

# **Report on Cost of Services (User Fee) Study**

CITY OF SOUTH SAN FRANCISCO, CALIFORNIA

FINAL REPORT

May 2023



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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 South San Francisco, California.

## 1 Project Background and Overview

The City of South San Francisco last conducted a formal fee study in 2016. An interim update was scheduled for 2020; however, due to the COVID-19 pandemic this study was put on hold. The purpose of a cost of services study is to evaluate and determine the full cost (direct and indirect) of providing a variety of city services. The Matrix Consulting Group analyzed the cost-of-service relationships that exist between fees for service activities in the following areas: Administrative Services (City Manager and Finance), Housing, Planning, Building, Fire, Engineering, Code Enforcement, Water Quality Control, Police, Library, and Parks and Recreation. 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 Program. 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
<b>Direct</b>	Fiscal Year 2023 Budgeted salaries, benefits and allowable expenditures.
<b>Indirect</b>	Program, 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 / Program Staff Interviews:** The project team interviewed department / program 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 2023 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 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 FY23 fee-related budgeted expenditures with FY21-22 fee-related revenue the City is under-recovering its costs by approximately \$1.27 million or recovering 92% of its costs. The following table shows by major service area / discipline, the revenue collected, the total annual cost, the resulting difference, and the resulting cost recovery percentage.

**Table 2: Annual Cost Recovery Analysis**

Service Area	Total Revenue	Total Annual Cost	Difference	Cost Recovery %
Housing	\$23,221	\$32,104	(\$8,883)	72%
Planning	\$1,114,668	\$2,151,986	(\$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%
<b>Total</b>	<b>\$15,060,366</b>	<b>\$16,333,889</b>	<b>(\$1,273,522)</b>	<b>92%</b>

Planning has the largest under-recovery at \$1.04 million. Planning's under-recovery is partially due to restructuring fees to account for City Attorney and Engineering cost and partially due to the increased time and effort associated with providing their services. Fire's over-recovery is due to ensuring alignment with the level of service provided, in particular, the right-sizing of valuation-based fees to ensure that all services are appropriately accounted for in the fee.

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. The City already has a practice in place to conduct fee studies every five years. It’s recommended the City continue 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 ensures 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 of legal rules and regulations as well as general policy considerations regarding 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"> <li>• Police</li> <li>• Park Maintenance</li> <li>• Fire Suppression</li> </ul>	<ul style="list-style-type: none"> <li>• Recreation / Community Services</li> <li>• Fire Prevention</li> </ul>	<ul style="list-style-type: none"> <li>• Building Permits</li> <li>• Planning and Zoning Approval</li> <li>• Site Plan Review</li> <li>• Engineering Development Review</li> <li>• Facility Rentals</li> </ul>

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 Parks and Recreation Specific Regulations

Specific rules and regulations within Proposition 26 impact Parks and Recreation related activities directly. These regulations note that Parks and Recreation stands apart from other departments and services, as users are not compelled to participate in recreation programs, or to utilize rental facilities. As such, Parks and Recreation fees can be set based on market rates including both private sector providers as well as other public entities. The regulatory exceptions can be separated into two categories – rental rates and recreation programs. The following points provide further information regarding these items:

1. **Rental Rates:** One of the exceptions to the tax category under proposition 26 is a charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property<sup>1</sup>. There is no requirement that these rates must be limited to the cost of service, as they can be dependent upon a variety of features of the facility or park being rented.
2. **Recreation Programs:** Under Proposition 26, the exception to the tax category is a charge that is “imposed”. Based upon the League of California Cities implementation guide for Proposition 26, as well as other legal opinions, recreation classes, youth sports, adult sports, are not a charge that is “imposed upon residents”. Rather residents have the option to voluntarily participate in those programs and utilize a private entity (non-governmental entity) for those activities. Therefore, these rates are allowed to be set based upon the market options within the area rather than being restricted to the cost of service being provided.

Due to these two principles, the Parks and Recreation fees have been provided under separate cover to the department and are not included in this user fee report.

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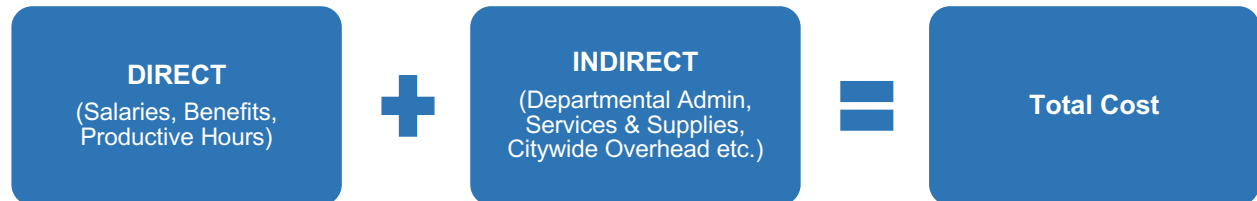
<sup>1</sup> Proposition 26 Article XIII C(1)(e)(4)

## 4 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 / program, 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

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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).

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



## 5. Administrative Services

The Administrative Services section of the fee schedule consists of fees from the City Manager and Finance Departments. These departments provide services that benefit not only internal city departments, but also city residents and visitors. The focus of this fee analysis was only on the services provided to city residents and visitors for which fees are assessed, including Film Applications, Business Licenses, and Cannabis Operator Fees. The following subsections discuss any proposed fee schedule modifications and detailed per unit results.

### 1 Fee Schedule Modifications

In discussions with Administrative Services staff, the following fee schedule modifications were proposed:

- **Finance:** The following two fees were added to the schedule:
  - 'Business License Copy'
  - 'Business License Certificate Reprint'
- **City Manager:** The 'Film Permit' fee was renamed to 'Film Application' in order to better reflect the service being provided, which is a review and approval of the application.

The modifications proposed will allow for a clearer display of the services being offered to the public.

### 2 Detailed Results

The City Manager and Finance Departments collect fees for a variety of services such as film applications, business licenses, and cannabis operations. The total cost calculated 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.

**Table 4: Total Cost Per Unit Results – Administrative Services**

Fee Name	Current Fee	Total Cost	Difference
<b>FINANCE</b>			
<b>Business License</b>			
Master List	\$9	\$12	(\$3)
Monthly Update	\$9	\$12	(\$3)

Fee Name	Current Fee	Total Cost	Difference
Business License Copy <sup>2</sup>	\$0.25	\$0.25	\$0.00
Business License Certificate Reprint	\$10	\$12	(\$2)
<b>Cannabis Operator Fees</b>			
Cannabis Operator Permit Application	\$8,344	\$10,411	(\$2,067)
Cannabis Business Inspection	\$399	\$404	(\$5)
Cannabis Operator Permit	\$16,931	\$18,744	(\$1,813)
<b>Miscellaneous Fee</b>			
Returned Checks Due to Insufficient Funds <sup>3</sup>	\$25	\$25	\$0
Subsequent Returned Checks <sup>4</sup>	\$35	\$35	\$0
<b>CITY MANAGER</b>			
Film Application	\$613	\$306	\$307

Finance is generally under-recovering for their fees. The largest under-recoveries are in relation to 'Cannabis Operator Fees', ranging from \$5 for the 'Business Inspection' to \$2,067 for the 'Operator Permit'.

The 'Film Application' fee under the City Manager's Office also shows a surplus but that is due to the modification of this fee from being a film permit that used to cover all City services to only being the review associated with the application and additional departmental fees would be added.

<sup>2</sup> The fee is governed and set by GOV § 6253(b)

<sup>3</sup> The fee is governed and set by CIV § 1719(a)

<sup>4</sup> The fee is governed and set by CIV § 1719(a)

## 6. Housing

The Housing Division is responsible for managing the City's affordable housing program, which includes creating affordable housing units, regulating the program, and monitoring compliance with City regulations. The services rendered through this division include; development agreements, housing and rental monitoring, and hearing fees. The following subsections outline how a fee structure was determined and the total cost calculated for each proposed service.

### 1 Fee Schedule Modifications

In discussion with Housing staff, it was proposed to combine the Initial Sale or Lease-up For-Sale and For-Rental BMR Units into a singular category as both the current fees and the full cost are the same. Additionally, 'Auditing of Reports' was proposed to be added to their current fee schedule as it is currently providing this service to the public. Lastly, the BMR Monitoring Fees for Condos was proposed to be eliminated as this service is no longer applicable.

### 2 Detailed Results

The proposed fee structure for the Housing Division includes charging fees for items such as affordable housing application, initial sale of BMR units, and refinancing a single-family home. The total cost calculated for each Housing 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.

**Table 5: Total Cost Per Unit Results – Housing**

Fee Name	Current Fee	Total Cost	Difference
<b><u>Development Application Including Affordable Housing</u></b>			
Application (review BMR Plan)	\$540	\$555	(\$15)
Agreement Preparation	\$608	\$352	\$256
Agreement Preparation - with waiver or Modification	\$1,014	\$966	\$48
<b><u>Initial Sale or Lease Up For-Sale or Rental BMR Units</u></b>			
Less than 10 BMR units	\$296	\$766	(\$470)
10-50 BMR units	\$351	\$1,206	(\$855)
More than 50 BMR units	\$485	\$1,647	(\$1,162)
Consultant Costs		Actual Cost	

Fee Name	Current Fee	Total Cost	Difference
<b><u>BMR Monitoring</u></b>			
Rentals (per development)	\$174	\$237	(\$63)
Auditing of Reports	New	Actual Cost	N/A
<b><u>Refinance and or Subordination of Agreement or Loan</u></b>			
Single Family or Condo	\$338	\$417	(\$79)
Multi-Family	\$770	\$685	\$85
Payoff Demand	\$54	\$56	(\$2)
Resale Administration - Single Family / Condo	\$1,709	\$2,178	(\$469)
<b><u>Real Estate Transactions</u></b>			
Initial Consideration for Purchase Offers	\$889	\$1,335	(\$446)
<b><u>Tax Equity and Fiscal Responsibility</u></b>			
TEFRA Hearing	\$1,315	\$430	\$885

Housing under-recovers for a majority of their fees, ranging from a low of \$2 for 'Refinance and or Subordination or Agreement or Loan – Payoff Demand' to a high of \$1,162 for 'Initial Sale or Lease Up For-Sale BMR Units – More than 50 BMR units' and 'Initial Sale or Lease Up of Rental BMR Units – More than 50 BMR units'. The largest over-recovery is in relation to 'TEFRA Hearing' at \$885. The surpluses are in part due to reductions in time estimates and changes in primary positions, as well as, the conversion of City Attorney time / costs from deposit based to overhead on various fees.

## 7. Planning

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The Planning Division is responsible for reviewing development related projects to ensure compliance with zoning procedures and development standards. The division is also responsible for design reviews, general plan, use permits, zoning ordinance, and historical reviews. Fees examined in this study relate to development review and include fees such as conditional use permits, master licensing agreements, and design reviews. The following subsections discuss any proposed fee schedule modifications and detailed per unit results.

### 1 Fee Schedule Modifications

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

- **Removed Fees:** The following fees were proposed to be removed as the City no longer offers these services or they are covered through other existing applications:
  - 'Design Review - Projects Requiring Planning Commission Approval'
  - 'Design Review - Resubmitted (after 2 reviews by Design Review Board)'
  - 'Cultural Arts Contribution / Unit Landscaping Cost'
  - 'City Attorney Cost Recovery'
  - 'Parking Exemption'
  - 'Parking District Annexation Fee'
  - 'Sidewalk Dining Permit (Annual)'
  - 'Preliminary Review'
- **Added Fees:** The following fees highlight new services offered by this Division or services already offered for which the Division would like assess a fee:
  - 'Design Review – Single Family Residential Modification / Addition'
  - Water Efficiency Landscape Ordinance (WELO) Review – Small (500 – 2,500 square feet)'
  - Water Efficiency Landscape Ordinance (WELO) Review – Large (2,500+ square feet)'
  - 'Pre-Application Submittal – Small Project (Residential Up to 10 Units / Comm. Façade or addition)'
  - 'Pre-Application Submittal – Large Project (Residential Over 10 Units / New Commercial Development)'
  - 'Private Outdoor Dining Permit – Annual Permit'

- 'Private Outdoor Dining Permit – Annual Use of Space'
- **Expanded Fees:** To capture staff time and effort more accurately, the following fees were expanded
  - 'Design Review – Commercial and Industrial' was expanded into the following two categories:
    - 'New'
    - 'Modification'
  - 'Transportation Demand Management Plan – Initial Filing Fee' was expanded into the following two categories:
    - 'Initial Filing Fee Tier 1 & 2'
    - 'Initial Filing Fee Tier 3 & 4'
  - 'Design Review - Multi-Family Residential / Subdivisions 4 of More Units / Modifications / Additions to 4 of More Units' was expanded into the following two categories:
    - 'Multi-Family Residential 4-25 Units'
    - 'Multi-Family Residential 25+ Units'
  - 'Building Review – Single Family (New or Remodel)' was expanded into the following two categories:
    - 'Single Family Residential (Minor Modification)'
    - 'Single Family Residential (New or Substantial Remodel)'
- **Condensed Fees:** To streamline the fee schedule the following fees were condensed into a single fee.
  - 'Conditional Use Permit / Site Development' encompasses services from the following fees:
    - 'Conditional Use Permit / Site Development Modification'
    - 'Conditional Use Permit / Site Development - Multi-Family Residential or Civic Use'
    - 'Conditional Use Permit / Site Development - All Others'
  - 'Minor Use Permit' encompasses services from the following fees:
    - 'Minor Use Permit - Residential'
    - 'Minor Use Permit - All Other'
  - 'Time Extension Non-Conforming Use / All Others' encompasses services from the following fees:
    - 'Time Extension – Non-Conforming Use'
    - 'Time Extension - For a Use Permit, Planned Unit Development Permit, Non-Conforming Status Permit, and for all Other Permits and Maps'

- 'Appeal for the Planning Commission's Decision to the City Council' encompasses services from the following fees:
  - 'Applicant'
  - 'Adjacent Property Owner'
  - 'City Resident'
  - 'Homeowners Association'
  - 'All Others'
- **Renamed Fees:** To more accurately describe the scope of service offered the follow fee name changes were proposed:
  - 'Precise Plan Modification (Resident Only)' is now titled 'Precise Plan Modification'
  - 'Conditional Use Permit / Site Development' is now 'Conditional Use Permit'
  - 'Appeal of the Chief Planner's decision to the Planning Commission by any party' is now 'Appeal of the Chief Planner's decision to the Planning Commission'
  - 'Initial Study, Negative Declaration, Mitigated Negative Declaration, Environmental Consistency Analysis and other Contract Planning Studies' is now 'Initial Study, Negative Declaration, Mitigated Negative Declaration, and Environmental Consistency Analysis'
  - 'Certificate of Convenience and Necessity (taxi)' is now 'Certificate of Convenience and Necessity'

The adjustments and additions proposed will provide applicants with a better reflection of the services being provided by Planning.

## 2 Detailed Results

The Planning Division collects fees for items such as multi-family conditional use permits, zoning amendments, specific plans, variances, commercial and industrial design reviews, and tentative parcel maps among others. The total cost calculated for each Planning service includes direct staff costs, cross-departmental support<sup>5</sup>, and Departmental and Citywide overhead<sup>6</sup>. The following table details the fee name, current fee, total cost, and difference associated with each service.

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<sup>5</sup> Planning receives support on various fees from the following Divisions: Engineering, Building, and Fire.

<sup>6</sup> Citywide overhead includes direct City Attorney support identified to the Planning Division.

Table 6: Total Cost Per Unit Results – Planning

Fee Name	Current Fee <sup>7</sup>	Total Cost	Difference
<b>Public Hearing Cases</b>			
Planned Unit Development	\$18,587	\$23,296	(\$4,709)
Precise Plan	\$18,587	\$23,296	(\$4,709)
Precise Plan Modification	\$11,185	\$10,942	\$243
Conditional Use Permit	\$9,851	\$12,982	(\$3,131)
Temporary Use Permit	\$1,764	\$2,336	(\$572)
Minor Use Permit	\$4,737	\$7,640	(\$2,903)
<b>Small Cell Wireless</b>			
MLA For City-Owned Poles or Structures	\$5,136	\$5,146	(\$10)
CUP For privately-owned poles or structures	\$4,655	\$5,146	(\$491)
Zoning Amendment (Text)	\$14,237	\$30,590	(\$16,353)
Rezoning Map	\$14,237	\$30,590	(\$16,353)
Specific Plan	\$30,613	\$59,943	(\$29,330)
Variance	\$12,662	\$19,782	(\$7,120)
General Plan Amendments	\$15,540	\$30,739	(\$15,199)
Master Plan	\$30,425	\$59,943	(\$29,518)
Development Agreement	\$27,773	\$31,796	(\$4,023)
Appeal of the Planning Commission's Decision to the City Council	\$1,848	\$12,839	(\$10,991)
Appeal of the Chief Planner's decision to the Planning Commission	\$923	\$12,690	(\$11,767)
Time Extension Non-Conforming Use / All Others	\$923	\$2,660	(\$1,737)
<b>Transportation Demand Management Plan</b>			
Initial Filing Fee Tier 1 & 2	\$1,293	\$2,716	(\$1,423)
Initial Filing Fee Tier 3 & 4	\$1,293	\$6,456	(\$5,163)
Annual Monitoring (plus survey cost)	\$1,848	\$3,464	(\$1,616)
Triennial Review	\$1,848	\$3,464	(\$1,616)
<b>Modifications &amp; Waivers</b>			
Minor (Staff Review)	\$277	\$2,217	(\$1,940)
Major (Planning Commission Review)	\$3,848	\$6,605	(\$2,757)
<b>Design Review - Signs</b>			
Type A (up to 25 sq. ft.)	\$185	\$2,538	(\$2,353)
Type B (up to 100 sq. ft.)	\$923	\$3,410	(\$2,487)
Type C / Master Sign	\$3,848	\$8,297	(\$4,449)
<b>Design Review</b>			
Single Family Residential Modification / Addition	New	\$249	(\$249)
Single Family Residential / New or Additions to 2 to 3 Units	\$7,000	\$11,131	(\$4,131)
Multi-Family Residential 4-25 Units	\$9,187	\$26,931	(\$17,744)
Multi-Family Residential 25+ Units	\$9,187	\$39,398	(\$30,211)
<b>Commercial and Industrial:</b>			
New	\$10,125	\$47,400	(\$37,275)
Modification	\$10,125	\$15,400	(\$5,275)
<b>Environmental Document Fees</b>			
Categorical Exemption	\$185	\$1,469	(\$1,284)
Initial Study, Negative Declaration, Mitigated Negative Declaration, and Environmental Consistency Analysis	\$10,543	\$37,625	(\$27,082)
Environmental Impact Report (EIR)	\$16,084	\$50,092	(\$34,008)

<sup>7</sup> For a more accurate comparison, current fees include City Attorney deposit and Engineering fees.



Fee Name	Current Fee <sup>7</sup>	Total Cost	Difference
<b>Subdivisions</b>			
Tentative Subdivision Map	\$8,967	\$17,072	(\$8,105)
Tentative Parcel Map	\$8,229	\$11,745	(\$3,516)
<b>Miscellaneous Fees</b>			
Minor Changes to Approved Permit	\$185	\$2,217	(\$2,032)
Inspection Fees: Additional visits	\$370	\$470	(\$100)
Certificate of Alteration	\$1,848	\$3,713	(\$1,865)
Legal Notices	\$554	\$797	(\$243)
Duplication of Planning Commission Meeting	\$20	\$20	\$0
Zoning Verification Letter	\$923	\$952	(\$29)
Zoning Administrator Decision	\$923	\$1,968	(\$1,045)
Certificate of Convenience and Necessity	\$185	\$1,719	(\$1,534)
Hourly Rate - Planning	\$185	\$249	(\$64)
Short Term Rental Application	\$150	\$249	(\$99)
<b>Building Plan Review</b>			
Single Family Residential (Minor Modification)	\$636	\$249	\$387
Single Family Residential (New or Substantial Remodel)	\$636	\$748	(\$112)
Multi-Family / Commercial / Industrial (New or Tenant Improvement)	5%	14%	-9%
Construction Coordination for Active Building Permits	5%	5%	0%
<b>Proposed New Fees</b>			
<b>Water Efficiency Landscape Ordinance (WELO) Review</b>			
Small (500 - 2,500 square feet)	New	\$610	N/A
Large (2,500+ square feet)	New	\$1,496	N/A
<b>Pre-Application Submittal</b>			
Small Project (Residential Up to 10 Units / Comm. Façade or addition)	New	\$2,913	N/A
Large Project (Residential Over 10 Units / New Commercial Development)	New	\$5,738	N/A
<b>Private Outdoor Dining Permit (POD)</b>			
Annual Permit	New	\$1,216	N/A
Annual Use of Space	New	\$2,880	N/A

With the exception of 'Precise Plan Modification' and 'Building Plan Review -Single Family Residential (Minor Modification)', which over-recover for \$243 and \$387 respectively. These are due to creating new categories for the fees.

