



Council Agenda Item 25-0883R

MEETING DATE: 12/08/2025

SUBJECT/TITLE:

SUBMITTED BY: Alyssa Denham, City Clerk's Office

RECOMMENDATION: Approve

BOARD/COMMISSION/COMMITTEE RECOMMENDATION: N/A

PREVIOUS COUNCIL ACTION: N/A

BACKGROUND: Pursuant to Section 2-5, 31-6, and 31-8, of the Duluth City Code, 1959, as amended, the Duluth City Council annually reviews and approves a resolution setting out recommended amounts to be charged for various city fees for the subsequent calendar year. Pursuant to the City Code, fee increases are tied to the Implicit Price Deflator (IPD) for government purchases. The IPD is a ratio of current dollar gross domestic product (GDP) to constant dollar GDP, and is used to account for the effects of inflation. All fees are recommended to increase by the IPD of 2.43% in 2026, unless the resulting increase is less than \$1.00 or would administratively cost more to implement than the change in the fee. Any rate increase foregone in 2026 shall be included in subsequent years' fee calculations as required by the City Code.

Attorney: - IPD Increase

Auditor: - IPD Increases

Clerks: - IPD Increases, additional fee line added for Low Potency Hemp Edibles (license required by the State of MN)

Construction Services – 3 new fees. IPD Increases

IT – IPD Increases

Library – 1 increase for non-resident

Parking – IPD increases, Parking Commission recommendation increases.

Parks and Rec – 23 fee lines removed. New fees for Bayfront. IPD increases

Planning – 4 fee lines removed. Increases to better reflect staff time

Police – IPD Increases

Public Works and Utilities – IPD increases. Public Utilities Commission and the State set most fees.

Fire – Fees set by state. 2 fees lowered. Increases to meet staff time.

BUDGET/FISCAL IMPACT: Increase in fees for departments. Additional revenue

OPTIONS: Approve or Deny with request for additional information.

NECESSARY ACTION: Approve

ATTACHMENTS: 2026 Fee Schedule