONATE COSTS BY RENTAL CLASS

BUSINESS TYPE	AVERAGE CALL RATIO PER UNIT		DISPROPORTIONATE CALLS PER UNIT		DISPROPORTIONATE COSTS PER UNIT		TOTAL COST PER UNIT
	POLICE	FIRE/EMS	POLICE	FIRE/EMS	POLICE	FIRE/EMS	
3-Plus Apartments	0.98	0.10	0.3147	0.0375	\$46	\$23	\$69
Analysis of Single Family and Other Rental Properties Not Currently Licensed							
Single Family Detached Residential Rentals	1.10	0.08	0.4320	0.0123	\$63	\$8	\$71
Duplex	1.10	0.09	0.4287	0.0265	\$62	\$16	\$78

It is important to note that the City does not currently assess a business license fee for residential rental units. Due to the size of this rental class, it is anticipated that the City will experience a higher workload related to processing this new class. For ease of administration, the City may wish to establish a uniform disproportionate cost for each rental type of \$70.

DISPROPORTIONATE CALLS FOR SERVICE: HOME OCCUPATION

There are no disproportionate calls for service for home occupation businesses.

GOOD LANDLORD PROGRAM

According to current legislation, a municipality may collect a disproportionate rental fee if the municipality: 1) adopts an applicable ordinance; 2) conducts a municipal services study (contained herein); 3) provides any updates to the municipal services study; and, 4) establishes a *Good Landlord* program.⁵

The Good Landlord program is designed to provide a reduction in the disproportionate rental fee for participants who complete several requirements. These requirements include:

- ☞ Competing a landlord training program approved by the City;
- ☞ Implementing measures to reduce crime in rental housing as specified in municipal ordinances; and
- ☞ Operating and managing rental housing in accordance with municipal ordinances.

The fee reduction provides an incentive to improve the overall quality of each rental unit and the City by helping to reduce crime and increase ordinance compliance. The following section will address the revenue projections assuming the different cost assumptions for each business class, as well as the revenue generation utilizing a *Good Landlord* program. The analysis assumes a fee reduction of 83 percent (\$70 base renewal fee reduced to \$12 base renewal fee per unit).

⁵ UCA 10-1-203(5)(e)(ii)(A)



DRAFT

REVENUE ANALYSIS

The revenue analysis combines the cost assumptions related to the renewal process, disproportionate regulatory services and disproportionate calls for service to establish a total licensing cost for each business class. The total cost is then multiplied by the number of units within each class to determine the estimated revenues the City may collect. Revenues for new applications are not considered since it is difficult to predict the type and frequency of new business that will occur within a given period of time. In addition, revenues are projected with and without a *Good Landlord* program.

TABLE 1.27: HOME OCCUPATION REVENUES

RENEWAL APPLICATIONS	BASE COST		DISPROPORTIONATE REGULATORY	TOTAL COST	REVENUE ESTIMATE	CURRENT COST
Home Occupation (Class A)	\$58		-	\$58	\$18,096.00	\$35.00
Home Occupation (Class B)	\$58		-	\$58	\$18,096.00	\$35.00
Home Occupation (Class C)	\$58		-	\$58	\$18,096.00	\$50.00
Home Occupation (Class D)	\$58		\$139	\$197	\$9,850.00	\$50.00
Total Home Occupation Revenue					\$64,138	

The total home occupation estimated revenue equals \$64,138. This assumes an equal distribution of renewals for Class A-C at approximately 32 percent of the total for each class and 4 percent allocated to Class D licenses (for a total 986 home occupation licenses). The analysis of commercial and rental revenues is more extensive and considers disproportionate regulatory costs, disproportionate service costs and, where applicable, the number of units or beds within a business class.