The remaining Planning fees all under-recover. These shortfalls are in part due to the cross-departmental support on various Planning fees, as well as the conversion of City Attorney time / costs from deposit based to overhead on all fees. The largest deficit is in relation to 'Design Review – Commercial and Industrial – New' at \$37,275, followed by 'Environmental Impact Report (EIR)' at \$34,008 and 'Design Review - Multi-Family Residential 25+ Units' at \$30,211.

### 3 Cross-Departmental Support

City Attorney, Engineering, Building, and Fire each provide support on various Planning fees. In order to recover for all costs associated with providing these services, the full cost of each Division has been incorporated into the fees noted. The total cost calculated for each service includes direct staff costs and Departmental and Citywide overhead. The following table details the fee name and shows by service area the full cost calculated resulting in the total City Cost.

**Table 7: Total Cost Per Unit Results – Planning Cross-Dept Support**

Fee Name	Planning Cost	City Attorney Cost	Eng. Cost	Bldg Cost	Fire Cost	Total City Cost
<b>Public Hearing Cases</b>						
Planned Unit Development	\$15,687	\$2,584	\$5,025	\$0	\$0	\$23,296
Precise Plan	\$15,687	\$2,584	\$5,025	\$0	\$0	\$23,296
Precise Plan Modification	\$7,190	\$1,108	\$2,645	\$0	\$0	\$10,942
Conditional Use Permit	\$8,252	\$1,292	\$3,438	\$0	\$0	\$12,982
Temporary Use Permit	\$1,826	\$314	\$196	\$0	\$0	\$2,336
Minor Use Permit	\$6,127	\$923	\$589	\$0	\$0	\$7,640
<b>Small Cell Wireless</b>						
MLA For City-Owned Poles or Structures	\$4,003	\$554	\$589	\$0	\$0	\$5,146
CUP For privately-owned poles or structures	\$4,003	\$554	\$589	\$0	\$0	\$5,146
Zoning Amendment (Text)	\$26,159	\$4,431	\$0	\$0	\$0	\$30,590
Rezoning Map	\$26,159	\$4,431	\$0	\$0	\$0	\$30,590
Specific Plan	\$43,302	\$7,384	\$9,256	\$0	\$0	\$59,943
Variance	\$16,749	\$2,769	\$264	\$0	\$0	\$19,782
General Plan Amendments	\$26,308	\$4,431	\$0	\$0	\$0	\$30,739
Master Plan	\$43,302	\$7,384	\$9,256	\$0	\$0	\$59,943
Development Agreement	\$26,308	\$4,431	\$1,058	\$0	\$0	\$31,796
Appeal of the Planning Commission's Decision to the City Council	\$10,993	\$1,846	\$0	\$0	\$0	\$12,839
Appeal of the Chief Planner's decision to the Planning Commission	\$10,844	\$1,846	\$0	\$0	\$0	\$12,690
Time Extension Non-Conforming Use / All Others	\$2,291	\$369	\$0	\$0	\$0	\$2,660
<b>Transportation Demand Management Plan</b>						
Initial Filing Fee Tier 1 & 2	\$2,347	\$369	\$0	\$0	\$0	\$2,716
Initial Filing Fee Tier 3 & 4	\$5,533	\$923	\$0	\$0	\$0	\$6,456
Annual Monitoring (plus survey cost)	\$2,984	\$480	\$0	\$0	\$0	\$3,464
Triennial Review	\$2,984	\$480	\$0	\$0	\$0	\$3,464
<b>Modifications &amp; Waivers</b>						
Minor (Staff Review)	\$1,922	\$295	\$0	\$0	\$0	\$2,217
Major (Planning Commission Review)	\$5,682	\$923	\$0	\$0	\$0	\$6,605
<b>Design Review - Signs</b>						
Type A (up to 25 sq. ft.)	\$2,261	\$277	\$0	\$0	\$0	\$2,538
Type B (up to 100 sq. ft.)	\$3,004	\$406	\$0	\$0	\$0	\$3,410
Type C / Master Sign	\$7,190	\$1,108	\$0	\$0	\$0	\$8,297
<b>Design Review</b>						

Fee Name	Planning Cost	City Attorney Cost	Eng. Cost	Bldg Cost	Fire Cost	Total City Cost
Single Family Residential / New or Additions to 2 to 3 Units	\$8,869	\$1,477	\$786	\$0	\$0	\$11,131
Multi-Family Residential 4-25 Units	\$17,366	\$2,954	\$6,611	\$0	\$0	\$26,931
Multi-Family Residential 25+ Units	\$27,987	\$4,800	\$6,611	\$0	\$0	\$39,398
<b>Commercial and Industrial:</b>						
New	\$33,743	\$5,723	\$7,934	\$0	\$0	\$47,400
Modification	\$11,438	\$1,846	\$2,116	\$0	\$0	\$15,400
<b>Environmental Document Fees</b>						
Categorical Exemption	\$1,285	\$185	\$0	\$0	\$0	\$1,469
Initial Study, Negative Declaration, Mitigated Negative Declaration and other Contract Planning Studies	\$32,087	\$5,538	\$0	\$0	\$0	\$37,625
Environmental Impact Report (EIR)	\$42,708	\$7,384	\$0	\$0	\$0	\$50,092
<b>Subdivisions</b>						
Tentative Subdivision Map	\$8,720	\$1,477	\$6,876	\$0	\$0	\$17,072
Tentative Parcel Map	\$5,533	\$923	\$5,289	\$0	\$0	\$11,745
Documents, Maps and Plans - Reproduction of Documents and Maps	\$186	\$37	\$0	\$0	\$0	\$223
<b>Miscellaneous Fees</b>						
Minor Changes to Approved Permit	\$1,922	\$295	\$0	\$0	\$0	\$2,217
Inspection Fees: Additional visits	\$396	\$74	\$0	\$0	\$0	\$470
Certificate of Alteration	\$3,197	\$517	\$0	\$0	\$0	\$3,713
Legal Notices	\$723	\$74	\$0	\$0	\$0	\$797
Zoning Verification Letter	\$823	\$129	\$0	\$0	\$0	\$952
Zoning Administrator Decision	\$1,710	\$258	\$0	\$0	\$0	\$1,968
Certificate of Convenience and Necessity (taxi)	\$1,497	\$222	\$0	\$0	\$0	\$1,719
Hourly Rate – Planning	\$212	\$37	\$0	\$0	\$0	\$249
Short Term Rental Application	\$776	\$111	\$0	\$0	\$0	\$249
<b>Building Plan Review</b>						
Single Family Residential (Minor Modification)	\$212	\$37	\$0	\$0	\$0	\$249
Single Family Residential (New or Substantial Remodel)	\$637	\$111	\$0	\$0	\$0	\$748
<b>Proposed New Fees</b>						
<b>Water Efficiency Landscape Ordinance (WELO) Review</b>						
Small (500 - 2,500 square feet)	\$536	\$74	\$0	\$0	\$0	\$610
Large (2,500+ square feet)	\$1,275	\$222	\$0	\$0	\$0	\$1,496
<b>Pre-Application Meeting</b>						
Small Project (Residential Up to 10 Units / Comm. Façade or addition)	\$2,347	\$369	\$196	\$0	\$0	\$2,913
Large Project (Residential Over 10 Units / New Commercial Development)	\$4,471	\$738	\$529	\$0	\$0	\$5,738
<b>Private Outdoor Dining Permit (POD)</b>						
Annual Permit		\$111	\$121	\$115	\$234	\$1,216

These total costs per unit were integrated into the overall Planning total costs per unit. This integration ensures that the City is appropriately recovering for all costs as it relates to Planning services.

## 8. Building

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The City of South San Francisco provides plan check and inspection services in-house, supplemented with contract plan checkers. The purpose of the Building Division, part of the Economic and Community Development Department, is to review all construction projects (residential and commercial) to ensure compliance with the California Building Code and its rules and regulations. The following subsections discuss modifications made to the Building fee structure and detailed per unit analysis results.

### 1 Fee Schedule Modifications

The Building fee schedule consists of both flat fees and valuation based fees, both of which were studied. The project team worked with the Building Division to streamline the current fee schedule by modifying structures and adding new flat fees. The following points highlight the proposed changes:

- **Modifications to Valuation Based Fees:**
  - For all new construction projects (residential and commercial) the plan check and inspection (permit) fees are now inclusive of structural, and green energy reviews and inspections.
  - Incorporation of Title 24 Energy Plan Check Surcharge into the proposed plan check fees to minimize the number of surcharges added to fees.
  - Plan Check Fees were converted from valuation tables to percentage of the building permit fee to help streamline the fee schedule and simplify the plan check fee calculation process. For commercial plan check fees, a tiered percentage structure was developed depending upon the scope of the project and valuation.
  - Mechanical, Electrical, and Plumbing fees were converted from valuation-tables based on trade type to valuation-tables to be based on construction type. Additionally, the valuation ranges were expanded to better capture the scope of projects.
- **Removed Flat Fee:** 'Photovoltaic – Commercial' was removed as the City is capturing the time and cost of providing this service within other fees.
- **Added Flat Fees:** The following fees were added to streamline the processing and application of commonly pulled residential permits:
  - 'Energy Storage System – Residential'
  - 'OTC or Standalone MEP Permit'

- 'Water Heater'
- 'Electric Water Heater'
- 'Reroof'
- 'Garage Door'
- 'Kitchen Update'
- 'Bath Update'
- 'Furnace Replacement'
- 'All Electric Furnace Replacement'
- 'Service Upgrade'
- 'Lateral Replacement'
- 'EV Charger'
- 'Residential Addressing Fee'
- 'Multi-Family Commercial Addressing Fee'
- 'Alternate Means and Method – Base'
- 'Alternate Means and Method – Each Additional Hour'

Identifying and implementing these changes to the Building fee structure will help to clarify the fee schedule, increase consistency of fee application, and reduced the complexity in relation to both internal staff and developers determining the full fees associated with their development projects.

## 2 Detailed Results

The Building division collects two types of fees: Flat Fees and Valuation Based fees. The following subsection discuss the detailed results for each fee type.

### 2.1 Flat Fees

The Building Division currently assesses a variety of permits for over the counter or simplified permits, such as reroofs, photovoltaic, residential remodels, etc. The following table details the current fees associated with Flat Fees Permits, the full cost associated with Building to provide these services, and the difference.

**Table 8: Total Cost Per Unit Results – Building Flat Fees**

Fee Name	Current Fee	Total Cost	Difference
Inspections Or Re-Inspections Outside Normal Business Hours	\$120	\$281	(\$161)
Re-Inspections During Normal Hours	\$120	\$209	(\$89)
<b>Permit Process - Initial Project Input, Fee Collection</b>			
New / Existing Residential, Commercial, and MF	\$239	\$273	(\$34)
MEP	\$40	\$91	(\$51)

Fee Name	Current Fee	Total Cost	Difference
Additional Plan Review Required by Changes, Additions or Revisions to Approved Plans	\$60	\$115	(\$55)
<b>Photovoltaic</b>			
Residential	\$239	\$300	(\$61)
<b>Energy Storage System</b>			
Residential	New	\$300	N/A
<b>Residential Permits</b>			
Water Heater	New	\$145	N/A
Electric Water Heater	New	\$344	N/A
Reroof	New	\$543	N/A
Garage Door	New	\$344	N/A
Kitchen Update	New	\$700	N/A
Bath Update	New	\$501	N/A
Furnace Replacement	New	\$195	N/A
All Electric Furnace Replacement	New	\$418	N/A
Service Upgrade	New	\$244	N/A
Lateral Replacement	New	\$195	N/A
EV Charger	New	\$302	N/A
OTC or Standalone MEP Permit	New	\$300	N/A
<b>Addressing</b>			
Residential	New	\$209	N/A
Multi-Family Commercial	New	\$418	N/A
<b>Alternate Means and Methods</b>			
Base	New	\$732	N/A
Each Addl. Hr.	New	\$209	N/A

Building under-recovers for all of their flat fees, ranging from a low of \$34 for 'Permit – Process – Initial Project Input, Fee Collection – New / Existing Residential, Commercial, and MF' to a high of \$161 for 'Inspections or Re-Inspection Outside of Normal Business Hours'.

## 2.2 Valuation

The City of South San Francisco currently uses a valuation table to establish plan check and permit fees for all Construction Projects that is based on the value of construction costs. There are currently five different valuation tables utilized by the City:

1. Building Inspection
2. Plan Check – Existing Residential
3. Plan Check – New Residential and All Commercial (New and Existing)
4. Plan Check – Mechanical and Plumbing
5. Plan Check – Electrical

As discussed in the modifications section, the project team worked with City staff to modify the current structure to simplify the fee calculation and administration process. The project team modified the five valuation tables to now consist of:

1. Single-Family Residential Permit (New and Remodels)
2. Commercial / Industrial / Multi-Family (New and Tenant Improvements)
3. Single Family MEP
4. Commercial / Industrial / Multi-Family MEP

Plan Check fees were established as a percentage of the building permit fee. The following subsections discuss the residential, commercial, and MEP valuation-based tables calculated for the City.

## 2.2 (a) Single-Family Residential Valuation

While the City currently has two separate plan check valuation-based tables for residential, it only has a singular table for building permit fees. Through this study as many simplified residential permits were identified as flat fees, it was determined that a singular valuation-based table was still appropriate for all new and existing single-family residential projects. The following table outlines the valuation range, current fee, total cost per unit, and the associated difference.

**Table 9: Total Cost Per Unit Results – Single Family Residential Building Permit Fees**

Project Valuation Sliding Scale Category	Current Fee	Total Cost	Difference
<b>Project Valuation \$1 to \$500</b>	\$90.00	\$209.02	(\$119.02)
<b>Project Valuation \$501 to \$2,000</b>			
First \$500	\$90.00	\$209.02	(\$119.02)
Each Additional \$100 or fraction thereof	\$2.14	\$10.45	(\$8.31)
<b>Project Valuation \$2,001 to \$25,000</b>			
First \$2,000	\$120.00	\$365.79	(\$245.79)
Each Additional \$1,000 or fraction thereof	\$25.70	\$20.45	\$5.25
<b>Project Valuation \$25,001 to \$50,000</b>			
First \$25,000	\$719.00	\$836.08	(\$117.08)
Each Additional \$1,000 or fraction thereof	\$28.92	\$36.23	(\$7.31)
<b>Project Valuation \$50,001 to \$100,000</b>			
First \$50,000	\$1,437.00	\$1,741.83	(\$304.83)
Each Additional \$1,000 or fraction thereof	\$14.37	\$14.98	(\$0.61)
<b>Project Valuation \$100,001 to \$500,000</b>			
First \$100,000	\$2,157.00	\$2,490.82	(\$333.82)
Each Additional \$1,000 or fraction thereof	\$8.99	\$8.49	\$0.50

<b>Project Valuation Sliding Scale Category</b>	<b>Current Fee</b>	<b>Total Cost</b>	<b>Difference</b>
<b>Project Valuation \$500,001 to \$1,000,000</b>			
First \$500,000	\$5,752.00	\$5,887.40	(\$135.40)
Each Additional \$1,000 or fraction thereof	\$17.25	\$6.34	\$10.91
<b>Project Valuation \$1,000,001 to \$3,000,000</b>			
First \$1,000,000	\$10,065.00	\$9,057.53	\$1,007.47
Each Additional \$1,000 or fraction thereof	\$1.80	\$3.14	(\$1.34)
<b>Project Valuation \$3,000,001 to \$5,000,000</b>			
First \$3,000,000	\$17,973.00	\$15,328.13	\$2,644.87
Each Additional \$1,000 or fraction thereof	\$2.22	\$3.48	(\$1.26)
<b>Project Valuation \$5,000,001+</b>			
First \$5,000,000	\$21,568.00	\$22,295.47	(\$727.47)
Each Additional \$1,000 or fraction thereof	\$0.98	\$1.74	(\$0.76)

The City is generally under-recovering for its costs. The largest over-recoveries appear at a valuation of \$1 million and above; this is primarily due to the fact that currently the City has a singular permit table that is applicable to both residential and commercial projects. While many commercial projects can get extremely complex the higher the valuation, many times residential projects simply are larger rather than more complex.

Additionally, as discussed, the City previously had two different types of plan check fees associated with residential projects. The project team worked with City staff to simplify the two tables into a singular percentage. The full cost associated with Residential Plan Check was calculated at **65% of the Residential Building Permit fee**. To provide comparison, for a new residential project the current plan check fee for a project valued at \$500,001 would be \$3,969; whereas now it would be \$3,867, representing about a \$142 difference.

Overall, the changes to the residential fee schedule more accurately and simplistically represent the level of effort incurred by City staff as it relates to conducting plan check and inspections.

## **2.2 (b) Commercial / Industrial / Multi-Family Valuation**

The City currently only has a singular table for commercial plan check and for commercial inspection. Through this study the project team worked with staff to review the assumptions behind those tables and where appropriate updated those assumptions. The following table outlines the valuation range, current fee, total cost per unit, and the associated difference:



**Table 10: Total Cost Per Unit Results – Commercial / Industrial / Multi-Family Building Permit Fees**

<b>Project Valuation Sliding Scale Category</b>	<b>Current Fee</b>	<b>Total Cost</b>	<b>Difference</b>
<b>Project Valuation \$1 to \$500</b>	\$90.00	\$104.51	(\$14.51)
<b>Project Valuation \$501 to \$2,000</b>			
First \$500	\$90.00	\$104.51	(\$14.51)
Each Additional \$100 or fraction thereof	\$2.14	\$9.29	(\$7.15)
<b>Project Valuation \$2,001 to \$25,000</b>			
First \$2,000	\$120.00	\$243.86	(\$123.86)
Each Additional \$1,000 or fraction thereof	\$25.70	\$13.25	\$12.45
<b>Project Valuation \$25,001 to \$50,000</b>			
First \$25,000	\$719.00	\$548.68	\$170.32
Each Additional \$1,000 or fraction thereof	\$28.92	\$12.19	\$16.73
<b>Project Valuation \$50,001 to \$100,000</b>			
First \$50,000	\$1,437.00	\$853.50	\$583.50
Each Additional \$1,000 or fraction thereof	\$14.37	\$28.22	(\$13.85)
<b>Project Valuation \$100,001 to \$500,000</b>			
First \$100,000	\$2,157.00	\$2,264.38	(\$107.38)
Each Additional \$1,000 or fraction thereof	\$8.99	\$6.75	\$2.24
<b>Project Valuation \$500,001 to \$1,000,000</b>			
First \$500,000	\$5,752.00	\$4,964.23	\$787.77
Each Additional \$1,000 or fraction thereof	\$17.25	\$14.11	\$3.14
<b>Project Valuation \$1,000,001 to \$3,000,000</b>			
First \$1,000,000	\$10,065.00	\$12,018.65	(\$1,953.65)
Each Additional \$1,000 or fraction thereof	\$1.80	\$0.26	\$1.54
<b>Project Valuation \$3,000,001 to \$5,000,000</b>			
First \$3,000,000	\$17,973.00	\$12,541.20	\$5,431.80
Each Additional \$1,000 or fraction thereof	\$2.22	\$9.09	(\$6.87)
<b>Project Valuation \$5,000,001 to \$10,000,000</b>			
First \$5,000,000	\$21,568.00	\$30,725.94	(\$9,157.94)
Each Additional \$1,000 or fraction thereof	\$0.98	\$3.26	(\$2.28)
<b>Project Valuation \$10,000,001 to \$25,000,000</b>			
First \$10,000,000	\$26,360.00	\$47,029.50	(\$20,669.50)
Each Additional \$1,000 or fraction thereof	\$0.96	\$3.14	(\$2.18)
<b>Project Valuation \$25,000,001 to \$50,000,000</b>			
First \$25,000,000	\$40,739.00	\$94,059.01	(\$53,320.01)
Each Additional \$1,000 or fraction thereof	\$0.48	\$2.51	(\$2.03)
<b>Project Valuation \$50,000,001+</b>			
First \$50,000,000	\$52,722.00	\$156,765.01	(\$104,043.01)
Each Additional \$1,000 or fraction thereof	\$1.05	\$1.25	(\$0.20)

Similar to the single-family residential permit fees, the Building Division is generally under-recovering its costs as it relates to commercial, industrial, and multi-family projects. There are a couple of valuation-based ranges for which the City is currently over-recovering such as the \$25,000, \$50,000, \$500,000, and \$3 million category. While those projects might be complex for residential projects, they are not necessarily as complex for commercial projects and as such the separation of the permit tables into two separate categories more accurately allows the City to capture the support.

It was determined that similar to the residential projects, a streamlined approach of plan check as a percentage of the building permit fee would be utilized. However, instead of a

singular plan check percentage, during discussion with staff it was determined that a tiered approach should be developed. The following table shows the proposed plan check percentage calculation:

**Table 11: Commercial / Multi-Family – Plan Check Calculation**

<b>Project Valuation</b>	<b>Total Cost Per Unit</b>
\$1 - \$50,000	60% of Building Permit Fee
\$50,000 - \$1,000,000	65% of Building Permit Fee
\$1,000,000+	85% of Building Permit Fee

The concept behind utilizing the tiered system is to capture the different level of complexities. For projects at a lower valuation typically the plan check is not generally very complex and there is minimal back and forth between the city and the applicant. However, as projects gain in value, the plan check becomes more complex. Additionally, while the city previously added a surcharge for Green Energy Title 24 Plan Check Fees, the proposed fee structure has incorporated that surcharge into the calculation for plan check fees. This will ensure that there is a simplified process for plan check fees.

