

Report on Cost of Services (User Fee) Study

CITY OF CALIMESA, CALIFORNIA

FINAL REPORT

April 2024



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1. Introduction and Executive Summary

The report, which follows, presents the results of the Cost of Services (User Fee) Study conducted by the Matrix Consulting Group for the City of Calimesa, California.

1 Project Background and Overview

The City of Calimesa last conducted a comprehensive fee analysis in 2014 and has since updated some fees based upon an annual inflationary cost. The purpose of this study is to evaluate and determine the full cost (direct and indirect) of providing a variety of City services based upon the existing organizational structure and processes. The Matrix Consulting Group analyzed the cost-of-service relationships that exist between fees for service activities in the following areas: City Clerk, Finance, Fire, Code Enforcement, Building, Planning, and Public Works. The results of this Study provide a tool for understanding current service levels and the cost for those services.

2 General Project Approach and Methodology

The methodology employed by the Matrix Consulting Group is a widely accepted “bottom up” approach to cost analysis, where time spent per unit of fee activity is determined for each position within a Department or Division. Once time spent for a fee activity is determined, all applicable City costs are then considered in the calculation of the “full” cost of providing each service. The following table provides an overview of types of costs applied in establishing the “full” cost of services provided by the City:

Table 1: Overview of Cost Components

Cost Component	Description
Direct	Fiscal Year 2024 Budgeted salaries, benefits, and allowable expenditures.
Indirect	Division, departmental, clerical, and Citywide support.

Together, the cost components in the table above comprise the calculation of the total “full” cost of providing any particular service, regardless of whether a fee for that service is charged.

The work accomplished by the Matrix Consulting Group in the analysis of the proposed fees for service involved the following steps:

- **Department / Division Staff Interviews:** The project team interviewed department / division staff regarding their needs for clarification to the structure of existing fee items, or for addition of new fee items.

- **Data Collection:** Data was collected for each permit / service, including time estimates. In addition, all budgeted costs and staffing levels for Fiscal Year 2024 were entered into the Matrix Consulting Group’s analytical software model.
- **Cost Analysis:** The full cost of providing each service included in the analysis was established.
- **Review and Approval of Results with City Staff:** Department and City management has reviewed and approved these documented results.

A more detailed description of user fee methodology, as well as legal and policy considerations are provided in subsequent chapters of this report.

3 Summary of Results

When comparing FY24 fee-related budgeted expenditures with fee-related revenue the City is under-recovering its costs by approximately \$78,000 or recovering 94% of its costs. The following table shows by major service area: the revenue collected, the total annual cost, the resulting difference, and the resulting cost recovery percentage.

Table 2: Annual Cost Recovery Analysis

Service Area	Current Revenue	Total Cost	Difference	Cost Recovery %
City Clerk	\$31,879	\$31,909	(\$30)	100%
Public Works	\$30,584	\$71,082	(\$40,498)	43%
Planning	\$429,930	\$448,242	(\$18,312)	96%
Building	\$146,980	\$142,120	\$4,860	103%
Fire	\$537,497	\$561,656	(\$24,158)	96%
Total	\$1,176,870	\$1,255,008	(\$78,138)	94%

The largest sources of under-recovery are Fire (\$40,000) and Building (\$34,000). Fire’s under-recovery is due to it being a new department with limited fees being offered only at an hourly rate. In relation to Building, the deficit is mostly due to the adjustment of staff time and effort when plan reviewing and inspecting for residential building permits. Planning shows an over-recovery of roughly \$5,000. This difference is primarily due to modifying the collection of various permits from deposits to flat fees.

The detailed documentation of this study will show an over-collection for some fees (on a per unit basis), and an undercharge for most others. The results of this analysis will provide the Department and the City with guidance on how to right-size their fees to ensure that each service unit is set at an amount that does not exceed the full cost of providing that service. The display of the cost recovery figures shown in this report are meant to provide a basis for policy development discussions among Council members

and City staff, and do not represent a recommendation for where or how the Council should act. The setting of the “rate” or “price” for services, whether at 100 percent full cost recovery or lower, is a policy decision to be made only by the Council, with input from City staff and the community.

4 Considerations for Cost Recovery Policy and Updates

The Matrix Consulting Group recommends that the City use the information contained in this report to discuss, adopt, and implement a formal Cost Recovery Policy, including a mechanism for the annual update of fees for service.

1 Adopt a Formal Cost Recovery Policy

The Matrix Consulting Group strongly recommends that the Council adopt a formalized, individual cost recovery policy for each service area included in this Study. Whenever a cost recovery policy is established at less than 100% of the full cost of providing services, a known gap in funding is recognized and may then potentially be recovered through other revenue sources. The Matrix Consulting Group considers a formalized cost recovery policy for various fees for service an industry Best Management Practice.

2 Adopt an Annual Fee Update / Increase Mechanism

The purpose of a comprehensive update is to completely revisit the analytical structure, service level estimates and assumptions, and to account for any major shifts in cost components or organizational structures that have occurred since the City’s previous analysis. It’s recommended the City adopts the practice of conducting comprehensive analyses every three to five years as this practice captures any changes to organizational structure, processes, as well as any new service areas.

In between comprehensive updates, the City should continue to utilize published industry economic factors such as Consumer Price Index (CPI) or other regional factors to update the cost calculations established in the Study on an annual basis. Utilizing an annual increase mechanism would ensure that the City receives appropriate fee increases that reflect growth in costs.

2. Legal Framework and Policy Considerations

This section of the report is intended to provide an overview regarding overall legal rules and regulations as well as general policy considerations for fees for service. A “user fee” is a charge for service provided by a governmental agency to a public citizen or group. In California, several constitutional laws such as Propositions 13, 4, and 218, State Government Codes 66014 and 66016, and more recently Prop 26 and the Attorney General’s Opinion 92-506 set the parameters under which the user fees typically administered by local government are established and administered. Specifically, California State Law, Government Code 66014(a), stipulates that user fees charged by local agencies “...may not exceed the estimated reasonable cost of providing the service for which the fee is charged”.

1 General Principles and Philosophies Regarding User Fees

Local governments are providers of many types of general services to their communities. While all services provided by local government are beneficial to constituents, some services can be classified as globally beneficial to all citizens, while others provide more of a direct benefit to a specific group or individual. The following table provides examples of services provided by local government within a continuum of the degree of community benefit received:

Table 3: Services in Relation to Benefit Received

“Global” Community Benefit	“Global” Benefit and an Individual or Group Benefit	Individual or Group Benefit
<ul style="list-style-type: none"> • Police • Park Maintenance • Fire Suppression 	<ul style="list-style-type: none"> • Recreation / Community Services • Fire Prevention 	<ul style="list-style-type: none"> • Building Permits • Planning and Zoning Approval • Site Plan Review • Engineering Development Review • Facility Rentals

Funding for local government is obtained from a myriad of revenue sources such as taxes, fines, grants, special charges, user fees, etc. In recent years, alternative tax revenues, which typically offset subsidies for services provided to the community, have become increasingly limited. These limitations have caused increased attention on user fee activities as a revenue source that can offset costs otherwise subsidized (usually) by the general fund. In Table 3, services in the “global benefit” section tend to be funded primarily through voter approved tax revenues. In the middle of the table, one typically finds a mixture of taxes, user fee, and other funding sources. Finally, in the “individual /

group benefit” section of the table, lie the services provided by local government that are typically funded almost entirely by user fee revenue.

The following are two central concepts regarding the establishment of user fees:

- **Fees should be assessed according to the degree of individual or private benefit gained from services.** For example, the processing and approval of a land use or building permit will generally result in monetary gain to the applicant, whereas Police services and Fire Suppression are examples of services that are essential to the safety of the community at large.
- **A profit-making objective should not be included in the assessment of user fees.** In fact, California laws require that the charges for service be in direct proportion to the costs associated with providing those services. Once a charge for service is assessed at a level higher than the actual cost of providing a service, the term “user fee” no longer applies. The charge then becomes a tax subject to voter approval.

Therefore, it is commonly accepted that user fees are established at a level that will recover up to, and not more than, the cost of providing a particular service.

2 General Policy Considerations Regarding User Fees

Undoubtedly, there are programs, circumstances, and services that justify a subsidy from a tax based or alternative revenue source. However, it is essential that jurisdictions prioritize the use of revenue sources for the provision of services based on the continuum of benefit received.

Within the services that are typically funded by user fees, the Matrix Consulting Group recognizes several reasons why City staff or the Council may not advocate the full cost recovery of services. The following factors are key policy considerations in setting fees at less than 100 percent of cost recovery:

- **Limitations posed by an external agency.** The State or an outside agency will occasionally set a maximum, minimum, or limit the jurisdiction’s ability to charge a fee at all. An example includes time spent copying and retrieving public documents and / or transportation permits.
- **Encouragement of desired behaviors.** Keeping fees for certain services below full cost recovery may provide better compliance from the community. For example, if the cost of a permit for charging a water heater in residential home is higher than the cost of the water heater itself, many citizens will avoid pulling the permit.

- **Benefit received by user of the service and the community at large is mutual.** Many services that directly benefit a group or individual equally benefit the community as a whole. Examples include Planning Design Review, historical dedications, and certain types of special events.

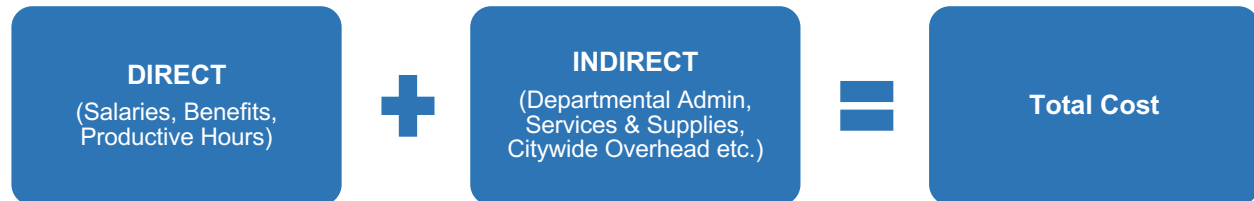
The Matrix Consulting Group recognizes the need for policies that intentionally subsidize certain activities. The primary goals of a User Fee Study are to provide a fair and equitable basis for determining the costs of providing services and ensure that the City complies with State law.

3 Summary of Legal Restrictions and Policy Considerations

Once the full cost of providing services is known, the next step is to determine the “rate” or “price” for services at a level which is up to, and not more than the full cost amount. The Council is responsible for this decision, which often becomes a question of balancing service levels and funding sources. The placement of a service or activity within the continuum of benefit received may require extensive discussion and at times fall into a “grey area”. However, with the resulting cost of services information from a User Fee Study, the Council can be assured that the adopted fee for service is reasonable, fair, and legal. The City will need to review all fees for service in this analysis and where subsidies are identified increase them to reduce the deficit, and where over-recoveries are identified the fee must be reduced to be in compliance with the law.

3. User Fee Study Methodology

The Matrix Consulting Group utilizes a cost allocation methodology commonly known and accepted as the “bottom-up” approach to establishing User Fees. The term means that several cost components are calculated for each fee or service. These components then build upon each other to comprise the total cost for providing the service. The following chart describes the components of a full cost calculation:



The general steps utilized by the project team to determine allocations of cost components to a particular fee or service are:

- Calculate fully burdened hourly rates by position, including direct & indirect costs;
- Develop time estimates for the average time spent to delivery each service included in the study;
- Distribute the appropriate amount of the other cost components to each fee or service based on the staff time allocation basis, or another reasonable basis.

The results of these allocations provide detailed documentation for the reasonable determination of the actual cost of providing each service.

One of the key study assumptions utilized in the “bottom up” approach is the use of time estimate averages for the provision of each fee related service. Utilization of time estimates is a reasonable and defensible approach, especially since experienced staff members who understand service levels and processes unique to the City developed these estimates.

The project team worked closely with City staff in developing time estimates with the following criteria:

- Estimates are representative of average times for providing services. Extremely difficult or abnormally simple projects are not factored in the analysis.

- Estimates reflect the time associated with the position or positions that typically perform a service.
- Estimates provided by staff are reviewed and approved by the department / division, and often involve multiple iterations before a Study is finalized.
- Estimates are reviewed by the project team for “reasonableness” against their experience with other agencies.
- Estimates were not based on time in motion studies, as they are not practical for the scope of services and time frame for this project.
- Estimates match the current or proposed staffing levels to ensure there is no over-allocation of staff resources to fee and non-fee related activities.

The Matrix Consulting Group agrees that while the use of time estimates is not perfect, it is the best alternative available for setting a standard level of service for which to base a jurisdiction’s fees for service and meets the requirements of California law.

The alternative to time estimating is actual time tracking, often referred to billing on a “time and materials” basis. Except in the case of anomalous or sometimes very large and complex projects, the Matrix Consulting Group believes this approach to not be cost effective or reasonable for the following reasons:

- Accuracy in time tracking is compromised by the additional administrative burden required to track, bill, and collect for services in this manner.
- Additional costs are associated with administrative staff’s billing, refunding, and monitoring deposit accounts.
- Customers often prefer to know the fees for services in advance of applying for permits or participating in programs.
- Departments can better predict revenue streams and staff needs using standardized time estimates and anticipated permit volumes.

Situations arise where the size and complexity of a given project warrants time tracking and billing on a “time and materials” basis. The Matrix Consulting Group has recommended taking a deposit and charging Actual Costs for such fees as appropriate and itemized within the current fee schedule.

4. Results Overview

The motivation behind a cost of services (User Fee) analysis is for the City Council and Departmental staff to maintain services at a level that is both accepted and effective for the community, and also to maintain control over the policy and management of these services.

It should be noted that the results presented in this report are not a precise measurement. In general, a cost-of-service analysis takes a “snapshot in time”, where a fiscal year of financial and operational information is utilized. Changes to the structure of fee names, along with the use of time estimates allow only for a reasonable projection of subsidies and revenue. Consequently, the Council and Department staff should rely conservatively upon these estimates to gauge the impact of implementation going forward.

Discussion of results in the following chapters is intended as a summary of extensive and voluminous cost allocation documentation produced during the Study. Each chapter will include detailed cost calculation results for each major permit category including the following:

- **Modifications:** discussions regarding any proposed revisions to the current fee schedule, including elimination or addition of fees.
- **“Per Unit” Results:** comparison of the full cost of providing each unit of service to the current fee for each unit of service (where applicable).
- **Annualized Results:** utilizing volume of activity estimates annual subsidies and revenue impacts were projected.

The full analytical results were provided to City staff under separate cover from this summary report.

5. City Clerk

The City Clerk Department is responsible for managing, maintain, and archiving City records, as well as, supporting City Council. The fees examined within this study relate to media reproduction, photocopies, rent stabilization, mobile home rent control, and property liens. The following subsections discuss fee schedule modifications and detailed per unit results for the fee-related services provided by City Clerk.

1 Fee Schedule Modifications

In discussions with staff, the following modifications were proposed to the current fee schedule:

- **Eliminated Fees:** Due to technology upgrades and process improvements; the following fees were removed from the fee schedule as these items are available online:
 - 'Annual Agenda Subscription'
 - 'Annual Minute Subscription'
 - 'Copies of Media – Video Tapes'
 - 'Copies of Media – Audio Tapes'
 - 'CD Recording of Meeting'
 - 'Reproductions – City Zoning Map'
 - 'Reproductions – Copies of Printed Materials / Documents'
 - 'Reproductions – General Plan (Excl. EIR)'
 - 'Reproductions – General Plan Environmental Impact Report'
 - 'Reproductions – Redevelopment Plan'
 - 'Reproductions – Downtown Business District Code'
 - 'Reproductions – DBD Design Guidelines'
 - 'Reproductions – Miscellaneous Maps'
 - 'Notary Fees (State Limit)'
- **Fees Moved to Other Department Fee Schedules:** The following six fees are managed by Finance; as such, they were moved to Finance's fee schedule:
 - 'Copies – CAFR / ACFR (Grayscale)'
 - 'Copies – CAFR / ACFR (Color)'
 - 'Copies – City Budget (Grayscale)'
 - 'Copies – City Budget (Color)'
 - 'Public Safety Invoice Processing'

- 'Business License Issuance – In City'
- 'Business License Issuance – Outside of City'
- 'Business License Issuance – Street Vendor'
- 'Business License Issuance – CASp'
- 'Check Fee (Insufficient Funds)'
- 'Credit Card Convenience Fee'

The modifications ensure that the proposed fee schedule more accurately reflects the services currently being provided by City Clerk.

2 Detailed Results

City Clerk collect fees for media reproduction, photocopies, rent stabilization, mobile home rent control, and property liens. The total cost calculated for each service includes direct staff costs and Departmental and Citywide overhead. The following table details the fee name, current fee, total cost, and difference associated with each service offered.

Table 4: Total Cost Per Unit Results – City Clerk

Fee Name	Current Fee	Total Cost	Difference
Copies of Media			
CDs	\$1	\$2	(\$1)
Photocopies¹			
California Public Records Act Copy Request	\$0.20	\$0.20	\$0.00
Documents Listed in the Political Reform Act	\$0.10	\$0.10	\$0.00
Rent Stabilization Program Application Fee	\$1,661	\$2,466	(\$805)
Mobile Home Rent Control	\$3.59	\$3.59	\$0.00

City Clerk under-recovers on all of their fees. The largest under-recovery is in relation to 'Rent Stabilization Program Application Fee' at \$805.

3 Annual Revenue Impact

Based on the prior year’s Mobile Home Rent Control information, City Clerk has an annual cost of roughly \$32,000 associated with this registration. The following table shows by major fee category: revenue at current fee, total projected annual cost, and the resulting difference.

¹ GOV § 6253(b)

Table 5: Annual Results – City Clerk

Fee Category	Revenue at Current Fee	Annual Cost	Difference
Mobile Home Rent Control	\$31,879	\$31,909	(\$30)
Total	\$31,879	\$31,909	(\$30)

City Clerk has an annual cost recovery of 100%. This revenue analysis is based only on the Mobile Home Rent Control registration, as other services are either not recorded or are state set fees.

6. Finance

The Finance Department is responsible for fiscal management of the City, along with administering payroll and overseeing employee benefits. The fees examined within this study relate to returned check processing, copies of City budget, and business licenses. The following subsections discuss fee schedule modifications and detailed per unit results for the fee-related services provided by Finance.

1 Fee Schedule Modifications

In discussions with staff, the following modifications were proposed to the current fee schedule:

- **Eliminated Fees:** Due to technology upgrades and process improvements; the following fees were removed from the fee schedule as either these items are available online or no additional support is provided:
 - 'Copies – CAFR / ACFR (Grayscale)'
 - 'Copies – CAFR / ACFR (Color)'
 - 'Public Safety Invoice Processing'
- **New Fee:** 'Duplicate Business License' was proposed for addition to Finance's fee schedule to account for staff time providing this service.

The modifications ensure that the proposed fee schedule more accurately reflects the services currently being provided by Finance.

2 Detailed Results

Finance collects fees for returned check processing, copies of City budget, and business licenses. The total cost calculated for each service includes direct staff costs and Departmental and Citywide overhead. The following table details the fee name, current fee, total cost, and difference associated with each service offered.

Table 6: Total Cost Per Unit Results – Finance

Fee Name	Current Fee	Total Cost	Difference
Insufficient Funds²			
First Check	\$25	\$25	\$0
Subsequent Checks	\$35	\$35	\$0

² CIV § 1719(a)

Fee Name	Current Fee	Total Cost	Difference
Copies - City Budget³			
Grayscale	\$0.10	\$0.10	\$0.00
Color	\$0.20	\$0.20	\$0.00
Business Licenses			
Business License Modification			
Change of Ownership	\$10	\$15	(\$5)
Change of Address	\$10	\$15	(\$5)
Duplicate Business License	New	\$9	N/A

Finance under-recovers on all of their fees. It is important to note that the City's current Business License fees are considered a tax and as such have not been evaluated in this study.

3 Credit Card Transaction Fee

The City of Calimesa is assessed a fee from credit card companies for any transactions that require the use of credit cards. To recover the costs associated with fees incurred, the City charges a 2.50% surcharge on all transactions which are paid using a credit card. Through this study, the project team worked with City staff to determine the appropriate surcharge amount.

In order to calculate the surcharge, the project team divided a three-year average of total expenses billed to the city by the credit card company by a three-year average of the total charges made against those credit card transactions. The following table shows this calculation:

Table 7: Credit Card Transaction Fee Calculation

Category	Amount
Credit Card Fee Charges	\$11,103
Credit Card Transaction Amount	\$215,860
Credit Card Fee Rate	5.14%

Based upon this calculation the City's full cost associated with credit card fees is 5.14%. The following table compares the City's current fee to the full cost fee calculated through this study:

Table 8: Credit Card Transaction Fee Per Unit Result Comparison

Category	Current Fee	Full Cost	Difference
Credit Card Convenience Fee	2.50%	5.14%	(2.64%)

³ GOV § 6253(b)

The full cost fee represents a cost recovery level of 49%. The current deficit is due to the increased fees assessed by the Credit Card companies. However, the City has entered into a new agreement, which can result in lower fees.

As part of this analysis, the project team conducted a comparative survey of other local jurisdictions and their assessment of the Credit Card Transaction fee. Like other comparative efforts, the survey below simply shows the fees charged by the jurisdiction and does not include the basis upon which the other jurisdictions calculated or developed their fee. The following table shows the results of this comparative analysis:

Table 9: Credit Card Transaction Fee – Comparative Survey

Jurisdiction	Fee Amount
Beaumont	2% of Fees Paid
Hemet	3% of Fees Paid
Redlands	4% of Fees Paid
Canyon Lake	Actual Cost
Yucaipa	Actual Cost

Of the surveyed jurisdictions, most charge less than the calculated full cost at 5.14%. Beaumont (2%) and Hemet (3%) charge fees similar to Calimesa’s current fee of 2.50%. Unlike Calimesa and the other jurisdictions, the cities of Canyon Lake and Yucaipa both charge the actual cost of the processing fee rather than a fixed percentage of fees paid.

7. Fire

The Fire Department is responsible for ensuring the safety of the community by responding to a variety of fire, rescue, and medical emergencies and for performing fire and life safety plan checks and inspections. Since their inception in 2018, the Calimesa Fire Department has offered their services to the community free of charge. The following subsections discuss proposed a fee schedule and details per unit results for the fee-related services provided by Fire.