TABLE 1.28: COMMERCIAL BUSINESS REVENUE

BUSINESS TYPE	BASE FEE		TOTAL BASE COST	DISP. SERVICE COST		COST PER UNIT	TOTAL COST	EXISTING FEE	# Of Bus.	# Of Units	Total Revenue
	RENEWAL COST	DISP. REGULATORY		POLICE	FIRE						
Construction & Manufacturing Trades	\$78	-	\$78	\$56	\$15	\$71	\$154	\$100 + \$6/employee	28	28	\$4,172
Small Retail/Wholesale Sales	\$78	-	\$78	\$382	\$36	\$418	\$501	\$1,000 + \$6/employee	82	82	\$40,672
Medium Retail/Wholesale Sales	\$78	-	\$78	\$2,777	\$553	\$3,330	\$3,413	\$1,000 + \$6/employee	11	11	\$37,488
Convenience Stores, w/ Gas	\$78	-	\$78	\$3,098	\$601	\$3,699	\$3,782	\$450 + \$6 employee	15	15	\$56,655
Department/Big Box	\$78	-	\$78	\$18,282	\$2,289	\$20,571	\$20,654	\$1,000 + \$6/employee	3	3	\$61,947
Full Service Grocery	\$78	-	\$78	\$7,395	\$995	\$8,390	\$8,473	\$1,000 + \$6/employee	5	5	\$42,340
Professional/Business Services	\$78	-	\$78	\$59	\$30	\$89	\$172	\$100 + \$6/employee	198	198	\$33,066
Finance	\$78	-	\$78	\$804	\$85	\$889	\$972	\$650 + \$6/employee	48	48	\$46,416

TABLE 1.28: COMMERCIAL BUSINESS REVENUE

BUSINESS TYPE	BASE FEE		TOTAL BASE COST	DISP. SERVICE COST		COST PER UNIT	Total Cost	EXISTING FEE	# Of Bus.	# Of Units	Total Revenue
	RENEWAL COST	DISP. REGULATORY		POLICE	FIRE						
Personal Services	\$78	-	\$78	\$84	\$10	\$94	\$177	\$100 + \$6/employee	86	86	\$14,792
Senior/Assisted Living, per Bed	\$78	\$119	\$197	\$0	\$129	\$129/Bed	\$202 + \$129/bed	\$100 + \$6/employee + \$10/bed	3	322	\$42,129
Family Services, Including Group Homes	\$78	\$119	\$197	\$338	\$270	\$608	\$810	\$100 + \$6/employee	10	10	\$8,050
Arts Entertainment and Recreation	\$78	-	\$78	\$375	\$18	\$393	\$476	\$170 +\$6/employee \$265 + \$6/employee	16	16	\$7,536
Food Services	\$78	-	\$78	\$743	\$198	\$941	\$1,024	\$325 + \$6/employee	90	90	\$91,710
Automotive	\$78	-	\$78	\$380	\$34	\$414	\$497	\$100 + \$6/employee	21	21	\$10,332
Accommodation, per Room	\$78	-	\$78	\$62	\$21	\$83/Room	\$11,454	\$100 + \$6/employee	1	137	\$11,449
Private Club	\$78	-	\$78	\$5,268	\$0	\$5,268	\$5,351	\$100 + \$6/employee	1	1	\$5,346
Non Profit	NA	NA	NA	NA	NA	NA	NA	NA	17	17	NA
Outdoor Advertising	\$78	-	\$78	\$0	\$0	\$0	\$83	\$100 + \$6/employee	8	8	\$624
Mobile Home Communities (per Unit)	\$78	-	\$78	\$0	\$70	\$70/Unit	\$83 + \$70/Unit	\$100 + \$6/employee	3	906	\$63,654
Storage Units	\$78	-	\$78	\$0	\$0	\$0	\$83	\$100 + \$6/employee	4	4	\$312
Solicitor	\$145	-	\$145	\$0	\$0	\$0	\$164	\$100	NA	NA	NA
Temporary Use	\$113	-	\$113	\$0	\$0	\$0	\$119	\$100 + \$6/employee	NA	NA	NA
Fireworks	\$157	-	\$157				\$162	\$200	NA	NA	NA
Total Commercial Revenue											\$578,690

Total commercial revenue is estimated at \$581,855 (assuming accommodation services are not within the *Good Landlord* program). Table 1.29 below illustrates the revenues generated from rental units, with a total of \$590,562 generated without the participation of a *Good Landlord* program. It is important to note that these revenue projections include residential rentals and duplexes which are not currently required to have a business license.