## 2.2 (c) Residential MEP Valuation

While the City currently has three separate plan check valuation-based tables for MEPs based on type of MEP, it was discussed that having two tables split by type of permit would be more accurate. Through this study, it was determined that a singular valuation-based table was appropriate for all residential MEP permits. The following table outlines the valuation range, current fee, total cost per unit, and the associated difference

**Table 12: Total Cost Per Unit Results – Residential MEP Permit Fees**

<b>Project Valuation Sliding Scale Category</b>	<b>Current Fee</b>	<b>Total Cost</b>	<b>Difference</b>
<b>Project Valuation \$1 to \$500</b>	\$30.00	\$69.67	(\$39.67)
<b>Project Valuation \$501 to \$1,000</b>			
First \$500	\$30.00	\$69.67	(\$39.67)
Each Additional \$100 or fraction thereof	\$11.98	\$13.93	(\$1.95)
<b>Project Valuation \$1,001 to \$3,000</b>			
First \$1,000	\$60.00	\$139.35	(\$79.35)
Each Additional \$1,000 or fraction thereof	\$7.50	\$30.48	(\$22.98)
<b>Project Valuation \$3,001 to \$5,000</b>			
First \$3,000	\$75.00	\$261.28	(\$186.28)
Each Additional \$1,000 or fraction thereof	\$22.00	\$32.66	(\$10.66)
<b>Project Valuation \$5,001 to \$10,000</b>			
First \$5,000	\$120.00	\$391.91	(\$271.91)
Each Additional \$1,000 or fraction thereof	\$11.98	\$23.51	(\$11.53)

Project Valuation Sliding Scale Category	Current Fee	Total Cost	Difference
<b>Project Valuation \$10,001+</b>			
First \$10,000	\$180.00	\$627.06	(\$447.06)
Each Additional \$1,000 or fraction thereof	\$17.98	\$11.76	\$6.22

The Building Division under-recovers for all Residential MEP ranges. Parsing out the MEP valuation tables by construction type rather than trade allows for Building to more accurately capture their time spent reviewing and inspecting stand-alone MEP permits.

## 2.2 (d) Commercial / Industrial / Multi-Family MEP Valuation

The City currently has two separate plan check valuation-based tables (Mechanical and Plumbing) and Electrical. For streamlining purposes, it was determined that a singular valuation table could be developed that would be assessed per trade (Mechanical or Electrical or Plumbing). The following table outlines the valuation range, current fee, total cost per unit, and the associated difference

**Table 13: Total Cost Per Unit Results – Commercial / Industrial / Multi-Family MEP Permit Fees**

Project Valuation Sliding Scale Category	Current Fee	Total Cost	Difference
<b>Project Valuation \$1 to \$500</b>	\$30.00	\$69.67	(\$39.67)
<b>Project Valuation \$501 to \$1,000</b>			
First \$500	\$30.00	\$69.67	(\$39.67)
Each Additional \$100 or fraction thereof	\$11.98	\$13.93	(\$1.95)
<b>Project Valuation \$1,001 to \$3,000</b>			
First \$1,000	\$60.00	\$139.35	(\$79.35)
Each Additional \$1,000 or fraction thereof	\$7.50	\$30.48	(\$22.98)
<b>Project Valuation \$3,001 to \$5,000</b>			
First \$3,000	\$75.00	\$261.28	(\$186.28)
Each Additional \$1,000 or fraction thereof	\$22.00	\$32.66	(\$10.66)
<b>Project Valuation \$5,001 to \$10,000</b>			
First \$5,000	\$120.00	\$391.91	(\$271.91)
Each Additional \$1,000 or fraction thereof	\$11.98	\$23.51	(\$11.53)
<b>Project Valuation \$10,001 to \$25,000</b>			
First \$10,000	\$180.00	\$627.06	(\$447.06)
Each Additional \$1,000 or fraction thereof	\$17.98	\$13.93	\$4.05
<b>Project Valuation \$25,001 to \$50,000</b>			
First \$25,000	\$719.36	\$1,045.10	(\$325.74)
Each Additional \$1,000 or fraction thereof	\$17.98	\$23.69	(\$5.71)
<b>Project Valuation \$50,001 to \$100,000</b>			
First \$50,000	\$1,618.33	\$2,229.55	(\$611.22)
Each Additional \$1,000 or fraction thereof	\$17.98	\$5.57	\$12.41
<b>Project Valuation \$100,001 to \$500,000</b>			
First \$100,000	\$3,416.29	\$2,786.93	\$629.36
Each Additional \$1,000 or fraction thereof	\$17.98	\$3.70	\$14.28
<b>Project Valuation \$500,001 to \$1,000,000</b>			
First \$500,000	\$17,800.26	\$5,748.05	\$12,052.21
Each Additional \$1,000 or fraction thereof	\$17.98	\$6.44	\$11.54

<b>Project Valuation Sliding Scale Category</b>	<b>Current Fee</b>	<b>Total Cost</b>	<b>Difference</b>
<b>Project Valuation \$1,000,001 to \$3,000,000</b>			
First \$1,000,000	\$35,780.22	\$12,192.83	\$23,587.39
Each Additional \$1,000 or fraction thereof	\$17.98	\$1.52	\$16.46
<b>Project Valuation \$3,000,001+</b>			
First \$3,000,000	\$107,700.18	\$18,289.25	\$89,410.93
Each Additional \$1,000 or fraction thereof	\$17.98	\$0.76	\$17.22

Generally, the Building Division under-recovers its Commercial / Industrial MEP costs up to \$100,000, at which point it over-recovers. Parsing out the MEP valuation tables by construction type rather than trade allows for Building to more accurately capture their time spent reviewing and inspecting stand-alone MEP permits.

## 9. Fire

The Fire Department is responsible for protecting South San Francisco residents from fires, medical emergencies, natural disasters, and hazardous materials. The Fire Department has three divisions: Administration, Fire Prevention, and Emergency Medical Services / Operations. Fees studied relate to transport fees, training, fire prevention, fire and life safety, and fire protection systems. The following subsections discuss any proposed fee schedule modifications and detailed per unit results.

### 1 Fee Schedule Modifications

In reviewing the current fee structure for Fire services, it was determined that modifications could be made to enhance an applicant's understanding of the services offered and how fees are applied. The following points highlight the modifications proposed:

- **Removed Fees:** The following fees were removed from the schedule as they reflect services that are no longer provided:
  - **Transport Fees**
    - 'Contracted BLS Inter Facility'
  - **Fire Service EMS Training**
    - 'First-Aid / CPR Classes for SSF Businesses'
    - 'ACLS Knowledge and Skills Review Workshop'
    - 'Initial Recognition - Pediatric Advanced Life Support (PALS)'
    - 'Initial Recognition - Advanced Cardiac Life Support (ACLS)'
    - 'Advanced Recognition – Pediatric Advanced Life Support (PALS)'
    - 'Advanced Recognition – Pediatric Advanced Life Support (PALS)'
    - 'Advanced Recognition – Advanced Cardiac Life Support (ACLS)'
    - 'Advanced Recognition – Basic Life Support-Health Care Provider (BLS HCP)'
    - 'Advanced Recognition – Lead EKG Class'
    - 'Advanced Recognition –Geriatric Education for Emergency Medical Services'
    - 'Advanced Recognition – Infrequent Paramedic Skills'
    - 'Advanced Recognition – Other EMS Continuing Education Classes'
    - 'Advanced Recognition – Student Materials, Supplies, etc. Required to Participate'
    - 'Advanced Recognition –Certification Fees required by Certifying Authority (EMT Instruction)'

- **Miscellaneous Fire Fees**
  - 'Key Box Service'
  - 'Plan Digitizing Fee – Per Letter'
  - 'Plan Digitizing Fee – Per Plan'
  - 'Plan Digitizing Fee – Per Image'
- **Added Fees:** The following fees were added to highlight new services offered as well as reflect updated California Fire Codes to be administered:
  - **Prevention**
    - 'Access & Water Supply Review (2 hour minimum)'
  - **Operational Permits**
    - 'Temporary LP-gas'
  - **Additional Permits**
    - 'Production Facilities'
    - 'Pyrotechnics and Special Effects'
    - 'Live Audiences'
  - **Local Permits**
    - 'Emergency responder communications coverage systems (ERCCS)'
    - 'Fuel Cell Power Systems'
    - 'Holiday tree sales lot'
  - **Miscellaneous Fire Fees**
    - 'Fire Marshal Consultation (2 hour minimum)'
- **Renamed Fees:** The following fee names were modified as a means to more accurately describe the scope of service offered:
  - **Fire Service EMS Training**
    - 'HeartSaver CPR / AED Community Classes' is now 'CPR / AED'
    - 'First-Aid / CPR / AED Classes for Non-Residents' is now 'CPR / AED / First-Aid'
    - 'Pediatric Education for Pre-hospital Professionals (For residents and non-residents)' is now 'Pediatric CPR / AED / First-Aid'
  - **Prevention**
    - 'Construction Re-Inspection Fees' is now 'Additional Inspection'
  - **Miscellaneous Fire Fees**
    - 'Preventable False Alarms' is now 'Nuisance Alarms'
    - '2nd alarm (within 12 months of 1st alarm)' is now '2nd alarm (within 12 months period)'
    - '3rd alarm (within 12 months of 1st alarm)' is now '3rd alarm (within 12 months period)'

- '4th and other additional alarm (within 12 months of 1st preventable alarm)' is now '4th and other additional alarm (within 12 months period)'
- **Expanded Fees:** The following three fees were expanded into a 'First 2 Hours' base fee and a subsequent 'Each Additional Hour' hourly fee, to more accurately capture the scope of services offered:
  - **Prevention**
    - 'Inspections Outside of Normal Business Hours (2 hour minimum)'
  - **Miscellaneous Fire Fees**
    - 'Application for Use of Alternate Methods of Protection'
    - 'Additional Fire Plan Check Review (2 hr. minimum) Each review beginning with 4th resubmittal'
- **Condensed Fees:** Under Prevention, 'Group R, Division 1 Occupancies and Group R, Division 2 with 3 or More Dwelling Units Per Building' was parsed out into five fees but is now captured under a single fee titled 'Group R-1 & R-2 Residential Occupancies'

The modifications made to the Fire department's fee schedule better reflect the services that are being provided and enable the department to more accurately collect fees for those services.

## 2 Detailed Results

The Fire Department collects two types of fees: Flat Fees and Valuation Based fees. The following subsection discuss the detailed results for these types of fees:

### 2.1 Flat Fees

The Fire Department collects flat fees for items such as ALS transports, training classes, prevention inspections, and operational permits among others. The total cost calculated for each Fire Department service includes direct staff costs, Departmental and Citywide overhead. The following table details the fee name, current fee, total cost, and difference associated with each service.

Table 14: Total Cost Per Unit Results – Fire

Fee Name	Current Fee	Total Cost	Difference
<b>Transport Fees</b>			
<b>Fire Service Ambulance Transportation</b>			
ALS I	\$2,161	\$3,447	(\$1,286)
ALS II	\$2,161	\$3,447	(\$1,286)
BLS (Emergency)	\$2,161	\$3,447	(\$1,286)
BLS (Non-Emergency)	\$754	\$1,206	(\$452)
Mileage (All levels)	\$57	\$22	\$35
Oxygen	\$137	\$141	(\$4)
<b>Fire Service EMS Training</b>			
CPR / AED	\$62	\$119	(\$57)
CPR / AED / First Aid	\$62	\$155	(\$93)
Pediatric CPR / AED / First Aid	\$137	\$155	(\$18)
Basic Life Support-Health Care Provider (BLS HCP)	\$86	\$128	(\$42)
Other EMS Continuing Education Classes	\$8.87	Actual Cost	N/A
<b>Fire Training Division</b>			
Emergency Response Team Class (Incl. Fire extinguisher training)	\$32	\$252	(\$220)
Permit Required Confined Space Class	\$32	\$252	(\$220)
Hazardous Materials Responder Class	\$32	\$252	(\$220)
Technical Rescue Class	\$32	\$252	(\$220)
Vehicle Extrication Class	\$32	\$252	(\$220)
Other Fire Training Continuing Education Classes	\$29	\$252	(\$223)
Student Materials, Supplies Required to Participate		Actual Cost	
Certification Fees required by Certifying Authority		Actual Cost	
<b>Prevention</b>			
<b>Fire Protective Systems Construction Permit</b>			
Access & Water Supply Review (2 hour minimum)	New	\$234	N/A
Work Performed Without a Permit	2x Permit Cost		
Inspection Cancellation Fee (Less than 24 hours)	\$95	\$218	(\$124)
<b>Other Fire Prevention Inspections</b>			
Annual Fire Inspection (Basic)	\$282	\$288	(\$6)
Additional Inspection	\$189	\$218	(\$29)
<b>Inspections Outside of Normal Business Hours (2 hour minimum)</b>			
First 2 Hours	\$378	\$246	\$132
Each Additional Hour	\$189	\$246	(\$57)
Inspection for Which a Fee is not Specifically Indicated	\$189	\$218	(\$29)
New Occupancy / Business	\$376	\$181	\$195
Title 19, 5 Year Automatic Fire Sprinkler Certification	\$376	\$289	\$87
Pre-inspection of Residential Care Facilities	\$376	\$214	\$162
<b>Operational Permits</b>			
Additive manufacturing	\$62	\$211	(\$149)
Aerosol products	\$376	\$262	\$114
Amusement buildings	\$62	\$227	(\$165)
Aviation buildings	\$62	\$262	(\$200)
Carnivals and fairs	\$62	\$262	(\$200)
Cellulose nitrate film	\$62	\$211	(\$149)
Combustible dust-producing operations	\$565	\$262	\$303
Combustible fibers	\$376	\$211	\$165
Compressed gases	\$189	\$227	(\$38)



Fee Name	Current Fee	Total Cost	Difference
Covered and open mall buildings	\$62	\$312	(\$250)
Cryogenic fluids	\$565	\$227	\$338
Cutting and welding	\$565	\$211	\$354
Dry cleaning	\$565	\$227	\$338
Energy storage	\$376	\$227	\$149
Exhibits and trade shows	\$62	\$262	(\$200)
Explosives	\$62	\$312	(\$250)
Fire hydrant and valves	\$62	\$211	(\$149)
Flammable and combustible liquids	\$565	\$211	\$354
Floor finishing	\$62	\$211	(\$149)
Fruit and crop ripening	\$62	\$211	(\$149)
Fumigation and insecticidal fogging	\$62	\$211	(\$149)
Hazardous materials	\$753	\$211	\$542
MPM facilities	\$62	\$262	(\$200)
High-piled storage	\$753	\$312	\$441
Hot work operations	\$62	\$211	(\$149)
Industrial ovens	\$189	\$211	(\$22)
Lumber yards and woodworking plants	\$753	\$312	\$441
Liquid- or gas-fueled vehicles or equipment in assembly buildings	\$62	\$211	(\$149)
LP-gas	\$376	\$211	\$165
Temporary LP-gas	New	\$211	N/A
Magnesium	\$376	\$211	\$165
Miscellaneous combustible storage	\$376	\$211	\$165
Mobile fueling of hydrogen-fueled vehicles	\$62	\$211	(\$149)
Motor fuel-dispensing	\$376	\$211	\$165
Open burning	\$62	\$211	(\$149)
Open flames and torches	\$62	\$211	(\$149)
Open flames and candles	\$62	\$211	(\$149)
Organic coatings	\$376	\$211	\$165
Outdoor assembly event	\$62	\$211	(\$149)
Places of assembly	\$376	\$211	\$165
Plant extraction systems	\$62	\$262	(\$200)
Private fire hydrants	\$62	\$211	(\$149)
Pyrotechnic special effects material	\$753	\$312	\$441
Pyroxylin plastics	\$62	\$262	(\$200)
Refrigeration equipment	\$189	\$262	(\$73)
Repair garages and motor fuel-dispensing facilities	\$376	\$262	\$114
Rooftop heliports	\$62	\$227	(\$165)
Spraying or dipping	\$376	\$262	\$114
Storage of scrap tires and tire byproducts	\$565	\$262	\$303
Temporary membrane structures and tents	\$62	\$211	(\$149)
Tire-rebuilding plants	\$62	\$262	(\$200)
Waste handling	\$376	\$262	\$114
Wood products	\$376	\$262	\$114
Lithium batteries	\$62	\$312	(\$250)
<b>Additional Permits</b>			
Production facilities	New	\$211	N/A
Pyrotechnics and special effects	New	\$211	N/A
Live audiences	New	\$211	N/A

Fee Name	Current Fee	Total Cost	Difference
<b>Local permits</b>			
Care facilities	\$376	\$211	\$165
Emergency responder communication coverage systems (ERCCS)	New	\$262	N/A
Fire alarm system	\$565	\$211	\$354
Fuel cell power systems	New	\$262	N/A
Group R-1 & R-2 residential occupancies	New	\$110	N/A
High-rise buildings	\$189	\$515	(\$326)
Holiday tree sales lot	New	\$262	N/A
<b>Miscellaneous Fire Fees</b>			
Fire Marshal Consultation (2 hour minimum)	New	\$234	N/A
Hazard Mitigation Fee (Includes all other incident types)	Actual Cost		
<b><u>Application for Use of Alternate Methods of Protection</u></b>			
First 2 Hours	\$282	\$468	(\$186)
Each Additional Hour	\$282	\$234	\$48
Emergency Response DUI Cost Recovery	Actual Cost		
Emergency Response Hazmat Cost Recovery	Actual Cost		
Investigations	\$176	Actual Cost	N/A
<b><u>Additional Fire Plan Check Review (2 hr. minimum) Each review beginning with 4th resubmittal</u></b>			
First 2 Hours	\$378	\$447	(\$69)
Each Additional Hour	\$189	\$223	(\$34)
Fire Watch	Actual Cost		
<b><u>Nuisance Alarms</u></b>			
2nd alarm (Within 12 months period)	\$113	\$0	\$113
3rd alarm (Within 12 months period)	\$226	\$0	\$226
4th and other additional alarms within 12 months period	\$567	\$0	\$567

With the exception of 'Mileage (All Levels)' which over-recovers for \$35, all of the Fire Department's Transport Fees under-recover. 'ALS I', 'ALS II', and BLS (Emergency) show the largest under-recovery at \$1,286. The Fire Department also under-recovers for all of the Fire Service EMS Training and Fire Training fees; ranging from a low of \$18 for 'Pediatric CPR / AED / First Aid' to a high of \$223 for 'Other Fire Training Continuing Education Classes'. Under Prevention fees, Operational Permits have the most over-recoveries; with the largest over-recover in relation to 'Hazardous Materials' at \$542.

## 2.2 Valuation Based Fees

Currently, the Fire Department charges fees for Fire and Life Safety Plan Check and Fire Protection Systems Plan Check and Inspections. These fees are charged based on the valuation of the project. In discussion with Fire staff, the addition of a fourth valuation table for Fire and Life Safety Inspection was proposed as a means to properly capture staff time. Additionally, Fire Protection Systems Plan Check and Inspections table ranges were modified to be limited to greater \$1 million. The following subsections provide the detailed results for each of these fee categories.

## 2.2 (a) Fire and Life Safety Plan Check

Fire Prevention staff are responsible for reviewing building plans to ensure that fire and life safety standards are met. The total cost calculated 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 valuation range.

**Table 15: Total Cost Per Unit Results – Fire Department – Fire and Life Safety Plan Check**

Project Value	Current Fee	Total Cost	Difference
<b>Project Valuation: \$1 to \$6,000</b>	\$95	\$118	(\$23)
<b>Project Valuation: \$6,001 to \$25,000</b>			
First \$6,000	\$95	\$118	(\$23)
Each Additional \$1,000 or fraction thereof	\$9.89	\$24.70	(\$14.81)
<b>Project Valuation: \$25,001 to \$50,000</b>			
First \$25,000	\$189	\$588	(\$399)
Each Additional \$1,000 or fraction thereof	\$15.06	\$7.78	\$7.28
<b>Project Valuation: \$50,001 to \$100,000</b>			
First \$50,000	\$376	\$782	(\$406)
Each Additional \$1,000 or fraction thereof	\$45.15	\$3.93	\$41.22
<b>Project Valuation: \$100,001 to \$500,000</b>			
First \$100,000	\$3,009	\$979	\$2,030
Each Additional \$1,000 or fraction thereof	\$11.29	\$3.42	\$7.87
<b>Project Valuation: \$500,001 to \$1,000,000</b>			
First \$500,000	\$7,526	\$2,346	\$5,180
Each Additional \$1,000 or fraction thereof	\$9.04	\$4.69	\$4.35
<b>Project Valuation: \$1,000,001 to \$3,000,000</b>			
First \$1,000,000	\$12,040	\$4,693	\$7,347
Each Additional \$1,000 or fraction thereof	\$4.00	\$0.78	\$3.22
<b>Project Valuation: \$3,000,001 to \$5,000,000</b>			
First \$3,000,000	\$20,068	\$6,257	\$13,811
Each Additional \$1,000 or fraction thereof	\$6.02	\$4.69	\$1.33
<b>Project Valuation: \$5,000,001 to \$10,000,000</b>			
First \$5,000,000	\$32,108	\$15,643	\$16,465
Each Additional \$1,000 or fraction thereof	\$2.42	\$1.56	\$0.86
<b>Project Valuation: \$10,000,001 to \$25,000,000</b>			
First \$10,000,000	\$44,147	\$23,464	\$20,683
Each Additional \$1,000 or fraction thereof	\$1.07	\$1.30	(\$0.23)
<b>Project Valuation: \$25,000,001 to \$50,000,000</b>			
First \$25,000,000	\$60,202	\$43,018	\$17,184
Each Additional \$1,000 or fraction thereof	\$0.33	\$1.41	(\$1.08)
<b>Project Valuation: \$50,000,001 +</b>			
First \$50,000,000	\$68,228	\$78,214	(\$9,986)
Each Additional \$1,000 or fraction thereof	\$1.37	\$0.70	\$0.67

The total cost per unit reflects changes in processes and efficiencies implemented over time by the department. Due to this right-sizing of the valuation table, the lower valuations and the highest valuation show under-recoveries, while mid- to high valuations show over-recoveries.