1 Proposed Fee Schedule

There is no current comprehensive fee schedule that exists for Fire. The Department / Division currently charges for a handful of services based upon an hourly rate. Fire staff worked with the project team to establish a proposed fee schedule which outlines the various services offered by the Department. The fees included relate to plan review and inspection for construction permits, annual operation permits, and state-mandated occupancy permits; along with hourly rates for cost-recovery.

2 Detailed Results

The total cost calculated for each service includes direct staff costs and Departmental and Citywide overhead. The following table details the proposed fee name and total cost of each service offered.

Table 10: Total Cost Per Unit Results – Fire

Fee Name	Total Cost
Construction Permits	
Fire Sprinkler Systems	
Commercial/Industrial NFPA 13 Fire Sprinkler System - Modifications	
Plan Review	\$288
Inspection, 1-5 fire sprinkler heads	\$140
Inspection, 6-20 fire sprinkler heads	\$281
Inspection, 21-50 fire sprinkler heads	\$351
Inspection, 51-100 fire sprinkler heads	\$421
Inspection, 101-350 fire sprinkler heads	\$562
Inspection, >350 fire sprinkler heads	\$632
Inspection, >350 fire sprinkler heads	\$140
Commercial/Industrial NFPA 13 Fire Sprinkler System - New System	
Plan Review	\$721
Inspection, 1-20 fire sprinkler heads	\$281
Inspection, 21-50 fire sprinkler heads	\$351
Inspection, 51-100 fire sprinkler heads	\$492
Inspection, 101-350 fire sprinkler heads	\$562

Fee Name	Total Cost
Inspection, >350 fire sprinkler heads	\$632
Inspection, >350 fire sprinkler heads	\$140
Commercial Fire Pump	
Plan Review	\$865
Inspection	\$983
Single/Two-Family Residential - NFPA 13D Fire Sprinkler	
Plan Review	\$433
Plan Review, Modification	\$288
Inspection, 1-20 fire sprinkler heads	\$351
Inspection, 21-30 fire sprinkler heads	\$421
Inspection, 31-40 fire sprinkler heads	\$562
Inspection, 41-50 fire sprinkler heads	\$702
Inspection, >50 fire sprinkler heads	\$773
Inspection, tract homes	\$562
Inspection, modifications to existing system	\$211
Bucket or pump test	\$140
Multi-Family Residential Fire Sprinkler, NFPA 13R	
Plan Review	\$764
Plan Review, Modification	\$288
Inspection, 1-50 fire sprinkler heads	\$562
Inspection, 51-100 fire sprinkler heads	\$632
Inspection, >100 fire sprinkler heads	\$1,054
Inspections, modification to existing system	\$702
Private Underground Fire Line	
Plan Review	\$649
Inspection	\$702
In-Rack Sprinklers	
Plan Review	\$577
Inspection, 1-10 sprinkler heads	\$351
Inspection, 11-20 sprinkler heads	\$492
Inspection, 21-30 sprinkler heads	\$702
Inspection, >30 sprinkler heads	\$913
Pre-Engineered Systems/Equipment	
Plan Review	\$505
Inspection, Spray/Dipping/Powder Coating Booths	\$492
Inspection, Industrial Ovens	\$211
Inspection, Vapor Recovery	\$211
Inspection, Refrigeration	\$492
Inspection, Dust Collection	\$492
Inspection, Hood and Duct Extinguishing System	\$421
Inspection, Gas System	\$492
Inspection, Smoke Control System	\$773
Inspection, Battery System	\$351
Inspection, Special Extinguishing System	\$632
Inspection, Commercial Solar Power Generating Station	\$351
Inspection, Commercial Structure-Mounted Photovoltaic System	\$351
Inspection, Emergency Responder Radio Coverage System	\$632
Inspection, Generators	\$351
Inspection, plant oil extraction	\$211
High-Piled Combustible Storage	
Plan Review	\$505
Inspection, 500-10,000 sq. ft.	\$351

Fee Name	Total Cost
Inspection, 10,001-50,000 sq. ft.	\$492
Inspection, 50,001-100,000 sq. ft.	\$632
Inspection	\$281
Hose Rack/Standpipe Systems	
Plan Review	\$649
Inspection	\$562
Fire Alarm - New System	
Plan Review, Waterflow Monitoring System	\$433
Plan Review, Manual/Automatic Fire Alarm System	\$649
Plan review, local alarm bell	\$144
Inspection, 1-10 devices	\$562
Inspection, 11-50 devices	\$702
Inspection, 51-100 devices	\$983
Inspection, >100 devices	\$140
Inspection, local alarm bell	\$211
Fire Alarm System Modifications (all types)	
Plan Review	\$433
Inspection, 1-10 devices	\$351
Inspection, 11-50 devices	\$492
Inspection, 51-100 devices	\$562
Inspection, >100 devices	\$140
Plan review, fire alarm control panel or communicator upgrade	\$288
Inspection, fire alarm control panel or communicator upgrade	\$281
Aboveground Storage Tank	
Plan Review	\$433
Inspection	\$562
Single-Family Residential Construction Projects (FLSR)	
Plan Review	\$288
Inspection, New Construction	\$211
Inspection, Addition	\$140
Multi-Family Residential Construction Projects	
Plan Review	\$649
Inspection, 1-10,000 sq. ft.	\$562
Inspection, 10,001-25,000 sq. ft.	\$702
Inspection, 25,001-50,000 sq. ft.	\$773
Inspection, >50,000 sq. ft.	\$70
Commercial/Industrial New Construction Projects	
Plan review	\$649
Inspection, 1-10,000 sq. ft.	\$351
Inspection, 10,001-50,000 sq. ft.	\$702
Inspection, 50,001-100,000 sq. ft.	\$843
Inspection, 100,001-500,000 sq. ft.	\$913
Inspection, 500,001-1,000,000 sq. ft.	\$1,054
Inspection >1,000,000 sq. ft.	\$421
Inspection, Misc. construction projects	\$140
Commercial Tenant Improvements	
Plan Review	\$433
Inspection, 1-10,000 sq. ft.	\$281
Inspection, 10,001-50,000 sq. ft.	\$632
Inspection, 50,001-100,000 sq. ft.	\$702
Inspection, >100,000 sq. ft.	\$211
Inspection, Misc. tenant improvement projects	\$140

Fee Name	Total Cost
Other Misc. Development Plan Review and Inspection Fees	
Hazardous Material Review	\$144
Technical Analysis/Opinion Report Review	\$144
Alternate Materials and Methods Request Review	\$144
Revision of a previous approved plan or As-Builts	\$288
Plan re-submittal; each subsequent submittal after 2nd	\$144
Miscellaneous Plan Check	\$144
Re-Inspection	\$144
Annual Operations Permits	
Low Hazard	
Cellulose Nitrate Film	\$140
Open Flames and Candles	\$140
Places of Assembly 50-299 Occupants	\$140
Waste Handling and Wrecking Yards	\$140
Medium Hazard	
Combustible Fibers	\$211
Covered and Open Mall Buildings	\$211
Dry Cleaning	\$211
Fixed Hood & Duct Extinguishing Systems	\$211
Flammable and Combustible Liquids Mobile Fueling	\$211
Industrial Ovens	\$211
Liquid or Gas Fuel Equipment in Assembly Buildings	\$211
Lumber Yards and Woodworking	\$211
Miscellaneous Combustible Storage	\$211
Motor Vehicle Fuel Dispensing Facilities	\$211
Pyroxylin Plastics	\$211
Places of Assembly 300-999 Occupants	\$211
Production Facilities	\$211
Refrigeration Equipment	\$211
Rooftop Heliports	\$211
Storage of Scrap Tires and Tire Byproducts	\$211
Waste Handling	\$211
Wood, Manure, and Organic Product Storage	\$211
High Hazard	
Aerosol Products	\$281
Aviation Facilities	\$281
Battery Systems	\$281
Combustible Dust Producing Operations	\$281
Compresses Gases	\$281
Cryogenic Fluids	\$281
Cutting and Welding	\$281
Explosives	\$281
Flammable and Combustible Liquids Storage and Use	\$281
High-Piled Combustible Storage	\$281
Hot Works Operations	\$281
HPM Facilities	\$281
Liquefied Petroleum Gas	\$281
Magnesium	\$281
Organic Coatings	\$281
Pallet Yards	\$281
Places of Assembly >1,000 Occupants	\$281
Plan Extraction Systems	\$281

Fee Name	Total Cost
Repair Garages	\$281
Spraying or Dipping	\$281
Tire Rebuilding Plants	\$281
Occupancies Requiring Mandated Inspections	
State Fire Marshal Regulated Occupancies	
Organized Camps - Group C Occupancy	\$281
Day Care Facility - Group E Occupancy - 7 or more clients (not requiring assistance)	\$281
Private and Public Schools - Group E Occupancy	\$562
Health Care Facilities/Nursing Homes/Detox Centers - Group I-2 Occupancy	\$421
Detention Facility - Group I-3 Occupancy	\$421
Day Care Facility - Group I-4 Occupancy - 7 or more clients (requiring assistance)	\$281
Multi-Family Housing - Group R-1/R-2 Occupancy - Hotel/Motel/Apartments	
3 dwelling units	\$140.49
4-15 Dwelling Units	\$140.49
4-15 Dwelling Units	\$2.93
16-49 Dwelling Units	\$175.61
16-49 Dwelling Units	\$0.82
50-99 Dwelling Units	\$210.73
50-99 Dwelling Units	\$1.43
100-199 Dwelling Units	\$280.97
100-199 Dwelling Units	\$0.70
200-499 Dwelling Units	\$351.21
200-499 Dwelling Units	\$1.76
500+ Dwelling Units	\$702.43
500+ Dwelling Units	\$0.88
Residential Care Facility - Group R-2.1 Occupancy	\$281
Family Day Care (Large & Small) - Group R-3 Occupancy	\$140
Residential Care Facility - Group R-3.1 Occupancy	\$140
Residential Care Facility - Group R-4 Occupancy	\$281
High Rise	\$281
State Fire Marshal Regulated Occupancies – Day Care, Health Care, Detention Facilities, and High Rises	\$140
Other Required or Mandated Inspections	
General Field Inspection	\$140
Business License/Occupancy Inspection	\$140
Defensible Space Inspection	\$140
Fuel Modification Inspection	\$2,304
Cost Recovery	
Employee Classification Hourly Rates	
Fire Chief	\$146
Fire Marshal	\$114
Battalion Chief	\$107
Captain	\$104
Apparatus Engineer	\$99
Fire Fighter EMT	\$90
Fire Fighter Paramedic	\$93
Equipment Rates (Does not include staffing)	
Engine	\$165
Incident Command Post	\$69
Heavy Rescue	\$124

Fee Name	Total Cost
Light Rescue / Utility Vehicle	\$73
Water Tender	\$103
Aerial Ladder (Quint)	\$261
Administrative Penalties - False or Nuisance Fire Alarms	
First Response	\$387
Second Response	\$773
Third Response	\$1,160
Four or More Responses	\$1,547
EMS	
First Responder Fee	\$290

Overall, the fee schedule highlights various plan check and inspections offered by Calimesa’s Fire Department, along with a cost recovery section and an ‘EMS – First Responder Fee’. The total costs are based upon the fully burdened hourly rate of City and Contract staff providing the service.

3 Annual Revenue Impact

Based on the prior workload information, Fire has a deficit of roughly \$40,000. The following table shows by major fee category: revenue at current fee, total projected annual cost, and the resulting difference.

Table 11: Annual Results - Fire

Fee Category	Revenue at Current Fee	Annual Cost	Difference
Fire Sprinkler Systems	\$17,886	\$57,799	(\$39,914)
Fire Alarm Systems	\$5,170	\$4,778	\$392
Aboveground Storage Tanks	\$594	\$995	(\$401)
State Fire Marshal Regulated Occupancies	\$2,746	\$3,296	(\$550)
Defensible Space Inspection	\$1,397	\$1,686	(\$289)
Hood and Duct Extinguishing System Inspection	\$2,793	\$2,529	\$264
Total	\$30,584	\$71,082	(\$40,498)

Fire has an annual cost recovery of 43%, which reflects a roughly \$40,000 subsidy. This current subsidy is based on the fees and permits which were recorded and does not reflect the other services and activities for which Fire performed services but did not track. The primary source of the current deficit is Fire Sprinkler Systems. Having a more codified and transparent fee schedule will allow the City to better recover its costs associated with fire permitting.

8. Code Enforcement

The Code Enforcement Division is responsible for ensuring community health and safety through investigation of violations to the City's municipal code and for overseeing vacant vehicle and property registration. The fees examined within this study relate to abandoned or foreclosed property registration and property liens. The following subsections discuss fee schedule modifications and detailed per unit results for the fee-related services provided by Code Enforcement.

1 Fee Schedule Modifications

In discussions with staff, the following modifications were proposed to the current fee schedule:

- **New Fees:** The following three fees were added to the fee schedule as a means to capture staff time spent providing the service to the community:
 - 'Site Investigation Fee'
 - 'Weed Abatement'
 - 'Abandoned Vehicles'
- **Expanded Fees:** To account for the ways in which the property registration process is started, it was proposed that the 'Abandoned and / or Foreclosed Property Registration' fee be expanded into the following two categories:
 - 'Mailed In'
 - 'Field Inspection Discovery'

The modifications ensure that the proposed fee schedule more accurately reflects the services currently being provided by Code Enforcement.

2 Detailed Results

Code Enforcement collect fees for abandoned or foreclosed property registration and property liens. The total cost calculated for each service includes direct staff costs and Departmental and Citywide overhead. The following table details the fee name, current fee, total cost, and difference associated with each service offered.

Table 12: Total Cost Per Unit Results – Code Enforcement

Fee Name	Current Fee	Total Cost	Difference
Abandoned and/or Foreclosed Property Registration			
Mailed In	\$150	\$297	(\$147)
Field Inspection Discovery	\$150	\$416	(\$266)
Business License Occupancy Inspection	\$80	\$238	(\$158)
Site Investigation Fee	New	\$119	N/A
Weed Abatement	New	\$119	N/A
Property Liens	\$115	\$260	(\$145)
Abandoned Vehicles	New	\$178	N/A

Code Enforcement under-recovers for all of its current fees. The largest under-recovery is in relation to ‘Abandoned and/or Foreclosed Property Registration – Field Inspection Discovery’ at \$266. The difference in costs for mailed in compared to field inspection indicates the needs to break out the process.

3 Annual Revenue Impact

Due to lack of permitting data and tracking of code enforcement fee-related services, no annual revenue impact was able to be calculated specific to code enforcement.

9. Building

The Building division is responsible ensuring all new and modified construction within the City adheres to local, state, and federal regulations. The fees examined within this study relate to structural, electrical, plumbing, and mechanical plan review and inspections. The following subsections discuss fee schedule modifications and detailed per unit results for the fee-related services provided by Building.

1 Fee Schedule Modifications

In discussions with staff, the following modifications were proposed to the current fee schedule:

- **Fee Modifications:** Currently, the City charges the majority of its fees based on valuation. However, the City has proposed moving to both square footage and flat fees. Details are outlined below:
 - **Commercial / Multi-Family / Industrial Building Permits:** The City has proposed moving commercial, multi-family, and industrial building permits from valuation to basing projects on occupancy, building material, and square footage, as that has a stronger nexus to the level of effort and is more in alignment with the region.
 - **Residential Building Permit – Remodel:** The City has proposed parsing out remodels from other types of residential building permits, as these types of projects require different staff time and effort.
 - **Various Flat Fees:** The City has proposed creating flat fees for various over-the-counter permits as these permits level of effort is dependent upon the type of permit rather than the valuation.
- **Eliminated Fees:** The following fees were eliminated as the City no longer offers these services or they are now captured within other fees or on other department's fee schedules:
 - 'Permit Issuance'
 - 'Multiple Unit Plan Check'
 - 'House Sewer Section Installation for Future Use'
 - 'Additional Building Connection or Additional Work to House Sewer'
 - 'Plumbing Special Inspections'
- **Fee Name Change:** The following fee names were modified to more accurately capture the services provided:

- 'Receptacles, switches, lighting outlets (first 20)' is now 'Receptacles, switches, lighting outlets'
 - 'Fixed residential appliances not exceeding 1HP & Solar' is now 'Fixed residential appliances not exceeding 1HP'
 - 'Cesspool, Overflow Seepage Pit, Percolation Test Pit, Swimming Pool Drywell, or Drain Field Extension or Replacement' is now 'Overflow Seepage Pit, Percolation Test Pit, Swimming Pool Drywell, or Drain Field Extension or Replacement'
- **New Fees:** Creation of Landscape fees during the construction phase to track the review and inspection associated with those activities.

The modifications ensure that the proposed fee schedule more accurately reflects the services currently being provided by Building.

2 Detailed Results

The Building Division collects fees which are charged based on a set-rate or “flat rate” and fees based on valuation. As mentioned in the modifications, the City is proposing transiting to charging fees based on square footage rather than valuation. The following subsection discuss the detailed results for these types of fees:

2.1 Residential Permit & Flat Fees

Building collects flat fees for various inspections, including, electrical, plumbing, and mechanical, cell site, re-roofs, walls, and much more. The total cost calculated for each service includes direct staff costs and Departmental and Citywide overhead. The following table details the fee name, current fee, total cost, and difference associated with each service offered.

Table 13: Total Cost Per Unit Results – Building

Fee Name	Current Fee ⁴	Total Cost	Difference
Plan Check			
SFR	65%	65%	0%
Commercial / Multi-Family / Industrial	65%	70%	(5%)
Master Plan Check - Repeat Unit	25%	25%	0%
Plan Check Revisions and/or Deferred Submittals	City Cost + 20% Admin	\$161	N/A
Building Permits - Residential (Square Footage Based) - New Construction			
1-500 sq. ft.	\$1,830	\$1,683	\$147

⁴ The issuance fee of \$45 was added to the current fee of most over-the-counter permits as a means to more accurately show comparison to the full-cost calculated.

Fee Name	Current Fee ⁴	Total Cost	Difference
501-999 sq ft	\$1,830	\$1,683	\$147
Each Additional 100 sq. ft. or fraction there of	New	\$67	N/A
1,000-1,999 sq ft	\$1,830	\$2,015	(\$185)
Each Additional 100 sq. ft. or fraction there of	\$39	\$33	\$5
2,000-2,999 sq ft	\$2,215	\$2,348	(\$133)
Each Additional 100 sq. ft. or fraction there of	\$39	\$42	(\$3)
3,000-3,600 sq ft	\$2,600	\$2,764	(\$164)
Each Additional 100 sq. ft. or fraction there of	\$39	\$42	(\$3)
3,601+ sq ft	\$2,831	\$3,013	(\$182)
Each Additional 100 sq. ft. or fraction there of	\$49	\$21	\$28
Building Permits - Residential (Square Footage Based) - Addition			
1-500 sq. ft.	\$733	\$1,267	(\$534)
501-999 sq ft	\$1,042	\$1,267	(\$225)
Each Additional 100 sq. ft. or fraction there of	\$122	\$150	(\$27)
1,000-1,999 sq ft	\$1,775	\$2,015	(\$240)
Each Additional 100 sq. ft. or fraction there of	\$62	\$33	\$28
2,000-2,999 sq ft	\$2,391	\$2,348	\$43
Each Additional 100 sq. ft. or fraction there of	\$39	\$42	(\$3)
3,000-3,600 sq ft	\$2,776	\$2,764	\$12
Each Additional 100 sq. ft. or fraction there of	\$39	\$42	(\$3)
3,601+ sq ft	\$3,007	\$3,013	(\$6)
Each Additional 100 sq. ft. or fraction there of	\$39	\$21	\$18
Building Permits - Residential (Square Footage Based) - Remodel			
1-500 sq. ft.	New	\$1,683	N/A
501-999 sq ft	New	\$1,683	N/A
Each Additional 100 sq. ft. or fraction there of	New	\$67	N/A
1,000-1,999 sq ft	New	\$2,015	N/A
Each Additional 100 sq. ft. or fraction there of	New	\$33	N/A
2,000-2,999 sq ft	New	\$2,348	N/A
Each Additional 100 sq. ft. or fraction there of	New	\$42	N/A
3,000-3,600 sq ft	New	\$2,764	N/A
Each Additional 100 sq. ft. or fraction there of	New	\$42	N/A
3,601+ sq ft	New	\$3,013	N/A
Each Additional 100 sq. ft. or fraction there of	New	\$21	N/A
Garages and Workshops (Detached or Additions)			
1-400 sq. ft.	\$462	\$602	(\$140)
Each Additional 100 sq. ft. or fraction there of	\$1	\$30	(\$29)
401-1,000 sq ft	\$539	\$643	(\$104)
Each Additional 100 sq. ft. or fraction there of	\$45	\$53	(\$8)
1,001-2,000 sq ft	\$887	\$963	(\$76)
Each Additional 100 sq. ft. or fraction there of	\$43	\$47	(\$4)
2,001+ sq ft	\$1,313	\$1,433	(\$120)
Each Additional 100 sq. ft. or fraction there of	\$39	\$24	\$15
Modular Home Inspections			
Plan Check	\$353	\$181	\$172
Set Down	\$1,240	\$553	\$687
Single Lot / SFR Grading			
Plan Check	\$308	\$262	\$46
Single Family Lot Grading	\$385	\$418	(\$33)
Miscellaneous Building Fees			
Minimum Permit Fee	\$77	\$173	(\$96)
Foundation Repair - Single Family Residential	New	\$329	N/A

Fee Name	Current Fee ⁴	Total Cost	Difference
Siding Repair and Replacement	New	\$193	N/A
Seismic Retrofit - Brace and Bolt -Single Family Residential	New	\$300	N/A
Stucco Repair / Replacement	New	\$275	N/A
Chimney Repair	New	\$274	N/A
Fireplace	New	\$385	N/A
Awnings			
Single-Family	New	\$246	N/A
Multi-Family / Commercial	New	\$301	N/A
Each Additional Awnings	New	\$28	N/A
Bathroom / Kitchen Remodel			
Single-Family (Direct Replacement Non-Structural)	New	\$549	N/A
Multi-Family (Direct Replacement, Non-Structural)	New	\$549	N/A
Cell Sites			
New Tower	New	\$1,014	N/A
New Tower w/ Equipment Shelter	New	\$1,261	N/A
Tower Modification	New	\$394	N/A
Cell Site Modification	New	\$559	N/A
Doors, windows, skylights, Sliding Glass Door - Structural			
Structural			
Single-Family	New	\$220	N/A
Multi-Family/Commercial	New	\$220	N/A
Each Additional Doors, windows, skylights, Sliding Glass Door	New	\$28	N/A
Non-Structural			
Single-Family	New	\$192	N/A
Multi-Family/Commercial	New	\$192	N/A
Each Additional Doors, windows, skylights, Sliding Glass Door	New	\$28	N/A
Patio / Carport / Deck / Balcony			
ICBO Pre-engineered Patio Cover	\$254	\$372	(\$118)
Aluminum / Metal Custom Design	\$254	\$493	(\$239)
Wood City Standard	\$254	\$427	(\$173)
Wood Engineered Design	\$254	\$493	(\$239)
Pile Foundation			
Cast in Place Concrete (first 10 piles)	New	\$438	N/A
Additional Piles (increments of 10)	New	\$75	N/A
Driven (steel, pre-stressed concrete)	New	\$412	N/A
Additional Piles (increments of 10)	New	\$75	N/A
Product Review	New	\$135	N/A
Re-roof (Each Structure)			
Residential (Up to 3,000 Sq. Ft.)			
Less than 2:12 pitch	\$238	\$525	(\$287)
Each Additional 500 sq. ft. or fraction thereof	New	\$110	N/A
Greater than 2:12 pitch	\$238	\$275	(\$37)
Each Additional 500 sq. ft. or fraction thereof	New	\$55	N/A
Multi-Family (Up to 3,000 Sq. Ft.)			
Less than 2:12 pitch	\$238	\$525	(\$287)
Each Additional 500 sq. ft. or fraction thereof	New	\$110	N/A
Greater than 2:12 pitch	\$238	\$275	(\$37)
Each Additional 500 sq. ft. or fraction thereof	New	\$55	N/A
Commercial (Up to 3,000 Sq. Ft.)			