TABLE 1.29: RENTAL REVENUE ANALYSIS

BUSINESS TYPE	BASE FEE		TOTAL BASE COST	DISP. SERVICE COST		COST PER UNIT	TOTAL COST	EXISTING FEE	# Of Bus.	# Of Units	Total Revenue
	RENEWAL COST	DISP. REGULATORY		POLICE	FIRE						
Analysis of 3-Plus Apartments	\$88	\$0	\$88	\$46	\$23	\$69	\$158	\$6 per Employee \$10 per Unit	26	4,280	\$297,608
Residential Rentals	\$88	\$0	\$88	\$63	\$8	\$71	\$158	\$6 per Employee \$10 per Unit	1,666	1,666	\$264,894
Duplex	\$88	\$0	\$88	\$62	\$16	\$78	\$158	\$6 per Employee \$10 per Unit	115	230	\$28,060

Based on the assumptions described above, the combined revenue for home occupation, commercial and rental unit licensing equals \$1,233,390. Assuming the City adopts a *Good Landlord* program the fee per unit for rentals would be reduced to \$12 per unit. Table 1.30 provides a comparison using two multifamily complexes within the City, a residential rental unit and a duplex to show the revenues per unit assuming the city adopted the highest maximum fee, utilized the current fee, or the complex participated in the *Good Landlord* program. Under the *Good Landlord* program, apartment complexes will only see a small increase in the overall licensing cost when compared to the current fee. The calculations in table 1.30 assume a weighted average disproportionate cost of \$70 for all rental types. For ease of administration, we recommend the city use this weighted average.

TABLE 1.30: RENTAL FEE COMPARISON

TYPE	RENEWAL COST	DISPROPORTIONATE SERVICE CALL	TOTAL COST	CURRENT FEE	PARTICIPATE IN GOOD LANDLORD PROGRAM \$12/UNIT
Multi-Family Complex	Number of Units: 232	\$88	\$16,328	\$2,400	\$2,872
Multi-Family Complex					
Duplex	Number of Units: 2	\$88	\$228	\$100	\$112
Single Family					
	Number of Units: 1	\$88	\$158	\$90	\$100

If all the apartment units within the City participate in a *Good Landlord* program, in addition to a reduced fee program for *Accommodations*, the total revenue generation will be approximately \$866,229 (see table 1.31).

TABLE 1.31: REVENUE ESTIMATES ASSUMING PARTICIPATION IN GOOD LANDLORD PROGRAM

BUSINESS TYPE	# OF BUS./UNITS	TOTAL COST	TOTAL REVENUE
Home Occupation	986/986	Class A: \$ 64 Class D: \$203	\$ 64,138
Commercial Revenue (Less Discount for Accommodation Services)	665/665	NA	\$ 568,963
Multi-Family (3+ Units)	26/4,280	\$ 93 Base Cost \$12 Per Unit	\$ 53,648
Duplex	115/230	\$ 93 Base Cost \$12 Per Unit	\$ 12,880
Single Family	1,666/1,666	\$ 93 Base Cost \$12 Per Unit	\$166,600
TOTAL REVENUE			\$ 866,229



ENHANCED SERVICE LEVELS

Enhanced service levels reflect a higher level of service that is *desired* by a specific portion of the business community (whether it is a business class, business location, etc.). In comparison, disproportionate service levels reflect higher levels of services that are *required* by a distinct portion of the business community. Examples of enhanced service levels include more landscaping, hanging baskets, more or higher quality signage, increased police patrols (a visible police presence), more frequent snow removal, etc. Generally, these types of services are increased in a particular geographic location of town, such as downtown, or the town center of a resort community but they may also be specific to a particular type of business activity, the number of employees in a company, etc.

Taylorsville City currently does not have any geographic areas or business classes for which the City provides enhanced service levels.

PER EMPLOYEE CHARGE

Taylorsville City has decided not to charge disproportionate fees based on the number of employees per business and therefore a per employee charge analysis is not included in this report.

RELIANCE ON CITY DATA

LYRB, Inc. has relied on information provided by city staff, including time estimates for tasks performed as part of the business license process and the costs associated with providing city services. LYRB, Inc. assumes no responsibility for the accuracy of information provided by Taylorsville City.