## 2.2 (b) Fire and Life Safety Inspection

Fire Prevention staff are responsible for inspecting buildings to ensure they match submitted plans and are in compliance with the Fire Code. The total cost calculated includes direct staff costs and Departmental and Citywide overhead. The following table details the fee name and total calculated cost associated with each valuation range.

**Table 16: Total Cost Per Unit Results – Fire Department – Fire and Life Safety Plan Check**

<b>Project Value</b>	<b>Total Cost</b>
<b>Project Valuation: \$1 to \$6,000</b>	\$142
<b>Project Valuation: \$6,001 to \$25,000</b>	
First \$6,000	\$142
Each Additional \$1,000 or fraction thereof	\$35.68
<b>Project Valuation: \$25,001 to \$50,000</b>	
First \$25,000	\$819
Each Additional \$1,000 or fraction thereof	\$8.94
<b>Project Valuation: \$50,001 to \$100,000</b>	
First \$50,000	\$1,043
Each Additional \$1,000 or fraction thereof	\$17.13
<b>Project Valuation: \$100,001 to \$500,000</b>	
First \$100,000	\$1,899
Each Additional \$1,000 or fraction thereof	\$7.17
<b>Project Valuation: \$500,001 to \$1,000,000</b>	
First \$500,000	\$4,767
Each Additional \$1,000 or fraction thereof	\$5.36
<b>Project Valuation: \$1,000,001 to \$3,000,000</b>	
First \$1,000,000	\$7,449
Each Additional \$1,000 or fraction thereof	\$1.56
<b>Project Valuation: \$3,000,001 to \$5,000,000</b>	
First \$3,000,000	\$10,578
Each Additional \$1,000 or fraction thereof	\$8.27
<b>Project Valuation: \$5,000,001 to \$10,000,000</b>	
First \$5,000,000	\$27,114
Each Additional \$1,000 or fraction thereof	\$2.68
<b>Project Valuation: \$10,000,001 to \$25,000,000</b>	
First \$10,000,000	\$40,522
Each Additional \$1,000 or fraction thereof	\$2.24

Project Value	Total Cost
<b>Project Valuation: \$25,000,001 to \$50,000,000</b>	
First \$25,000,000	\$74,192
Each Additional \$1,000 or fraction thereof	\$1.43
<b>Project Valuation: \$50,000,001 +</b>	
First \$50,000,000	\$110,021
Each Additional \$1,000 or fraction thereof	\$0.72

The total cost per unit reflects the staff time and effort necessary to provide inspection services for Fire and Life Safety permits. As with other valuation tables, as the valuation increases so does the base amount, while each additional amount decreases.

## 2.2 (c) Fire Code Permits Plan Check

Fire Prevention staff are responsible for reviewing fire code permit plans to ensure that they are in compliance with the fire code and meet or exceed the requirements for building occupancy. The total cost calculated 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 valuation range.

**Table 17: Total Cost Per Unit Results – Fire Department – Fire Code Permit Plan Check**

Project Value	Current Fee	Total Cost	Difference
<b>Project Valuation: \$1 to \$6,000</b>	\$189	\$260	(\$71)
<b>Project Valuation: \$6,001 to \$25,000</b>			
First \$6,000	\$189	\$324	(\$135)
Each Additional \$1,000 or fraction thereof	\$9.89	\$6.47	\$3.42
<b>Project Valuation: \$25,001 to \$50,000</b>			
First \$25,000	\$376	\$447	(\$71)
Each Additional \$1,000 or fraction thereof	\$3.76	\$8.94	(\$5.18)
<b>Project Valuation: \$50,001 to \$100,000</b>			
First \$50,000	\$470	\$670	(\$200)
Each Additional \$1,000 or fraction thereof	\$1.89	\$4.47	(\$2.58)
<b>Project Valuation: \$100,001 to \$500,000</b>			
First \$100,000	\$565	\$894	(\$329)
Each Additional \$1,000 or fraction thereof	\$1.41	\$0.56	\$0.85
<b>Project Valuation: \$500,001 to \$1,000,000</b>			
First \$500,000	\$1,129	\$1,117	\$12
Each Additional \$1,000 or fraction thereof	\$3.76	\$0.45	\$3.31
<b>Project Valuation: \$1,000,001 +</b>			
First \$1,000,000	\$3,009	\$1,341	\$1,668
Each Additional \$1,000 or fraction thereof	\$1.00	\$0.22	\$0.78

The total cost per unit reflects the staff time and effort associated with conducting plan review on fire protection systems. Due to adjusting the cap of the valuation table, the

lower valuations show under-recoveries, while the higher valuations show over-recoveries.

## 2.2 (d) Fire Code Permit Inspection

Fire Prevention staff are responsible for inspecting fire code permits to ensure they match submitted plans, are properly installed, and functioning. The total cost calculated 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 valuation range.

**Table 18: Total Cost Per Unit Results – Fire Department – Fire Code Permits Inspection**

Project Value	Current Fee	Total Cost	Difference
<b>Project Valuation: \$1 to \$6,000</b>	\$565	\$596	(\$31)
<b>Project Valuation: \$6,001 to \$25,000</b>			
First \$6,000	\$565	\$1,229	(\$664)
Each Additional \$1,000 or fraction thereof	\$9.89	\$45.09	(\$35.20)
<b>Project Valuation: \$25,001 to \$50,000</b>			
First \$25,000	\$753	\$2,086	(\$1,333)
Each Additional \$1,000 or fraction thereof	\$15.06	\$65.55	(\$50.49)
<b>Project Valuation: \$50,001 to \$100,000</b>			
First \$50,000	\$1,129	\$3,724	(\$2,595)
Each Additional \$1,000 or fraction thereof	\$7.53	\$80.45	(\$72.92)
<b>Project Valuation: \$100,001 to \$500,000</b>			
First \$100,000	\$1,506	\$7,747	(\$6,241)
Each Additional \$1,000 or fraction thereof	\$4.70	\$10.43	(\$5.73)
<b>Project Valuation: \$500,001 to \$1,000,000</b>			
First \$500,000	\$3,386	\$11,918	(\$8,532)
Each Additional \$1,000 or fraction thereof	\$8.27	\$21.45	(\$13.18)
<b>Project Valuation: \$1,000,001 +</b>			
First \$1,000,000	\$7,525	\$22,645	(\$15,120)
Each Additional \$1,000 or fraction thereof	\$0.95	\$1.07	(\$0.12)

The total cost per unit reflects the staff time and effort it takes to conduct inspections. All valuation-ranges show an under-recovery.

## 10. Engineering

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The Engineering Division is responsible for supporting its customers by providing technical, timely, and cost-effective solutions that promote environmentally sustainable infrastructures. Fees for service involve the regulation and facilitation of private development permits relating to: encroachments, mapping, transportation, and grading. The following subsections discuss any proposed fee schedule modifications and detailed per unit results.

### 1 Fee Schedule Modifications

Based upon discussions with Engineering staff, the following modifications to the current fee schedule were proposed:

- **Renamed Fees:** The following fee names were modified as a means to more accurately describe the scope of services offered:
  - **Encroachment**
    - 'Sewer Lateral' is now 'Sewer Lateral Repairs or Replacements'
    - 'Utility Improvements' is now 'Utility Services'
    - 'Utility / Outside Service' is now 'Utility / Outside Service Connection Review'
    - 'Revocable Encroachment Permits' is now 'Revocable Encroachment'
    - 'Sidewalk Closure for Maintenance or Construction - per day of sidewalk closure' is now 'Sidewalk Closure for Maintenance or Construction'
    - 'Work without a permit (after the fact permit) - Fee + Plan Check Fee' is now 'Work without a permit (after the fact permit)'
  - **Mapping**
    - 'Grant of Easement / Easement Abandonment Request' is now 'Easement Grant / Vacation'
  - **Transportation**
    - 'Transportation - Single trip or a modification of on original permit' is now 'Transportation - Single trip or modification'
  - **Grading**
    - 'Grading Plan Check and Permit' is now 'Grading Plan Review and Permit'
  - **Building Support**
    - 'Site Review Supplemental' is now 'Subsequent Site Review'

- **Removed Fees:** The following fees were removed from the schedule as they reflect services that are no longer provided:
  - **Encroachment**
    - 'Minor Frontage Improvements'
    - 'Utility Trenching'
    - 'Pothole Projects'
  - **Miscellaneous**
    - 'Re-inspection Assessed Under Provisions of Section 305(h)'
  - **Planning Support**
    - 'Engineering Design and Conditions Review' fees were all removed from the Engineering fee schedule as Engineering's time is being captured directly through the fee being charged by Planning.
- **Added Fees:** The following fees were added to highlight new services offered by Engineering:
  - **Encroachment**
    - '180-Day Extension Fee'
    - 'Standard Encroachment'
    - 'Storage Container Permit'
    - 'Storage Container Deposit'
    - 'Roadway Closures'

The modifications proposed will ensure that the Engineering fee schedule more accurately reflects the services being provided by staff.

## 2 Detailed Results

The Engineering Division collects fees for items such as public improvement plan check, public improvement inspection, minor and major subdivision tentative map, and transportation permits among others. The total cost calculated for each Engineering service includes direct staff costs, Departmental and Citywide overhead. The following table details the fee name, current fee, total cost, and difference associated with each service.



Table 19: Total Cost Per Unit Results – Engineering

Fee Name	Current Fee	Total Cost	Difference
<b>Encroachment</b>			
<b>Sewer Lateral Repairs or Replacements</b>			
Video Review	\$102	\$101	\$1
Sewer Lateral Certificate	\$66	\$98	(\$32)
Sewer Lateral Review and Permit	\$406	\$952	(\$546)
180-Day Extension Fee	New	\$196	N/A
<b>Minor Frontage Improvements</b>			
MFI Plan Review	\$334	\$491	(\$157)
<b>Small Cell Towers</b>			
Cell Phone Tower Review (City owned pole)	\$2,174	\$2,478	(\$304)
Cell Phone Tower Review (non-City pole)	\$534	\$627	(\$93)
<b>Utility Services</b>			
Utility / Outside Service Connection Review	\$300	\$442	(\$142)
Utility Access and TCP Only	\$233	\$344	(\$111)
<b>Dig Once</b>			
Dig Once Advertisement	\$534	\$786	(\$252)
Dig Once Policy Admin	\$10,000	\$10,000	\$0
<b>Potholing</b>			
Potholing Permit	\$712	\$751	(\$39)
<b>Revocable Encroachment</b>			
Revocable Encroachment Plan Review	\$300	\$442	(\$142)
Revocable Encroachment & Maintenance Agreement	\$753	\$1,088	(\$335)
Revocable Encroachment Annual Renewal Fee	\$200	\$295	(\$95)
<b>Encroachment Plan Review</b>			
Cost of ROW Improvements			
Up to \$49,999	\$1,836.00	\$2,009.36	(\$173.36)
\$50,000	\$1,836.00	\$2,009.36	(\$173.36)
each additional \$10,000 or fraction thereof	\$772.60	\$872.19	(\$99.59)
\$100,000	\$5,699.00	\$6,370.29	(\$671.29)
each additional \$10,000 or fraction thereof	\$342.27	\$395.64	(\$53.37)
\$250,000	\$10,833.00	\$12,130.66	(\$1,297.66)
each additional \$10,000 or fraction thereof	\$296.84	\$357.15	(\$60.31)
\$500,000	\$18,254.00	\$20,362.43	(\$2,108.43)
each additional \$10,000 or fraction thereof	\$139.06	\$170.32	(\$31.26)
\$1,000,000+	\$25,207.00	\$28,065.28	(\$2,858.28)
each additional \$100,000 or fraction thereof	\$387.00	\$109.03	\$277.97
4th and subsequent Plan Checks or revisions	\$1,152.00	\$1,250.29	(\$98.29)
<b>Encroachments Permit &amp; Inspection</b>			
Cost of ROW Improvements			
Up to \$49,999	\$612.00	\$1,104.48	(\$492.48)
\$50,000	\$612.00	\$1,337.46	(\$725.46)
each additional \$10,000 or fraction thereof	\$346.80	\$623.40	(\$276.60)
\$100,000	\$4,080.00	\$4,454.44	(\$374.44)
each additional \$10,000 or fraction thereof	\$136.03	\$565.30	(\$429.27)
\$250,000	\$8,161.00	\$12,933.88	(\$4,772.88)
each additional \$10,000 or fraction thereof	\$81.62	\$356.36	(\$274.74)
\$500,000	\$12,242.00	\$21,842.77	(\$9,600.77)
each additional \$10,000 or fraction thereof	\$204.00	\$257.22	(\$53.22)
\$1,000,000+	\$22,442.00	\$33,771.73	(\$11,329.73)

Fee Name	Current Fee	Total Cost	Difference
each additional \$100,000 or fraction thereof	\$2,040.00	\$2,022.32	\$17.68
Additional Inspections	\$204.00	\$201.25	\$2.75
<b>Permit Work Deposit</b>			
Sewer Lateral	\$1,000	\$1,000	\$0
Standard Encroachment	New	\$2,000	N/A
All other ROW improvement projects	\$5,000	\$5,000	\$0
<b>Storage Container</b>			
Storage Container Permit	New	\$134	N/A
Storage Container Deposit	New	\$400	N/A
<b>Other Fees</b>			
No Parking Signs	\$5	\$6	(\$1)
Roadway Closures	New	\$101	N/A
Sidewalk Closure for Maintenance or Construction	\$102	\$101	\$1
Work without a permit (after the fact permit)	2x Permit Fee		
Engineering Staffing CCC	\$183	\$233	(\$50)
Engineering Staffing TAGs	\$183	\$264	(\$81)
Geotechnical Peer Review	\$702	\$2,645	(\$1,943)
<b>Mapping</b>			
Map Extensions	\$969	\$1,451	(\$482)
Final / Parcel Map Review and Processing	\$5,603	\$6,732	(\$1,129)
Property Merger Review and Cert	\$2,549	\$4,971	(\$2,422)
Lot Line Adjustment Review and Cert	\$2,433	\$4,706	(\$2,273)
Lot Conformance Review and Cert	\$1,934	\$3,618	(\$1,684)
Easement Grant / Vacation	\$3,170	\$3,332	(\$162)
Subsequent Engineering Mapping Reviews	\$702	\$1,058	(\$356)
Engineering Agreements	\$3,505	\$2,607	\$898
Outside Sewer Service Agreement	\$5,818	\$4,413	\$1,405
Benchmark Maintenance Fee	\$233	\$264	(\$31)
<b>Subdivision Tentative Map</b>			
Minor Tentative Map	\$2,877	\$3,430	(\$553)
Major Tentative Map	\$4,197	\$5,013	(\$816)
Each Additional Lot Over 5	\$58	\$66	(\$8)
<b>Transportation<sup>8</sup></b>			
Single trip or modification	\$16	\$49	(\$33)
Annual or repetitive permit	\$90	\$147	(\$57)
<b>Grading</b>			
<b>Hauling Permit</b>			
Hauling Permit Fee	\$237	\$250	(\$13)
Hauling Permit Deposit	\$2,000	\$2,000	\$0
<b>Grading Permit</b>			
<b>Grading Plan Review and Permit</b>			
51 to 9,999 Cubic Yards	\$3,826.00	\$3,898.90	(\$72.90)
10000 - 49,999 Cubic Yards	\$3,826.00	\$3,898.90	(\$72.90)
each additional 10,000 cubic yards or fraction thereof	\$527.00	\$595.03	(\$68.03)
50,000 - 99,999 Cubic Yard	\$5,934.00	\$6,279.03	(\$345.03)
each additional 10,000 cubic yards or fraction thereof	\$234.00	\$476.03	(\$242.03)
100,000+ Cubic Yards	\$7,104.00	\$8,659.16	(\$1,555.16)

<sup>8</sup> Cal. Code Regs. tit. 21 § 1411.3(a)

Fee Name	Current Fee	Total Cost	Difference
each additional 10,000 cubic yards or fraction thereof	\$351.00	\$317.35	\$33.65
4th and subsequent Plan Checks or revisions	\$936.00	\$1,192.71	(\$256.71)
Grading Permit Deposit	\$50,000	\$50,000	\$0
<b>Erosion Control Compliance</b>			
Base	\$204	\$201	\$3
Per 250 cubic yards (round to the nearest 250)	\$17	\$16	\$1
<b>Miscellaneous</b>			
Inspections Outside of Normal Business Hours	\$204	\$201	\$3
Inspections for which a fee is not specifically indicated	\$241	\$263	(\$22)
Permit Renewal / Reinstatement Fee	\$66	\$98	(\$32)
Research for Non-Permit Application Inquires	\$66	\$98	(\$32)
Engineering Staff Time for Services not Specifically Indicated	\$233	\$264	(\$31)
<b>Building Support</b>			
<b>Engineering Site Review</b>			
Cost of Site Improvements			
Up to \$49,999	\$836.00	\$989.84	(\$153.84)
\$50,000 - \$99,999	\$836.00	\$989.84	(\$153.84)
each additional \$10,000 or fraction thereof	\$562.00	\$634.70	(\$72.70)
\$100,000 - \$249,999	\$3,646.00	\$4,163.35	(\$517.35)
each additional \$10,000 or fraction thereof	\$187.33	\$211.57	(\$24.24)
\$250,000 - \$499,999	\$6,456.00	\$7,336.87	(\$880.87)
each additional \$10,000 or fraction thereof	\$177.92	\$334.98	(\$157.06)
\$500,000 - \$999,999	\$10,904.00	\$12,361.59	(\$1,457.59)
each additional \$10,000 or fraction thereof	\$112.40	\$126.94	(\$14.54)
\$1,000,000+	\$16,524.00	\$18,708.61	(\$2,184.61)
each additional \$100,000 or fraction thereof	\$351.00	\$399.33	(\$48.33)
Subsequent Site Review	\$936.00	\$1,192.71	(\$256.71)

With the exception of a handful of fees, Engineering fees show an under-recovery. The largest under-recoveries are in relation to 'Encroachment Permit and Inspection' fees. 'Encroachment Permit and Inspection at \$1,000,000' has the highest deficit at \$11,330; followed by 'Encroachment Permit at \$500,000' and 'Encroachment Permit at \$250,000' at \$9,601 and \$4,773 respectively. 'Mapping' also includes the largest over-recovery at \$1,405 for 'Outside Sewer Service Agreement'. The surplus for the agreements is due to adjustment in time estimates, as well as the conversion of City Attorney time / costs from deposit based to overhead on various fees.

# 11. Code Enforcement

The Code Enforcement Division is responsible for educating and ensuring compliance to federal, state, and municipal laws and codes. Fees for service include an investigation fee and an hourly rate. The following subsections discuss any proposed fee schedule modifications and detailed per unit results.

## 1 Fee Schedule Modifications

Based upon discussions with staff, as a means to account for general services provided by Code Enforcement an hourly rate for 'Code Enforcement Officer' was proposed as an addition to the fee schedule.

## 2 Detailed Results

The Code Enforcement Division collects fees for investigations and an hourly staff rate. 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.

**Table 20: Total Cost Per Unit Results – Code Enforcement**

Fee Name	Current Fee	Total Cost	Difference
Code Enforcement Investigation	\$376	\$385	(\$9)
Code Enforcement Officer	New	\$128	N/A

Code Enforcement current charges one fee, 'Code Enforcement Investigation', for which they under-recover by \$9.

## 12. Water Quality

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The Water Quality Control Division is responsible for administering environmental compliance programs mandated by the State of California, including: Pretreatment, Pollution Prevention, and Stormwater Pollution Prevention. Fees examined in this study relate to Discharge Permits and Renewals, Wastewater Analysis, and Stormwater Inspections. The following subsections discuss any proposed fee schedule modifications and detailed per unit results.

