



Comprehensive Citywide Fee Study Results

SOUTH SAN FRANCISCO, CA



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AGENDA

Comprehensive Citywide Fee Study

1. **Study Objectives**
2. **Methodology**
3. **Results**
4. **Recommendations**

Study Objectives

Streamline Fee Structures

Consolidate and expand fees where appropriate to better reflect existing services.

Average Time Assumptions

Identify the average level of effort associated with different permits and applications.

Fully Burdened Hourly Rates

Determine direct and indirect costs associated with staff time.

Comparative Survey

Benchmark against other Bay Area jurisdictions.

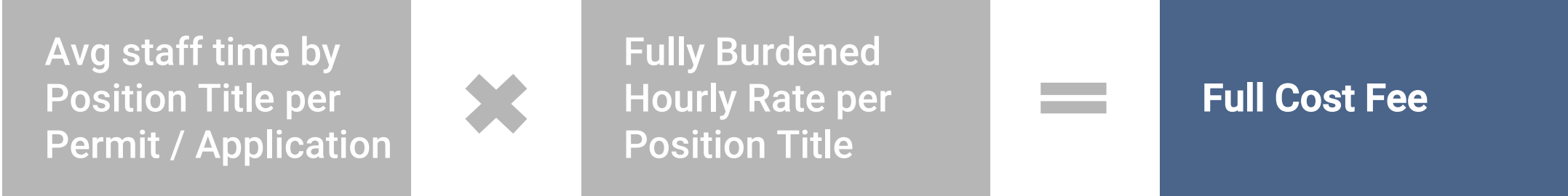
Compliance with Prop 218 and 26

Ensure that the direct and indirect costs do not exceed current fees.

Updated Master Fee Schedule

Provide an updated master fee schedule reflective of current costs.

Fee Calculation Methodology



Fee Study Results (1)

- Streamlined the Building Fee Schedule by expanding valuation-based fees for Single-Family Residential, Commercial, and Mechanical, Electrical, and Plumbing Permits and creating Plan Check as percentage of the Building Permit fee.
- Created stand-alone permits for over-the-counter building permit fees.
- Incorporated City Attorney, Engineering, and Police, Fire, and Building time assumptions into Planning fees, resulting in the applicant paying a single fee.
- Added a separate valuation table in Fire Prevention to cover Fire Life Safety Inspection review.

Fee Study Results (2) – Technology Surcharge

- **Technology Surcharge (Previously Database Maintenance Fee)** – covers the annual and potential replacement cost of TRAKiT.
 - Standard fee charged by other jurisdictions. Proposed fee lower than comparable jurisdictions.
 - Renamed to represent the true purpose of the fee.
 - Calculated separately so it can be consistently applied on business license “fees” (taxes) as well as permit applications.
 - Allows cost recovery for technology even on fees not set to full cost recovery
 - Ensures compliance for auditing purposes as funds are earmarked and set-aside for replacement.

Fee Study Results (2) – Other Development Surcharges

- **General Plan Maintenance Fee** – covers the cost of updating long-range planning efforts, only applicable on Building Permits. Calculated at 0.30% of the Building Permit Valuation.
- **Building Training Surcharge** – cover annual training costs for Building staff, calculated at \$7 per permit.
- **Climate Surcharge** – cover the costs of updating ordinances and plans based upon Climate policies. Calculated at 0.026% of Building Permit Valuation.

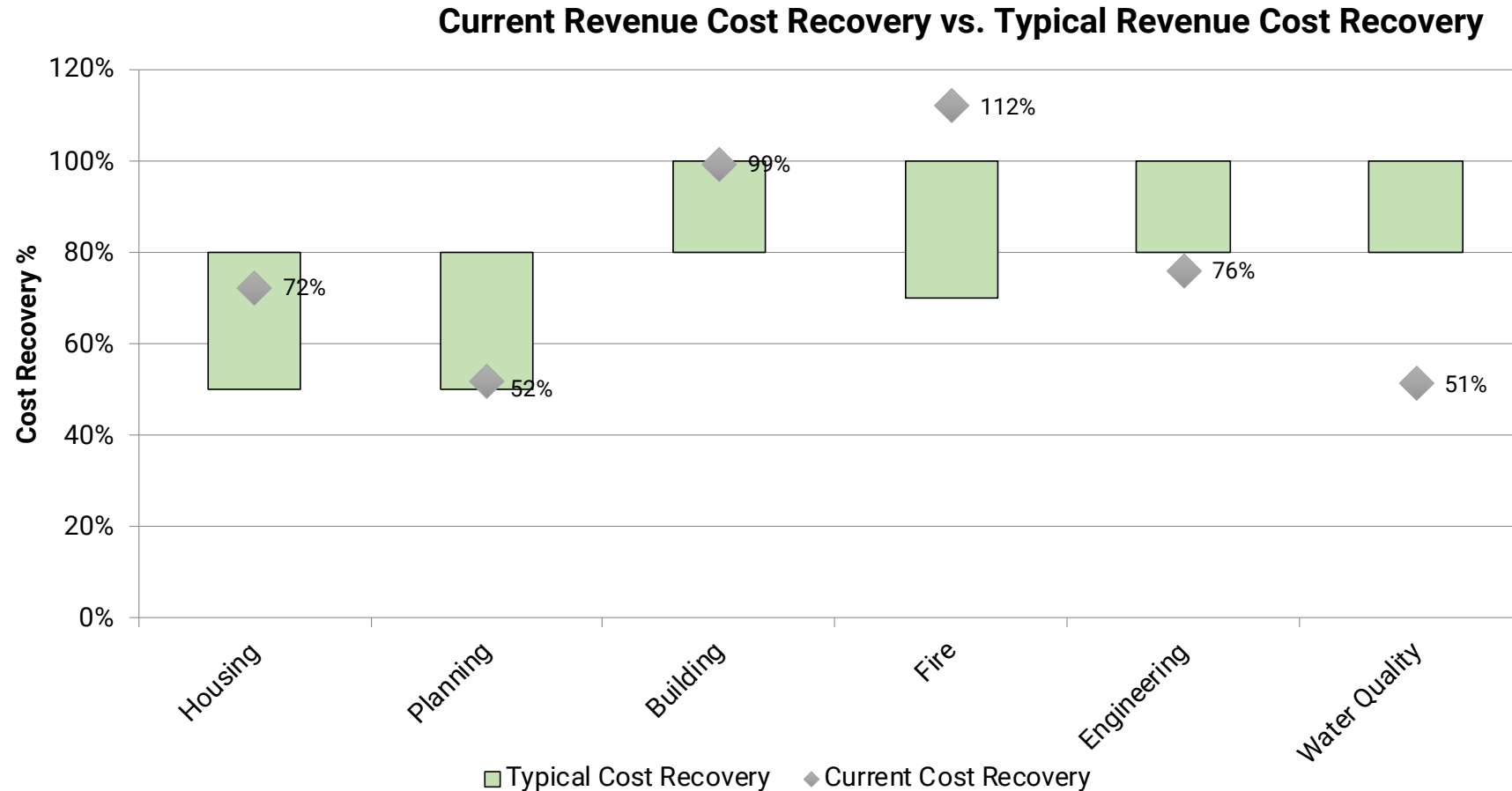
Fee Study Results (2)