APPENDIX A

The table below summarizes the NAICS codes that made up the majority of each business class. Due to the nature of the call data and the possibility of multiple businesses sharing a single address, some businesses were included with codes dissimilar to the majority of the other commercial establishments in the business class to account for as many of the calls for service as possible. In each of these instances, the differences in the code classification were minimal and the call data did not impact the result of the business class. Businesses with shared addresses and code classification that could not be combined were excluded from the analysis. In addition, the analysis considers size and other unique circumstances within Taylorsville to categorize businesses, resulting in business classes sharing similar NAICS Codes. Consequently, the data below is meant as a guide for the classification of existing and future businesses and will require the discretion of the City to determine the most appropriate category for each business type. The table is not inclusive of all possible scenarios the City may encounter when determining fees.

The code data below ranges from two-digit to four-digit numbers. This reflects the level of detail within each group, with two-digit numbers encompassing a broader group of business and four-digit number representing a greater level of scrutiny.

TABLE A.1: COMMERCIAL BUSINESS CLASSES

BUSINESS TYPE	NAICS CODE INCLUSIONS WITHIN BUSINESS CLASS
Construction & Manufacturing Trades	23, 31-33
Small Retail/Wholesale Sales	421, 422, 441, 442, 443, 444, 445, 446, 447, 448, 451, 452, 453
Medium Retail/Wholesale Sales	442, 443, 444, 446, 447, 452
Convenience Stores, w/ Gas	4471
Department/Big Box	4520
Full Service Grocery	4451
Professional/Business Services	5133, 5311-5313, 5145-5241, 5311- 5319, 5411-5419, 5611-5621, 6115- 6116, 6211-6219
Finance	5221-5225
Personal Services	6115-6117, 7139, 8114-8123
Senior/Assisted Living, per Bed	6231
Family Services, Including Group Homes	6244
Arts Entertainment and Recreation	5322, 7131, 7138-7140
Food Services	722
Automotive	4411, 8111-8112
Accommodation, per Room	721
Private Club	7219
Non Profit	Type will vary
Mobile Home Communities, per Unit	5311
Storage Units	5310



APPENDIX B

TABLE B.1: SUMMARY OF COMMERCIAL CALL DATA BY BUSINESS CLASS

NUMBER OF BUSINESSES		AVERAGE POLICE	AVERAGE FIRE
(23) Construction & (31-33) Manufacturing Trades			
Number of Businesses in Class: 28		29.5	2.5
Average Calls per Business		1.05	0.09
Average W/O Outliers			
(42, 44-45) Small Retail/Wholesale Sales			
Number of Businesses in Class: 82		271	10
Average Calls per Business		3.30	0.12
Average Calls W/O Outliers			
() Medium Retail/Wholesale Sales			
Number of Businesses in Class: 11		218	10.5
Average Calls per Business		19.82	0.95
Average Calls W/O Outliers			
(44-45) Convenience Stores (w/ Gas)			
Number of Businesses in Class: 15		330.5	15.5
Average Calls per Business		22.03	1.03
Average Calls W/O Outliers			
(44-45) Department/Big Box			
Number of Businesses in Class: 3		833	40
Average Calls per Business		277.67	13.33
Average Calls W/O Outliers		126.75	3.75
(44-45) Full Service Grocery			
Number of Businesses in Class: 5		339	14.5
Average Calls per Business		67.80	2.90
Average Calls W/O Outliers		51.67	1.67
Professional/Business Services (5145-5241, 5311-5319, 5611-5621)			
Number of Businesses in Class: 198		386	59
Average Calls per Business		1.95	0.30
Average Calls W/O Outliers		1.07	0.11
Finance (5221-5225)			
Number of Businesses in Class: 48		337.5	32.5
Average Calls per Business		7.03	0.68
Average Calls W/O Outliers		6.21	0.20
Personal Services			
Number of Businesses in Class: 86		188	19
Average Calls per Business		2.19	0.22
Average Calls W/O Outliers		1.24	0.08
(62) Senior/Assisted Living			
Number of Businesses in Class: 3		207	173
Average Calls per Bed		0.64	0.54
Average Calls W/O Outliers		0.39	0.27
Family Services, Including Group Homes (6244)			