### 1 Fee Schedule Modifications

In discussion with Water Quality staff, the following modifications to the current fee schedule were proposed:

- **Expanded Fees:** Fees are broken out in order to provide clarity and depth of services provided within the fee schedule. For example, previously Permit and Renewals only had two generic categories: 'Significant Industrial Users' and 'All Other Required Businesses'. These were broken out into the following categories: 'Food Facility Discharge Permit', 'SIU Waste Water Discharge Permit', 'General / Groundwater Discharge Permit', and 'Waste / Septage Hauler Discharge Permit'.
- **Added Fee:** 'Stormwater Facility Inspection' was added to highlight a new service offered by the Division.
- **Renamed Fee:** To more accurately describe the services offered, 'Waste Management Plan Review' was renamed 'Water Quality Control Plan Review'.

The proposed modifications better express the services provided by the Water Quality Control Division, and when each permit is applicable.

### 2 Detailed Results

The Water Quality Control Division collects fees for items such as food facility discharge permits, waste discharge permits, water quality control plan reviews, and stormwater facility inspections. 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.

Table 21: Total Cost Per Unit Results – Water Quality Control

Fee Name	Current Fee	Total Cost	Difference
<b>Permits and Renewals: (valid for 3-year time intervals)</b>			
Food Facility Discharge Permit	\$163	\$540	(\$377)
SIU Wastewater Discharge Permit	\$652	\$2,186	(\$1,534)
General / Groundwater Discharge Permit	\$163	\$414	(\$251)
Waste / Septage Hauler Discharge Permit	\$163	\$526	(\$363)
Water Quality Compliance Review	\$163	\$225	(\$62)
Inspections - Outside of Normal Pretreatment Activities	\$163	\$177	(\$14)
Inspections - Outside of Normal Business Hours	\$163	\$195	(\$32)
Special Monitoring Activities for Enforcement and Surveillance	\$163	\$177	(\$14)
Special Sampling / Equipment Use	\$163	\$177	(\$14)
<b>Wastewater Analysis</b>			
BOD		Actual Cost	
COD		Actual Cost	
TSS		Actual Cost	
Oil & Grease		Actual Cost	
Metals (except Hg)		Actual Cost	
Hg		Actual Cost	
pH		Actual Cost	
Bioassay		Actual Cost	
CN		Actual Cost	
PAH		Actual Cost	
Phenol		Actual Cost	
Ammonia		Actual Cost	
Conductivity		Actual Cost	
Oxygen Uptake Rate		Actual Cost	
Others		Actual Cost	
Water Quality Control Plan Review	\$163	\$225	(\$62)
<b>Stormwater</b>			
Stormwater Facility Inspection	New	\$242	N / A
<b>Hourly Rate</b>			
Public Works – Water Quality	\$163	\$177	(\$14)

Water Quality under-recovers for all of its fees. The largest under-recovery at \$1,534 is in relation to 'SIU Wastewater Discharge Permit'; followed by 'Food Facility Discharge Permit' and 'Waste / Septage Hauler Discharge Permit' at \$377 and \$363 respectively. Breaking out the discharge permit by type of user better captures the variety in service level provided.

## 13. Police

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The Police Department is responsible for managing safety within the City, which includes monitoring and reducing crime, enforcing laws, and providing community education. The fees included in this analysis are in relation to fingerprinting services, vehicle abatement, reports, personnel services, vehicle release, firearm storage, and clearance letters provided by the Police Department. The following subsections discuss any proposed fee schedule modifications and detailed per unit results.

### 1 Fee Schedule Modifications

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

- **Removed Fee:** 'Photographs – Digital Photographs on Disks' was removed as this service is covered through other fees.
- **Condensed Fees:** 'Video Tape', 'DVD Video', 'In Car / BodyCam Video - DVD', 'Cassette Tape', and 'CD Audio' were condensed into the following two general fee categories 'Media – Non-Redacted' and 'Media – Redacted – per hour'.
- **Renamed Fee:** To more accurately describe the services offered, the following fees were renamed:
  - 'All individuals, City Employees excluded' is now 'Fingerprint Cards (All individuals, City Employees excluded)'
  - 'Junk Collector' is now 'Junk Vehicle Collector'

The modifications proposed more accurately represent the services being provided by the Police Department.

### 2 Detailed Results

The Police Department charges fees for service including items such as fingerprint cards, single firearm storage, and driver permits for cab companies. The total cost calculated for each Police 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.

Table 22: Total Cost Per Unit Results – Police

Fee Name	Current Fee	Total Cost	Difference
<b>Alarms &amp; Fingerprinting</b>			
<b>Fingerprints</b>			
Fingerprint Cards (All individuals, City Employees excluded)	\$62	\$50	\$12
Live Scan Fingerprinting	\$81	\$91	(\$10)
<b>Permits</b>			
<b>Alarm Registration (Commercial)</b>			
New/Renewal	\$29	\$40	(\$11)
<b>False Alarm Fines</b>			
2nd alarm (Within 12 months of 1st alarm)	\$113	\$190	(\$77)
3rd alarm (Within 12 months of 1st alarm)	\$226	\$380	(\$154)
4th and other additional alarms within 12 months of the 1st preventable alarm	\$567	\$760	(\$193)
False Alarm Fine Appeal	\$62	\$80	(\$18)
<b>Bingo</b>			
Initial Permit (Refundable if denied)	\$62	\$240	(\$178)
Annual Renewal	\$578	\$240	\$338
<b>Card room I.D. Card</b>			
Initial Operator Permit	\$1,931	\$721	\$1,210
Initial Employee Permit	\$384	\$240	\$144
Annual Renewal (for operator & employee permit)	\$97	\$240	(\$143)
Replacement	\$97	\$120	(\$23)
<b>Cab Company</b>			
Driver Permit	\$62	\$262	(\$200)
<b>Vehicle for Hire</b>			
Initial Certificate of Convenience and Necessity	\$7,735	\$2,402	\$5,333
Certificate of Renewal	\$193	\$240	(\$47)
<b>Special Event Permit</b>			
For Profit	\$282	\$240	\$42
Non-Profit Group / Charity Event	\$198	\$240	(\$42)
Junk Vehicle Collector	\$97	\$74	\$23
<b>Massage Establishment or Bath House</b>			
Initial Permit	\$1,931	\$480	\$1,451
Annual Renewal	\$193	\$240	(\$47)
<b>Pawnbroker/Secondhand Goods Background Investigation:</b>			
Dealer	\$1,931	\$721	\$1,210
Employee	\$384	\$240	\$144
Fortune Telling	\$1,931	\$721	\$1,210
<b>Tow Vehicle Companies</b>			
Initial Permit / Annual Renewal	\$20	\$192	(\$172)
Driver Permit (5-year permit)	\$193	\$108	\$85
<b>Renewal</b>			
Tow Service Franchise Fee	\$20	\$192	(\$172)
Replacement of Lost, Stolen, or Mutilated Permits	\$45	\$192	(\$147)
Reissued Permits	\$45	\$192	(\$147)
<b>Miscellaneous Fees</b>			
Vehicle Abatement	\$384	\$297	\$87
Media - Non-Redacted	\$57	\$74	(\$17)
Media - Redacted - per hour	\$113	\$160	(\$47)
Police Reports	\$0.25	\$0.25	\$0.00



Fee Name	Current Fee	Total Cost	Difference
<b>Special Personnel Services</b>			
Staff Police Officer	\$193	\$195	(\$2)
Non-Sworn	\$113	\$153	(\$40)
Discounted Rate for SSFUSD	\$102	\$195	(\$93)
Transcripts	\$0.03	\$0.03	\$0.00
Emergency Response to Driving Under the Influence (DUI) Accidents	Actual Cost		
Incident Response (includes Accident, Hazmat, DUI or other incident)	Actual Cost		
Towed Vehicle Release, Negligent Operator	\$193	\$149	\$44
<b>Firearm Storage Administration Fee</b>			
Single Firearm	\$384	\$383	\$1
Each Additional Weapon	\$384	\$383	\$1
Ammunition Storage Administration Fee	\$153	\$135	\$18
Clearance Letter	\$11	\$37	(\$26)

A majority of Police fees under-recover, ranging from a low of \$1 for Firearm Storage fees to a high of \$200 for 'Cab Company – Driver Permit'. The largest over-recovery is in relation to 'Vehicle for Hire – Initial Certificate of Convenience and Necessity' at \$5,333; followed by 'Massage Establishment or Bath House – Initial Permit' at \$1,451. The over-recoveries are due to streamlined processes since the previous fee study was conducted.

## 14. Library

The Library Department provides accessible and exciting programs, services, and collections to support lifelong learning and literacy goals of our community, school success, access to and assistance with technology, safe and inviting spaces for youth and families, and gathering places and programs to connect community with reading, learning and personal interests. Services at three sites include computer and wireless access, study areas, homework and research help, multimedia collections, online resources and activities and programs for all ages. Access to core public library services, programs and collections are free, with fees identified in areas such as lost and damaged materials, and out-of-library-system reserve requests. The following subsections discuss any proposed fee schedule modifications and detailed per unit results.

### 1 Fee Schedule Modifications

In discussion with Library staff, removal of 'Microfilm Copies' was proposed as the City no longer offers this service.

### 2 Detailed Results

The user fees charged by the Library Department include items such as damaged DVD cases, lost process fees, and inter-library loan processing fees. Other fees are material or actual cost based. The total cost calculated for each Library 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.

**Table 23: Total Cost Per Unit Results – Library**

Fee Name	Current Fee	Total Cost	Difference
<b>Damaged and Missing Materials</b>			
CD/DVD Cases, Replacement of Lost or Damaged	\$2	\$3	(\$1)
<b>Lost, Replacement Charges - Processing Fee</b>			
Catalogued Materials	\$5	\$6	(\$1)
Generic Materials	\$2	\$2	(\$0)
<b>Miscellaneous Charges</b>			
<b>Reserve: Out of County Reserve / Inter-Library Loan</b>			
SSF residents	\$3	\$22	(\$19)
Non-residents	\$5	\$22	(\$17)

Library under-recovers for all their fees. The largest under-recoveries are in relation to 'Reserve: Out of County Reserve / Inter-Library Loan', SSF Residents' shows a deficit of \$19 followed by 'Non-Resident' with a deficit of \$17.

## 15. Parks and Recreation

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The Parks and Recreation Department provides opportunities to residents and visitors for physical, cultural and social wellbeing; protects and enhances the physical environment; and ensures the effective and efficient use of public facilities and open spaces. The Department is comprised of four divisions:

- **Administration:** Provides leadership, resource development, and administrative support to Parks and Recreation.
- **Recreation:** Oversees recreation opportunities relating to Aquatics, Cultural Arts, Sports and Athletics, Rentals and Picnics, Classes, Events, Childcare, and Senior Services.
- **Parks:** Maintains and rehabilitates the city's many parks and open spaces, community center grounds, neighborhood park buildings, playgrounds, and athletic fields.
- **Facilities:** Provides maintenance services and manages custodial services on behalf of city facilities including community centers, city hall, police and fire stations.

The majority of the programs and services offered by the Department are dependent upon the preferences of the community and can change from season to season. Due to the number and variety of programs and classes offered, as well as the use of contract service providers, this study only conducted a fee analysis for services associated with application processing and permits. All program-related activities were evaluated and provided under separate cover to the Department.

### 1 Detailed Results

When calculating the total cost for application processing and permitting, the project team included direct staff costs, direct material costs (where applicable), and Departmental and Citywide overhead. The following table details the fee name, current fee, total cost, and the associated difference.

**Table 24: Total Cost Per Unit Results – Parks & Recreation Processing Fees**

Fee Name	Current Fee	Total Cost	Difference
<b>Childcare and Youth Enrichment Programs</b>			
Processing Fee / New Enrollment	\$71	\$38	\$33
Waiting List	\$34	\$38	(\$4)
Document Retrieval	\$34	\$45	(\$11)
<b>Rentals</b>			
<b>Picnic Fees</b>			
Application Processing	\$38.50	\$34.74	\$3.76
<b>Facility Fees</b>			
<b>Municipal Services Building</b>			
Duplicate Permit Fee Retrieval Cost	\$26.78	\$10.57	\$16.21
<b>Insurance (Subject to change from insurance company year to year) Per event, depending on the facility and size of group</b>			
Application Processing Fee	\$89.25	\$126.86	(\$37.61)
<b>Other Services</b>			
Refundable Tree Planting Deposit	\$350	\$500	(\$150)
Protected Tree Permit	\$112.35	\$561.44	(\$449.09)
Special Event Support Staff	\$32.55	\$78.38	(\$45.83)

Parks & Recreation under-recovers for a majority if their processing fees. The deficits range from a low of \$37.61 for 'Insurance – Application Processing Fee' to a high of \$449.09 for 'Protected Tree Permit'. The largest over-recovery is in relation to Childcare and Youth Enrichment Programs – Processing Fee / New Enrollment' at \$33.

## 16. Development Services Surcharges

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There are two typical surcharges assessed as part of the development review process – General Plan Maintenance and Technology (Database Maintenance) fee. The City of South San Francisco currently charges the General Plan Maintenance Fee as part of the building phase, and the Database Maintenance Fee for all development-related fees and Business Licenses. In addition to these typical surcharges, the Department currently assesses a Building Training Surcharge, which helps to fund training activities for Building staff, and are proposing to charge a Climate Action Surcharge, which would help fund greenhouse gas reduction measures. The following subsections discuss the General Plan Maintenance Fee, Technology (Database Maintenance) Fee, Building Training Surcharge, and Climate Action Surcharge calculated through this study.

### 1 General Plan Maintenance Fee

The City of South San Francisco currently assesses a General Plan Maintenance Fee as part of its building permit process. The fee is meant to account for updates to the general plan, zoning ordinance, specific plans, transit action plans, housing elements, and other long-range planning activities that are part of the larger General Plan. This is a fairly typical fee charged by many jurisdictions and it is generally calculated as either a percentage of the building permit fee or percentage of the building / project valuation at the time of permit submittal and calculation. The City of South San Francisco currently charges this fee as a percentage of the building project valuation at the time of building permit submittal.

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 worked with staff in the Planning Division to estimate the annual percentage of time spent by staff as it relates to long-range planning efforts. In addition

to internal staff cost there are contracted costs associated with updates to the General Plan and Zoning Code. The following table shows by cost component the total cost associated with each type of cost factor, the life of the cost factor, and the resulting annual cost:

**Table 25: General Plan Maintenance Fee Cost Components**

Cost Category	Cost	Life (Yrs)	Total Annual Cost
General Plan Full Update	\$3,550,000	10	\$355,000
Five Year Review of Plan	\$80,000	5	\$16,000
Housing Element	\$400,000	7	\$57,143
Other Long-Range Planning	\$3,795,000	10	\$379,500
<b>Contractual Costs</b>			<b>\$807,643</b>
Deputy Economic Community Development Director	\$21,603	1	\$21,603
Economic Community Development Director	\$50,225	1	\$50,225
Housing Officer	\$82,866	1	\$82,866
City Planner	\$122,130	1	\$122,130
Planner - Associate	\$59,338	1	\$59,338
Planner - Senior	\$143,386	1	\$143,386
Principal Planner	\$193,490	1	\$193,490
<b>Staffing Support</b>			<b>\$673,038</b>
<b>TOTAL GENERAL PLAN MAINTENANCE ANNUAL COST</b>			<b>\$1,480,681</b>

The total annual costs associated with updating the General Plan are approximately \$1.48 million, of which staff costs represents \$673,000. It is important to note that the staff costs in the table are representative of fully burdened hourly rates and billable time. The General Plan Update cost is based upon the City's most recent contract to update its General Plan (2019) and these comprehensive updates are typically completed on a 10-year lifecycle.

In order to assess this fee as a percentage of the building permit valuation, the project team took the annual cost associated with general plan upkeep and divided it by the total building permit valuation for FY21-22. The following table shows this calculation:

**Table 26: General Plan Maintenance Fee Calculation**

Category	Amount
Total General Plan Annual Maintenance Cost	\$1,480,681
FY18-19 Building Project Valuation <sup>9</sup>	\$ 488,754,204
<b>General Plan Maintenance Fee - % of Permit Valuation</b>	<b>0.30%</b>

<sup>9</sup> The project valuation utilized for building permits was adjusted to only reflect valuation associated with new and remodel projects, as standalone permits would not be charged this fee, and additionally, any outliers were taken out as they were not reflective of typical valuation trends for the jurisdiction.

As the table indicates, the calculated General Plan Maintenance Fee is 0.30% of the Building Permit Valuation. The City's current fee is 0.16% of the Building Permit Valuation. Therefore, the full cost fee would result in increasing the city's current fee from 0.16% to 0.30%.

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. The following table shows the results of this comparative analysis:

**Table 27: General Plan Maintenance Fee – Comparative Survey**

<b>Jurisdiction</b>	<b>Fee Amount</b>
Daly City	0.005% of Valuation
Millbrae	0.39% of Valuation
Mountain View	0.26% of Valuation
Palo Alto	0.119% of Valuation
Redwood City	0.20% of Valuation
San Bruno	10% of Building Permit Fee
San Mateo	0.40% of Valuation

The majority of the jurisdictions surveyed charge their General Plan Fee as a percentage of the Building Permit Valuation similar to the City of South San Francisco. The City's full cost calculated at 0.30% of Permit Valuation is higher than Daly City, Mountain View, Palo Alto and Redwood City, and lower than Millbrae and San Mateo.

The City already follows best management practices by collecting and accounting for these funds separate from the General Fund. However, currently, these funds are stored in a fund that includes developer deposits, the technology fee, and the General Plan maintenance fee. The City should separate out the three categories of revenues within the fund and create separate expense divisions associated with each of those areas to mitigate any potential issues with comingling of funds. Therefore, as revenue is generated in this fund and subaccount for the General Plan, that is where any staff costs and contracted costs should be incurred.

## 2 Technology Surcharge Fee

The City currently collects a database maintenance fee, which is a flat rate of \$29 per permit or license. In discussions with staff and based upon comparison of other jurisdictions it was determined that this fee should be renamed as the Technology Surcharge Fee. The nomenclature of technology fee allows the City to convey the intent

more accurately behind the fee, which is to support the costs associated with the City's permitting system (TRAKiT), and the staff time for managing permit systems; as well as to bring the fee name in line with standardized practices. The following table shows by cost category, the total cost, the life for the cost, and the resulting annual cost:

**Table 28: Technology Surcharge Fee Cost Components**

Cost Category	% of Time	Cost	Life (Yrs)	Total Annual Cost
IT Director	15%	\$74,770	1	\$74,770
IT Technician	5%	\$16,523	1	\$16,523
<b>Subtotal Staffing Costs</b>				<b>\$91,292</b>
TRAKiT Maintenance		\$100,000	1	\$100,000
TRAKiT Upgrade		\$250,000	5	\$50,000
TRAKiT Replacement		\$1,500,000	10	\$150,000
<b>Subtotal TRAKiT Costs</b>				<b>\$300,000</b>
<b>TOTAL TECHNOLOGY ANNUAL COST</b>				<b>\$391,292</b>

While the City currently charges a flat rate for each permit, it was determined that this was not proportional, as larger projects can generate more of a burden on the system (more storage space for plans, more data input in the office and in the field, etc.). Therefore, through this study, the project team worked with staff to reevaluate the Technology Surcharge as a percentage of the permit fee paid. In this revised nexus, the larger the permit fee, the greater the impact on TRAKiT. Therefore, the project team took the total Technology Annual Cost and divided it by the permitting revenue associated with Building, Planning, Fire, Engineering, and Business Licensing services. The following table shows this calculation:

**Table 29: Technology Fee Calculation**

Category	Amount
Total Technology Annual Cost	\$391,292
FY20-21 Permit Revenue <sup>10</sup>	\$17,395,208
<b>Technology Fee - % of Permit</b>	<b>2%</b>

Based upon this revised calculation, the City's technology fee would be 2% of the permit fee. Therefore, if a permit fee was \$100, the technology fee collected would be \$2.00; whereas if a permit fee was \$1,000; the technology fee collected would be \$20.00. This structure enables the surcharge to be more proportionately distributed based upon the projects and their impact upon the system.

<sup>10</sup> The permit revenue includes Fire Prevention, Planning, Engineering, Business Licensing and Building Permit and Plan Check. Building revenue associated with Mechanical, Electrical, and Plumbing Permits has been discounted in order to account for inflated revenues.



As part of this analysis, the project team conducted a comparative survey of other local jurisdictions and their assessment of the Technology Fee. The following table shows the results of this comparative analysis:

**Table 30: Technology Fee – Comparative Survey**

<b>Jurisdiction</b>	<b>Fee Amount</b>
Daly City	9% of Permit Fee
Millbrae	7% of Permit Fee
Mountain View	4% of Permit Fee
Redwood City	16% of Permit Fee
San Bruno	5% of Permit Fee
San Mateo	0.15% of Project Valuation

The majority of the jurisdictions surveyed charge their Technology Fee as a percentage of the permit fee, as has been proposed for the City of South San Francisco. The calculated full cost for the City at 2% of the permit fee is lower than all other jurisdictions. Mountain View at 4% and San Bruno at 5% are the closest to the City's calculated full cost.