Fee Name	Current Fee ⁴	Total Cost	Difference
Less than 2:12 pitch	\$238	\$581	(\$343)
Each Additional 500 sq. ft. or fraction thereof	New	\$110	N/A
Greater than 2:12 pitch	\$238	\$332	(\$94)
Each Additional 500 sq. ft. or fraction thereof	New	\$55	N/A
Walls (Freestanding Masonry or Concrete)			
Garden Block Walls - City Standard up to 6'H	\$97	\$440	(\$343)
Each Additional 50 lf or fraction thereof	\$97	\$55	\$42
Freestanding Walls - Engineered Design up to 6 H'	New	\$513	N/A
Each Additional 50 lf or fraction thereof	New	\$55	N/A
Freestanding Walls - Engineered Design over 6'H	New	\$566	N/A
Each Additional 50 lf or fraction thereof	New	\$110	N/A
Pilasters			
Masonry Pilasters - City Standard up to 6 H'	New	\$233	N/A
Each Additional	New	\$42	N/A
Retaining Wall (concrete or masonry)			
City Standard (up to 50 lf)	\$101	\$427	(\$326)
Each Additional 50 lf or fraction thereof	New	\$55	N/A
Engineered Design, up to 6' high (up to 50 lf)	\$101	\$485	(\$384)
Each Additional 50 lf or fraction thereof	New	\$42	N/A
Engineered Design, over 6' high (up to 50 lf)	\$101	\$705	(\$604)
Each Additional 50 lf or fraction thereof	New	\$83	N/A
Gravity Wall, 0-10' high (up to 50 lf)	\$101	\$609	(\$508)
Each Additional 50 lf or fraction thereof	New	\$55	N/A
Gravity/Crib Wall, over 10' high (up to 50 lf)	\$101	\$675	(\$574)
Each Additional 50 lf or fraction thereof	New	\$83	N/A
Fences Non-Masonry			
Over 6 ft. in height	New	\$343	N/A
Each addl 50 lf or fraction thereof	New	\$42	N/A
Prefabricated/Metal	New	\$315	N/A
Each addl 50 lf or fraction thereof	New	\$42	N/A
Sign Permit Fees			
Directional	New	\$264	N/A
Ground/Roof/Projecting Signs	New	\$264	N/A
Rework of any existing Ground Sign	New	\$182	N/A
Other Sign	New	\$264	N/A
Wall/Awning Sign, Non-Electric	New	\$251	N/A
Wall, Electric	\$276	\$264	\$12
Each additional of same design, same project and installed at same time	\$154	\$138	\$16
Monument	New	\$511	N/A
Each additional of same design, same project and installed at same time	New	\$278	N/A
Pole Sign	New	\$551	N/A
Each additional of same design, same project and installed at same time	New	\$278	N/A
Storage Racks			
0-8' high (up to 100 lf)	New	\$291	N/A
Each additional 100 lf	New	\$42	N/A
Over 8' high (up to 100 lf)	New	\$466	N/A
Each additional 100 lf	New	\$75	N/A
Swimming Pool Permit Fees			
Inground	\$353	\$689	(\$336)

Fee Name	Current Fee ⁴	Total Cost	Difference
Aboveground	New	\$385	N/A
Slide / Grotto - Accessory Addition	New	\$385	N/A
Spa or Hot Tub (Prefabricated)	\$507	\$412	\$95
Storage Tanks			
Underground	New	\$430	N/A
Aboveground	New	\$291	N/A
Trash Enclosures			
Custom Design Up to 100 Linear Feet	New	\$442	N/A
Custom Design Over 100 Linear Feet	New	\$471	N/A
City Standard Design	New	\$362	N/A
Solar and Photovoltaic			
PV Solar Permits⁵			
Residential Plan Check			
15 kw or less	New	\$161	N/A
15kw + base fee	New	\$161	N/A
Residential Inspection			
15 kw or less	New	\$289	N/A
15kw + base fee	New	\$289	N/A
Each add kw above 15kw	New	\$15	N/A
Commercial Plan Check			
50 kw or less	New	\$242	N/A
50kw-250kw	New	\$242	N/A
250+ kw	New	\$323	N/A
Commercial Inspection			
50 kw or less	New	\$758	N/A
50kw-250kw	New	\$758	N/A
Per kw above 50 kw	New	\$7	N/A
250+ kw	New	\$2,077	N/A
Per kw above 250kw	New	\$5	N/A
Solar Thermal⁶			
Residential Plan Check			
10 kWth or less	New	\$161	N/A
10+ kWth	New	\$161	N/A
Residential Inspection			
10 kWth or less	New	\$289	N/A
10+ kWth	New	\$289	N/A
Per kWth above 10 kWth	New	\$15	N/A
Commercial Plan Check			
30 kWth or less	New	\$242	N/A
30 kWth - 260 kWth	New	\$242	N/A
260+ kWth	New	\$323	N/A
Commercial Inspection			
30 kWth or less	New	\$758	N/A
30 kWth - 260 kWth	New	\$758	N/A
Per kWth above 30 kWth	New	\$7	N/A
260+ kWth	New	\$2,287	N/A
Per kWth above 260 kWth	New	\$5	N/A
Energy Storage Systems (ESS)			
Single-Family System (Up to 3 Batteries)	New	\$236	N/A

⁵ GOV § 66015 (a & b)

⁶ GOV § 66015 (a & b)

Fee Name	Current Fee ⁴	Total Cost	Difference
Multi-Family / Commercial System (Up to 3 Batteries)	New	\$291	N/A
Each Additional 1-3 Batteries	New	\$55	N/A
MEP Fees			
Electrical Permit Fees			
Minimum Permit Fee	\$77	\$173	(\$96)
Plan Check	\$154	\$161	(\$7)
Rewiring (Single Family Residential Only)	New	\$385	N/A
Meter Pedestal	New	\$233	N/A
Electrical System Fee Schedule			
Residential	\$308	\$361	(\$53)
Commercial			
Base 1-500 sq. ft.	\$308	\$483	(\$175)
501-5,000 sq. ft. (Base amount plus)	New	\$0.02	N/A
5,001+ sq. ft. (Total for 5,000 sq. ft. plus)	New	\$0.01	N/A
Temporary Events			
Electrical generators and electrically driven rides	\$84	\$246	(\$162)
Mechanically driven rides and walk-through attractions w/ lighting	\$84	\$246	(\$162)
Area and booth lighting	\$84	\$173	(\$89)
Permanently installed rides, booths, and attractions	\$84	\$246	(\$162)
Temporary Power Service			
Temporary metered service poles or pedestals and appurtenances	\$177	\$246	(\$69)
Temporary support poles (Additional 6 Poles)	\$13	\$55	(\$42)
Electrical Unit Fee Schedule			
Receptacles, switches, lighting outlets	\$122	\$147	(\$25)
Each Additional 1 - 10 Units	\$13	\$55	(\$42)
Lighting fixtures, sockets, or other lamp-holding devices (first 20)	\$122	\$147	(\$25)
Each Additional 1 - 10 Units	\$13	\$55	(\$42)
Pole of platform lighting fixtures	\$122	\$254	(\$132)
Theatrical-type lighting fixtures or assemblies	\$122	\$254	(\$132)
Fixed residential appliances not exceeding 1HP	\$122	\$173	(\$51)
Commercial Appliances			
Self-contained factory-wired appliances not exceeding 1HP rating (Including medical and dental devices; food, beverage, and ice cream cabinets; illuminated show cases; drinking fountains and vending machines; laundry machines; and other types of equipment (each))	\$84	\$246	(\$162)
Power Apparatus - Motors, generators, rectifiers, converters, capacitors and industrial heating and air conditioners, heat, pumps, cooking or baking equipment, and other apparatus as follows:			
Up to and including 1	\$122	\$274	
Over 1 not over 10	\$77	\$83	(\$6)
Over 10 not over 50	\$154	\$125	\$29
Over 50 not over 100	\$154	\$166	(\$12)
Over 100	\$154	\$249	(\$95)
Miscellaneous Apparatus, Conduits, and Conductors	\$353	\$139	\$214
Electrical Apparatus	\$353	\$173	\$180
Bus Ways - (Trolley and Plug-in Type)	\$122	\$139	(\$17)
Electrical Services			
600v or less; 225 amps or less - Commercial	\$199	\$233	(\$34)

Fee Name	Current Fee ⁴	Total Cost	Difference
600v or less; 225 amps or less - Residential	\$100	\$233	(\$134)
600v or less; 226-1,000 amps - Commercial	\$199	\$332	(\$133)
600v or less; 226-1,000 amps - Residential	\$100	\$332	(\$232)
600v or less; 1,000+ amps - Commercial	\$199	\$471	(\$272)
600v or less; 1,000+ amps - Residential	\$100	\$332	(\$232)
Miscellaneous conduits and conductors	\$199	\$166	\$33
Other inspections and fees for which a permit is required but no fee is set forth herein	\$353	\$166	\$187
EV Charging Station			
Residential	New	\$218	N/A
Commercial	New	\$418	N/A
Back-up Generator			
Residential Natural Gas Generator	New	\$273	N/A
Commercial Natural Gas or Diesel Generator	New	\$526	N/A
Plumbing Permit Fees			
Minimum Permit Fee	\$77	\$173	(\$96)
Plan Check Fee	\$154	\$161	(\$7)
Residential	New	\$153	N/A
Commercial	New	\$0.09	N/A
Industrial waste pretreatment interceptor Including trap and vent, except kitchen-type grease interceptors functioning as fixture traps	\$84	\$383	(\$299)
Plumbing Fixtures, Trap, or Set of Fixtures On One Trap Includes drainage, water piping, and backflow prevention devices	\$58	\$64	(\$6)
Swimming Pool Drainage Trap and Receptor (Building drain or sewer) Water supply for pool not included	\$84	\$191	(\$107)
Gas Piping System (1-5 outlets), Alteration, or Retest	\$122	\$201	(\$79)
Additional outlet over 5	\$13	\$42	(\$29)
Gas Pressure Regulator (Other than appliance)	\$58	\$173	(\$115)
Repair or Alteration of Drainage and/or Vent Piping	\$122	\$201	(\$79)
Water-treating Equipment and/or Water Piping w/o Plumbing	\$122	\$201	(\$79)
Lawn Sprinkler Systems - One meter (Including Backflow Prevention Devices)	\$122	\$201	
Atmospheric-type Vacuum Breakers (1-5)	\$122	\$139	(\$17)
Additional Atmospheric-type Vacuum Breaker over 5	\$13	\$42	(\$29)
Public Sewer Connection (House) or Lateral Extension for Future Use	\$122	\$241	(\$119)
House Sewer Manhole	\$122	\$365	
Connection of House Sewer to Private Sewage Disposal System	\$122	\$241	(\$119)
Private Sewage Disposal System (Septic tank, seepage pit or pits, and/or drain field)	\$122	\$392	(\$270)
Overflow Seepage Pit, Percolation Test Pit, Swimming Pool Drywell, or Drain Field Extension or Replacement	\$122	\$365	(\$243)
Disconnection, Abandonment, Alteration, or Repair of House Sewer or Private Sewage Disposal System	\$122	\$365	(\$243)
Sewer System	\$122	\$365	(\$243)
Backflow Protective Device (Other than atmospheric-type vacuum breakers)			
2" and smaller	\$122	\$110	\$12
Over 2"	\$122	\$139	

Fee Name	Current Fee ⁴	Total Cost	Difference
Each Building Drain Installed (w/o accompanying plumbing)	\$122	\$139	
Swimming Pool Equipment (Including gasoline - private or commercial)	\$276	\$312	(\$36)
Other inspections and fees for which a permit is required but no fee is set forth herein	\$353	\$173	\$180
Install / Alter / Repair water piping and or water treating equipment	New	\$312	N/A
Water Heater (Storage)			
New Installation (Incl. new electrical circuit, water and/or gas lines)	\$122	\$372	(\$250)
Replacement (same type/same location)	\$122	\$193	(\$71)
Relocation (Incl. new electrical circuit and rerouting water and/or gas lines)	\$122	\$399	(\$277)
Tankless Water Heater			
New Installation (Incl. new electrical circuit, water and/or gas lines)	\$122	\$372	(\$250)
Replacement (same type/same location)	\$122	\$193	(\$71)
Relocation (Incl. new electrical circuit and rerouting water and/or gas lines)	\$122	\$385	(\$263)
Mechanical Permit Fees			
Minimum Permit Fee	\$77	\$173	(\$96)
Plan Check Fee	\$154	\$161	(\$7)
Residential	New	\$135	N/A
Commercial	New	\$0.09	N/A
Mechanical Unit Fee Schedule			
Forced-air or Gravity-Type Furnace or Burner Installation or Relocation (Including attached ducts and vents, up to 100,000 btu/h)			
Residential	\$199	\$193	\$6
Commercial	\$199	\$415	(\$216)
Forced-air or Gravity-Type Furnace or Burner Installation or Relocation (Including attached ducts and vents, over 100,000 btu/h)	\$199	\$415	(\$216)
Floor Furnace Installation or Relocation (Including Vent)	\$199	\$234	(\$35)
Suspended Heater, Recessed Wall heater, or Floor-Mounted Unit Heater Installation or Relocation	\$199	\$193	\$6
Appliance Vent Installation or Relocation (not included in an appliance permit suspended heater, recessed wall heater, or floor-mounted unit heater)	\$122	\$193	(\$71)
Heating Appliance, Refrigeration Unit, Cooling Unit, Absorption Unit, and Controls Repair, Alteration, or Addition	\$122	\$193	(\$71)
Boiler or Compressor Installation or Relocation (Up to 3HP) or Absorption Unit Installation or Relocation (Up to 100,000btu/h)	\$122	\$246	(\$124)
Boiler or Compressor Installation or Relocation (3-15HP) or Absorption Unit Installation or Relocation (100,000-500,000btu/h)	\$122	\$274	(\$152)
Boiler or Compressor Installation or Relocation (15-30HP) or Absorption Unit Installation or Relocation (500,000-1,000,000btu/h)	\$199	\$326	(\$127)

Fee Name	Current Fee ⁴	Total Cost	Difference
Boiler or Compressor Installation or Relocation (>50HP) or Absorption Unit Installation or Relocation (>1,750,000btu/h)	\$154	\$452	(\$298)
Air-handling Unit including ducts attached thereto (Up to 10,000 Cubic Feet/Minute)	\$154	\$372	(\$218)
Air-handling Unit including ducts attached thereto (>10,000 Cubic Feet/Minute)	\$154	\$468	(\$314)
Evaporative Cooler (Other than Portable Type)	\$154	\$192	(\$38)
Ventilation Connected to a Single Duct	\$122	\$193	(\$71)
Ventilation System not a portion of any Heating or A/C System Authorized by Permit	\$122	\$193	(\$71)
Type 1 Commercial Hood installation (including ducts)	\$122	\$468	(\$346)
Type 2 Hood installation (including ducts)	\$122	\$233	(\$111)
Commercial or Industrial-type Incinerator Installation or Relocation	\$122	\$468	(\$346)
Appliance or Equipment Regulated by Ordinance but Not Classed in Other Appliance Categories	\$122	\$221	(\$99)
Whole House Fan	New	\$201	N/A
Other Inspections and Fees			
For inspections outside of normal business hours, re-inspection fees assessed under Section 305 (g), inspections for which no fees are specifically indicated, and additional plan review for changes, additions or revisions to approve plans, there shall be a minimum charge of the greater of two hours or the actual cost to the City including supervision, overhead, hourly wages and fringe benefits of the employees involved.	\$353	\$388	(\$35)
Abatement of Dangerous Buildings			
Abatement Activities - Inspection time, preparing reports, clerical support, rehabilitation meetings, court appearances		Actual Cost	
Abatement Activities - Boarding up structures, property clean up, demolition of structures, rehabilitation of structures		Actual Cost	
Other Building Fees			
Business License Inspection Fee - Special inspection required of new business openings without other inspections to the premises. Not inclusive of City Clerk Business License Fee.	\$122	\$134	(\$12)
Accessibility Inspection	New	\$217	N/A
Pre-Alteration / Change of Use Inspection	New	\$166	N/A
Reinspection	\$199	\$166	\$33
Inspection Investigations	New	\$367	N/A
Inspections Outside of Normal Business Hours	New	\$224	N/A
Unclassified Inspections	New	\$166	N/A
Progress or Partial Inspection	New	\$139	N/A
Recheck	New	\$184	N/A
Reactivation of Expired Building Permit	New	\$102	N/A
Time Extension	New	\$49	N/A
Duplicate Job Card	New	\$45	N/A
Appeals Board Hearing	\$507	\$593	(\$86)
Building Permit Zoning Review			

Fee Name	Current Fee ⁴	Total Cost	Difference
Residential (SFR)	\$45	\$269	(\$224)
Commercial / MF / Industrial	\$45	\$673	(\$628)

In relation to existing over-the counter permits and miscellaneous building fees, Building mostly under-recovers, ranging from a low of \$12 for ‘Business License Inspection Fee - Special inspection required of new business openings without other inspections to the premises. Not inclusive of City Clerk Business License Fee’ to a high of \$604 for ‘Retaining Wall (concrete or masonry) – Engineered Design, over 6’ high (up to 50 lf)’. The largest over-recoveries are in relation to ‘Modular Home Inspections’ with ‘Set Down’ showing a \$687 surplus and ‘Plan Check’ showing a \$172 surplus.

Residential building permits for new construction, additions, and garages and workshops shows mostly under-recoveries. For new construction the deficits are in the higher square footages, while for additions the deficit is seen within the lower square footage projects.

For Mechanical, Electrical, and Plumbing permits, Building mostly under-recovers, ranging from a low of \$6 for ‘Power Apparatus – Over 1 not over 10’ to a high of \$346 for ‘Type 1 Commercial Hood installation (including ducts)’ and ‘Commercial or Industrial-type Incinerator Installation or Relocation’.

