

## Attachment 2

### Community & Economic Development Department Proposed Fee Changes

#### Fees based on Staff/Consultant Time

Description	Current Rate	Proposed Rate	Justification
Stop Work Notice	N/A- New Fee	0.5 FBHR increments (1 hour minimum)	Stop work notice generally operates in response to citizen complaints of alleged code violations or from referrals from other departments or inspector. At times, the stop work notices are initiated by Department staff such as for unpermitted construction underway, or situations of life-safety hazards or severe nuisance activities. The staff time may be associated with permits resulting from "Stop Work" and code compliance cases. These actions may be followed by additional legal sanctions, such as recordation, fines, or penalties. The overall objective of the code enforcement process is to motivate the property owner to discontinue the illegal use or activity and/or to obtain the required permits.
Code Compliance Investigation	N/A- New Fee	0.5 FBHR increments	Staff is recommending FBHR based on the staff time consumed by bringing the development in compliance. Cases are investigated and, if appropriate, administrative citations, warning and/or violation notices are issued.
Temporary Certificate Occupancy Review	N/A- New Fee	0.5 FBHR increments (1 hour minimum)	Staff is recommending FBHR fee based on the staff time spent to review and provide a temporary certificate of occupancy. Building Staff is authorized to issue a Temporary Certificate of Occupancy prior to completion of all work described in your permit, provided such portion (s) of the project are deemed safe to occupy. Staff will review the work plan that lists the work that needs to be completed on the project and the expected completion dates. Each additional hour of review, if any, will be assessed and required to be paid in full upon completion of the application process.
Request for New/ Change in Address	N/A- New Fee	1 hr minimum FBHR at 0.5 hour increments	Staff recommends to introduce a new fee for request for new or change in address. When a new building or unit is proposed, a request for new address application should be made to the Building Division so that the new address(es) can be established. The address must be approved by the Building Official and must correspond with existing addressing. The service would be charged based on the Staff's time to ensure 100% recovery of the City's fully burdened cost.
Mitigated Negative Declaration	\$ 10,000.00	Actual Cost - Deposit Required	Staff recommends to replace with the \$10,000 fee with the actual cost/ deposit. These projects require a deposit after a proposal is recieved from the environmental consultant, and an MND is upward of \$50,000. If the \$10,000 fee is kept, applicants would believe it is the total cost of the project.
SB330 Preliminary Review	N/A- New Fee	Actual Cost - Deposit Required	SB 330 allows eligible housing development projects to submit a preliminary application, a questionnaire and checklist of required materials which, when deemed submitted shall have the effect of vesting the development requirements and standards in place at the time of determination.
Condo Use Permit	\$ 3,220.00	Actual Cost - Deposit Required	Staff recommends to replace with the \$3,220 fee with the actual cost/ deposit. These projects require a thorough review by the Planning & Building team and should be 100% cost recoverable based on the staff time spent, which could be more or less than the current fee.

Expanded Categorical Exemption	N/A- New Fee	Actual Cost - Deposit Required	Staff recommends to introduce a new environmental fee of Expanded Categorical Exemption. For new development projects that are consistent with the Transit Corridor's plan, there are several CEQA exemptions that can be used for the projects. One is an exemption for consistency with an existing specific plan. To prepare these, it requires the environmental consultant to still do an analysis of the project, do special studies and to prepare an initial study documenting the consistency with the current plan. The cost is typically lower than other CEQA documents, however it varies with projects. Staff recommends the fee calculation be based on actual staff/consultant time and cost.
Variance – Residential (Multi-Family) and All Non-Residential	\$ 5,000.00	Actual Cost - Deposit Required	Staff recommends to replace with the \$5,000 fee with the actual cost/ deposit. These projects require a thorough review by the Planning & Building team and should be 100% cost recoverable based on the staff time spent, which could be more or less than the current fee.
<b>Fees based on Services, Resources, and Staff Time</b>			
Temporary Certificate Occupancy Deposit	N/A- New Fee	50% of the Remaining Construction Value of Project	Staff recommends an adoption of TCO Deposit based on the 50% of the remaining construction value of the project. The occupancy of a building or portion of a building may be permitted before the certificate of occupancy is issued provided a temporary occupancy permit is obtained from the Building Official.
Technology Cost	5% of the building, mechanical, electrical and plumbing permit	5% of the building, mechanical, electrical, fire and plumbing permit	Staff recommends an addition of 5% of fire permit fee to be included in the technology cost. The additional of fire permit addresses upgrades to permitting systems and hardware. This surcharge will be prorated to building, planning, engineering, and fire fees.
Administrative Fee for Plan Check (Plan Reviews) for 4th & subsequent submittal	N/A- New Fee	\$223.50	Staff recommends an addition of Administrative Fee for Plan Review past 3rd submittal. The objective of the fee is to encourage applicants to thoroughly complete revisions within the first three plan reviews. Fourth and subsequent plan review services delays work on other developer projects.
Newspaper Rack Permit	N/A- New Fee	\$87.50	Staff recommends to add Newspaper Rack Permit cost based on fully burdened hourly rate required to complete the process. Staff would meet with applicant about permit process and coordinate application submittal. Staff would also review proposed location, coordinate internally, and process permit and issue permit and coordinate posting and placement with applicant. The approximate time to complete the application process would be 30 minutes. The proposed fee is based on 30 minutes of staff time to complete the review process. The permitting of newspaper rack is aimed to reduce the amount of sidewalk clutter associated with free standing news racks. Fixed pedestal news racks promote the safety and welfare and the aesthetic qualities of the City by controlling the placement, size, construction and appearance of news rack.

General Plan Maintenance	\$ -	0.4% of Building Valuation	<p>The FY 21-22 adopted fee for the General Plan Maintenance was 9% of the building permit fee for new construction. The current proposed FY 22-23 General Plan Maintenance fee is 0%, which does not cover the cost of developing the General Plan Amendment. The General Plan Maintenance Fee was intended to directly reduce financial support needed from the City's General Fund for Long Range Planning efforts. Original projections underestimated actual costs of creating the General Plan Amendment. Several other jurisdictions collect a development-related fee to help fund the maintenance of their General Plan. This fee mechanism was put in place by the State Legislature in 2002 (Government Code 66014(b)). The fee will eliminate sole dependence on the City's General Fund for future updates of the City's General Plan and community plans. This fee will cover the staff needed to implement and prioritize the General Plan Amendment, including rezoning key sites and updating community plans. Staff reviewed fees adopted by other neighboring Cities and recommends the fee structure to be 0.4% of the building valuation. Daly City charges 0.5% of Building Valuation, South San Francisco charges 0.16% of Building Valuation, Belmont charges 0.75% of Building Valuation.</p>
<b>Penalty</b>			
Work without a Permit- Investigation Fee	N/A	Up to 10 X Permit Fee	<p>Staff recommends an additional of a penalty for work without a permit. An investigation fee, in addition to the permit fee, shall be collected as a civil penalty, whether or not a permit is then or subsequently issued. The investigation fee shall be up to 10 times the building permit fee. The investigation fee shall be determined by the Building Official and shall be based on the staff time reasonably required to resolve all of the issues relegate to the work that has performed without a permit. No construction work shall be issued until the investigation fee has been paid in full. For reference, similar penalty adopted by Fire in Muni Code section 11.24.030 amended code section 106.1.2</p>