The City already collects the Technology Fee in a separate fund; however, this fund is also the same fund in which developer deposits and the General Plan Maintenance fee is also collected. While there are separate revenue codes in the fund, there are not separate expense codes, and a separate expense division should be created to ensure that the revenue collected for TRAKiT is only utilized to fund the permitting related needs for the City (staffing and contracted).

### **3 Building Training Surcharge**

The State of California requires that Building Inspectors receive mandatory training and certification to ensure that they are able to accurately implement the California Building Code. The cost of this certification and annual updates on training can vary from year to year depending upon the cycle of training and costs. Therefore, in order to calculate the annual training costs associated with Building staff training, the project team collected information regarding training costs for three years. To account for inconsistencies caused by the COVID-19 pandemic, the three years used were pre-COVID. The following table shows the annual training expenses for the three fiscal years for the Building Division and the resulting three year average annual cost:

**Table 31: Annual Building Training Costs**

<b>FY</b>	<b>Training Expenses</b>
FY17-18	\$25,247
FY18-19	\$7,788
FY19-20	\$7,670
<b>3-year average</b>	<b>\$13,568</b>

As the table indicates on average the annual training costs associated with Building staff are approximately \$13,568. The costs associated with this building training surcharge are stored in a separate fund, similar to the General Plan and Technology Surcharge, which ensures that the funds collected can only be used for inspector certification and training.

The current fee for building training is set up as a per permit fee, meaning that for every building permit fee issued, this fee is collected. The project team utilized the three-year average and divided it by the total number of building permits issued in FY21-22 to calculate the total training surcharge per permit:

**Table 32: Building Training Surcharge Fee**

<b>Category</b>	<b>Amount</b>
3 year average	\$13,568
FY21-22 # of Building Permits	1,986
<b>Training Surcharge Per Permit</b>	<b>\$7</b>

As the table indicates the training surcharge per building permit is calculated at approximately \$7 per permit. The City currently charges a fee of \$8 per permit, based upon the updated calculation, as the number of permits issued have increased, this fee can be reduced from \$8 to \$7 per permit. The City should continue to collect this fee in a separate fund so that it can be utilized for the purpose of ensuring that all building inspectors employed by the City are appropriately trained and certified by the state.

## **4 Climate Action Surcharge**

As a means to ensure compliance with various greenhouse gas reduction initiatives being implemented across California, the City is proposing a new surcharge which would be added onto building permits based on their valuation. In order to calculate the annual costs associated with these climate initiatives, the project team collected information regarding estimated costs to be set aside for meeting these initiatives and divided them over a ten-year period. The following table shows the ten-year climate action expenses.

**Table 33: Annual Climate Action Costs**

<b>Cost Category</b>	<b>Total Cost</b>	<b># of Year</b>	<b>Annual Cost</b>
Adopt/Maintain Reach code with Consultant Assistance	\$150,000	10	\$15,000
Update the community greenhouse gas inventory every five years.			
Initial	\$250,000	10	\$25,000
5-year and 10-year updates	\$150,000	10	\$15,000
Adopt Burnout Ordinance.	\$75,000	10	\$7,500
Review and update funding programs for resilient building design	\$150,000	10	\$15,000
Energy audits for homes and businesses.	\$250,000	10	\$25,000
Retro-commissioning partnership.	\$250,000	10	\$25,000
<b>Total Annual Cost</b>			<b>\$127,500</b>

The estimated costs are approximately \$128,000 to be collected annually over a ten-year period. It's proposed that this surcharge be applied as a percentage of building valuation. The project team utilized the total annual cost and divided it by the total building valuation in FY21-22 to calculate the total percentage to be applied per permit:

**Table 34: Climate Action Fee**

<b>Category</b>	<b>Amount</b>
Total Annual Climate Action Surcharge Cost	\$127,500
FY21-22 Building Valuation	\$488,754,204
<b>Training Surcharge Per Permit</b>	<b>0.026%</b>

The Climate Action surcharge percentage per building valuation is calculated at approximately 0.026%. Additionally, as this is a new surcharge being collected it is recommended the City should collect this fee in a separate fund so that it can be utilized for the purpose of ensuring that all building permits are in compliance with greenhouse gas reduction initiatives.

## **4 Surcharge Funds**

The City of South San Francisco currently collects all surcharges in a single fund. It is a best practice to collect and account for General Plan Maintenance, Technology, and surcharges in separate accounts. As such, the project team recommends collecting the current surcharges and proposed surcharge in separate funds as a way to ensure compliance with funding requirements, enable appropriate allocation of funds, and mitigate any potential issues with comingling of funds.

## 17. Annual Revenue Impacts

One of the most important components of a cost of services analysis is the revenue impact associated with fees. Due to various departments having minimal fees charged or not tracking workload on a per unit basis, annual impacts were only calculated for the following departments: Housing, Planning, Building, Fire, Engineering, and Water Quality. Additionally, a programmatic analysis of Parks and Recreation fees and revenues was provided under separate cover to City staff. The following subsections discuss the annual revenue impacts based upon these departments.

### 1 Housing

Housing provides services including fees for 'Development Applications', 'Initial Sale or Lease Up', 'BMR Monitoring', among other things. The project team worked with City staff to gather permit workload information for FY21-22. Based upon this workload data, the project team calculated the current fee revenue, the total annual cost, and the resulting difference as shown in the following table.

**Table 35: Housing Revenue Impact**

Fee Category	Current Fee Revenue	Total Cost	Difference
Housing Fees	\$23,221	\$32,104	(\$8,883)
<b>Total</b>	<b>\$23,221</b>	<b>\$32,104</b>	<b>(\$8,883)</b>

Housing shows an annual estimated deficit of \$8,900. This represents a 72% cost recovery level. The largest source of this deficit is due to 'BMR Monitoring' which represents \$3,000 of the \$8,900 deficit. The per unit shortfall is only \$24, however, due to the number of units being monitored it has a large impact on Housing's revenue. Overall, Housing should evaluate their fees and make adjustments where appropriate to maximize their revenue.

### 2 Planning

Planning currently assesses fees for 'Use Permits', 'Variance,' 'Design Review', 'Subdivisions', and more. The project team worked with City staff to gather planning application information for FY21-22. It is important to note that in this fee study, there is a change in that Engineering and City Attorney costs are being built directly into the fee being charged to the applicant. This streamlines the City's fee schedule. As such, based upon this workload data, the project team calculated the current fee revenue (including Engineering and City Attorney support as well as estimated deposit revenue), the current

total annual cost (based upon the fully burdened cost calculated through the study), and the resulting difference as shown in the following table.

**Table 36: Planning Revenue Impact**

Fee Category	Current Fee Revenue <sup>11</sup>	Total Cost	Difference
Planning Fees	\$1,114,668	\$2,151,986	(\$1,037,318)
<b>Total</b>	<b>\$1,114,668</b>	<b>\$2,151,986</b>	<b>(\$1,037,318)</b>

Planning shows an annual estimated deficit of \$1.03 million. This represents a 52% cost recovery level. The large deficit is caused primarily due to adjustments in staff time and efforts to provide the services. A detailed look at the breakdown of the cross-departmental support is addressed under the Planning section within this report.

The largest source of deficit is in relation to 'Design Review' at \$700,000. Approximately \$357,000 of that is due to 'Commercial and Industrial – New' permits, where the per unit deficit is \$44,600; and \$207,000 is from the 'Single Family Residential / New or Additions to 2 to 3 Units' permit where the per unit deficit is \$9,800. The large deficits for these fees coupled with the frequency of their use, results in a large impact for Planning revenue. Planning should review their fees and make appropriate adjustments as a means to bridge these gaps.

### 3 Building

Building charges fees either as flat fees (over the counter and standalone permits) or valuation-based fees (new construction, remodels, etc.). Valuation based fees are parsed out by project type: single-family or Commercial / Multi-Family / Industrial as well as trades. The project team worked with City staff to gather permit workload information for FY21-22. Based upon this workload data, the project team calculated the current fee revenue, the total revenue at full cost, and the resulting difference as shown in the following table.

**Table 37: Building Revenue Impact**

Fee Category	Current Fee Revenue	Total Cost	Difference
Flat Fees	\$642,101	\$753,259	(\$111,158)
Single Family Valuation	\$2,028,900	\$2,211,704	(\$182,805)
Commercial / MF / Industrial Valuation	\$6,549,733	\$6,330,337	\$219,396
<b>Total</b>	<b>\$9,220,734</b>	<b>\$9,295,300</b>	<b>(\$74,567)</b>

The above table shows the total revenue brought in by the Building Division compared to the total cost associated with providing those activities. However, many building projects may last beyond a singular year and as such, the project team annualized the revenue

<sup>11</sup> The FY21-22 revenue was modified to include City Attorney and Engineering's portion of cost in support of Planning fees to more accurately compare current fee and full cost revenue

and cost to better reflect the annual cost associated with building services. The following table shows based upon the average project lifespan the annualized revenue and cost:

**Table 38: Building Revenue Impact – Annualized**

Fee Category	Annualized Fee Revenue	Annualized Total Cost	Difference
Flat Fees	\$642,101	\$753,259	(\$111,158)
Single Family Valuation	\$1,892,725	\$2,041,217	(\$148,492)
Commercial / MF / Industrial Valuation	\$3,018,664	\$2,981,752	\$36,912
<b>Total</b>	<b>\$5,553,491</b>	<b>\$5,776,228</b>	<b>(\$222,737)</b>

Based upon the annualized cost, the annualized deficit related to Building is approximately \$223,000, reflecting a cost recovery level of 96%.

## 4 Fire

Similar to Building, the Fire Prevention Division assesses fees based upon flat fees (fire code permits, training, etc.) as well as valuation-based for fire protection systems and fire life safety. The project team worked with City staff to gather permit workload information for FY21-22 for fire prevention. Based upon this workload data, the project team calculated the revenue based upon the current fee, the total cost, and the resulting difference as shown in the following table.

**Table 39: Fire Revenue Impact**

Fee Category	Current Fee Revenue	Total Cost	Difference
Fire Flat Fees	\$633,940	\$338,326	\$295,614
Fire Protection Valuation	\$476,693	\$1,247,747	(\$771,054)
Fire & Life Safety Valuation	\$2,192,732	\$1,365,729	\$827,002
<b>Total</b>	<b>\$3,303,365</b>	<b>\$2,951,803</b>	<b>\$351,562</b>

Fire shows a surplus of approximately \$352,000 and a cost recovery level of 112%. Similar to Building permits, some of the Fire Life Safety items can span multiple years, as such some level of surpluses can be expected. The surpluses are in relation to 'Fire & Life Safety – Plan Check' at \$827,000 and 'Fire Flat Fees' at \$296,000. The over-recovery seen with 'Fire & Life Safety – Plan Check' is primarily due to plan check currently working to offset revenue for both plan check and inspections. For 'Fire Flat Fees' the largest over-recovery is in relation to 'Group R- & R-2 residential occupancies' at \$259,000. This surplus represents a \$342 over-recovery. Similarly, this over-recovery is due to a proposed change to combine Group R1 and R2 occupancy permits rather than have them parsed out by number of units. Overall, Fire should evaluate their fees and make adjustment where necessary in order right-size their revenue.

## 5 Engineering

The Engineering Division primarily assesses fees for grading and encroachment services. Its support fees for Planning were eliminated and captured in the Planning section. The project team worked with City staff to gather permit workload information for FY21-22. Based upon this workload data, the project team calculated the current fee revenue, the total costs, and the resulting difference as shown in the following table.

**Table 40: Engineering Revenue**

<b>Fee Category</b>	<b>Current Fee Revenue</b>	<b>Total Cost</b>	<b>Difference</b>
Engineering Flat Fees	\$502,547	\$820,717	(\$318,170)
Encroachments Valuation	\$803,410	\$901,450	(\$98,039)
<b>Total</b>	<b>\$1,305,957</b>	<b>\$1,722,166</b>	<b>(\$416,209)</b>

Overall Engineering shows a deficit of \$416,000 and a cost recovery level of 76%. The primary source of this deficit is in relation to flat fees. Of the roughly \$318,000 deficit associated with flat fees, \$202,000 is due to 'Sewer Lateral Review and Permit' which has a \$546 per unit deficit. The large deficit for this fee coupled with the frequency of its use, results in a large impact for Engineering's revenue. Increasing fees where appropriate will help increase annual cost recovery for Engineering.

## 6 Water Quality

Water Quality charges fees for 'Discharge Permits', 'Wastewater Analysis' and facility inspections. The project team worked with City staff to gather permit workload information for FY21-22. Based upon this workload data, the project team calculated the current fee revenue, the annual revenue at full cost, and the resulting difference as shown in the following table.

**Table 41: Water Quality Revenue**

<b>Fee Category</b>	<b>Current Fee Revenue</b>	<b>Total Cost</b>	<b>Difference</b>
Water Quality Fees	\$92,421	\$180,530	(\$88,109)
<b>Total</b>	<b>\$92,421</b>	<b>\$180,530</b>	<b>(\$88,109)</b>

Water Quality shows an annual deficit of \$88,000 and a cost recovery level of 51%. The primary source of this deficit is in relation to 'Discharge Permits'. Roughly, \$48,000 of the deficit is in relation of 'Food Facility Discharge Permit', resulting in a per unit deficit of \$377. The large deficits for this fee coupled with the frequency of its use, results in a large impact for Water Quality revenue. Water Quality should review their fees and make appropriate adjustments as a means to bridge gaps and maximize cost recovery.

## 18. Cost Recovery Considerations

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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 South San Francisco 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.

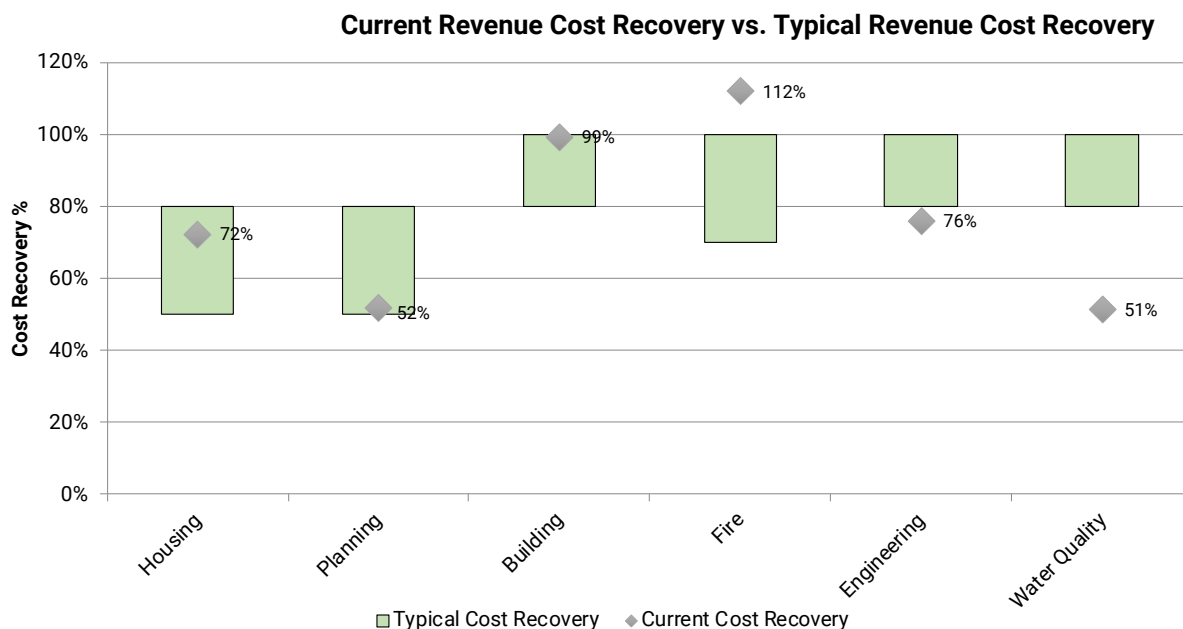
## 1 Typical Cost Recovery

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 42: Typical Cost Recovery Ranges by Department**

Department / Program	Typical Cost Recovery Ranges
Building	80 – 100%
Planning	50 – 80%
Housing	50 – 80%
Fire	70 – 100%
Water Quality	80 – 100%
Engineering	80 – 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 South San Francisco compares to industry cost recovery range standards.



Based upon the analysis conducted Fire Prevention is the only department that is above the typical cost recovery. Housing, Planning, and Building are within the typical cost recovery ranges; while Engineering and Water Quality are below the typical cost recovery for their service areas.

## **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 South San Francisco, the Matrix Consulting Group conducted a comparative survey of user fees. The City identified ten jurisdictions to be included in the comparative survey: Brisbane, Burlingame, Daly City, Millbrae, Mountain View, Napa, Palo Alto, Redwood City, San Bruno, and San Mateo.

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. The following tables rank each jurisdiction from smallest to largest for each of these economic factors:

**Table 43: Ranking of Jurisdictions by Population**

Jurisdiction	2020 Census Population
Brisbane	4,851
Millbrae	23,216
Burlingame	31,386
San Bruno	43,908
<b>South San Francisco</b>	<b>66,105</b>
Palo Alto	68,572
Napa	79,246
Mountain View	82,376
Redwood City	84,292
Daly City	104,901
San Mateo	105,661

**Table 44: Ranking of Jurisdictions by Budget**

<b>Jurisdiction</b>	<b>FY22/23 Budget</b>
Brisbane	\$33,897,500
Millbrae	\$45,065,000
San Bruno	\$102,355,226
Burlingame	\$129,111,543
Redwood City	\$158,090,000
Mountain View	\$158,480,000
San Mateo	\$216,873,106
Daly City	\$238,237,526
Napa	\$322,859,000
<b>South San Francisco</b>	<b>\$373,190,622</b>
Palo Alto	\$832,126,000

**Table 45: Ranking of Jurisdictions by Workforce Size**

<b>Jurisdiction</b>	<b>FY22-23 FTE</b>
Millbrae	85.50
Brisbane	97.74
Burlingame	225.02
San Bruno	261.50
Daly City	484.00
Napa	510.00
Redwood City	571.15
<b>South San Francisco</b>	<b>582.75</b>
San Mateo	606.24
Mountain View	679.25
Palo Alto	956.00

Based on the data shown in the above tables, the City of South San Francisco is just below the middle in terms of population, and on the higher end when looking at budget and size of workforce compared to the surveyed jurisdictions.

## 2 Recency Factor

While the above comparative information can provide some perspective when paralleling South San Francisco'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 46: Last Fee Study Update**

<b>Jurisdiction</b>	<b>Response</b>
Brisbane	2002 <sup>12</sup>
Napa	2011 <sup>13</sup>
Burlingame	2016
Palo Alto	2016
Redwood City	2017 <sup>14</sup>
San Mateo	2018 <sup>15</sup>
Millbrae	2019 <sup>16</sup>
Mountain View	2019 <sup>17</sup>
San Bruno	2021
Daly City	2022

**Table 47: Last Fee Schedule Update**

<b>Jurisdiction</b>	<b>Response</b>
Millbrae	FY20-21 <sup>18</sup>
Brisbane	FY22-23
Napa	FY22-23
Burlingame	FY22-23
Palo Alto	FY22-23
Mountain View	FY22-23
San Bruno	FY22-23
Daly City	FY22-23
Redwood City	FY22-23
San Mateo	FY22-23

Eight of the ten jurisdictions surveyed have completed fee studies in the last ten years, the majority of which were conducted within the last four years. All surveyed jurisdictions have updated their fees within the last two years, with the exception of Millbrae, which only updated their Development fee schedule in FY22-23.

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.

<sup>12</sup> Brisbane conducts internal updates annually for the fee study (one dept a year).

<sup>13</sup> Napa conducted a fee study update in 2015 of the Parks & Rec Department only.

<sup>14</sup> Redwood City is currently under-going a Citywide fee study.

<sup>15</sup> San Mateo is currently under-going a Citywide fee study and last fee study update for San Mateo included development services only.

<sup>16</sup> Millbrae conducted a fee study update in 2022 for the Building Department and are currently undergoing a fee study updates for the Planning and Parks & Rec Departments.

<sup>17</sup> Mountain View is currently undergoing a fee study for the Fire Department only.

<sup>18</sup> In FY22-23, Millbrae updated their Development fee schedule only.

### 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:

- Each jurisdiction and its fees are different, and many are not based on the actual cost of providing 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.