Category	Current Fee Revenue	Full Cost Revenue	Difference	Cost Recovery
Housing	\$23,221	\$32,104	(\$8,883)	72%
Planning	\$1,114,668	\$2,159,082	(\$1,037,318)	52%
Building	\$9,220,734	\$9,295,300	(\$74,567)	99%
Fire	\$3,303,365	\$2,951,803	\$351,562	112%
Engineering	\$1,305,957	\$1,722,166	(\$416,209)	76%
Water Quality	\$92,421	\$180,530	(\$88,109)	51%
Total	\$15,060,366	\$16,333,889	(\$1,273,522)	92%

Overall, at 92% cost recovery level.

Highest cost-recovery at 99% and 112% is for Building and Fire. Lower cost recoveries for Planning and Water Quality.

Cost Recovery Comparison



Fire is above typical cost recovery and Engineering and Water Quality are below the typical cost recovery ranges.

City Staff Recommendations

- All user fees are proposed at 100% cost recovery (exceptions to 100% cost recovery) discussed on the next slide.
 - 104 fees are decreasing (Film Permits, Fire Operational Permits, Police Permits, etc.)
- Fees should be annually updated based upon local CPI per best practices.
- Parks and Recreation Fees approved at 3% increase per Parks & Rec Commission and alignment with market rates.
- Library fees approved by Library Board.
- Proposed fees are generally in alignment with other jurisdictions.
 - Exception is Planning fees, which are higher due to the inclusion of departmental support which is not the same for other jurisdictions.

City Staff Recommendations – Less than 100% Cost Recovery

Fee Title	Current Fee	Proposed Fee	% Cost Recovery
ALS I / II	\$2,161	\$2,593	75%
BLS (Emerg.)	\$2,161	\$2,593	75%
BLS Non-Emerg.	\$754	\$905	75%
Appeal (PC to Council)	\$1,848	\$1,848	14%
Appeal to PC	\$923	\$923	7%
Design Review – Signs (Type A – up to 25 sq.ft.)	\$185	\$250	10%
Design Review – Signs (Type B – up to 100 sq. ft.)	\$923	\$3,410	44%
Single-Family Res. Mod.	New	\$3,500	31%
Categorical Exemption	\$185	\$250	17%
Livescan Fingerprinting	\$81	\$81	89%
Tow Service Franchise Fee	\$20	\$20	10%
Food Facility Discharge Permit	\$163	\$324	60%
SIU Wastewater Discharge Permits	\$652	\$1,311	60%
Waste / Septage Hauler Discharge Permit	\$163	\$316	60%
Stormwater Facility Inspection	New	\$121	50%

16 fees out of 500+ fees being proposed at less than full-cost recovery.

Encourages compliance with regulations, and limits barrier to entry for smaller design review / single-family projects.

City Staff Recommendation Impacts

Category	Current Fee Revenue	Recommended Fee Revenue	Revenue Change
Housing	\$23,221	\$32,104	\$8,883
Planning	\$1,114,668	\$2,097,810	\$983,142
Building	\$9,220,734	\$9,295,300	\$74,567
Fire	\$3,303,365	\$2,951,803	(\$351,562)
Engineering	\$1,305,957	\$1,722,166	\$416,209
Water Quality	\$92,421	\$113,237	\$20,816
Total	\$15,060,366	\$16,212,420	\$1,152,054

Based on City staff recommendations and prior year workload, implementing the recommended fees will result in approximately a \$1.15 million increase in revenue.

Largest increases would be for Planning and Engineering.

Questions and Answers