2.2 Commercial / Multi-Family / Industrial Building Permits

The Building Division has proposed to collect Commercial / Multi-Family / Industrial building permit fees based on occupancy type, construction material, and square footage of the project. The total cost calculated for each service includes direct staff costs and Departmental and Citywide overhead. The following table is broken out by construction type and includes: IBC class, building use / occupancy type, square footage, and total cost calculated

Related IBC Class	Building Use (e.g., IBC Occupancy Type)	Sq. Ft.	Construction Type IA, IB		Construction Type IIA, IIB, IIIA, IIIB, IV		Construction Type VA, VB	
			Base Cost @ Threshold Size	Cost for Each Additional 100 sf *	Base Cost @ Threshold Size	Cost for Each Additional 100 sf *	Base Cost @ Threshold Size	Cost for Each Additional 100 sf *
A-1	Assembly—Fixed Seating Theater, Concert Hall	2,000	\$2,823	\$17.34	\$2,352	\$14.45	\$1,882	\$11.56
		10,000	\$4,210	\$16.08	\$3,509	\$13.40	\$2,807	\$10.72
		20,000	\$5,818	\$10.62	\$4,848	\$8.85	\$3,879	\$7.08
		40,000	\$7,942	\$3.57	\$6,618	\$2.98	\$5,295	\$2.38
		100,000	\$10,087	\$2.34	\$8,406	\$1.95	\$6,724	\$1.56
		200,000	\$12,429	\$6.21	\$10,357	\$5.18	\$8,286	\$4.14
A-2	Assembly—Food & Drink Restaurant, Night Club, Bar	1,000	\$3,080	\$37.88	\$2,567	\$31.57	\$2,054	\$25.26
		5,000	\$4,596	\$34.96	\$3,830	\$29.14	\$3,064	\$23.31
		10,000	\$6,344	\$23.10	\$5,287	\$19.25	\$4,229	\$15.40
		20,000	\$8,654	\$7.70	\$7,212	\$6.41	\$5,769	\$5.13
		50,000	\$10,963	\$5.11	\$9,136	\$4.26	\$7,309	\$3.41
		100,000	\$13,517	\$13.52	\$11,265	\$11.26	\$9,012	\$9.01
A-3	Assembly—Worship, Amusement, Arcade, Church, Community Hall	1,000	\$2,841	\$35.18	\$2,368	\$29.32	\$1,894	\$23.46
		5,000	\$4,248	\$32.41	\$3,540	\$27.01	\$2,832	\$21.61
		10,000	\$5,869	\$21.32	\$4,891	\$17.77	\$3,913	\$14.21
		20,000	\$8,001	\$6.78	\$6,667	\$5.65	\$5,334	\$4.52
		50,000	\$10,036	\$4.85	\$8,363	\$4.04	\$6,690	\$3.24
		100,000	\$12,462	\$12.46	\$10,385	\$10.39	\$8,308	\$8.31
A-4	Assembly—Indoor Sport Viewing Arena, Skating Rink, Tennis Court	500	\$1,586	\$39.47	\$1,321	\$32.90	\$1,057	\$26.32
		2,500	\$2,375	\$38.33	\$1,979	\$31.94	\$1,583	\$25.56
		5,000	\$3,334	\$24.91	\$2,778	\$20.76	\$2,222	\$16.61
		10,000	\$4,579	\$8.03	\$3,816	\$6.69	\$3,053	\$5.35
		25,000	\$5,783	\$5.88	\$4,819	\$4.90	\$3,855	\$3.92
		50,000	\$7,253	\$14.51	\$6,044	\$12.09	\$4,835	\$9.67
A-5	Assembly—Outdoor Activities Amusement Park, Bleacher, Stadium	1,500	\$2,987	\$24.29	\$2,489	\$20.24	\$1,991	\$16.20
		7,500	\$4,445	\$22.88	\$3,704	\$19.06	\$2,963	\$15.25
		15,000	\$6,160	\$15.14	\$5,134	\$12.62	\$4,107	\$10.09
		30,000	\$8,432	\$5.38	\$7,026	\$4.49	\$5,621	\$3.59
		75,000	\$10,854	\$3.25	\$9,045	\$2.71	\$7,236	\$2.17
		150,000	\$13,295	\$8.86	\$11,079	\$7.39	\$8,864	\$5.91

Related IBC Class	Building Use (e.g., IBC Occupancy Type)	Sq. Ft.	Construction Type IA, IB		Construction Type IIA, IIB, IIIA, IIIB, IV		Construction Type VA, VB	
			Base Cost @ Threshold Size	Cost for Each Additional 100 sf *	Base Cost @ Threshold Size	Cost for Each Additional 100 sf *	Base Cost @ Threshold Size	Cost for Each Additional 100 sf *
A	A Occupancy Tenant Improvements	1,000	\$1,962	\$24.07	\$1,635	\$20.06	\$1,308	\$16.05
		5,000	\$2,925	\$23.11	\$2,437	\$19.26	\$1,950	\$15.41
		10,000	\$4,080	\$15.19	\$3,400	\$12.66	\$2,720	\$10.12
		20,000	\$5,599	\$5.30	\$4,666	\$4.41	\$3,733	\$3.53
		50,000	\$7,188	\$3.37	\$5,990	\$2.81	\$4,792	\$2.25
		100,000	\$8,872	\$8.87	\$7,393	\$7.39	\$5,915	\$5.91
B	Business—Professional Office	1,000	\$3,090	\$38.01	\$2,575	\$31.67	\$2,060	\$25.34
		5,000	\$4,611	\$35.06	\$3,842	\$29.22	\$3,074	\$23.38
		10,000	\$6,364	\$23.17	\$5,303	\$19.31	\$4,243	\$15.45
		20,000	\$8,681	\$7.72	\$7,234	\$6.43	\$5,787	\$5.15
		50,000	\$10,997	\$5.12	\$9,164	\$4.27	\$7,331	\$3.41
		100,000	\$13,558	\$13.56	\$11,298	\$11.30	\$9,038	\$9.04
B	B Occupancy Tenant Improvements	1,000	\$2,019	\$24.92	\$1,683	\$20.77	\$1,346	\$16.61
		5,000	\$3,016	\$23.54	\$2,513	\$19.62	\$2,011	\$15.69
		10,000	\$4,193	\$15.45	\$3,494	\$12.88	\$2,795	\$10.30
		20,000	\$5,739	\$5.13	\$4,782	\$4.28	\$3,826	\$3.42
		50,000	\$7,278	\$3.50	\$6,065	\$2.91	\$4,852	\$2.33
		100,000	\$9,026	\$9.03	\$7,522	\$7.52	\$6,017	\$6.02
E	Educational—Preschool / School	500	\$2,363	\$58.58	\$1,969	\$48.82	\$1,575	\$39.05
		2,500	\$3,534	\$54.82	\$2,945	\$45.69	\$2,356	\$36.55
		5,000	\$4,905	\$35.94	\$4,087	\$29.95	\$3,270	\$23.96
		10,000	\$6,702	\$11.50	\$5,585	\$9.59	\$4,468	\$7.67
		25,000	\$8,427	\$8.26	\$7,023	\$6.88	\$5,618	\$5.51
		50,000	\$10,493	\$20.99	\$8,744	\$17.49	\$6,995	\$13.99
E	E Occupancy Tenant Improvements	1,000	\$1,880	\$23.28	\$1,567	\$19.40	\$1,253	\$15.52
		5,000	\$2,811	\$22.11	\$2,343	\$18.43	\$1,874	\$14.74
		10,000	\$3,917	\$14.47	\$3,264	\$12.06	\$2,611	\$9.65
		20,000	\$5,364	\$4.72	\$4,470	\$3.94	\$3,576	\$3.15
		50,000	\$6,781	\$3.33	\$5,651	\$2.77	\$4,521	\$2.22
		100,000	\$8,444	\$8.44	\$7,037	\$7.04	\$5,629	\$5.63

Related IBC Class	Building Use (e.g., IBC Occupancy Type)	Sq. Ft.	Construction Type IA, IB		Construction Type IIA, IIB, IIIA, IIIB, IV		Construction Type VA, VB	
			Base Cost @ Threshold Size	Cost for Each Additional 100 sf *	Base Cost @ Threshold Size	Cost for Each Additional 100 sf *	Base Cost @ Threshold Size	Cost for Each Additional 100 sf *
F-1	Factory Industrial—Moderate Hazard	20,000	\$5,848	\$3.55	\$4,873	\$2.96	\$3,899	\$2.37
		50,000	\$6,914	\$2.58	\$5,761	\$2.15	\$4,609	\$1.72
		100,000	\$8,205	\$1.29	\$6,838	\$1.08	\$5,470	\$0.86
		250,000	\$10,146	\$0.65	\$8,455	\$0.54	\$6,764	\$0.44
		500,000	\$11,780	\$0.44	\$9,817	\$0.36	\$7,853	\$0.29
		1,000,000	\$13,965	\$1.40	\$11,637	\$1.16	\$9,310	\$0.93
F-2	Factory Industrial—Low Hazard	2,000	\$2,497	\$15.23	\$2,081	\$12.69	\$1,665	\$10.15
		10,000	\$3,716	\$14.26	\$3,097	\$11.88	\$2,477	\$9.51
		20,000	\$5,142	\$9.45	\$4,285	\$7.87	\$3,428	\$6.30
		40,000	\$7,032	\$3.35	\$5,860	\$2.79	\$4,688	\$2.23
		100,000	\$9,040	\$2.03	\$7,533	\$1.69	\$6,027	\$1.35
		200,000	\$11,066	\$5.53	\$9,221	\$4.61	\$7,377	\$3.69
F	F Occupancy Tenant Improvements	2,000	\$1,686	\$10.46	\$1,405	\$8.72	\$1,124	\$6.98
		10,000	\$2,524	\$9.71	\$2,103	\$8.09	\$1,682	\$6.47
		20,000	\$3,495	\$6.37	\$2,912	\$5.31	\$2,330	\$4.25
		40,000	\$4,769	\$2.01	\$3,974	\$1.68	\$3,180	\$1.34
		100,000	\$5,978	\$1.47	\$4,981	\$1.22	\$3,985	\$0.98
		200,000	\$7,444	\$3.72	\$6,203	\$3.10	\$4,963	\$2.48
H-1	High Hazard Group H-1	1,000	\$2,005	\$24.46	\$1,671	\$20.38	\$1,337	\$16.30
		5,000	\$2,983	\$23.01	\$2,486	\$19.17	\$1,989	\$15.34
		10,000	\$4,134	\$15.23	\$3,445	\$12.69	\$2,756	\$10.16
		20,000	\$5,657	\$5.41	\$4,714	\$4.51	\$3,771	\$3.61
		50,000	\$7,281	\$3.27	\$6,067	\$2.73	\$4,854	\$2.18
		100,000	\$8,917	\$8.92	\$7,431	\$7.43	\$5,945	\$5.94
H-2	High Hazard Group H-2	1,000	\$2,456	\$29.96	\$2,047	\$24.97	\$1,637	\$19.97
		5,000	\$3,655	\$28.11	\$3,045	\$23.42	\$2,436	\$18.74
		10,000	\$5,060	\$18.62	\$4,217	\$15.52	\$3,373	\$12.41
		20,000	\$6,922	\$6.60	\$5,768	\$5.50	\$4,615	\$4.40
		50,000	\$8,903	\$4.00	\$7,419	\$3.33	\$5,936	\$2.66
		100,000	\$10,901	\$10.90	\$9,084	\$9.08	\$7,267	\$7.27

Related IBC Class	Building Use (e.g., IBC Occupancy Type)	Sq. Ft.	Construction Type IA, IB		Construction Type IIA, IIB, IIIA, IIIB, IV		Construction Type VA, VB	
			Base Cost @ Threshold Size	Cost for Each Additional 100 sf *	Base Cost @ Threshold Size	Cost for Each Additional 100 sf *	Base Cost @ Threshold Size	Cost for Each Additional 100 sf *
H-3	High Hazard Group H-3	1,000	\$2,456	\$29.96	\$2,047	\$24.97	\$1,637	\$19.97
		5,000	\$3,655	\$28.11	\$3,045	\$23.42	\$2,436	\$18.74
		10,000	\$5,060	\$18.62	\$4,217	\$15.52	\$3,373	\$12.41
		20,000	\$6,922	\$6.60	\$5,768	\$5.50	\$4,615	\$4.40
		50,000	\$8,903	\$4.00	\$7,419	\$3.33	\$5,936	\$2.66
		100,000	\$10,901	\$10.90	\$9,084	\$9.08	\$7,267	\$7.27
H-4	High Hazard Group H-4	1,000	\$2,456	\$29.96	\$2,047	\$24.97	\$1,637	\$19.97
		5,000	\$3,655	\$28.11	\$3,045	\$23.42	\$2,436	\$18.74
		10,000	\$5,060	\$18.62	\$4,217	\$15.52	\$3,373	\$12.41
		20,000	\$6,922	\$6.60	\$5,768	\$5.50	\$4,615	\$4.40
		50,000	\$8,903	\$4.00	\$7,419	\$3.33	\$5,936	\$2.66
		100,000	\$10,901	\$10.90	\$9,084	\$9.08	\$7,267	\$7.27
H-5	High Hazard Group H-5	1,000	\$2,456	\$29.96	\$2,047	\$24.97	\$1,637	\$19.97
		5,000	\$3,655	\$28.11	\$3,045	\$23.42	\$2,436	\$18.74
		10,000	\$5,060	\$18.62	\$4,217	\$15.52	\$3,373	\$12.41
		20,000	\$6,922	\$6.60	\$5,768	\$5.50	\$4,615	\$4.40
		50,000	\$8,903	\$4.00	\$7,419	\$3.33	\$5,936	\$2.66
		100,000	\$10,901	\$10.90	\$9,084	\$9.08	\$7,267	\$7.27
H	H Occupancy Tenant Improvements	1,000	\$1,735	\$21.51	\$1,446	\$17.93	\$1,157	\$14.34
		5,000	\$2,595	\$19.90	\$2,163	\$16.59	\$1,730	\$13.27
		10,000	\$3,591	\$13.07	\$2,992	\$10.89	\$2,394	\$8.71
		20,000	\$4,898	\$4.13	\$4,081	\$3.44	\$3,265	\$2.76
		50,000	\$6,138	\$3.00	\$5,115	\$2.50	\$4,092	\$2.00
		100,000	\$7,637	\$7.64	\$6,364	\$6.36	\$5,091	\$5.09
I-1	Housing of clients on a 24-hour basis in a	1,000	\$3,594	\$44.14	\$2,995	\$36.78	\$2,396	\$29.42
		5,000	\$5,359	\$40.04	\$4,466	\$33.37	\$3,573	\$26.70
		10,000	\$7,361	\$26.57	\$6,135	\$22.14	\$4,908	\$17.71
		20,000	\$10,018	\$8.82	\$8,349	\$7.35	\$6,679	\$5.88
		50,000	\$12,663	\$5.80	\$10,553	\$4.83	\$8,442	\$3.87
		100,000	\$15,564	\$15.56	\$12,970	\$12.97	\$10,376	\$10.38

Related IBC Class	Building Use (e.g., IBC Occupancy Type)	Sq. Ft.	Construction Type IA, IB		Construction Type IIA, IIB, IIIA, IIIB, IV		Construction Type VA, VB	
			Base Cost @ Threshold Size	Cost for Each Additional 100 sf *	Base Cost @ Threshold Size	Cost for Each Additional 100 sf *	Base Cost @ Threshold Size	Cost for Each Additional 100 sf *
I-2	Institutional—6+ persons, non-ambulatory	1,000	\$3,405	\$41.84	\$2,838	\$34.86	\$2,270	\$27.89
		5,000	\$5,079	\$38.18	\$4,232	\$31.81	\$3,386	\$25.45
		10,000	\$6,987	\$25.29	\$5,823	\$21.08	\$4,658	\$16.86
		20,000	\$9,517	\$8.40	\$7,931	\$7.00	\$6,344	\$5.60
		50,000	\$12,038	\$5.55	\$10,032	\$4.62	\$8,025	\$3.70
		100,000	\$14,812	\$14.81	\$12,343	\$12.34	\$9,874	\$9.87
I-3	Institutional—6+ persons, restrained	1,000	\$3,405	\$41.84	\$2,838	\$34.86	\$2,270	\$27.89
		5,000	\$5,079	\$38.18	\$4,232	\$31.81	\$3,386	\$25.45
		10,000	\$6,987	\$25.29	\$5,823	\$21.08	\$4,658	\$16.86
		20,000	\$9,517	\$8.40	\$7,931	\$7.00	\$6,344	\$5.60
		50,000	\$12,038	\$5.55	\$10,032	\$4.62	\$8,025	\$3.70
		100,000	\$14,812	\$14.81	\$12,343	\$12.34	\$9,874	\$9.87
I-4	Day Care Operations - 6+ persons	1,000	\$3,342	\$41.07	\$2,785	\$34.23	\$2,228	\$27.38
		5,000	\$4,985	\$37.55	\$4,154	\$31.29	\$3,323	\$25.04
		10,000	\$6,863	\$24.87	\$5,719	\$20.72	\$4,575	\$16.58
		20,000	\$9,350	\$8.27	\$7,791	\$6.89	\$6,233	\$5.51
		50,000	\$11,830	\$5.46	\$9,858	\$4.55	\$7,887	\$3.64
		100,000	\$14,561	\$14.56	\$12,134	\$12.13	\$9,707	\$9.71
I	I Occupancy Tenant Improvements	1,000	\$1,760	\$21.82	\$1,467	\$18.18	\$1,173	\$14.55
		5,000	\$2,633	\$20.15	\$2,194	\$16.79	\$1,755	\$13.43
		10,000	\$3,640	\$13.24	\$3,034	\$11.03	\$2,427	\$8.83
		20,000	\$4,965	\$4.19	\$4,137	\$3.49	\$3,310	\$2.79
		50,000	\$6,221	\$3.03	\$5,184	\$2.53	\$4,147	\$2.02
		100,000	\$7,737	\$7.74	\$6,447	\$6.45	\$5,158	\$5.16
L	Labs (California Only)	2,000	\$3,366	\$21.55	\$2,805	\$17.96	\$2,244	\$14.37
		10,000	\$5,090	\$18.23	\$4,241	\$15.19	\$3,393	\$12.15
		20,000	\$6,912	\$12.76	\$5,760	\$10.63	\$4,608	\$8.50
		40,000	\$9,464	\$4.74	\$7,886	\$3.95	\$6,309	\$3.16
		100,000	\$12,308	\$2.65	\$10,256	\$2.21	\$8,205	\$1.76
		200,000	\$14,954	\$7.48	\$12,462	\$6.23	\$9,970	\$4.98

Related IBC Class	Building Use (e.g., IBC Occupancy Type)	Sq. Ft.	Construction Type IA, IB		Construction Type IIA, IIB, IIIA, IIIB, IV		Construction Type VA, VB	
			Base Cost @ Threshold Size	Cost for Each Additional 100 sf *	Base Cost @ Threshold Size	Cost for Each Additional 100 sf *	Base Cost @ Threshold Size	Cost for Each Additional 100 sf *
M	Mercantile	1,000	\$4,041	\$49.16	\$3,368	\$40.97	\$2,694	\$32.78
		5,000	\$6,008	\$45.81	\$5,006	\$38.17	\$4,005	\$30.54
		10,000	\$8,298	\$30.43	\$6,915	\$25.36	\$5,532	\$20.29
		20,000	\$11,341	\$10.92	\$9,451	\$9.10	\$7,561	\$7.28
		50,000	\$14,616	\$6.44	\$12,180	\$5.36	\$9,744	\$4.29
		100,000	\$17,834	\$17.83	\$14,862	\$14.86	\$11,889	\$11.89
M	M Occupancy Tenant Improvements	500	\$2,067	\$51.58	\$1,722	\$42.99	\$1,378	\$34.39
		2,500	\$3,099	\$48.80	\$2,582	\$40.66	\$2,066	\$32.53
		5,000	\$4,318	\$31.80	\$3,599	\$26.50	\$2,879	\$21.20
		10,000	\$5,908	\$9.84	\$4,924	\$8.20	\$3,939	\$6.56
		25,000	\$7,385	\$7.53	\$6,154	\$6.27	\$4,923	\$5.02
		50,000	\$9,267	\$18.53	\$7,722	\$15.44	\$6,178	\$12.36
R-1	Residential- Transient	2,000	\$7,635	\$46.45	\$6,362	\$38.71	\$5,090	\$30.97
		10,000	\$11,351	\$42.14	\$9,459	\$35.12	\$7,567	\$28.09
		20,000	\$15,565	\$28.14	\$12,971	\$23.45	\$10,377	\$18.76
		40,000	\$21,192	\$9.90	\$17,660	\$8.25	\$14,128	\$6.60
		100,000	\$27,132	\$5.89	\$22,610	\$4.91	\$18,088	\$3.93
		200,000	\$33,021	\$16.51	\$27,518	\$13.76	\$22,014	\$11.01
R-1	Residential- Transient, Phased Permit	1,500	\$5,724	\$46.86	\$4,770	\$39.05	\$3,816	\$31.24
		7,500	\$8,535	\$42.33	\$7,113	\$35.27	\$5,690	\$28.22
		15,000	\$11,710	\$28.11	\$9,758	\$23.42	\$7,807	\$18.74
		30,000	\$15,926	\$9.30	\$13,272	\$7.75	\$10,617	\$6.20
		75,000	\$20,109	\$6.13	\$16,758	\$5.11	\$13,406	\$4.08
		150,000	\$24,705	\$16.47	\$20,587	\$13.72	\$16,470	\$10.98
R-2	Residential- Permanent, 2+ Dwellings	2,000	\$3,112	\$19.08	\$2,594	\$15.90	\$2,075	\$12.72
		10,000	\$4,639	\$18.17	\$3,866	\$15.14	\$3,093	\$12.11
		20,000	\$6,456	\$11.96	\$5,380	\$9.97	\$4,304	\$7.97
		40,000	\$8,848	\$4.16	\$7,374	\$3.46	\$5,899	\$2.77
		100,000	\$11,342	\$2.64	\$9,452	\$2.20	\$7,562	\$1.76
		200,000	\$13,983	\$6.99	\$11,652	\$5.83	\$9,322	\$4.66

Related IBC Class	Building Use (e.g., IBC Occupancy Type)	Sq. Ft.	Construction Type IA, IB		Construction Type IIA, IIB, IIIA, IIIB, IV		Construction Type VA, VB	
			Base Cost @ Threshold Size	Cost for Each Additional 100 sf *	Base Cost @ Threshold Size	Cost for Each Additional 100 sf *	Base Cost @ Threshold Size	Cost for Each Additional 100 sf *
R-2	Residential-Permanent, 2+, Phased	1,500	\$2,739	\$22.49	\$2,283	\$18.74	\$1,826	\$14.99
		7,500	\$4,088	\$21.06	\$3,407	\$17.55	\$2,726	\$14.04
		15,000	\$5,668	\$13.87	\$4,723	\$11.55	\$3,779	\$9.24
		30,000	\$7,748	\$4.64	\$6,456	\$3.86	\$5,165	\$3.09
		75,000	\$9,834	\$3.10	\$8,195	\$2.58	\$6,556	\$2.07
		150,000	\$12,158	\$8.11	\$10,132	\$6.75	\$8,105	\$5.40
R-4	Residential—Assisted Living (6-16 persons)	300	\$2,869	\$119.20	\$2,391	\$99.33	\$1,913	\$79.47
		1,500	\$4,300	\$110.42	\$3,583	\$92.01	\$2,866	\$73.61
		3,000	\$5,956	\$72.26	\$4,963	\$60.22	\$3,971	\$48.18
		6,000	\$8,124	\$22.12	\$6,770	\$18.43	\$5,416	\$14.74
		15,000	\$10,114	\$16.92	\$8,429	\$14.10	\$6,743	\$11.28
		30,000	\$12,653	\$42.18	\$10,544	\$35.15	\$8,435	\$28.12
R	R Occupancy Tenant Improvements	300	\$2,187	\$91.05	\$1,822	\$75.88	\$1,458	\$60.70
		1,500	\$3,279	\$86.15	\$2,733	\$71.79	\$2,186	\$57.43
		3,000	\$4,572	\$56.09	\$3,810	\$46.74	\$3,048	\$37.40
		6,000	\$6,254	\$17.24	\$5,212	\$14.36	\$4,170	\$11.49
		15,000	\$7,806	\$13.34	\$6,505	\$11.12	\$5,204	\$8.89
		30,000	\$9,807	\$32.69	\$8,172	\$27.24	\$6,538	\$21.79
S-1	Storage—Moderate Hazard	500	\$2,381	\$59.06	\$1,984	\$49.21	\$1,587	\$39.37
		2,500	\$3,562	\$55.81	\$2,969	\$46.51	\$2,375	\$37.21
		5,000	\$4,958	\$36.52	\$4,131	\$30.43	\$3,305	\$24.35
		10,000	\$6,784	\$11.77	\$5,653	\$9.81	\$4,522	\$7.85
		25,000	\$8,549	\$8.43	\$7,124	\$7.02	\$5,699	\$5.62
		50,000	\$10,656	\$21.31	\$8,880	\$17.76	\$7,104	\$14.21
S-2	Storage—Low Hazard	500	\$2,381	\$59.06	\$1,984	\$49.21	\$1,587	\$39.37
		2,500	\$3,562	\$55.81	\$2,969	\$46.51	\$2,375	\$37.21
		5,000	\$4,958	\$36.52	\$4,131	\$30.43	\$3,305	\$24.35
		10,000	\$6,784	\$11.77	\$5,653	\$9.81	\$4,522	\$7.85
		25,000	\$8,549	\$8.43	\$7,124	\$7.02	\$5,699	\$5.62
		50,000	\$10,656	\$21.31	\$8,880	\$17.76	\$7,104	\$14.21