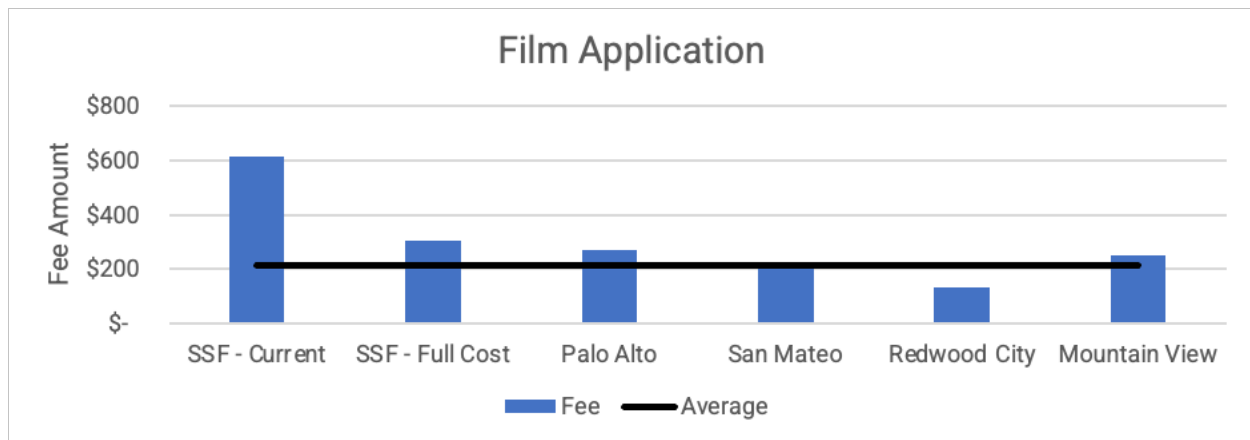
### 4 Comparative Survey Results

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 Film Application

Currently, the City Manager’s Department charges a fee of \$613 for a film application. Through this study, the project team calculated the full cost of the application to be \$306. The following graph shows how South San Francisco’s current fee and full cost compares to the surveyed jurisdictions.

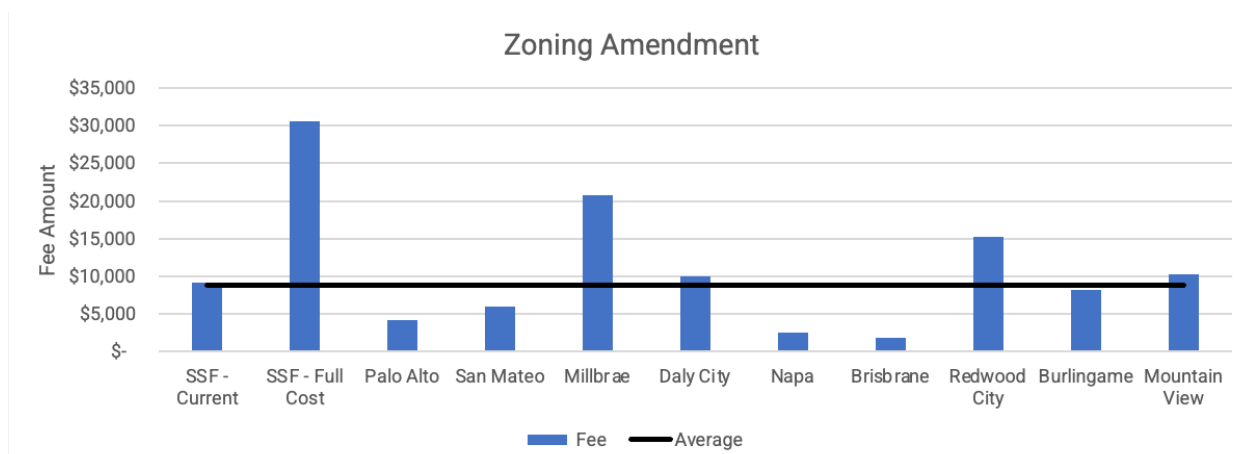




South San Francisco's current fee and full cost are above the jurisdictional average of \$213. Its fee is significantly higher than the other jurisdictions, and more than double the second highest fee in Palo Alto.

## 2 Zoning Amendment

Currently, the Planning Department charges a fee of \$9,237 for a zoning amendment application. Through this study, the project team calculated the full cost of the application to be \$30,590. The graph below shows how South San Francisco's current fee and full cost compares to the surveyed jurisdictions.

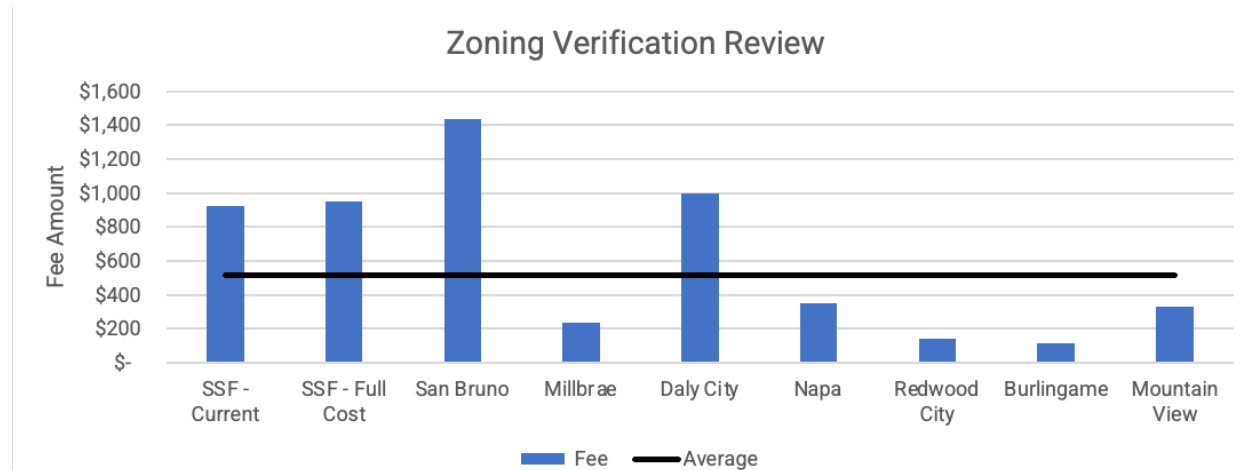


South San Francisco's current fee and full cost are above the jurisdictional average of \$8,778. Its fee is most aligned with Daly City at \$10,000 and Burlingame at \$8,218. It should be noted that San Mateo and Napa's fees represent initial deposits.

## 3 Zoning Verification Letter

Currently, the Planning Department charges a fee of \$923 for a zoning verification letter. Through this study, the project team calculated the full cost of the review to be \$952. The

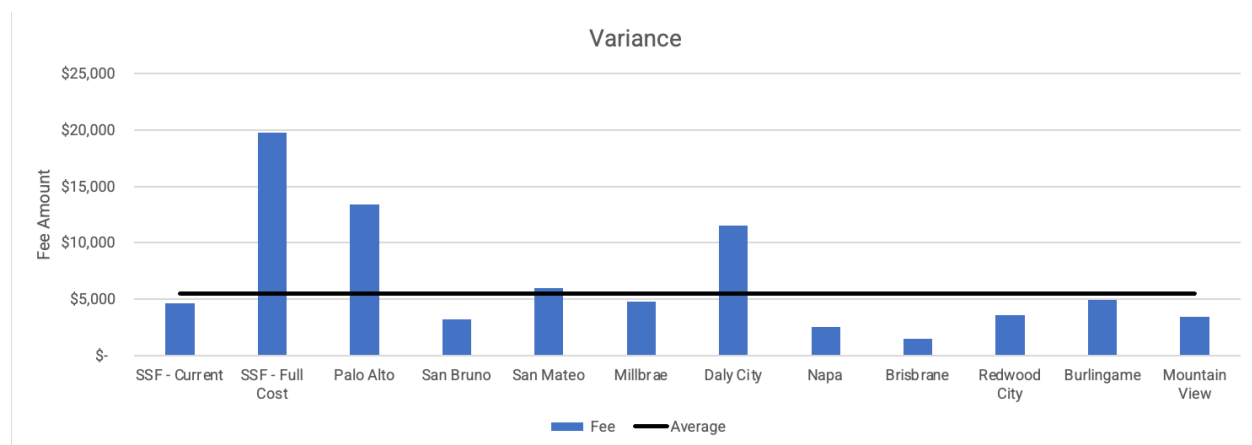
graph below shows how South San Francisco's current fee and full cost compares to the surveyed jurisdictions.



South San Francisco's current fee and full cost are above the jurisdictional average of \$517. Its fee is similar to Daly City at \$1,000, but above many other jurisdictions (Millbrae, Redwood City, and Burlingame).

#### 4 Variance Inspection

Currently, the Planning Department charges a fee of \$4,618 for a variance inspection. Through this study, the project team calculated the full cost of the inspection to be \$19,782. The graph below shows how South San Francisco's current fee and full cost compares to the surveyed jurisdictions.

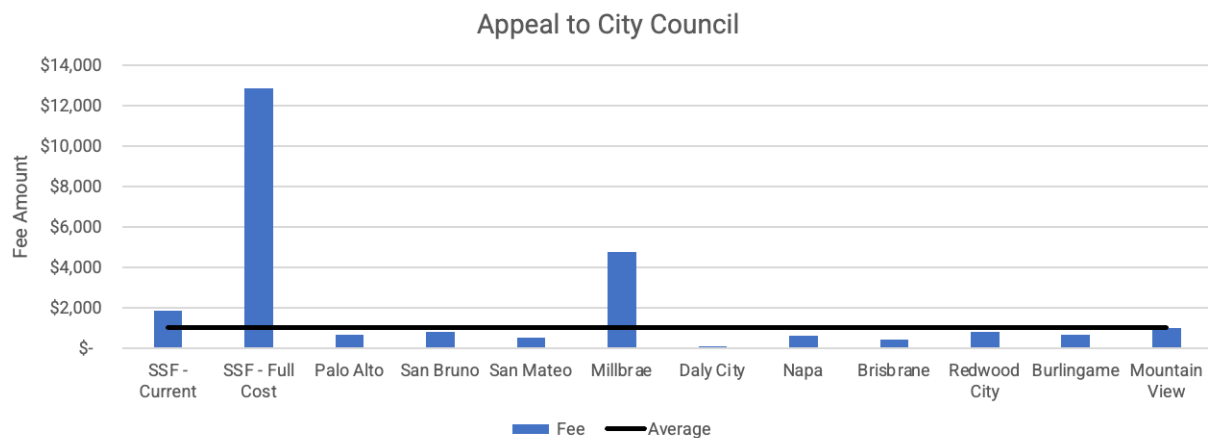


South San Francisco's current fee is below the jurisdictional average of \$5,471, while its full cost is well above. Its current fee is most aligned with Millbrae at \$4,772 and Burlingame at \$4,902. However, as the graph indicates, the majority of the surrounding jurisdictions are charging significantly lower. For many of those jurisdictions, the

Variance fee is collected as a deposit, so while a lower amount is collected upfront additional costs could still be incurred by the applicant.

## 5 Appeal to City Council Application

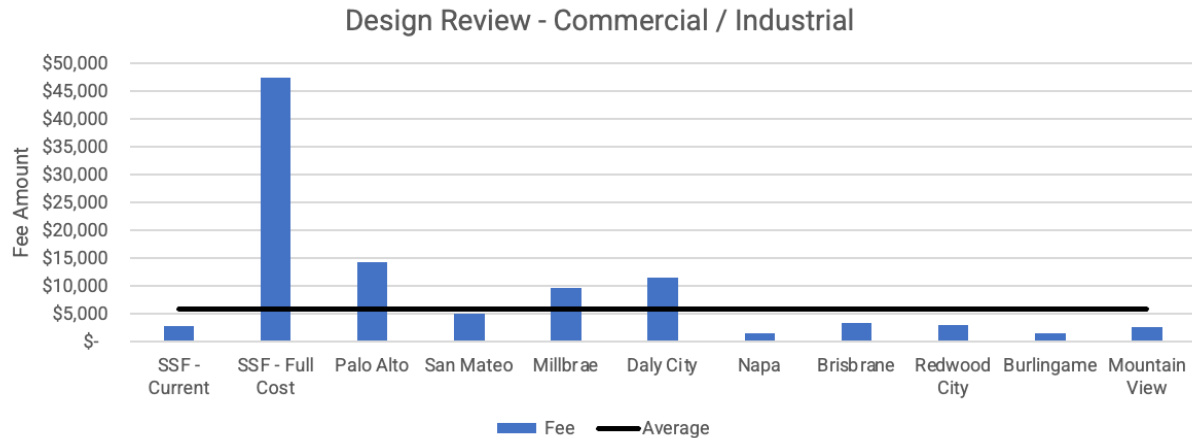
Currently, the Planning Department charges a fee of \$1,848 for an application to appeal to city council. Through this study, the project team calculated the full cost of the application to be \$12,389. The graph below shows how South San Francisco's current fee and full cost compares to the surveyed jurisdictions.



South San Francisco's current fee and full cost are above the jurisdictional average of \$1,028. Its current fee is most aligned with Mountain View at \$1,000. Appeal fees are generally subsidized in other jurisdictions and are charged at a much lower rate to ensure residents have the ability to appeal projects.

## 6 Design Review – Commercial/Industrial

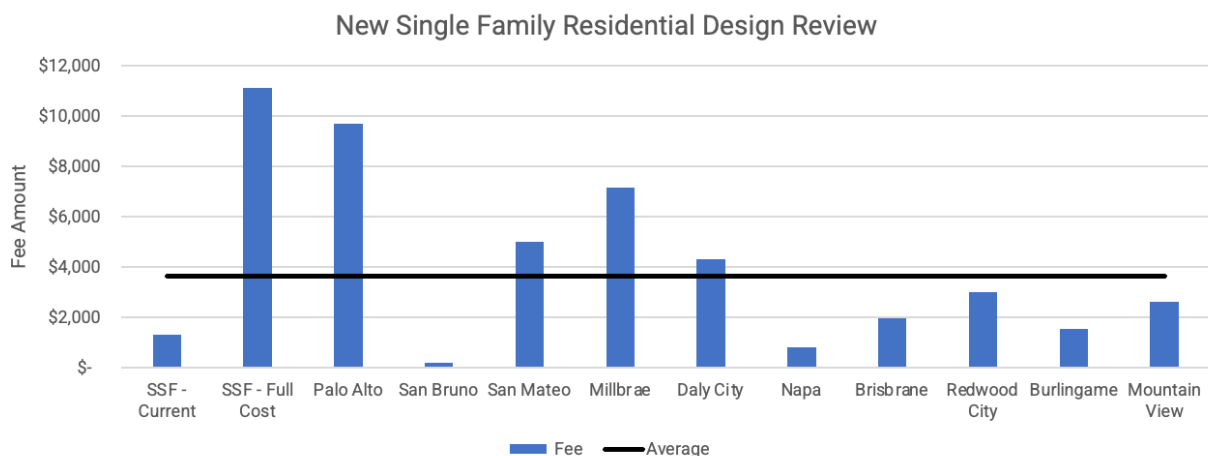
Currently, the Planning Department charges a fee of \$2,784 for a commercial/industrial design review. Through this study, the project team calculated the full cost of the review to be \$47,400. The following graph shows how South San Francisco's current fee and full cost compares to the surveyed jurisdictions.



South San Francisco's current fee is below the jurisdictional average of \$5,805, while its full cost is above. Its fee is most aligned with Redwood City at \$3,000 and Mountain View at \$2,603. It should be mentioned that the Redwood City fee is a deposit.

## 7 Design Review – Single Family Residential/New or Additions up to 2 to 3 Units

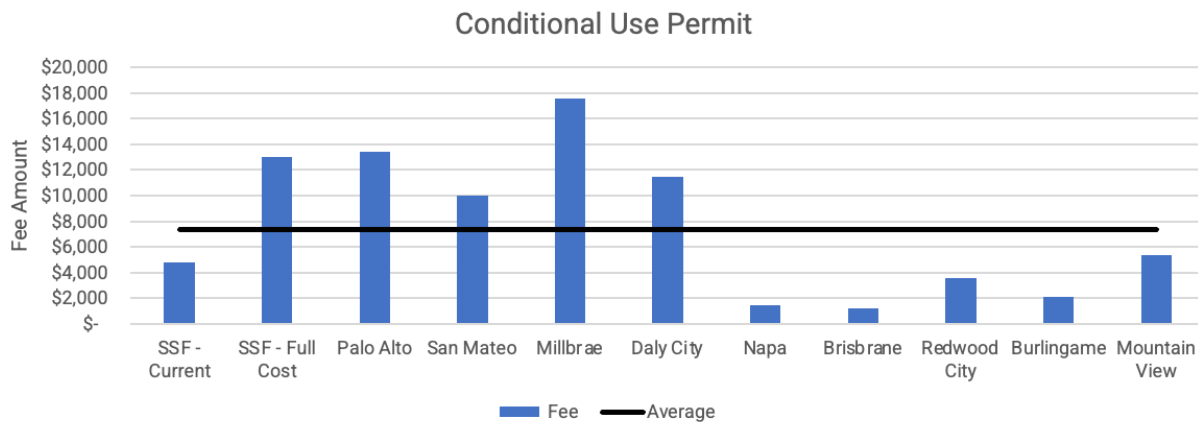
Currently, the Planning Department charges a fee of \$1,298 for an SFR design review. Through this study, the project team calculated the full cost of the review to be \$11,131. The graph below shows how South San Francisco's current fee and full cost compares to the surveyed jurisdictions.



South San Francisco's current fee is below the jurisdictional average of \$3,627, while its full cost is above. SSF has the third lowest fee of all the jurisdictions. It's most aligned with Burlingame at \$1,552 and Napa at \$819. It should be mentioned that Burlingame's fee is a deposit.

## 8 Conditional Use Permit

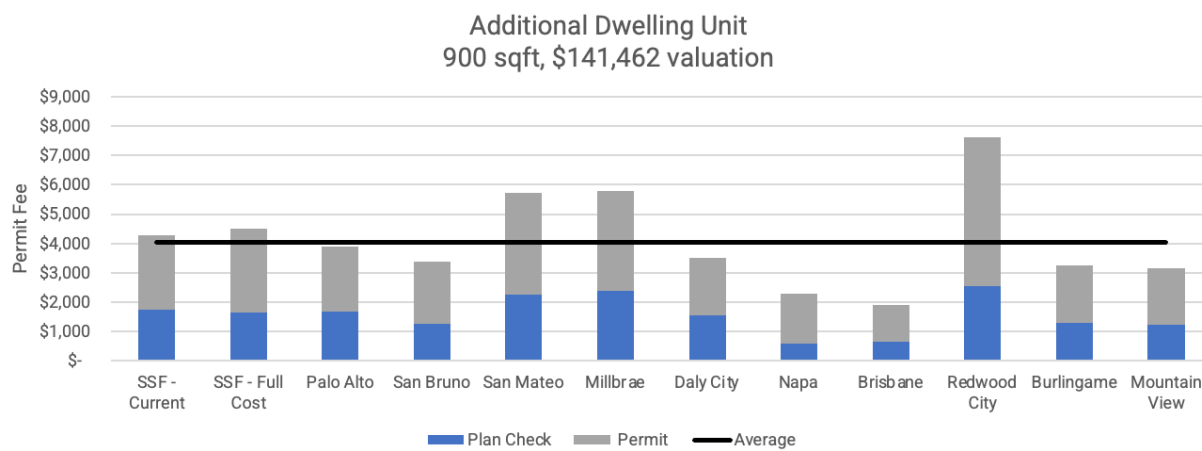
Currently, the Planning Department charges a fee of \$4,807 for a conditional use permit. Through this study, the project team calculated the full cost of the permit to be \$12,982. The graph below shows how South San Francisco's current fee and full cost compares to the surveyed jurisdictions.



South San Francisco's current fee is below the jurisdictional average of \$7,355, while its full cost is above. Its fee is most aligned with Mountain View at \$5,341 and Redwood City at \$3,569. It should be mentioned that San Mateo's fee is a deposit.

## 9 Additional Dwelling Unit, \$141,462 Valuation, 900 Square Feet

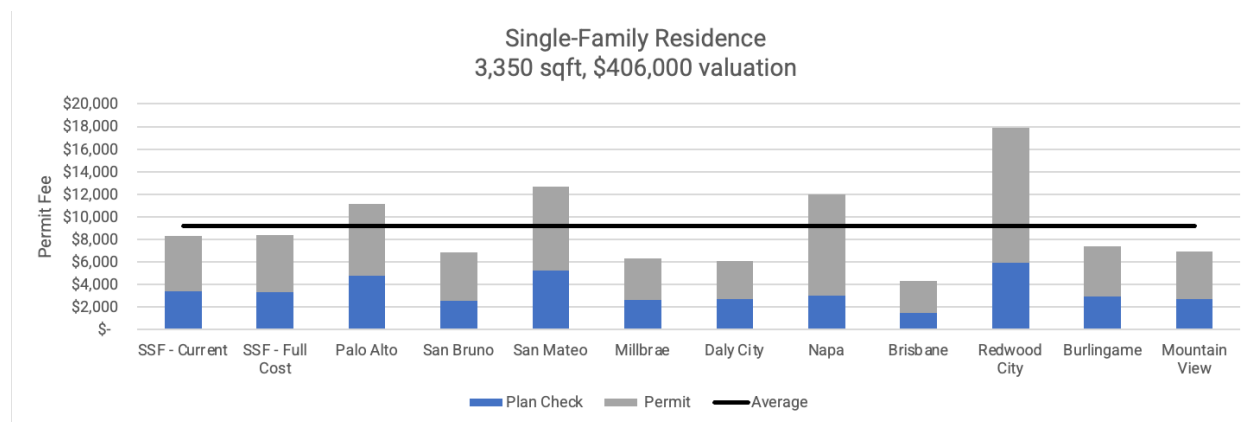
Currently, the Building Department charges a fee of \$4,275 for building plan review and inspection of a 900 square foot additional dwelling unit valued at \$141,462. Through this study, the project team calculated the full cost of building plan check and inspection to be \$4,487. The graph below shows how South San Francisco's current fee and full cost compared to the surveyed jurisdictions.



