



REPORT TO DEVELOPMENT OVERSIGHT COMMISSION City of Sacramento

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915 I Street, Sacramento, CA 95814-2671

STAFF REPORT
February 4, 2008

Honorable Members of the Development Oversight Commission:

Subject: Development Services Fees

Location/Council District: Citywide

Recommendation: Staff recommends the Commission approve the request for a revision to the Development Services fees in order to assist in the budgetary downfall. Following the Commission's decision, a **Resolution** amending the City of Sacramento Fee and Charge Schedule relating to Planning and Development Engineering Fees will be going to Council.

Contact: William A. Thomas, Director of Development Services, (916) 808-3535; Ryan Pham, Support Services Manager, (916) 808-2278

Presenters: William A. Thomas, Director of Development Services, and Ryan Pham, Support Services Manager

Department: Development Services

Division: Administration

Organization Number: 4811

Description/ Analysis:

Issue: Currently, the Development Services Department (DSD) assesses Planning, Building, and Development Engineering fees through separate methodologies. The goal is to develop a streamlined, simplified, and predictable fee structure that allows for advanced business planning by customers.

Unfortunately the development of the new structure and including our customers in the process takes time. Given our current budgetary climate we have found it necessary to take some expedited measures to offset the budget deficit. The first measure is to increase the Current Planning fees. The prior Current Planning fee increase was to a select few fees in September of 2004. The last large scale increase to Planning fees was in June of 1998 and the increase was set at a rate that equated out to a 48% General Fund subsidy at that time. Currently, the result is in a much larger subsidy from the General Fund. With the help and

advice of the Development Oversight Commission (DOC), who has established a sub-committee charged with reviewing DSD costs and recommending any adjustments of fees; the current Planning fees were reviewed and increased in accord with the neighboring jurisdictions, value added to the property, services provided and costs associated with the application. The focus of the fee increases has been primarily Commercial Development with the fees for Residential Development left largely alone. See Attachment for a listing of the fees.

The second measure is related to the cost of technology efficiencies. In October 2006, DSD implemented a web based, interactive Permit System that is hosted off site. As well as a variety of other tools dubbed as "Tools of Technology". In addition, the wireless inspection program has been implemented. Implementing both programs has saved staff time and developed a more efficient way of processing applications, but comes with new equipment, on-going program costs and on-going equipment replacement costs. To facilitate these costs staff recommends that the Technology fee for Building and Planning be raised from 4% to 8% of their corresponding permit fee. The Technology fee was established in Building during the mid 90's and in Planning during 2004.

The third measure is to increase the deposit on Development Engineering applications. When applications are taken in by Development Engineering, an estimated fee is calculated and a deposit is taken. When the application is completed actual costs are billed. This leaves the General Fund to incur the costs of the application until construction is completed. Increasing the deposit does not increase the fee but supports the costs that will be incurred by the General Fund.

Policy Considerations: The actions described in this report are consistent with the Commission's Strategic Plan Focus Areas as well as direction from the City Council at the January 22, 2008 Development Services Department Budget presentation.

Rationale for Recommendation: DSD staff has reviewed the proposed increase and recommendation by the DOC sub-committee outlined above. Staff will continue working more in-depth with the fee consultant (PRM Group) and our customers in establishing a streamlined approach to the current Planning, Building and Development Engineering fees. Staff's recommendation is to adopt this temporary measure to provide the funding source necessary to continue the augmentation of the MATRIX process and developing a streamlined fee structure.

Financial Considerations: The proposed increase to Current Planning fees are projected to generate \$485,000 in FY08 and the proposed increase in Technology fees to generate \$238,130 in FY08. The direction for development fees will have a significant impact on the overall fiscal health of DSD and will impact the cost of development within the City of Sacramento.

DOC Goals and Recommendations: the content of this report is consistent with the adopted 2006-2007 Annual Report Recommendations of:

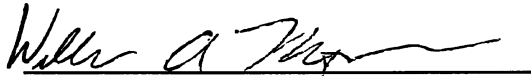
- Continuing the Cultural Change of the Department
- Streamlining the Process
- Promoting an Appropriate Regulatory Environment
- Provide Career and Professional Growth Opportunities for DSD Staff.