Related IBC Class	Building Use (e.g., IBC Occupancy Type)	Sq. Ft.	Construction Type IA, IB		Construction Type IIA, IIB, IIIA, IIIB, IV		Construction Type VA, VB	
			Base Cost @ Threshold Size	Cost for Each Additional 100 sf *	Base Cost @ Threshold Size	Cost for Each Additional 100 sf *	Base Cost @ Threshold Size	Cost for Each Additional 100 sf *
S	S Occupancy Tenant Improvements	1,000	\$2,670	\$32.89	\$2,225	\$27.41	\$1,780	\$21.93
		5,000	\$3,986	\$30.90	\$3,321	\$25.75	\$2,657	\$20.60
		10,000	\$5,531	\$20.33	\$4,609	\$16.94	\$3,687	\$13.55
		20,000	\$7,564	\$6.80	\$6,303	\$5.67	\$5,043	\$4.54
		50,000	\$9,605	\$4.55	\$8,004	\$3.80	\$6,403	\$3.04
		100,000	\$11,882	\$11.88	\$9,902	\$9.90	\$7,921	\$7.92
U	Accessory—Private / Garage / Agricultural Building	150	\$1,848	\$148.49	\$1,540	\$123.74	\$1,232	\$98.99
		750	\$2,738	\$136.03	\$2,282	\$113.36	\$1,826	\$90.69
		1,500	\$3,759	\$91.23	\$3,132	\$76.02	\$2,506	\$60.82
		3,000	\$5,127	\$34.10	\$4,273	\$28.42	\$3,418	\$22.74
		7,500	\$6,662	\$18.36	\$5,551	\$15.30	\$4,441	\$12.24
		15,000	\$8,039	\$53.59	\$6,699	\$44.66	\$5,359	\$35.73
	All Shell Buildings	5,000	\$3,283	\$8.00	\$2,736	\$6.67	\$2,189	\$5.34
		25,000	\$4,884	\$7.72	\$4,070	\$6.44	\$3,256	\$5.15
		50,000	\$6,815	\$5.09	\$5,679	\$4.24	\$4,543	\$3.40
		100,000	\$9,361	\$1.85	\$7,801	\$1.54	\$6,241	\$1.23
		250,000	\$12,137	\$1.10	\$10,114	\$0.92	\$8,091	\$0.73
		500,000	\$14,889	\$2.98	\$12,407	\$2.48	\$9,926	\$1.99

As previously mentioned, the City is proposing to move from charging valuation for their Commercial / Multi-Family / Industrial building permit fees to charging based on occupancy type, construction material, and square footage of the project. This change will allow for a more accurate representation of the effort staff spend in administering and performing inspections.

2.3 Landscape Fees Per Unit Results

As part of the construction phase, a developer must have their landscape plans reviewed and the landscape eventually inspected. These services were traditionally covered as part of the building permit previously, but in an effort to be more transparent, a separate set of fees has been developed. The total cost calculated for each service includes contracted staff costs and Departmental and Citywide overhead. The following table details the proposed fee name and total cost of each service offered.

Table 14: Total Cost Per Unit Results – Landscape Fees

Fee Name	Total Cost
Landscape (Plan Review)	
Industrial	
Up to 25,000 SF	\$1,471
25,001 - 50,000 SF	\$2,207
50,001 - 75,000 SF	\$3,678
75,001 SF+ (Deposit)	\$5,000
Retail / Commercial	
Up to 10,000 SF	\$1,766
10,001 - 25,000 SF	\$3,237
25,001 - 75,000 SF	\$4,414
75,001 SF+ (Deposit)	\$5,000
Tract Residential	
Models	\$2,648
Street Scape (Deposit)	\$3,000
Production	
Up to 15 lots	\$2,648
15 - 50 Lots	\$3,531
51 - 100 Lots	\$4,708
100 -200 Lots	\$5,885
201+ Lots (Deposit)	\$7,500
Multi-Family Residential	
Up to 25,000 SF	\$3,678
25,001 - 75,000 SF	\$5,517
75,001 - 100,000 SF	\$7,356
100,000+ SF (Deposit)	\$10,000
Park / Trails / Open Spaces	
Up to 2 Acres	\$5,885
2 - 7 Acres	\$8,828
7 - 20 Acres	\$11,035
20+ Acres (Deposit)	\$15,000

Fee Name	Total Cost
Other Fees	
Re-Review Fee	\$235
Landscape (Inspection)	
Industrial	
Up to 25,000 SF	\$942
25,001 - 50,000 SF	\$1,412
50,001 - 75,000 SF	\$1,883
75,001 SF+ (Deposit)	\$2,500
Retail / Commercial	
Up to 10,000 SF	\$942
10,001 - 25,000 SF	\$1,883
25,001 - 75,000 SF	\$2,825
75,001 SF+ (Deposit)	\$4,000
Tract Residential	
Models	\$942
Street Scape (Deposit)	\$3,883
Production	
Each Production Phase	\$942
Multi-Family Residential	
Up to 25,000 SF	\$942
25,001 - 75,000 SF	\$1,883
75,001 - 100,000 SF	\$2,825
100,000+ SF (Deposit)	\$4,000
Park / Trails / Open Spaces	
Up to 2 Acres	\$942
2 - 7 Acres	\$1,883
7 - 20 Acres	\$2,825
20+ Acres (Deposit)	\$5,000
Other Fees	
Re-Inspection Fee	\$235

The total costs are based upon the level of effort need to perform reviews and inspections. The deposits are for the larger projects for which there is an initial estimation of effort, but the actual effort could dramatically vary.

3 Annual Revenue Impact

Based on the FY22 permit information, Building has an under-recovery of roughly \$34,000. The following table shows by major fee category: revenue at current fee, total projected annual cost, and the resulting difference.

Table 15: Annual Results - Building

Fee Category	Revenue at Current Fee	Annual Cost	Difference
Residential Inspection & Plan Check	\$290,184	\$318,429	(\$28,246)
Commercial Inspection & Plan Check	\$62,282	\$44,859	\$17,423
Flat Fees	\$175,137	\$198,367	(\$23,231)
Total	\$527,602	\$561,656	(\$34,054)

Building has an annual cost recovery of 94%, which reflects a roughly \$34,000 subsidy. The largest source of this deficit (\$28,000) is in relation to residential building permits, as they are the largest source of workload for the Building Division. In addition to parsing out remodels from the other types of residential building permits, staff adjusted time estimates to more accurately reflect the level of effort associated with those activities.

10. Planning

Planning is responsible for overseeing current and future development within the City. The fees examined within this study relate to appeals, zoning, conditional and temporary use, development agreements, signs, variance, and much more. The following subsections discuss fee schedule modifications and detailed per unit results for the fee-related services provided by Planning.

1 Fee Schedule Modifications

In discussions with staff, the following modifications were proposed to the current fee schedule:

- **Eliminated Fees:** The following fees were eliminated as these services have been consolidated into other areas or better captured through new fees:
 - 'Appeals for All Matters Pertaining to Single-Family Home Owners and their respective homes (Excluding Developers)
 - 'Business License Occupancy Inspection
 - 'CC&R Review'
 - 'Certificate of Land Division Compliance'
 - 'Environmental Impact Report'
 - 'Large Family Day Care Home'
 - 'Research Fee for Planning Information'
 - 'Revised Permit – No Hearing'
 - 'Revision to Staff Administrative Approval'
 - 'Temporary Use Permit - Community-sponsored non-profit fairs, festivals, concerts, or other similar outdoor events and/or within temporary structures'
 - 'Temporary Use Permit - Local Fundraising Events'
 - 'Transportation Demand Management'
 - 'Conceptual Plan Review'
 - 'Outdoor Advertising Structures'
 - 'Lighting Plan Review'
- **New Fees:** The following flat fees and deposits were added to address services outlined in the City's municipal code but not current present on the fee schedule:
 - 'Conditional Use Permit for Personal Services'
 - 'Development Agreement Periodic Review'
 - 'Development Agreement Modification'

- 'Reimbursement Agreement'
 - 'Minor Modifications'
 - 'SMARA' permits
 - 'Oak Tree' permits
 - 'Fence Permit'
 - 'Short Term Rentals'
 - 'Food Trucks'
 - 'Sidewalk Vendor permit'
 - 'Nonconforming Structure / Use Determination'
 - 'Reasonable Accommodations Review'
 - 'Residential Density Bonus'
 - 'Inclusionary Housing Plan Review'
 - 'Addressing'
- **Expanded Fees:** 'Appeals to City Council or Planning Commission (Excluding SFH owners and their respective homes)' was expanded into the following two fees: 'Appeal to Planning Commission' and 'Appeal to City Council'.
 - **Condensed Fees:** The following fees were condensed as a means to streamline the fee schedule:
 - 'Certificate of Zoning Compliance – Basic' and 'Certificate of Zoning Compliance – Complex' were condensed into the following fee 'Zoning Information Letter / Zoning Compliance Letter'
 - 'Tentative or Vesting Tentative Tract / Parcel Maps', 'Tentative Parcel Map', 'Tentative Tract Map', 'Vesting Tentative Parcel Map', and 'Vesting Tentative Tract Map' were all condensed into the following fee 'Tentative / Vesting Maps (Parcel or Tract)'
 - 'Lot Merger' was condensed into the following fee 'Lot Line Adjustment / Lot Merger' and moved to Public Work's fee schedule
 - 'Specific Plan - <1,000 Dwelling Units' and 'Specific Plan >1,000 Dwelling Units' were condensed into the following fee 'Specific Plan'
 - 'Holiday sales Lot (30 day max) – Initial Application' and 'Holiday sales Lot (30 day max) – Renewal' were condensed into the following fee 'Holiday sales Lot (30 day max)'
 - **Unit Change:** The following fee units were modified allow the City to capture their time and effort providing these services more accurately:
 - 'Environmental Assessment' was a flat fee and is now Actual Cost + 10% Admin Fee
 - The following fees were changed from flat fees to deposit-based fees:

- 'Annexations'
 - 'Change of Zone or Zoning Text Amendment'
 - 'Development Plan Review – Minor'
- **Fee Name Change:** The following fee names were changed to provide additional clarity as to what the fee entails:
 - 'Environmental Assessment/Initial Study w/ Negative Declaration or Mitigated Negative Declaration. (No charge if prepared by outside consultant; cost of special studies not included)' is now 'Environmental Assessment'
 - 'Second Unit Covenant Review' is now 'Accessory Dwelling Unit / Junior Accessory Dwelling Unit Covenant Review'
 - 'Master Sign Permit or Sign Requiring a Hearing (No fee w/ DPR Application)' is now 'Master Sign Program or Sign Requiring a Hearing (No fee w/ DPR Application)'
 - 'Sign Permit – Minor' is now 'Sign Permit'
 - 'Specific Plan Revised' is now 'Specific Plan Amendment'
 - 'Temporary Use Permit - On-site or Off-site Construction yard w/ Approved Development Project' is now 'Temporary Use Permit - Off-site Construction yard w/ Approved Development Project'
 - 'Temporary Use Permit - On-site Trailer, coach, or mobile home as temporary residence w/ Approved Residential Building Permit' is now 'Temporary Use Permit - Trailer, coach, or mobile home as temporary residence w/ Approved Residential Building Permit'
 - 'Temporary Event - Commercial Fairs, Festivals, Concerts, or Other Similar Events and/or Within Temporary Structures' is now 'Temporary Event - Commercial Fairs, Festivals, Concerts, Farmers Market, or Other Similar Events'
 - 'Tree Removal Application' is now 'Mature Non-Oak Tree Removal Application'
 - 'Home Occupation Permit' was renamed as 'Business License Review' to capture all business license reviews.

The modifications ensure that the proposed fee schedule more accurately reflects the services currently being provided by Planning.

2 Detailed Results

The Planning Division collects fees either based on a set-rate or “flat rate” or collects a deposit and then charge actual cost against the deposit. The following subsection discuss the detailed results for these types of fees:

2.1 Flat Fees

Planning collect flat fees for zoning letters, sign permits, temporary use permits, tree permits, and much more. The total cost calculated for each service includes direct staff costs and Departmental and Citywide overhead. The following table details the fee name, current fee, total cost, and difference associated with each service offered.

Table 16: Total Cost Per Unit Results – Planning Flat Fees

Fee Name	Current Fee	Total Cost	Difference
Appeal to Planning Commission	\$3,500	\$1,873	\$1,627
Appeal to City Council	\$3,500	\$1,873	\$1,627
Appeal of Extension of Time	\$1,900	\$1,873	\$27
Zoning Information Letter / Zoning Compliance Letter	\$245	\$394	(\$149)
Certificate of Documents		Actual Cost	
Environmental Assessment		Actual Cost + 25% Admin Fee	
Extension of Time - All	\$4,700	\$522	\$4,178
Business License Review	\$171	\$198	(\$27)
Minor Modifications	New	\$313	N/A
Accessory Dwelling Unit / Junior Accessory Dwelling Unit Covenant Review	\$246	\$320	(\$74)
Sign Permits			
Sign Permit	\$365	\$313	\$52
Temporary	\$230	\$209	\$21
Similar Use Determination	\$1,240	\$825	\$415
Surface Mining and Reclamation Act (SMARA) Review:			
SMARA Review		Actual Cost	
SMARA Review Inspection		Actual Cost	
SMARA Periodic Review		Actual Cost	
Temporary Use Permit			
Real Estate Office in Approved Development Project	\$780	\$955	(\$175)
Off-site Construction yard w/ Approved Development Project	\$780	\$955	(\$175)
Trailer, coach, or mobile home as temporary residence w/ Approved Residential Building Permit	\$780	\$955	(\$175)
Holiday Sales Lot (30-day max)	\$220	\$955	(\$735)
Outdoor Display and Sales (4 days or less; no more than 2/calendar year)	\$410	\$955	(\$545)
Temporary Event			
Commercial Fairs, Festivals, Concerts, Farmers Market, or Other Similar Events	\$1,980	\$522	\$1,458
Mature Non-Oak Tree Removal Application	\$480	\$673	(\$193)

Fee Name	Current Fee	Total Cost	Difference
Oak Trees			
Oak Tree Pruning Permit	\$480	\$673	(\$193)
Oak Tree Removal / Encroachment Permit	\$480	\$673	(\$193)
Oak Tree Preservation & Replacement Permit	\$480	\$673	(\$193)
Fence Permit	New	\$269	N/A
Short Term Rentals	New	\$603	N/A
Food Trucks	New	\$362	N/A
Sidewalk Vendor Permit	New	\$404	N/A
Reasonable Accommodation Review	New	\$673	N/A
Addressing			
Infill	New	\$209	N/A

Planning both under- and over-recovers for fees. Under-recoveries range from a low of \$74 for ‘Accessory Dwelling Unit / Junior Accessory Dwelling Unit Covenant Review’ to a high of \$735 for ‘Temporary Use Permit – Holiday Sales Lot (30-days max)’. The largest over-recovery is in relation to ‘Extension of Time – All’ at \$4,178; followed by ‘Appeals’, with both ‘Appeal to Planning Commission’ and ‘Appeal to City Council’ over-recovering by \$1,627. It is important to note that currently both of these fees are deposit-based fees, as such the over-recovery is not accurate, as if the City were to incur less cost, it would refund the outstanding amount.

2.2 Deposit-based Fees

Planning collects deposits for annexations, development agreements, development plan review, specific plan, variance, and much more. The total cost calculated for each service includes direct staff costs and Departmental and Citywide overhead. The following table details the deposit name, current deposit, calculated deposit, and the recommended despite for each service offered.

Table 17: Total Cost Per Unit Results – Planning Deposit-Based Fees

Deposit Name	Current Deposit	Calculated Deposit	Recommended Deposit
Annexations	\$25,000	\$32,986	\$30,000
Tentative / Vesting Maps (Parcel or Tract)	\$1,300	\$4,123	\$5,000
Change of Zone or Zoning Text Amendment	\$17,000	\$16,493	\$17,000
Conditional Use Permit (New)	\$10,400	\$13,194	\$15,000
Conditional Use Permit for ABC License (New or Revised)	\$4,900	\$4,123	\$5,000
Conditional Use Permit for Personal Services	New	\$1,649	\$2,000
Development Agreements			
Development & Disposition Agreement	\$14,500	\$16,493	\$17,000
Development Agreement Periodic Review	New	\$1,649	\$2,000
Development Agreement Modification	New	\$6,597	\$7,500
Development Plan Review			
Major	\$18,900	\$28,038	\$25,000

Deposit Name	Current Deposit	Calculated Deposit	Recommended Deposit
Minor	\$830	\$3,299	\$3,000
Reimbursement Agreement	New	\$1,155	\$2,000
General Plan Amendment	\$16,900	\$32,986	\$35,000
Preliminary Application Review	\$4,430	\$3,299	\$4,500
Sign Permits			
Master Sign Program or Sign Requiring a Hearing (No fee w/ DPR Application)	\$4,000	\$4,123	\$4,500
Specific Plan	New	\$18,967	\$20,000
Specific Plan Amendment	\$12,300	\$12,370	\$12,500
Variance	\$8,200	\$8,246	\$10,000
Nonconforming Structure/Use Determination	New	\$1,319	\$1,500
Residential Density Bonus	New	\$1,649	\$1,500
Inclusionary Housing Plan Review	New	\$2,474	\$2,500
Addressing			
Tract	New	\$3,299	\$3,000
Commercial	New	\$3,299	\$3,000

All of recommended deposits suggest an increase to the current deposit charged. At \$35,000, ‘General Plan Amendment’ is the largest increase recommended. These are typically large, complicated projects that require multiple consultants and intensive staff review.

By increasing the initial deposit collected it will mitigate the need for the City to postpone services as they request additional deposits, while also more accurately providing developers with an estimating the overall fees charged.

In addition to these deposits, the City would still continue to assess an administrative fee on top of it to cover the costs of managing the deposit process. This is meant to capture the support provided by Finance, City Council, City Manager, and other indirect support services that do not directly bill time to deposits. The City currently assesses a 10% administrative rate. Through the Full Cost Allocation Plan (provided under separate cover), the indirect rate was calculated at 25%. As such, the City has the option to increase its administrative fee up to 25%. The administrative fee would be assessed on top of the deposit to recover the cost associated with City staff in processing and managing the deposit-based activities.

3 Annual Revenue Impact

Based on the prior year’s permit information, Planning has an over-recovery of roughly \$5,000. The following table shows by major fee category: revenue at current fee, total projected annual cost, and the resulting difference.

Table 18: Annual Results - Planning

Fee Category	Revenue at Current Fee	Annual Cost	Difference
Planning Deposits	\$132,550	\$132,550	\$0
Flat Fees	\$14,430	\$9,570	\$4,860
Total	\$146,980	\$142,120	\$4,860

It is assumed that deposit-based fees have full cost recovery, as in theory the City would bill up to its cost recovery level. Therefore, when reviewing the flat fees, Planning is over-recovering by approximately \$5,000, which reflects a cost recovery level of 103%.

The primary source of this over-recovery is time extensions, which are currently deposit-based but it was proposed to shift this fee to be administered as a flat fee. The rightsizing of this fee and other, along with converting them to flat fees better reflects City staff effort in processing these applications and creates greater predictability for applicants.

11. Public Works

Public Works is responsible for maintenance and improvements of the City's infrastructure, including, storm drains, traffic lights, parks, roadways, and facilities. Additionally, the City contracts to provide land development engineering services. The fees examined within this study relate to grading, public improvements, SWPPP, certificates of correction, lot line adjustment / mergers, encroachments, and much more. The following subsections discuss fee schedule modifications and detailed per unit results for the fee-related services provided by Public Works.

1 Fee Schedule Modifications

In discussions with staff, the following modifications were proposed to the current fee schedule:

- **Eliminated Fees:** The following three fees were eliminated as these services are covered through other permits:
 - 'Temporary Occupancy for Grading Permit Outstanding Work'
 - 'Temporary Occupancy for Non-Grading Permit Outstanding Work'
 - 'Lane Closure/Truck Access Permit'

- **New Fees:** The following seven fees were added to highlight new services offered by the City:
 - 'Survey Monument Inspection'
 - 'Lane Closure - First Day'
 - 'Lane Closure – Additional Day at Same Location'
 - 'Underground Utilities - Trenching 0-100 LF'
 - 'Underground Utilities - Trenching 101-1,000 LF'
 - 'Underground Utilities - Trenching 1,0001+ LF'
 - 'All Other Encroachments Not Listed'

- **Fee Name Change:** The following fee names were changed to provide additional clarity as to what the fee entails:
 - 'Precise Grading Plan Check' is now 'Single Family Precise Grading Plan Check'
 - 'Lot Line Adjustment' is now 'Lot Line Adjustment / Lot Merger'

- **Unit Change:** ‘Bond Agreement Processing’ was changed from a flat rate to an hourly fee to better capture the variation in the level of time it takes to process these agreements.

The modifications ensure that the proposed fee schedule more accurately reflects the services currently being provided by Public Works.