NUMBER OF BUSINESSES		AVERAGE POLICE	AVERAGE FIRE
Number of Businesses in Class: 10		41.5	5.5
Average Calls per Business		4.15	0.55
Average Calls W/O Outliers		3.00	0.50
(71) Arts Entertainment and Recreation			
Number of Businesses in Class: 16		52	1.5
Average Calls per Business		3.25	0.09
Average Calls W/O Outliers			
(72) Food Services			
Number of Businesses in Class: 90		521	34.5
Average Calls per Business		5.79	0.38
Average Calls W/O Outliers			
Automotive (8111-8112)			
Number of Businesses in Class: 21		69	2.5
Average Calls per Business		3.29	0.12
Average Calls W/O Outliers			
(72) Accommodation			
Number of Businesses in Class: 1		149.5	13.5
Average Calls per Room		1.09	0.10
Average Calls W/O Outliers			
Private Club			
Number of Businesses in Class: 1		37	-
Average Calls per Business		37	-
Average Calls W/O Outliers			
Non Profit			
Number of Businesses in Class: 17		112	19
Average Calls per Business		7	1
Average Calls W/O Outliers			
Outdoor Advertising			
Number of Businesses in Class: 8		-	-
Average Calls per Business		-	-
Average Calls W/O Outliers			

APPENDIX C

The table below summarizes the NAICS codes that made up the majority of each business class. Due to the nature of the call data and the possibility of multiple businesses sharing a single address, some businesses were included with codes dissimilar to the majority of the other commercial establishments in the business class to account for as many of the calls for service as possible. In each of these instances, the differences in the code classification were minimal and the call data did not impact the result of the business class. Businesses with shared addresses and code classification that could not be combined were excluded from the analysis. In addition, the analysis considers size and other unique circumstances within Taylorsville to categorize businesses, resulting in business classes sharing similar NAICS Codes. Consequently, the data below is meant as a guide for the classification of existing and future businesses and will require the discretion of the City to determine the most appropriate category for each business type. The table is not inclusive of all possible scenarios the City may encounter when determining fees.

The code data below ranges from two-digit to four-digit numbers. This reflects the level of detail within each group, with two-digit numbers encompassing a broader group of business and four-digit number representing a greater level of scrutiny.

TABLE D.1: HOME OCCUPATION BUSINESS CLASSES

BUSINESS TYPE	NAICS INCLUSIONS WITHIN BUSINESS CLASS
Construction Trades	22-23
Agricultural, Mining and Manufacturing Trades	31-33
Retail & Wholesale Trades	42-45
Transportation and Warehousing	48-49
Professional and Business Services	51, 52, 53, 54, 56, 61
Health Care and Social Assistance	62
Arts Entertainment and Recreation	71
Other Services	81, 92



APPENDIX D

TABLE E.1: SUMMARY OF POLICE CALLS FOR SERVICE

POLICE GEOCODING DATA	2007	2007 % OF TOTAL	2008	2008 % OF TOTAL
Matched with Score 80-100 (95%)	26,876	95%	24,925	95%
Total Records	28,176	100%	26,213	100%
Score < 100%	2,169	8%	1,896	7%
Matched with Score < 80%	344	1%	299	1%
Unmatched	956	3%	989	4%
Tied	905	3%	662	3%
Original Data Count	32,180		31,227	
Filtered based on excluding Traffic	28,176	100%	26,213	100%

TABLE E.2: SUMMARY OF FIRE CALLS FOR SERVICE

FIRE GEOCODING DATA	2007	2007 % OF TOTAL	2008	2008 % OF TOTAL
Matched with Score 80-100 (95%)	2,670	95%	2,351	94%
Total Records	2,821	100%	2,507	100%
Score < 100%	189	7%	191	8%
Matched with Score < 80%	50	2%	45	2%
Unmatched	101	4%	111	4%
Tied	29	1%	20	1%
Original Data Count	3,552		3,178	
Filtered based on excluding Traffic	2,821	100%	2,507	100%