Respectfully submitted by:



Ryan Pham
Support Services Manager

Recommendation Approved:



Bill Thomas
Director of Development Services

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Attachments:

1 Proposed Fee Schedule Pg 4

**Planning Fees Listing
Proposed Rates**

	Current Fee	General	Proposed Residential	Commercial
Planning Director				
Special Permits				
Special Permit - Major Modification	500	1,400		
Special Permit - Minor Modification	459	500		
Planning Director's Plan Review				
Planning Director's Plan Review	3,500	3,750		
Planning Director's Plan Review - Major Mod	954	1,400		
Planning Director's Plan Review - Minor Mod	459	500		
Design Review				
DR is required if plan review for multi-family is located in DR district (separate design review application is not required)	322	500		
DR Mod: DR is required if plan review for multi-family is located in a DR district. (Separate DR application is not required)	143	350		
Urban Special Permit or mod (Railyard Only)		25,000		
Planning Commission Fees				
Plan Amendments				
General Plan Amendment	11,400	20,000		
Community Plan Amendment	8,600	10,000		
Plan Amendment (0-2 acre res'l project)	2,143	1,500		
Rezoning/Prezoning				
Rezone/Prezone	9,536		8,000	20,000
Rezone (0-2 acre res'l project)	2,143	1,000		
Tentative Maps/Lot Line Adjustment				
Tentative Map 1-4 parcels	3,576	500/lot		
Tentative Map 5-50 parcels	6,500	"		
Tentative Map 51-100 parcels	7,500	25000+20/lot over 50		
Add'l Fee for each 100 parcels	417	delete		
Subdivision Modification	596	500		
Post Subdivision Modification	2,384	1,500		
Lot Line Adjustment	596	550		
Special Permits				
Planning Commission	5,500		4,000	9,000
Development w/in a PUD	5,300		4,000	9,000
Condominium Conversion	9,298	25,000		
Infill Development	2,400		-	2,500
Major Project	8,344		5,000	12,500
Temporary Parking Lot	1,788		3,500	3,500
Time Extension	2,384		1,500	2,500
Special Project Major Mod	5,500		4,000	9,000

	Fee	General	Residential	Commercial
Variances				
Planning Commission	3,000		1,500	5,000
Variance Time Extension	3,000		1,500	5,000
Development Plan Review				
Review	5,300	7,500		
Plan Review Time Extension	2,384	3,500		
Plan Review Major Modification	2,384	3,500		
Planned Unit Development				
PUD Establishment	4,410		4,500	6,200
PUD Guideline Amendment	3,218		3,300	4,500
PUD Schematic Plan Amendment	2,861		2,900	4,000
Miscellaneous Entitlements				
Development Agreement	9,178	20,000		
Street/Alley Abandonment	2,146	3,000		
Street Name Change	2,146	2,100		
Inclusionary Housing Plan	475	1,000		
Pre-App Staff Preliminary review	1,907		500 w/out rpt	2600 w/rpt
Early Policy Review of Major Projects	2,861	4,000		
Plan Consistency Review	2,146			
Staff Hourly Review	113	140		
Development Engineering				
Final Map/Parcel Map 1 - 4	1250 + 50/lot			
Final Map/Parcel Map 5 and more	2250 + 10/lot			
Certificate of Compliance				
Lot Splits	1,000			
Lot Mergers	1,555			
Lot Adjustments 2 to 3 lots	1,805			
Lot Adjustments 4 lots	2,055			
Zoning				
Subdivision Maps				
Tentative Map 1 - 4 Parcels	2,500	2,500		
Subdivision Modification	480	500		
Post Subdivision Modification	480	500		
Lot Line Adjustment	596	600		