2 Detailed Results

The Public Works Division either collects fees based on a set-rate or “flat rate” or collects a deposit and then charge actual cost against the deposit. The following subsection discuss the detailed results for these types of fees:

2.1 Flat Fees

Public Works collect flat fees for single-family grading plan check, soil and hydrology reports, certificates of correction, quit claim deeds, residential driveway encroachments and much more. The total cost calculated for each service includes direct staff costs and Departmental and Citywide overhead. The following table details the fee name, current fee, total cost, and difference associated with each service offered.

Table 19: Total Cost Per Unit Results – Public Works Flat Fees

Fee Name	Current Fee	Total Cost	Difference
Residential			
Single Family Precise Grading Plan Check			
1 Sheet	\$1,215	\$1,276	(\$61)
Each Additional Sheet	\$705	\$809	(\$104)
Additional Project Coordination & Meetings		Actual Cost	
Additional Engineering Plan Check	\$175	\$171	\$4
Public Works Inspection	\$123	\$132	(\$10)
Each Additional Hour	\$125	\$132	(\$7)
As-Built Plans and Revisions	\$170	\$171	(\$1)
Commercial (applications for lots larger than 5,000 square feet)			
Additional Project Coordination & Meetings		Actual Cost	
Additional Engineering Plan Check	\$175	\$171	\$4
Public Works Inspection	\$123	\$132	(\$10)
Each Additional Hour	\$125	\$132	(\$7)
As-Built Plans and Revisions	\$170	\$171	(\$1)
Hydrology Report Review	\$159	\$171	(\$12)
Soils Report Review		Actual Cost	
CC&R Review		Actual Cost	
Bond Agreement Processing	\$125	\$124	(\$1)
Traffic Study Review		Actual Cost	
SWPPP Review	\$2,185	\$2,179	\$6

Fee Name	Current Fee	Total Cost	Difference
WQMP Review	\$2,185	\$2,179	\$6
Certificate of Correction	\$655	\$1,369	(\$714)
Dedications/Easement/Grant Deeds	\$655	\$1,369	(\$714)
Quit Claim Deeds	\$655	\$1,369	(\$714)
Legal Description Review		Actual Cost	
Street Vacation/Abandonment	\$655	\$1,961	(\$1,306)
Lot Line Adjustment / Lot Merger			
Base (2 lots) ⁷	\$1,115	\$2,240	(\$1,125)
Each Additional Lot up to 2 lots	\$60	\$638	(\$578)
Centerline Tie Sheets			
1 Sheet	\$125	\$685	(\$560)
Each Additional Sheet	\$40	\$342	(\$302)
Encroachment Permits			
Permit Issuance	\$45	\$93	(\$48)
Residential Driveway Permit			
First Driveway	\$305	\$657	(\$352)
Each Additional Driveway	\$120	\$132	(\$12)
Curb/Gutter/Sidewalk Review & Inspection			
Individual Single-Family Dwelling	\$120	\$739	(\$619)
Lane Closure			
Lane Closure - First Day	New	\$541	N/A
Lane Closure - Additional Day at Same Location	New	\$132	N/A
Underground Utilities			
Trenching 0-100 LF	New	\$265	N/A
Trenching 101-1,000 LF	New	\$529	N/A
Trenching 1,0001+ LF	New	\$1,058	N/A
Moving Permit (Overweight and Over Dimension Single-Trip)⁸			
Annual	\$90	\$90	\$0
Per-Trip	\$16	\$16	\$0
Time Extension for Previously Issued Permit	\$120	\$62	\$58

Public Works generally under-recovers for their flat fees. The largest under-recovery is in relation to 'Street Vacation / Abandonment' at \$1,306. The next largest deficit is 'Lot Line Adjustment / Lot Merger' at \$1,125, which is due to the consolidation of Public Work's fee with the fee from the Planning Department. The largest over-recovery at \$58 is in relation to 'Time Extension for Previously Issued Permit'.

2.2 Deposit-based Fees

Public Works collect deposits for commercial public improvements, grading, map plan check, and encroachments. The total cost calculated for each service includes direct staff costs and Departmental and Citywide overhead. The City currently assesses a different deposit amount for each of these depending upon the scope. The following table

⁷ Includes time and effort for Planning department on Lot Line Adjustments and Lot Mergers.

⁸ Cal. Code Regs. tit. 21 § 1411.3 (a)

details the deposit name, calculated deposit, and the recommended despite for each service offered.

Table 20: Total Cost Per Unit Results – Public Works Deposit Based Fees

Deposit Name	Calculated Deposit	Recommended Deposit
Commercial (applications for lots larger than 5,000 square feet)		
Public Improvement Plan Check	\$6,329	\$6,500
Public Improvement Inspection	\$12,657	\$12,500
Grading Plan Check and Inspection	\$15,821	\$17,000
Precise Grading Plan Check - Commercial	\$5,537	\$5,500
Map Plan Check	\$9,493	\$10,000
Survey Monument Inspection	\$633	\$1,000
Encroachment Permits		
Commercial Driveway Permit	\$949	\$1,000
All Other Encroachments not listed	\$1,266	\$1,500

Due to the size and complexity of various fees such as public improvements, grading plan checks, and commercial encroachments; Public Works proposed the collection of deposits, rather than collecting a flat fee. Additionally, rather than having a different deposit amount depending upon the scope, it was decided that an initial deposit amount should be published to provide greater transparency to the applicant. The project team calculated the deposit based on an estimate of initial time needed to administer the service.

Similar to Planning deposits, the City also assesses a 10% administrative fee on these deposits. The City would have the option to increase this assessment up to 25% to better capture the administrative support associated with managing these large complex projects. The 25% would be on top of the recommended deposit amount to capture the additional level of support.

3 Annual Revenue Impact

Based on the prior year’s permit information, Public Works has a deficit of roughly \$18,000. The following table shows by major fee category: revenue at current fee, total projected annual cost, and the resulting difference.

Table 21: Annual Results - Public Works

Fee Category	Revenue at Current Fee	Annual Cost	Difference
PW Deposits	\$392,150	\$392,150	\$0
Flat Fees	\$37,780	\$55,284	(\$17,504)

Fee Category	Revenue at Current Fee	Annual Cost	Difference
Total	\$429,930	\$447,434	(\$17,504)

As deposit-based fees are intended to be cost recovery, it was assumed that there is no deficit or over-recovery. As such, when reviewing flat fees Public Works has an annual cost recovery of 96%, which reflects a roughly \$18,000 subsidy. Roughly \$14,000 of the overall subsidy is in relation to 'Lane Closures'. Currently, the City charges \$60 for this service but it actually costs the City roughly \$541, resulting in a per unit deficit of \$481. Due to the large amount of these types of permits pulled even a small increase in the fee amount would result in minimizing the cost recovery gap.

12. Development Services Surcharges

There are two typical surcharges assessed as part of the development review process – General Plan Maintenance Fee and Technology fee. Currently, the City of Calimesa charges both fees. The following subsections discuss the calculation of the General Plan Maintenance Fee and Technology Fee.

1 General Plan Maintenance Fee

A General Plan Maintenance fee is meant to account for updates to the general plan, zoning ordinance, housing elements, and other long-range planning activities that are part of the larger General Plan.

The General Plan Maintenance fee is governed by Government Code Section 66014(b) which states that fees “may include the costs reasonably necessary to prepare and revise the plans and policies that a local agency is required to adopt before it can make any necessary findings and recommendations.” This code states that fees can be charged against zoning changes, zoning variances, use permits, building inspections, and filing applications.

More typically, the fee is charged during the building permit phase so as to ensure any development project, which gets to that phase, makes enough of an impact to require the need for an update to the Zoning Code or the General Plan. This fee should only be applied to major building permits (i.e., new or remodel / tenant improvements) rather than standalone permits for water heaters or electrical outlets.

The project team took the estimated cost associated with updating the General Plan and Housing Element, divided by the years between updates, to come up with a total annual cost. Additionally, 15%, or roughly 259 hours, of the Planning Director’s time annually is spent on General Plan related tasks. The 259 hours was multiplied by the fully burdened hourly rate (FBHR), resulting in an annual staff cost associated with general plan maintenance. The following table shows broken out by category the components which make up the total annual cost calculation.

Table 22: General Plan Maintenance Fee Cost Components

Cost Category	Estimated Cost	Years	Annual Cost
General Plan Update	\$1,000,000	20	\$50,000
Housing Element	\$250,000	8	\$31,250
Staff Costs	\$42,651	1	\$42,651
Total Annual Cost			\$123,901

The annual cost to the City for updating their general plan is roughly \$124,000. The three most common methodologies for assessing a General Plan Maintenance fee are:

- 1. **Percentage of Building Permit Fee:** This means that the general plan maintenance fee is assessed as a percentage of the total building permit fee assessed to a project.
- 2. **Percentage of Valuation:** This means that the fee is assessed based upon the total project valuation. Even if the City doesn't utilize valuation for calculating fees, it still has to collect that information for SMIP and state surcharges and can utilize it to determine the proportionate General Plan impact.
- 3. **Cost Per Square Foot:** This means that the fee is assessed based upon the total potential square footage based upon which it would be assessed.

The project team calculated the full cost of the General Plan Fee based upon all three methodologies. The following table shows this calculation:

Table 23: General Plan Maintenance Fee Calculation

Category	Building Permit Fee	Valuation	Sq. Ft.
Total Annual Cost	\$123,901	\$123,901	\$123,901
General Plan Fee Basis	\$561,656	\$18,491,608	207,219
General Plan Maintenance Fee	22%	0.67%	\$0.60

The calculated General Plan Maintenance Fee is either 22% of the Building Permit Fee, 0.67% of Building Valuation or \$0.60 per square foot. The City has the ability to choose one option of the above to charge as its General Plan Maintenance Fee.

The City of Calimesa currently charges the General Plan Maintenance Fee as 0.142% of valuation, which represents a cost recovery level of 21% (based on the 0.67% valuation methodology).

As part of this analysis, the project team conducted a comparative survey of other local jurisdictions and their assessment of the General Plan Maintenance Fee. Like other comparative efforts, the survey below simply shows the fees charged by the jurisdiction and does not include the basis upon which the other jurisdictions calculated or developed their fee. The following table shows the results of this comparative analysis:

Table 24: General Plan Maintenance Fee – Comparative Survey

Jurisdiction	Fee Amount
Beaumont	Residential: \$50 per DU Comm / Ind: \$0.05 per sq. ft.

Jurisdiction	Fee Amount
Loma Linda	10% of Building Permit
Redlands	\$0.10 per sq. ft. of New Construction or Additions > 50% of Existing Floor Area
San Jacinto	Residential: \$150 per DU Comm / Ind: \$0.06 per sq. ft.

As the table indicates the current fee charged by jurisdictions varies based upon project type and / or building permit. There are no surveyed jurisdictions that charge the fee as percentage of valuation. The full cost calculated for the City is higher than all the other jurisdictions surveyed. However, similar to other comparative analyses, this only reflects the fee being charged, not necessarily the full cost of those services.

As the City is moving away from valuation, the best option for the City would be to charge the General Plan Maintenance fee as a percentage of the building permit fee. This best captures the level of long-range planning effort needed depending upon the proportional impact of the building projects.

2 Technology Surcharge Fee

A Technology Fee allows the City to support the costs associated with the City’s permitting system, staff time for managing the systems, acquiring the system, mobile devices used for permitting, etc. The City currently assesses this fee as 3.29% of the permit fees.

The project team used knowledge from previous fee studies for cities similar to Calimesa as a way to estimate annual permit-related technology costs. The costs included in this estimate are the capital costs for a permitting system annualized over 25 years, as well as the annual licensing and maintenance cost paid to maintain the permitting system. The following table shows by cost category the annual cost:

Table 25: Technology Surcharge Fee Cost Components

Cost Category	Initial Cost	Years	Annual Cost
Software System	\$1,000,000	25	\$40,000
Annual Licensing & Maint.	\$25,000	1	\$25,000
Total			\$65,000

Based upon the items needed to provided development-related services, the annual technology-related costs are approximately \$65,000 for the City of Calimesa.

The City currently assesses this fee as 0.043% of the permit valuation and is only applicable on Building Permits. By assessing the fee on valuation, it excludes the other development-related activities that may be part of the City’s future permitting system.

Additionally, the most defensible methodology for assessing the fee is based proportionately on the percentage of the permit fee, as the greater the permit fee, the greater the Technology Fee as there is more software utilization and storage space for larger projects.

Therefore, the project team took the total Technology Annual Cost and divided it by the annual fee-related cost associated with Building, Planning, Engineering, and Fire. The following table shows this calculation:

Table 26: Technology Fee Calculation

Category	Amount
Total Technology Annual Cost	\$65,000
Total Projected Development Annual Cost	\$1,221,368
Technology Fee as % of Permit Fee	5%

Based upon this calculation, the City’s full cost Technology fee would be 5% of the permit fee. Therefore, if a permit fee was \$100, the Technology fee collected would be \$5; whereas if a permit fee was \$1,000; the Technology fee collected would be \$50. This type of structure enables the Technology fee to be more proportionately distributed based upon the projects and their impact upon the system.

As part of this analysis, the project team conducted a comparative survey of other local jurisdictions and their assessment of a Technology Fee. Like other comparative efforts, the survey below simply shows the fees charged by the jurisdiction and does not include the basis upon which the other jurisdictions calculated or developed their fee. The following table shows the results of this comparative analysis:

Table 27: Technology Fee – Comparative Survey

Jurisdiction	Fee Amount
Banning	2.5% of Permit Fees
Beaumont	3.29% of Permit Fees
Hemet	5% of Permit Fees
Redlands	2% of Permit Fees
San Jacinto	1% of Permit Fees (Max \$50)

Of the surveyed jurisdictions, all charge their technology fee as a percentage of the permit fee and do not utilize valuation as the basis. The City of Hemet at 5% most closely matches the City’s full cost calculated at 5%.

3 Surcharge Funds

It is a best practice to collect and account for General Plan Maintenance and Technology surcharges in separate accounts. The City of Calimesa already follows this best practice and should continue to collect these fees separately to help fund future activities.

13. Cost Recovery Considerations

The following sections provide guidance regarding how and where to increase fees, determining annual update factors, and developing cost recovery policies and procedures.

1 Fee Adjustments

This study has documented and outlined on a fee-by-fee basis where the City is under and over collecting for its fee-related services. City and Department management will now need to review the results of the study and adjust fees in accordance with Departmental and City philosophies and policies. The following dot points outline the major options the City has in adjusting its fees.

- **Over-Collection:** Upon review of the fees that were shown to be over-collecting for costs of services provided, the City should reduce the current fee to be in line with the full cost of providing the service.
- **Full Cost Recovery:** For fees that show an under-collection for costs of services provided, the City may decide to increase the fee to full cost recovery immediately.
- **Phased Increase:** For fees with significantly low-cost recovery levels, or which would have a significant impact on the community, the City could choose to increase fees gradually over a set period of time.

The City will need to review the results of the fee study and associated cost recovery levels and determine how best to adjust fees. While decisions regarding fees that currently show an over-recovery are fairly straight forward, the following subsections, provide further detail on why and how the City should consider either implementing Full Cost Recovery or a Phased Increase approach to adjusting its fees.

1 Full Cost Recovery

Based on the permit or review type, the City may wish to increase the fee to cover the full cost of providing services. Certain permits may be close to cost recovery already, and an increase to full cost may not be significant. Other permits may have a more significant increase associated with full cost recovery.

Increasing fees associated with permits and services that are already close to full cost recovery can potentially bring a Department's overall cost recovery level higher. Often,

these minimal increases can provide necessary revenue to counterbalance fees which are unable to be increased.

The City should consider increasing fees for permits for which services are rarely engaged to full cost recovery. These services often require specific expertise and can involve more complex research and review due to their infrequent nature. As such, setting these fees at full cost recovery will ensure that when the permit or review is requested, the City is recovering the full cost of its services.

2 Phased Increases

Depending on current cost recovery levels some current fees may need to be increased significantly in order to comply with established or proposed cost recovery policies. Due to the type of permit or review, or the amount by which a fee needs to be increased, it may be best for the City to use a phased approach to reaching their cost recovery goals.

As an example, you may have a current fee of \$200 with a full cost of \$1,000, representing 20% cost recovery. If the current policy is 80% cost recovery, the current fee would need to increase by \$600, bringing the fee to \$800, in order to be in compliance. Assuming this particular service is something the City provides quite often, and affects various members of the community, an instant increase of \$600 may not be feasible. Therefore, the City could take a phased approach, whereby it increases the fee annually over a set period until cost recovery is achieved.

Raising fees over a set period of time not only allows the City to monitor and control the impact to applicants, but also ensure that applicants have time to adjust to significant increases. Continuing with the example laid out above, the City could increase the fee by \$150 for the next four years, spreading out the increase. Depending on the desired overall increase, and the impact to applicants, the City could choose to vary the number of years by which it chooses to increase fees. However, the project team recommends that the City not phase increases for periods greater than five years, as that is the maximum window for which a comprehensive fee assessment should be completed.

2 Annual Adjustments

Conducting a comprehensive analysis of fee-related services and costs annually would be quite cumbersome and costly. The general rule of thumb for comprehensive fee analyses is between three and five years. This allows for jurisdictions to ensure they account for organizational changes such as staffing levels and merit increases, as well as process efficiencies, code or rule changes, or technology improvements.

Developing annual update mechanisms allow jurisdictions to maintain current levels of cost recovery, while accounting for increases in staffing or expenditures related to permit services. The two most common types of update mechanisms are Consumer Price Index (CPI) and Cost of Living Adjustment (COLA) factors. The following points provide further detail on each of these mechanisms.

- **COLA / Personnel Cost Factor:** Jurisdictions often provide their staff with annual salary adjustments to account for increases in local cost of living. These increases are not tied to merit or seniority, but rather meant to offset rising costs associated with housing, gas, and other livability factors. Sometimes these factors vary depending on the bargaining group of a specific employee. Generally, these factors are around two or three percent annually.
- **CPI Factor:** A common method of increasing fees or cost is to look at regional cost indicators, such as the Consumer Price Index. These factors are calculated by the Bureau of Labor Statistics, put out at various intervals within a year, and are specific to states and regions.

The City of Calimesa should review its current options internally (COLA) as well as externally (CPI) to determine which option better reflects the goals of the Department and the City. If choosing a CPI factor, the City should outline which CPI should be used, including specific region, and adoption date. If choosing an internal factor, again, the City should be sure to specify which factor if multiple exist.

3 Policies and Procedures

This study has identified areas where the City is under-collecting the cost associated with providing services. This known funding gap is therefore being subsidized by other City revenue sources.

Development of cost recovery policies and procedures will serve to ensure that current and future decision makers understand how and why fees were determined and set, as well as provide a road map for ensuring consistency when moving forward. The following subsections outline typical cost recovery levels and discuss the benefits associated with developing target cost recovery goals and procedures for achieving and increasing cost recovery.

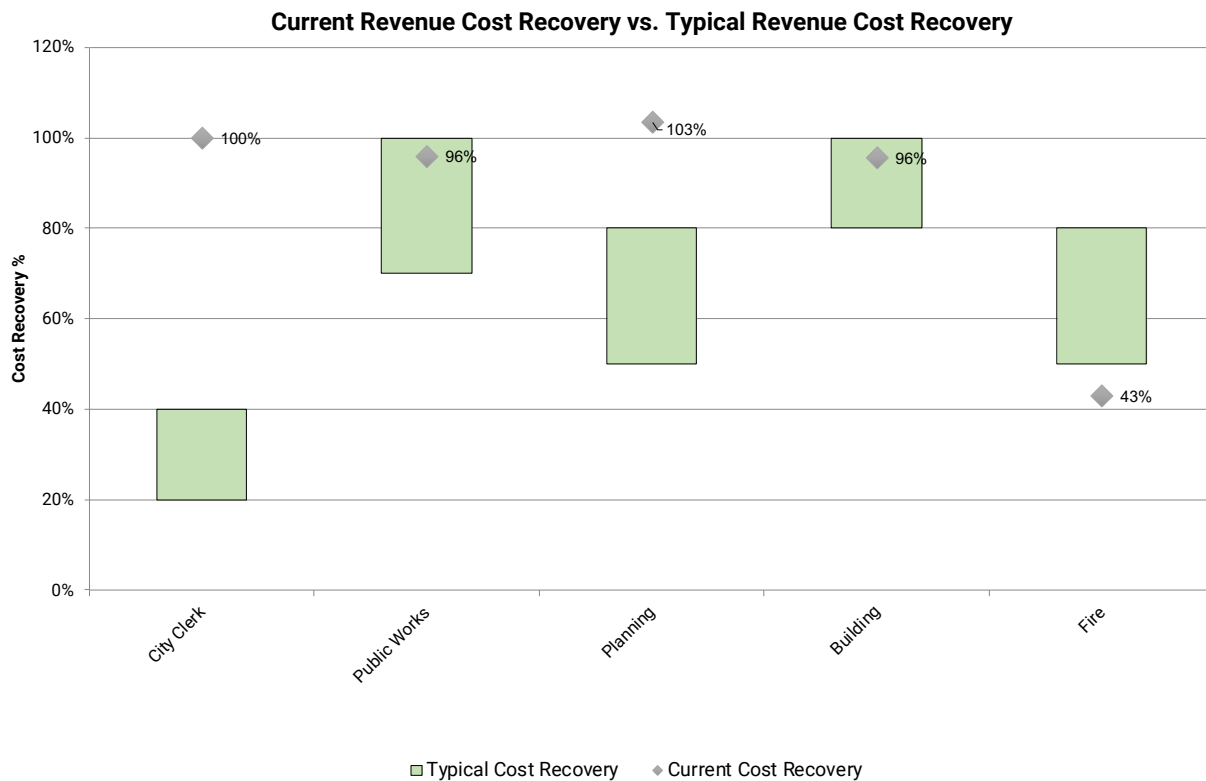
1 Typical Cost Recovery

The Matrix Consulting Group has extensive experience in analyzing local government operations across the United States and has calculated typical cost recovery ranges. The following table outlines these cost recovery ranges by major service area.

