



Notice of Intent to Establish Fees

In accordance with A.R.S. §9-499.15, notice is hereby given that the Tempe City Council will consider modifying fees and charges for auction houses, scrap dealers, pawnbrokers, secondhand dealers, and a licensing and licensing renewal fee for operators of automated kiosks. The City Council Meetings where this item will be considered are scheduled for Thursday, October 22, 2018 at 6:00 p.m. and Thursday, November 15, 2018, at 6:00 p.m., in the Tempe City Council Chambers, 31 E. 5th Street. A schedule of the new fees that includes the amounts of the fees and the data that supports the new fees are available on the City of Tempe's website.

Posting date: 9/15/2018

PURPOSE:

Propose to Mayor and City Council transaction fees for auction houses, scrap dealers, pawnbrokers, secondhand dealers, and a licensing and licensing renewal fee for operators of automated kiosks.

BACKGROUND:

The City of Tempe, historically has not charged auction houses, scrap dealer, pawnbrokers and second dealers a transaction fee even though the Tempe Police Department has dedicated resources including a full-time detective charged with monitoring and regulating transactions at these establishments.

In researching this issue with other Valley cities, we have found that requiring auction houses, scrap dealers, pawnbrokers and/or secondhand dealers to submit transaction fees is not uncommon. Currently, Valley cities that require transaction fees include the following:

Chandler	\$3.00 per transaction	Phoenix	\$3.50 per transaction
Glendale	\$3.00 per transaction	Scottsdale	\$2.00 per transaction
Mesa	\$3.00 per transaction	Surprise	\$3.00 per transaction
Peoria	\$3.00 per transaction		

It is important to note that for these purposes, a transaction typically includes up to three items.

PROPOSED SCHEDULE OF FEES FOR THE CITY OF TEMPE:

Auction houses, scrap dealers, pawnbrokers, & secondhand dealers:

\$3.00 per transaction, each transaction can be up to ten items.

Automated Kiosks:

\$500 license application fee and \$500 annual licensing renewal fee per kiosk.

*All fees, fines and permits required by the City of Tempe (listed on the CityofTempe.gov website under Sales taxes & Regulatory Licenses) remain unchanged and in effect.

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