	Fee	General	Residential	Commercial
Special Permits				
Fence/Wall	596	600		
Driveway	596	600		
Non-conforming Building	596	600		
Sidewal Café	596	750		
Office Percentage	2,750	2,750		
Second Residential Unit	2,750	2,750		
Parking Waiver or Reduction	2,750	2,750		
Duplex	2,750	2,750		
Bed & Breakfast Inn	2,750	4,000		
Transportation Corridor Use	2,750	2,750		
Other Special Permits	2,750	2,750		
Deep Lot	3,000	3,000		
Antennas (Cell)	3,000	7,500	A lot of work	
Variances				
Setback	1,250	1,250		
height	1,250	1,250		
Driveway	1,250	1,250		
Garage	1,250	1,250		
Lot Coverage	1,650	3,000	Discourage	
Fence/Wall	1,650	1,650		
Other Variances	1,650	1,650		
Plan Review				
Plan Review	1,371		1,400	2,000
Exception to Home Occupation Permit Regulations				
Exception to Home Occ'n Permit Reg'ns	834	1,200		
Modifications				
Special Permit or Plan Review Minor Mod	459		50	700
Special Permit or Plan Review Major Mod	954		1,000	2,000
Time Extensions				
Tentitive Map Time Extension	1,200	2,000		
Extension of ZA Entitlements to ZA	459	750		
Extension of CPC Entitlement to ZA	954	1,500		
Miscellaneous Entitlements				
Revocable Permit (without other entitlement)	274	500		
Staff Hourly Fee	113	140		
Appeals				
Applicant Appeal	596	1,000		
Third Party Appeal	298	1,000		
Design Review				
Designated Design Review Districts				
New Construction				
1 & 2 Family Units (staff Review)	270	325		
Multi-Family (director review)	1,311	1,850		
Commercial Development (director or board review)	1,311	4units & < = 2500 >4units = 5000		

	Fee	General	Residential	Commercial
Exterior Rehabilitations/Additions				
Projects w/<\$10,000 of work to be reviewed (staff review)	120	140		
Projects w/\$10,000 to under \$50,000 of work to be reviewed (staff review)	235	300		
Projects w/\$50,000 to under \$100,000 of work to be reviewed (staff review)	350	500		
Projects w/\$100,000 and over of work to be reviewed (director or commission review)	1,311	1,500		
Expanded North Area Design Review District				
New Construction				
1 & 2 Family Units (With minimal staff review or modification required)	60	140		
1 & 2 Family Units (With some staff review or modification required)	120	140		
1 & 2 Family Units (With extensive staff review or modification required)	235	280		
Multi-Family Units (3 or more)	252	400		
Non-Residential Developments	560	800		
Exterior Additions, Modifications and Rehabilitations				
Residential and Non-Residential Projects (Exterior work valued up to \$50,000)	72	140		
Residential and Non-Residential Projects (Exterior work valued from \$50,000 to \$144,000)	143	140		
Residential Projects (Exterior work valued over \$100,000)	280	325		
Non-Residential Projects (Exterior work valued over \$100,000)	417	800		
City wide Single Family & Two Family Design Review (Not located in a designated design review district)				
New Construction				
1 & 2 Family Units (With minimal staff review or modification required)	60	140		
1 & 2 Family Units (With some staff review or modification required)	120	140		
1 & 2 Family Units (With extensive staff review or modification required)	235	280		
Exterior Rehabilitations	N/A			
Staff Research - Staff hourly rate	113	140		
Preservation Fees				
New Construction				
1 & 2 Family Units (staff review)	322	325		
Muti-Family (director review)	1,311	1,800		
Commercial Develop't (director or board review)	1,311	3,500		
New Construction on Vacant Lot	1,311		1,000	3,500
Rehabilitations and Additions				
Projects with , \$10,000 of work to be reviewed (staff review)	143	140		
Projects with \$10,000 - < \$50,000 of work to be reviewed (staff review)	280	280		
Projects with \$50,000 - < \$100,0000 of work to be reviewed (staff review)	417	800		

	Fee	General	Residential	Commercial
Projects with \$100,000 and more of work to be reviewed (director or commission review)	1,311	1,800		
Miscellaneous				
Demolition of listed structure or structure in a historic area (commission review)Registered listed " Potentially eligible	1,311	3,500 500		
Building move of a listed structure or structure in a historic area (commissison review) " Potentially eligible	1,311	2,500 500		
Parking lots with over \$100,000 of improvements (staff review)	322	1,500		
Parking lots with over \$100,000 of improvements (commission review)	1,311	3,500		
Staff Research - Staff hourly rate	113	140		
Environmental				
Standard				
Exemption	113	140		
Negative Declaration	1,669	1,600		
Environmental Impact Report	Full Cost			
Staff Research - Staff hourly rate	113	140		