Table 28: Typical Cost Recovery Ranges by Major Service Area

Service Areas	Typical Cost Recovery Ranges
City Clerk	20-40%
Fire	50-80%
Building	80-100%
Planning	50-80%
Public Works	70-100%

Information presented in the table above is based on the Matrix Consulting Group’s experience in analyzing local governments’ operations across the United States and within California and reflects *typical* cost recovery ranges observed by local adopting authorities. The following graph depicts how Calimesa compares to industry cost recovery range standards.



Public Works and Building are the only two departments within their typical cost recovery ranges. Fire is lower and City Clerk and Planning are higher. Overall, addressing the

proposed modifications within each department and evaluating increases or decreases to fees where appropriate will result in aligning these departments within typical cost recovery ranges.

2 Development of Cost Recovery Policies and Procedures

The City should review the current cost recovery levels and adopt a formal policy regarding cost recovery. This policy can be general in nature and can apply broadly to the City as a whole, or to each department and division specifically. A department specific cost recovery policy would allow the City to better control the cost recovery associated with different types of services being provided and the community benefit received.

Appendix – Comparative Survey

As part of the Cost of Services (User Fee) study for the City of Calimesa, Matrix Consulting Group conducted a comparative survey of user fees. The City identified eight jurisdictions to be included in the comparative survey: Banning, Beaumont, Canyon Lake, Hemet, Loma Linda, Redlands, San Jacinto, and Yucaipa.

While this report will provide the City with a reasonable estimate and understanding of the true costs of providing services, many jurisdictions also wish to consider the local “market rates” for services as a means for assessing what types of changes in fee levels their community can bear. However, a comparative survey does not provide adequate information regarding the relationship of a jurisdiction’s cost to its fees.

The following sections detail various factors to consider when reviewing comparative survey results, as well as graphical comparisons of current fees and total calculated costs for various permits issued or services provided by the City.

1 Economic Factors

To provide additional context to the comparative survey information, the project team collected economic factors for the jurisdictions included. Three important economic factors to consider when comparing fees across multiple jurisdictions are: population, budget, and workforce size. As these factors impact how and when fees are administered. As a jurisdiction with a smaller population may choose to not charge a fee, likewise, a smaller workforce size may inhibit their ability to administer a fee. The following tables rank each jurisdiction from smallest to largest for each of these economic factors:

Table 29: Ranking of Jurisdictions by Population

Jurisdiction	2020 Census Population
Calimesa	10,026
Canyon Lake	11,082
Loma Linda	24,791
Banning	29,505
Beaumont	53,036
San Jacinto	53,898
Yucaipa	54,542
Redlands	73,168
Hemet	89,833

Table 30: Ranking of Jurisdictions by Budget

Jurisdiction	FY23/24 Budget
Canyon Lake	\$12,454,923
Calimesa	\$29,821,953
Yucaipa	\$48,922,365
Loma Linda	\$60,119,900
Redlands	\$111,190,283
Hemet	\$123,643,716
Banning	\$130,678,937
San Jacinto	\$153,853,540
Beaumont	\$169,239,753

Table 31: Ranking of Jurisdictions by Workforce Size

Jurisdiction	FY23-24 FTE
Canyon Lake	32
Calimesa	36
Yucaipa	83
San Jacinto	83
Loma Linda	97
Banning	195
Redlands	561
Hemet	N/A
Beaumont	N/A

Overall, the City of Calimesa is on the lowest end for each economic factor when compared to surveyed jurisdictions. Canyon Lake has the closest comparable economic factors, followed by the City of Yucaipa.

2 Recency Factor

While the above comparative information can provide some perspective when paralleling Calimesa’s fees with surveyed jurisdictions, other key factors to consider are when a jurisdiction’s fee schedule was last updated and when the last comprehensive analysis was undertaken. The following tables detail when each surveyed jurisdiction last conducted a fee analysis and when they last updated their fee schedule.

Table 32: Last Fee Study

Jurisdiction	Response
Loma Linda	2016
Canyon Lake	2018
Yucaipa	2018
Banning	2019
Hemet	2021
Beaumont	2023
Redlands	10+ Years ⁹
San Jacinto	N/A

Table 33: Last Fee Schedule Update

Jurisdiction	Response
Redlands	2019
San Jacinto	2020
Canyon Lake	2022
Banning	2022
Loma Linda	2023
Yucaipa	2023
Hemet	2023
Beaumont	2023

Five of the eight jurisdictions surveyed have completed fee studies in the last five years. With the exception of Redlands and San Jacinto, all other jurisdictions have updated their fee schedules with a CPI or other growth factor within the last two years.

It is important to note that even though jurisdictions may have conducted fee studies, fees are not always adopted at full cost recovery. The comparative results only show the adopted fee for the surveyed jurisdictions not necessarily the full cost associated with the comparable service.

3 Additional Factors

Along with keeping the statistics outlined in the previous sections in mind, the following issues should also be noted regarding the use of market surveys in the setting of fees for service:

⁹ The City of Redlands is currently undergoing a fee study and is looking to adopt new fees and the study next year.

- Each jurisdiction and its fees are different, and many are not based on the actual cost of providing services as various policy decision may subsidize services.
- The same “fee” with the same name may include more or less steps or sub-activities. In addition, jurisdictions provide varying levels of service and have varying levels of costs associated with providing services such as staffing levels, salary levels, indirect overhead costs, etc.

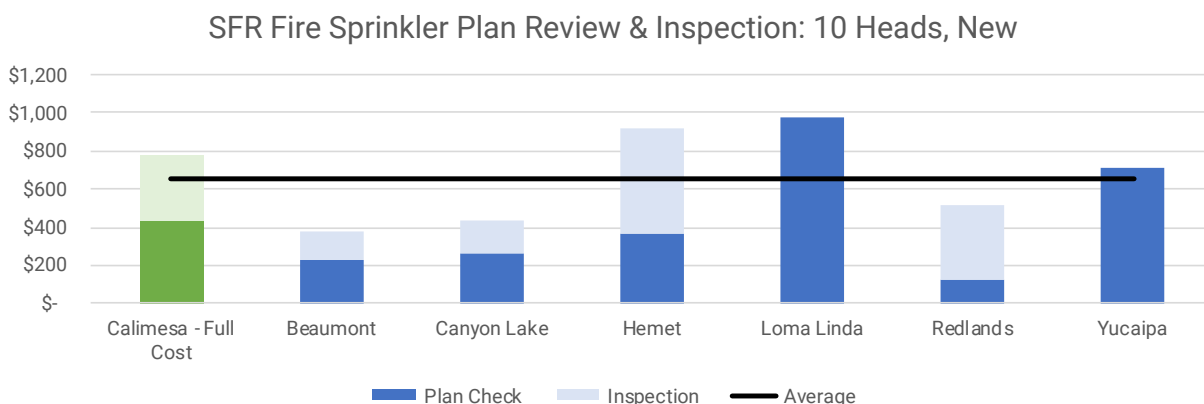
In addition to the issues noted, market surveys can also run the risk of creating a confusing excess of data that will obscure rather than clarify policy issues. Because each jurisdiction is different, the Matrix Consulting Group recommends that the information contained in the market comparison of fees be used as a secondary decision-making tool, rather than a tool for establishing an acceptable price point for services.

4 Comparative Survey Results

As part of this study, the project team conducted a survey of how the City’s current user fees and calculated full cost compare to other similarly sized and regionally located jurisdictions. The following subsections provide a comparative look at several fee-related services provided by the City.

1 SFR Fire Sprinkler Plan Review & Inspection: 10 Heads, New

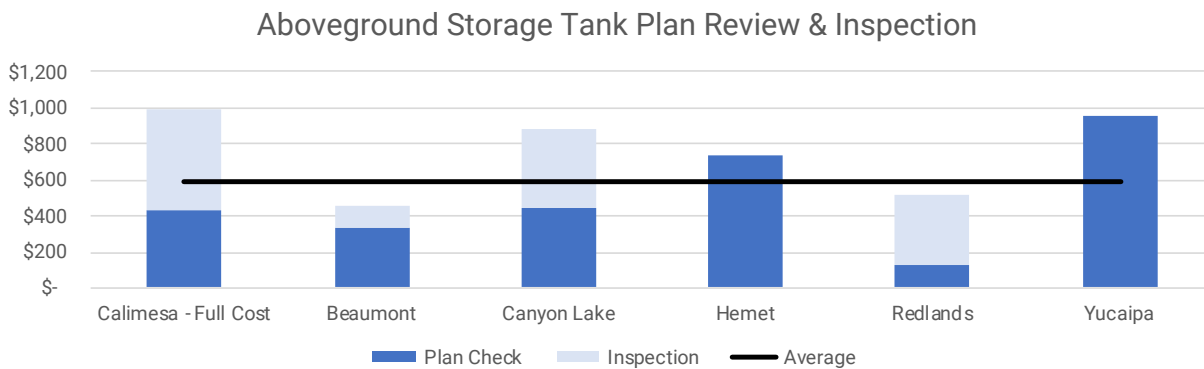
Fire proposed the addition of a fee to plan review and inspect a new, 10 head, fire sprinkler system at a single-family residence. Through this study, the project team calculated the full cost of the plan review (\$433) and inspection (\$351) to be \$784. The following graph shows how Calimesa’s full cost compares to surveyed jurisdictions. The dark blue represents plan check, while the light blue represents inspection.



The calculated full cost is above the jurisdictional average of \$509, and in line with the fee charged by the City of Yucaipa (\$709). Loma Linda and Hemet charge the most at \$975 and \$920, respectively. Loma Linda and Yucaipa charge a single fee for plan check and inspection.

2 Above Ground Storage Tank Plan Review & Inspection

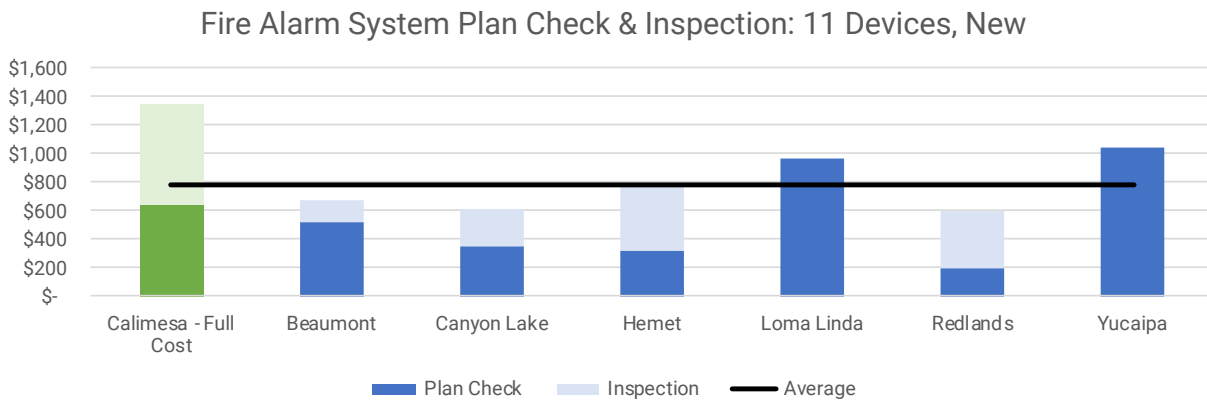
Fire proposed a fee to plan review and inspect an aboveground storage tank. Through this study, the project team calculated the full cost of the plan review (\$433) and inspection (\$562) to be \$995. The following graph shows how Calimesa’s full cost compares to surveyed jurisdictions. The dark blue represents plan check, while the light blue represents inspection.



The calculated full cost at \$995 is the highest fee charged. While the full cost calculated is above the jurisdictional average of \$524 it does align with the fee charged by the City of Yucaipa (\$958). Additionally, Hemet and Yucaipa all charge a single fee for plan check and inspection.

3 Fire Alarm System Plan Check & Inspection: 11 Devices, New

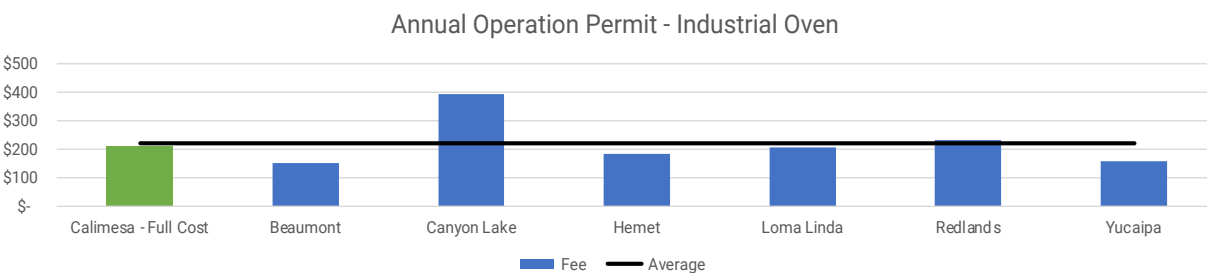
Fire proposed a fee to plan review and inspect a new, 11 device, fire alarm system. Through this study, the project team calculated the full cost of the plan review (\$649) and inspection (\$702) to be \$1,352. The following graph shows how Calimesa’s full cost compares to surveyed jurisdictions. The dark blue represents plan check, while the light blue represents inspection.



The calculated full cost at \$1,352 is the highest fee, followed by Yucaipa (\$1,042), Loma Linda (\$965), and Hemet (\$782); and all are above the jurisdictional average of \$779. Additionally, Loma Linda and Yucaipa all charge a single fee for plan check and inspection.

4 Annual Operation Permit – Industrial Oven

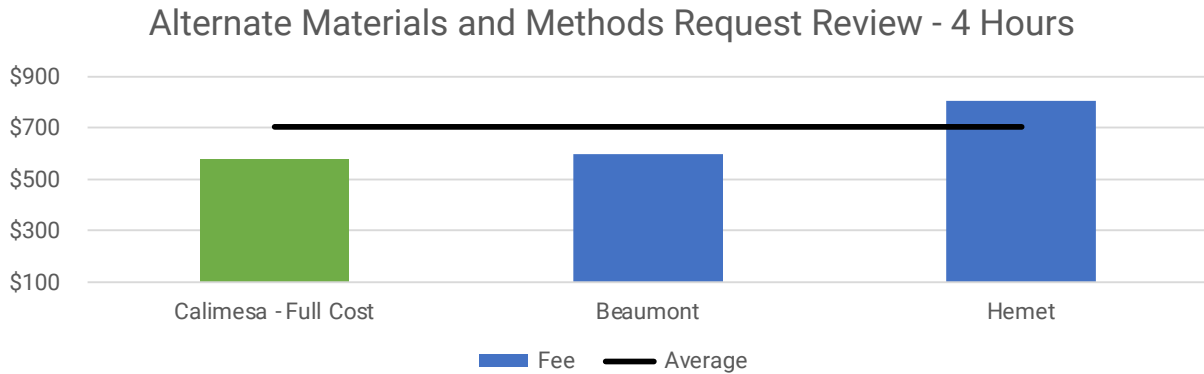
Fire proposed a fee to cover the annual operation permit for industrial ovens. Through this study, the project team calculated the full cost of this fee to be \$211. The following graph shows how Calimesa’s full cost compares to surveyed jurisdictions.



The calculated full cost (\$211) is slightly under the jurisdictional average of \$220 and is in line with Loma Linda at \$205 and Redlands at \$231. Canyon Lake at \$394 charges the most for this fee and Beaumont at \$150 charges the least.

5 Alternate Materials and Methods Request Review – 4 Hours

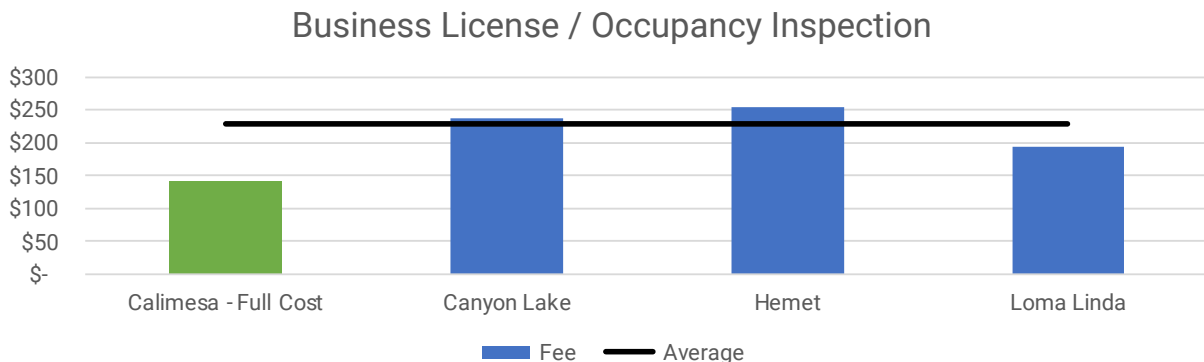
Fire proposed the addition of a fee to cover an hourly review of alternate materials and methods. Through this study, the project team calculated the full cost of this fee to be \$288. The following graph shows how Calimesa’s full cost compares to surveyed jurisdictions.



Only two other surveyed jurisdictions offer this service, and both are more than the calculated full cost (\$288). Hemet charges \$807, while Beaumont charges \$600.

6 Business License / Occupancy Inspection

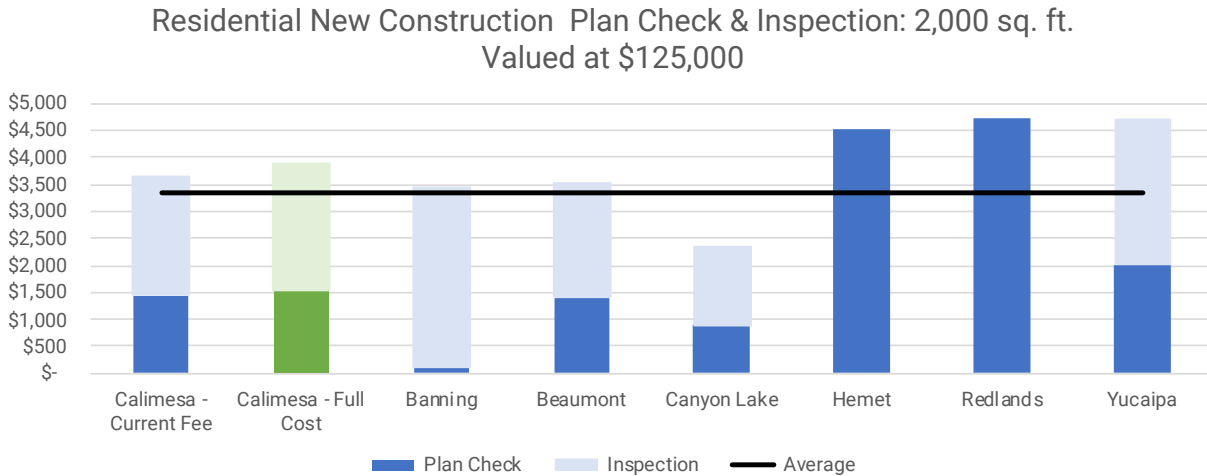
Fire proposed a fee to cover a business license / occupancy inspection. Through this study, the project team calculated the full cost of this fee to be \$140. The following graph shows how Calimesa’s full cost compares to surveyed jurisdictions.



Only three other surveyed jurisdictions offer this service, and all exceed the calculated full cost (\$140). Hemet charges the most at \$255, followed by Canyon Lake at \$237 and Loma Linda at \$195.

7 Residential New Construction Plan Check & Inspection: 2,000 sq. ft. Valued at \$125,000

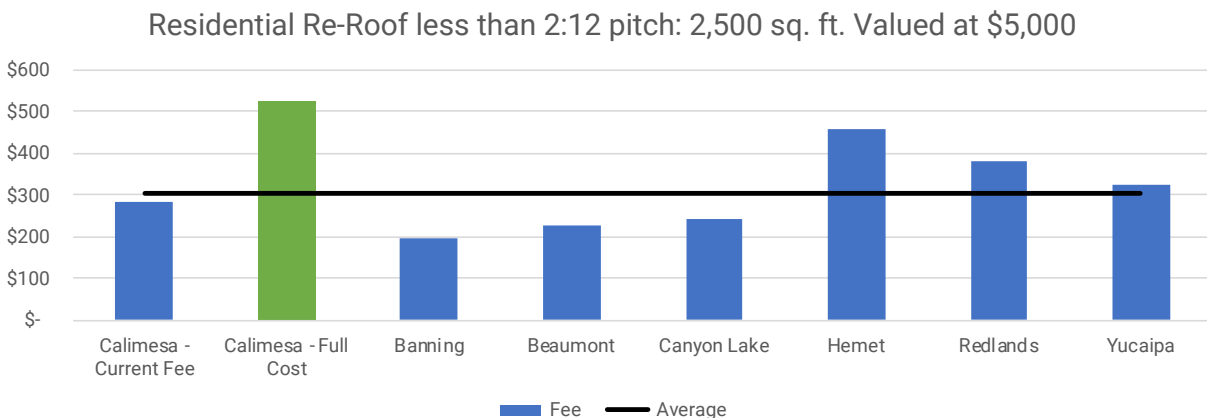
For a New Single Family Residential Construction Project that is 2,000 square feet and valued at \$125,000, the City of Calimesa currently charges \$3,655. The project team calculated the full cost of the plan review (\$1,526) and inspection (\$2,348) to be \$3,847. The following graph shows how Calimesa’s full cost compares to surveyed jurisdictions. The dark blue represents plan check, while the light blue represents inspection.



Both the current fee (\$3,655) and calculated full cost (\$3,874) are slightly above the jurisdictional average of \$3,322 and aligns with the fees charged by Banning (\$3,453) and Beaumont (\$3,534). At \$4,713, Redlands charges the most followed by Yucaipa (\$4,706) and Hemet (\$4,507).

