



City of Fort Bragg

Administrative Regulation No. D-1

DEVELOPER DEPOSIT PROCEDURES

I. OBJECTIVE

The objective of this Administrative Regulation is to establish policy and procedure for Developer reimbursement of City costs not otherwise reimbursed by permit and capital improvement fees. Proposed developments by non-City entities oftentimes require commitments of City staff time, most typically in the Community Development and Public Works departments, and, in accordance with established Council policy, these costs need to be borne by the Developer.

II. PROCEDURES

1. Department Managers receiving development requests that will call for City services beyond established permit costs shall prepare an estimated budget for City development services covering all affected departments.
2. The Department Manager shall prepare a Processing Agreement Form (Attachment "A") and have it signed by the Developer and City Manager.
3. The Developer shall make a deposit in an amount established by the Department Manager and Finance Director prior to City work activity commencing. The deposit may be in the form of cash, bank check, money order or irrevocable bank letter of credit made payable to the City and in a form acceptable to the Finance Director.
4. The Finance Department shall establish a separate account to record the complete history of deposits, charges, and refunds.
5. Department Managers shall be responsible for overseeing staff to assure all charges are recorded on the Developer Deposit Charge Slip (Attachment "B").
6. The Finance Department shall process payment transactions at the time of incurrence, whether internal payroll charges or external vendor invoices.
7. The Finance Department shall prepare a statement of charges on a quarterly basis and provide the statement to the Developer.
8. Should charges exceed the initial deposit, Developer shall be required to supplement the initial deposit.
9. Following project completion and final accounting, surplus funds, if any, shall be returned to the Developer.

III. RESPONSIBILITY

1. The City Manager shall be responsible for reviewing and signing the Developer Deposit
2. The Department Manager shall be responsible for preparing an estimated budget for City development services.
3. Department Managers shall be responsible for overseeing employee timesheet reporting to assure that recoverable labor costs are fully budgeted and recovered.
4. The Developer shall be responsible for making an initial deposit and any supplemental deposits as required.
5. The Finance Director shall prepare a schedule of hourly billing charges on an annual basis. This charges shall cover direct and indirect costs for City employees who will potentially be involved in development activities including administrative costs such as accounting.
6. The Finance Director shall review all irrevocable bank letters of credit to verify form acceptability.

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7. The Finance Department shall be responsible for establishing a separate account for each development, recording all deposits, charges, and credits to that account, and preparing and mailing a quarterly statement.

IV. DEFINITIONS

1. "Development" means any building, infrastructure, and/or construction project subject to City review and approval. Development also means any study or professional service rendered in conjunction with physical development such as architectural, engineering, and environmental reports, land use planning, appraisals, feasibility studies, etc.
2. "Developer" means any proponent of a development including private for-profit entities, non-profit entities, and government entities.

Approved by City Manager

Linda Ruffing
(Signature)

2.1.07
(Date)

Made a part of the City's Administrative Regulations
binder and distributed to all City staff

Feb 2007
(Date)