8 Residential Re-Roof less than 2:12 pitch: 2,500 sq. ft. Valued at \$5,000

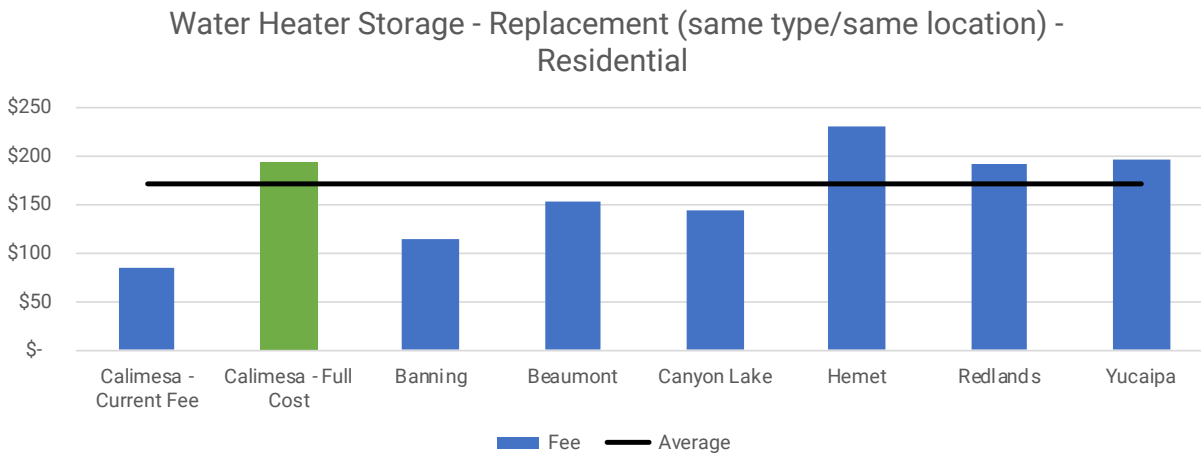
For a 2,500 square foot residential re-roof less than 2:12 pitch valued at \$5,000, the City of Calimesa currently charges \$283. The project team calculated the full cost of this service to be \$525. The following graph shows how Calimesa’s full cost compares to surveyed jurisdictions. The dark blue represents plan check, while the light blue represents inspection.



The calculated full cost is the highest at \$525, followed by Hemet at \$460 and Redlands at \$383. All three are above the jurisdictional average of \$306.

9 Water Heater Storage – Replacement (same type / same location) - Residential

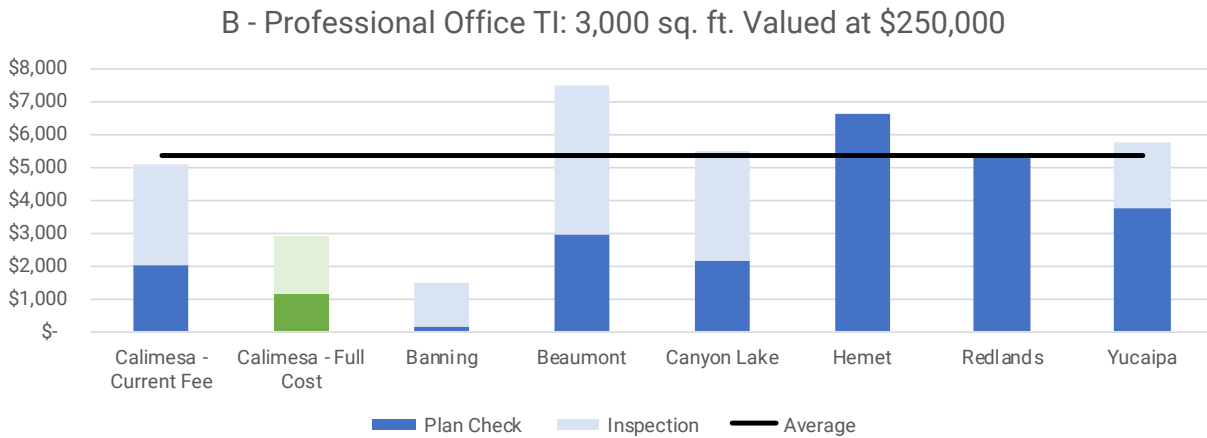
Budling currently charges a fee of \$84 for a residential water heater replacement. Through this study, the project team calculated the full cost of this service to be \$193. The following graph shows how Calimesa’s current fee and full cost compares to surveyed jurisdictions.



The City’s current fee (\$84) is the lowest, while the full cost calculated (\$193) is more aligned with surveyed jurisdictions and only slightly above the jurisdictional average of \$172. Yucaipa (\$196) and Redlands (\$192) charge the closest rates to the calculated full cost.

10 B – Professional Office TI: 3,000 sq. ft. Valued at \$250,000

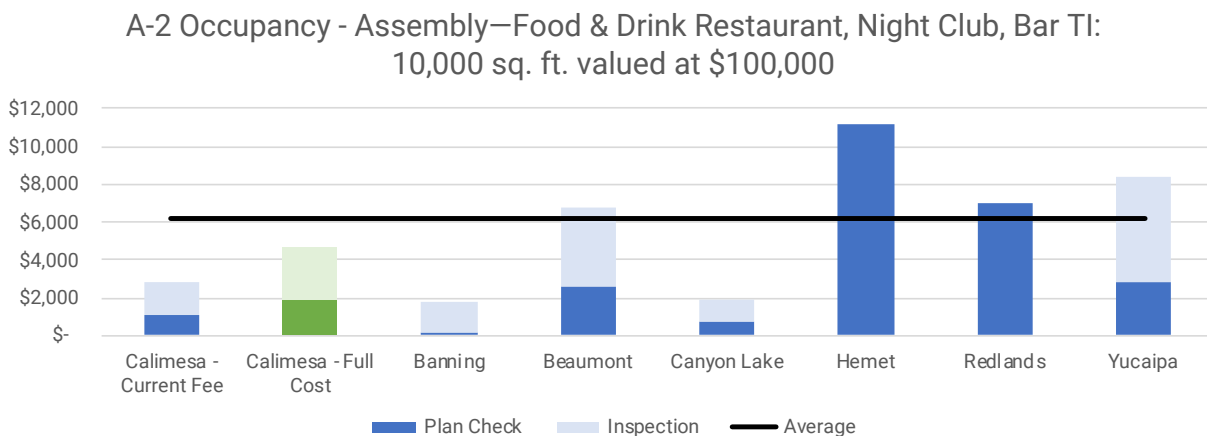
For a B-Professional Office tenant improvement that is 3,000 square feet and valued at \$250,000, the City of Calimesa currently charges \$5,057. The project team calculated the full cost of the plan review (\$1,175) and inspection (\$1,678) to be \$2,853. The following graph shows how Calimesa’s full cost compares to surveyed jurisdictions. The dark blue represents plan check, while the light blue represents inspection.



The calculated full cost (\$2,853) is closest to what Banning charges at \$1,499 and well below the jurisdictional average of \$5,400. The highest fee at \$7,704 is charged by Beaumont; however, they assess their fee based on valuation rather than square footage.

11 A-2 Occupancy – Assembly – Food & Drink Restaurant, Night Club, Bar TI: 10,000 sq. ft. Valued at \$100,000

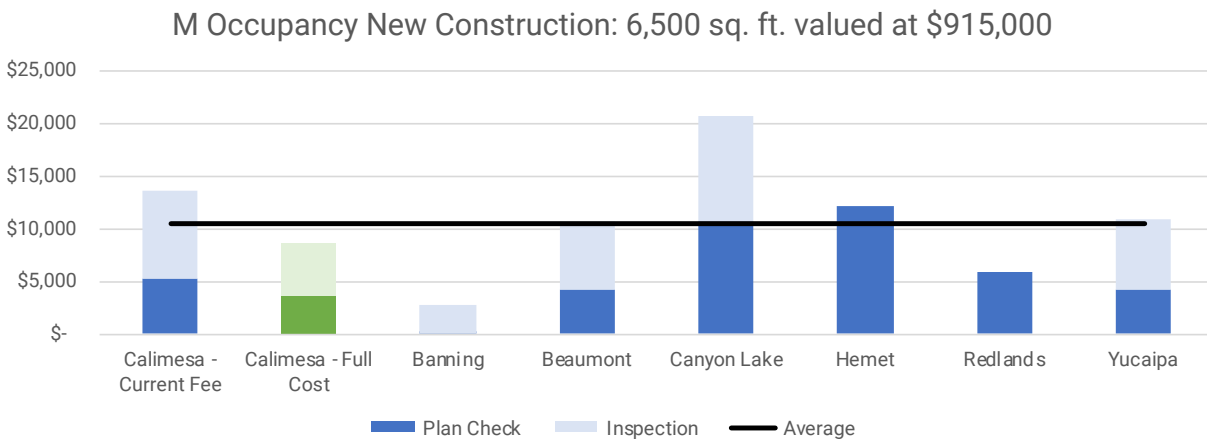
For an A-2 Occupancy Assembly tenant improvement that is 10,000 square feet and valued at \$100,000, the City of Calimesa currently charges \$2,810. The project team calculated the full cost of the plan review (\$1,904) and inspection (\$2,720) to be \$4,624. The following graph shows how Calimesa’s full cost compares to surveyed jurisdictions. The dark blue represents plan check, while the light blue represents inspection.



The current fee (\$2,810) and the full cost calculated (\$4,624) are both below the jurisdictional average of \$6,143. Hemet charges the most at \$11,129, followed by Yucaipa (\$8,345) and Redlands (\$7,004).

12 M Occupancy New Construction: 6,500 sq. ft. Valued at \$915,000

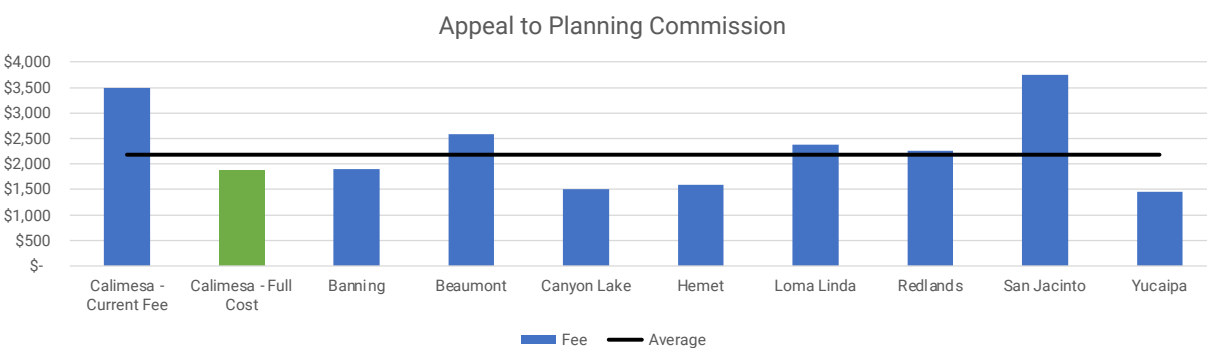
For an M new construction that is 6,500 square feet and valued at \$915,000, the City of Calimesa currently charges \$13,572. The project team calculated the full cost of the plan review (\$3,552) and inspection (\$5,074) to be \$8,626. The following graph shows how Calimesa’s full cost compares to surveyed jurisdictions. The dark blue represents plan check, while the light blue represents inspection.



The calculated full cost (\$8,626) is closest to what Beaumont charges at \$10,748 and is below the jurisdictional average of \$10,551. The highest fee at \$20,663 is charged by Canyon Lake; however, they assess their fee based on valuation rather than square footage.

13 Appeal to Planning Commission

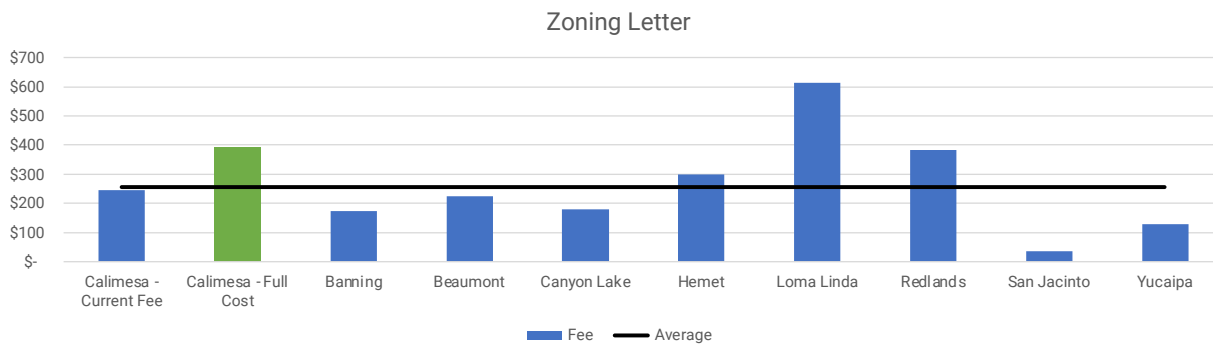
Planning charges a deposit of \$3,500 for an appeal to the Planning Commission. Through this study, the project team calculated the full cost of this service to be \$1,873 as a flat fee. The following graph shows how Calimesa’s current fee and full cost compares to surveyed jurisdictions.



The City’s current deposit (\$3,500) is the second highest fee charged behind San Jacinto which charges \$3,750. The full cost calculated (\$1,873) falls below the jurisdictional average of \$2,178 and aligns with Banning’s fee of \$1,895.

14 Zoning Letter

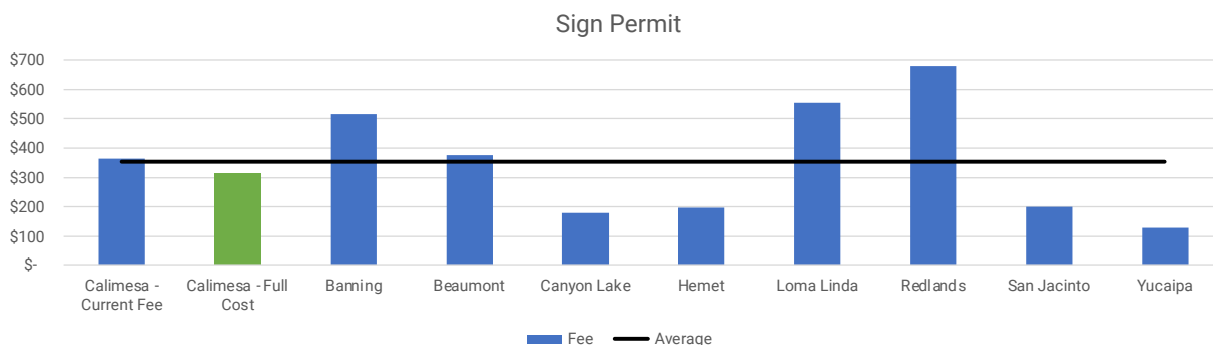
Planning charges a fee of \$245 for a zoning letter. Through this study, the project team calculated the full cost of this service to be \$394. The following graph shows how Calimesa’s current fee and full cost compares to surveyed jurisdictions.



The City’s current fee (\$245) falls below the jurisdictional average of \$255 and aligns with fees charged by Hemet (\$299) and Beaumont (\$225). The full cost calculated (\$394) aligns with the fee charged by Redlands at \$384 and is lower than Loma Linda and Hemet.

15 Sign Permit

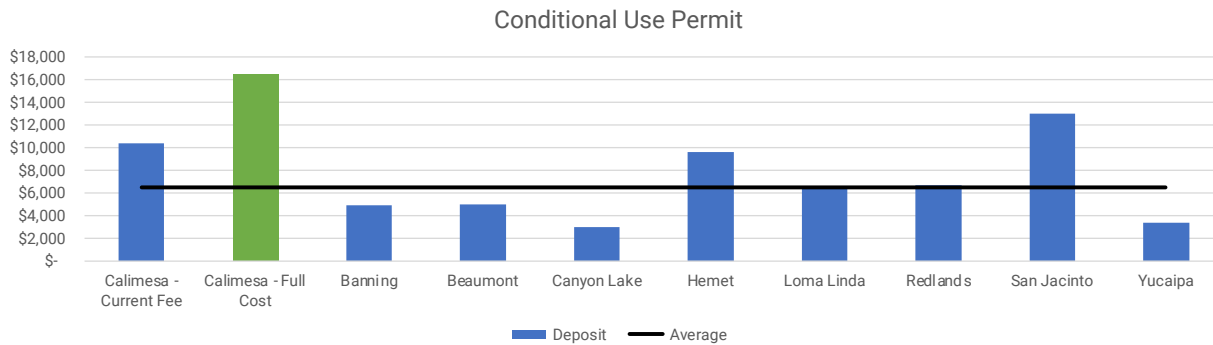
Planning charges a fee of \$365 for a sign permit. Through this study, the project team calculated the full cost of this service to be \$313. The following graph shows how Calimesa’s current fee and full cost compares to surveyed jurisdictions.



The City’s current fee (\$365) and full cost calculated (\$313) align with the jurisdictional average of \$354 and aligns with fees charged by Beaumont (\$375). Redlands charges the highest fee at \$681, and Yucaipa charges the least at \$129.

16 Conditional Use Permit

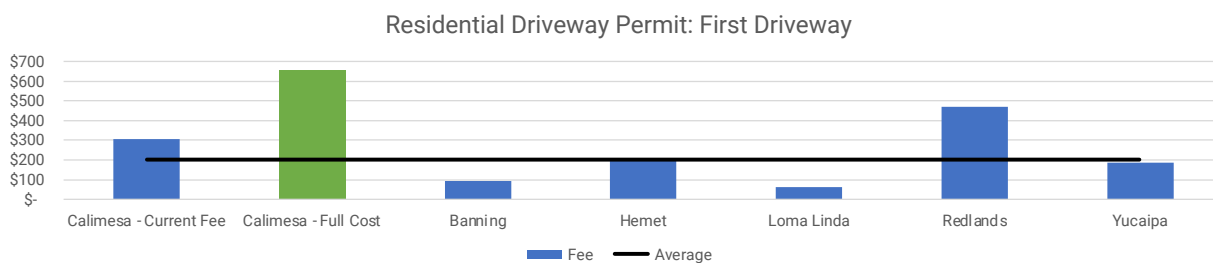
Planning charges a \$10,400 deposit for a conditional use permit. Through this study, the project team recommended the deposit increase to \$16,500. The following graph shows how Calimesa’s current and recommended deposit compare to surveyed jurisdictions.



The City’s current deposit (\$10,400) and recommended deposit (\$16,500) are both significantly above the jurisdictional average of \$6,503. At \$13,000, San Jacinto is the only jurisdiction which charges close to the Calimesa’s current and recommended deposit.

17 Residential Driveway Permit: First Driveway

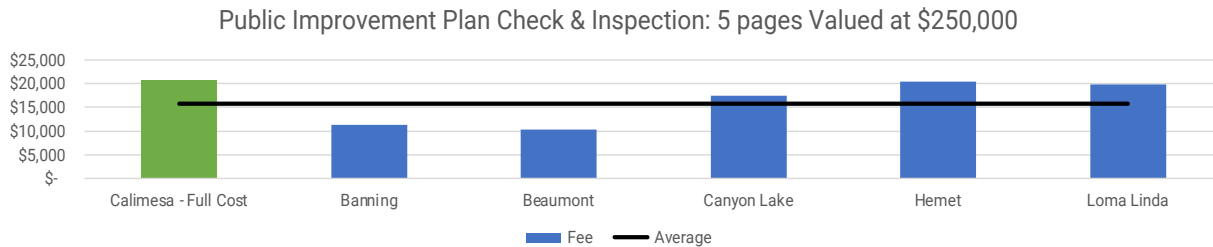
Public Works charges a flat fee of \$305 for a residential driveway permit. Through this study, the project team calculated the full cost of this service to be \$657. The following graph shows how Calimesa’s current fee and full cost calculated compared to surveyed jurisdictions.



The City’s current fee (\$305) and full cost calculated (\$657) are both above the jurisdictional average of \$202 and most closely align with the fee charged in Redlands (\$468).

18 Public Improvement Plan Check and Inspection: 5 pages Valued at \$250,000

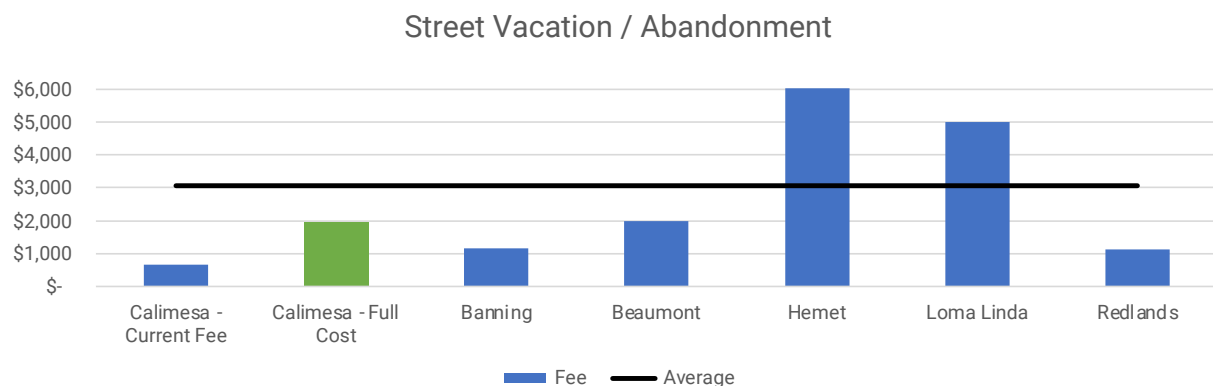
Public Works currently charges a deposit for Public Improvement and Plan Check based upon the scope of the project, an initial deposit amount of \$20,900 is being proposed through this study. The following graph shows how Calimesa’s proposed deposit compares to surveyed jurisdictions.



The City’s proposed deposit of \$20,900 closest to Hemet’s deposit of \$20,375 and both are above the jurisdictional average of \$15,831. Banning and Beaumont both charge the inspection portion of their fee based on engineer estimate, rather than a set deposit.

19 Street Vacation / Abandonment

Public Works charge a fee of \$655 for street vacation / abandonment. Through this study, the project team calculated the full cost of this service to be \$1,961. The following graph shows how Calimesa’s current fee and full cost calculated compared to surveyed jurisdictions.



The City’s current fee (\$655) and full cost calculated (\$1,961) are both below the jurisdictional average of \$3,063. The fees charged by Banning (\$1,170) and Redlands (\$1,124) are closest to the full cost calculated. Additionally, Beaumont (\$2,000) and Loma Linda (\$5,000) charge deposits rather than flat fees for this service.

5 Summary

A majority of the fees surveyed are generally below or in alignment with other comparable jurisdictions. It is important to note that the results of this survey only show the fees adopted by council, not the cost recovery policy decisions for departments or a jurisdiction. As such, the results of this survey should be used as a secondary decision-making tool.