South San Francisco's current fee and full cost are both slightly above the jurisdictional average of \$4,048. Its fees are most aligned with Palo Alto at \$3,387. Note that Napa charges a flat rate permit fee for projects less than 1,200 square feet.

## 10 Single Family Residence, \$406,000 Valuation, 3,350 Square Feet

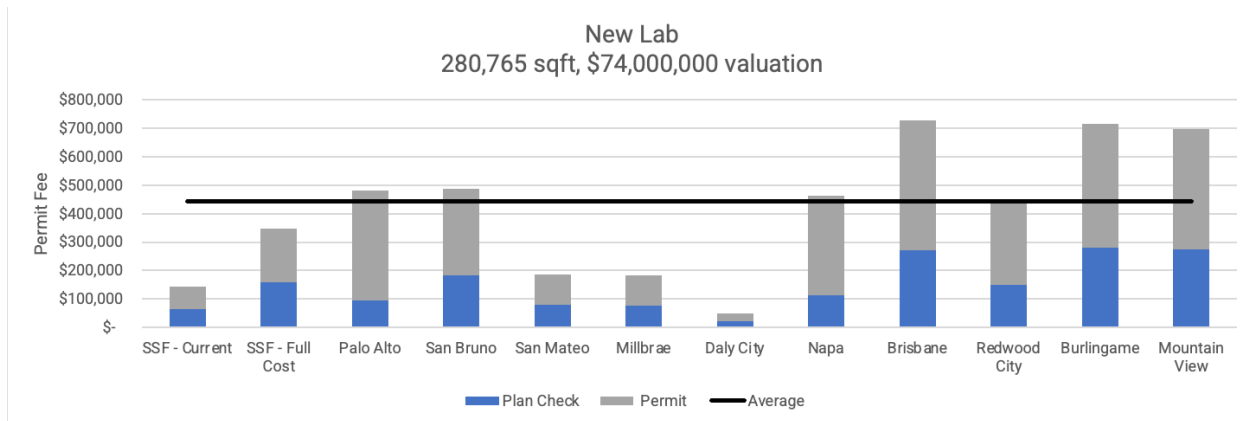
Currently, the Building Department charges a fee of \$8,294 for building plan review and inspection of a 3,350 square foot single family residence valued at \$406,000. Through this study, the project team calculated the full cost of building plan check and inspection to be \$8,397. The graph below shows how South San Francisco's current fee and full cost compared to the surveyed jurisdictions.



South San Francisco's current fee and full cost are both slightly below the jurisdictional average of \$9,155. Its fees are most aligned with Burlingame \$7,361 and Palo Alto at \$11,155.

## 11 New Lab/Office, \$74,000,000 Valuation, 280,765 Square Feet

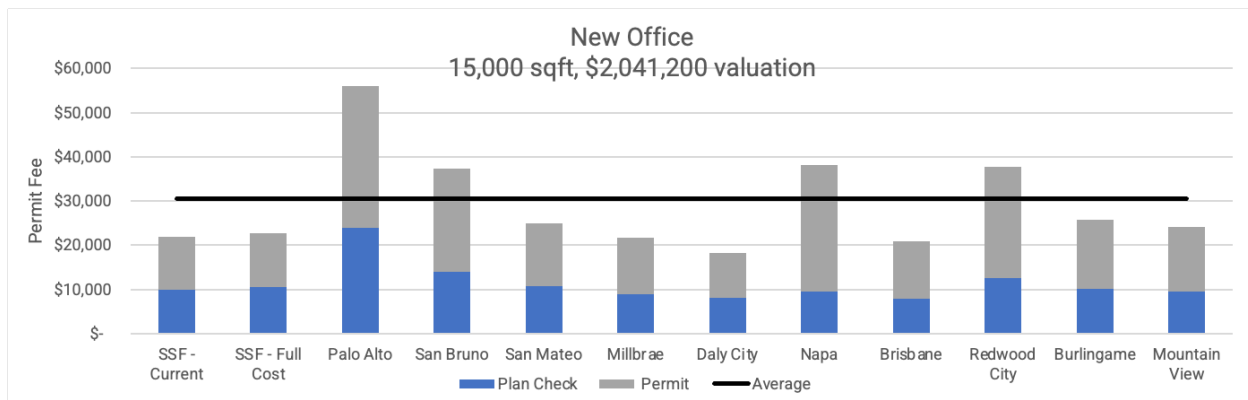
Currently, the Building Department charges a fee of \$143,376 for building plan review and inspection of a new 280,765 square foot lab/office valued at \$74,000,000. Through this study, the project team calculated the full cost of building plan check and inspection to be \$345,698. The following graph shows how South San Francisco's current fee and full cost compared to the surveyed jurisdictions.



South San Francisco's current fee and full cost are both below the jurisdictional average of \$443,733. Its fee is significantly lower than the other jurisdictions and second lowest overall. Its fees are most aligned with San Mateo at \$106,381.

## 12 New Office, \$925,367 Valuation, 15,000 Square Feet

Currently, the Building Department charges a fee of \$21,968 for building plan review and inspection of a new 15,000 square foot office valued at \$925,367. Through this study, the project team calculated the full cost of building plan check and inspection to be \$22,738. The graph below shows how South San Francisco's current fee and full cost compared to the surveyed jurisdictions.

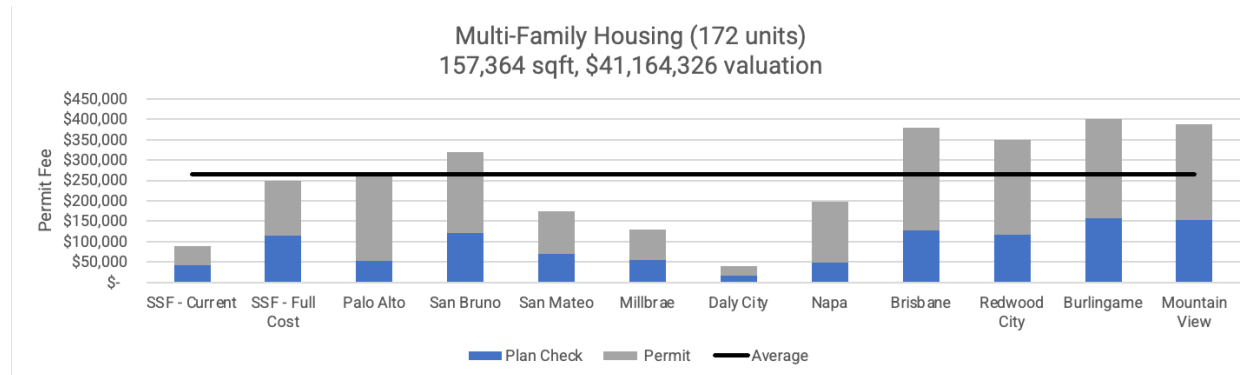


South San Francisco's current fee and full cost are both below the jurisdictional average of \$30,511. Its fees are most aligned with Millbrae at \$21,686.

## 13 New Multi-Family Residence, \$41,164,326 Valuation, 157,364 Square Feet

Currently, the Building Department charges a fee of \$89,236 for building plan review and inspection of a new 157,364 square foot multi-family residence valued at \$41,164,326. Through this study, the project team calculated the full cost of building plan check and

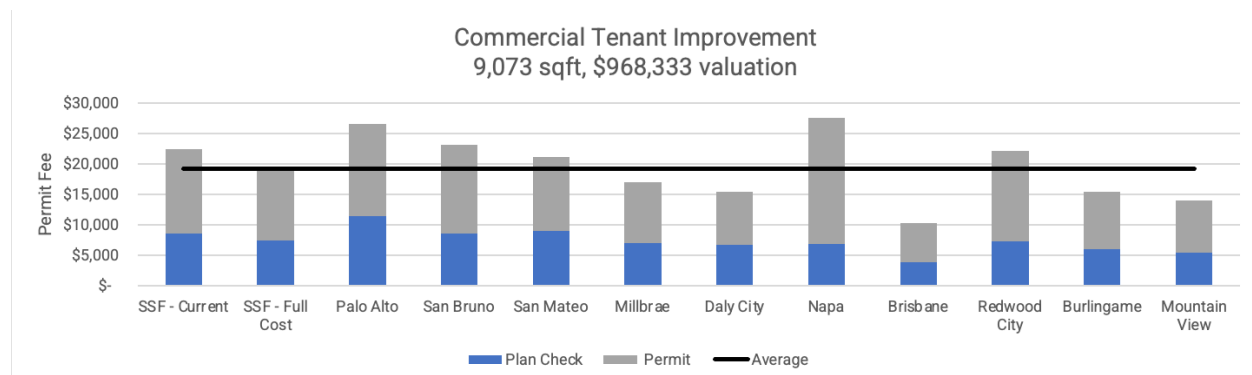
inspection to be \$249,016. The graph below shows how South San Francisco's current fee and full cost compared to the surveyed jurisdictions.



South San Francisco's current fee and full cost are both below the jurisdictional average of \$264,791. Its fees are most aligned with Millbrae at \$130,402. It is also the second lowest of all the jurisdictions.

#### 14 Commercial TI, \$968,333 Valuation, 9,073 Square Feet

Currently, the Building Department charges a fee of \$22,406 for building plan review and inspection of a new 9,073 square foot commercial TI valued at \$968,333. Through this study, the project team calculated the full cost of building plan check and inspection to be \$19,094. The graph below shows how South San Francisco's current fee and full cost compared to the surveyed jurisdictions.

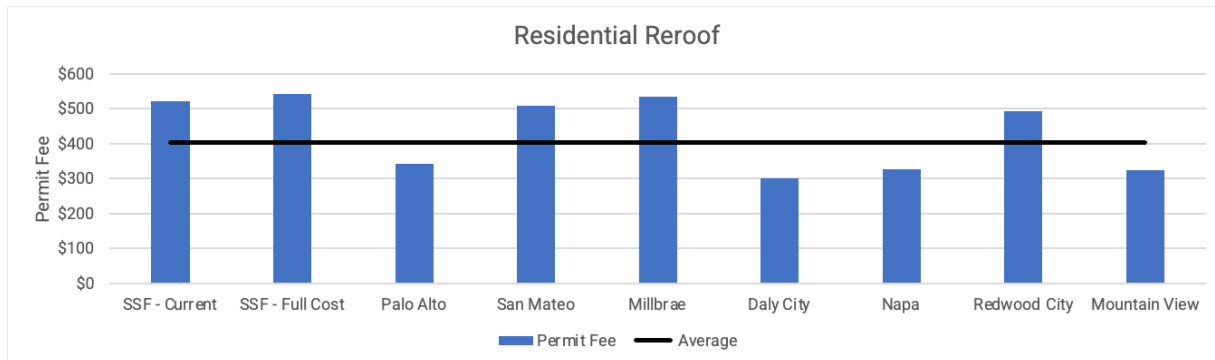


South San Francisco's current fee is above the jurisdictional average of \$19,276, while its full cost is slightly below. Its fees are most aligned with San Bruno at \$23,064 and Redwood City at \$22,182. It has the fourth highest fee overall.



## 15 Residential Reroof, \$12,000 Valuation

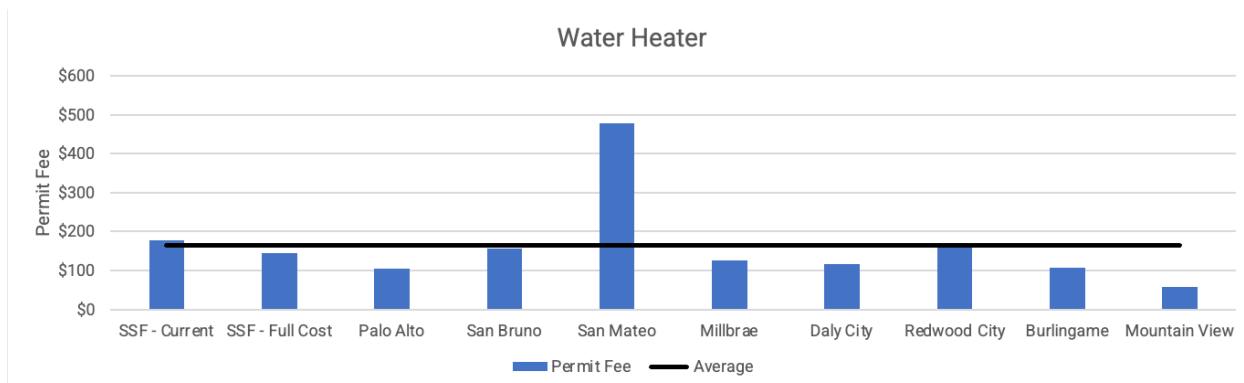
Currently, the Building Department charges a fee of \$521 for a residential reroof inspection valued at \$12,000. Through this study, the project team calculated the full cost of the inspection to be \$543. The graph below shows how South San Francisco's current fee and total cost compares to the surveyed jurisdictions.



South San Francisco's current fee and full cost are above the jurisdictional average of \$404. Its fee is most aligned with San Mateo at \$509 and Millbrae at \$534. It has the second highest fee overall.

## 16 Water Heater, Valued at \$1,800

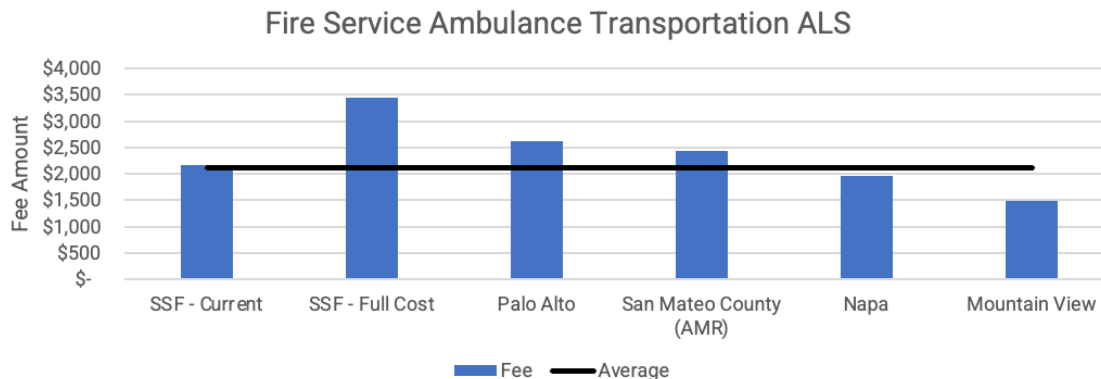
Currently, the Building Department charges a fee of \$178 for a water heater inspection valued at \$1,800. Through this study, the project team calculated the full cost of the inspection to be \$145. The graph below shows how South San Francisco's current fee and full cost compares to the surveyed jurisdictions.



South San Francisco's current fee is above the jurisdictional average of \$164, while its full cost is below. Its fee is most aligned with Redwood City at \$163. It should be noted that Redwood City's fee is a flat plumbing fee.

## 17 ALS Transport

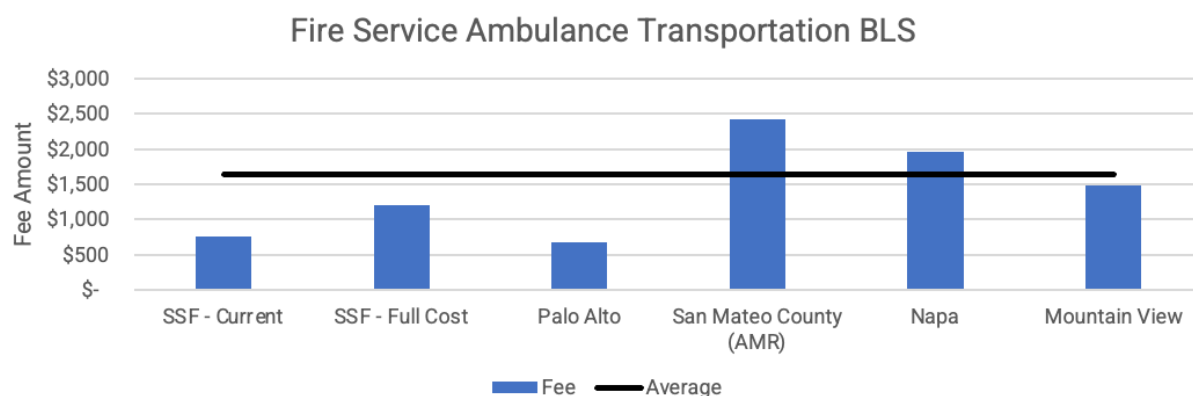
Currently, the Fire and EMS Department charges a fee of \$2,161 for ALS Fire Service Ambulance Transportation. Through this study, the project team calculated the full cost of the permit to be \$3,447. The graph below shows how South San Francisco's current fee and full cost compares to the surveyed jurisdictions.



South San Francisco's current fee and full cost are above the jurisdictional average of \$2123. Its fee is most aligned with Napa at \$1,961, and San Mateo County at \$2,431.

## 18 BLS – Non-Emergency Transport

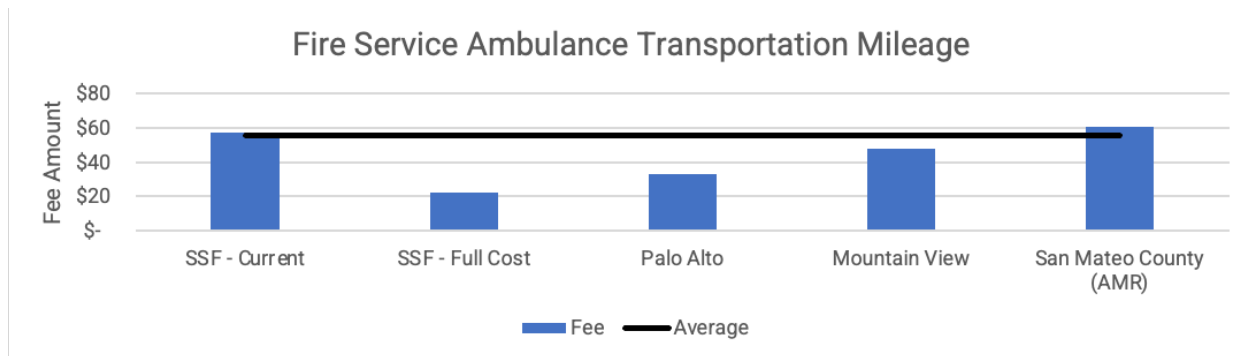
Currently, the Fire and EMS Department charges a fee of \$754 for BLS Non-Emergency Fire Service Ambulance Transportation. Through this study, the project team calculated the full cost of the permit to be \$1,206. The graph below shows how South San Francisco's current fee and full cost compares to the surveyed jurisdictions.



South San Francisco's current fee and full cost are below the jurisdictional average of \$1,636. Its fee is one of the lowest, second only to Palo Alto at \$674.

## 19 Fire Service Ambulance Transportation Mileage

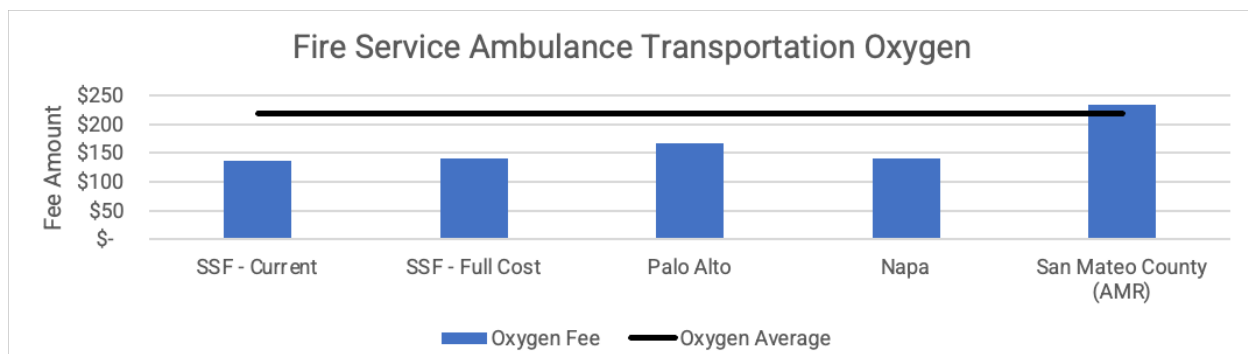
Currently, the Fire and EMS Department charges a mileage fee of \$57 for ambulance transportation. Through this study, the project team calculated the full cost of the service to be \$22. The graph below shows how South San Francisco's current fee and full cost compares to the surveyed jurisdictions.



South San Francisco's current fee is slightly above the jurisdictional average of \$55, while its full cost is below. Its fee is most aligned with San Mateo County at \$61, and Mountain View at \$48.

## 20 Fire Service Ambulance Transportation Oxygen

Currently, the Fire and EMS Department charges a fee of \$137 for transportation oxygen. Through this study, the project team calculated the full cost of the service to be \$211. The graph below shows how South San Francisco's current fee and full cost compares to the surveyed jurisdictions.

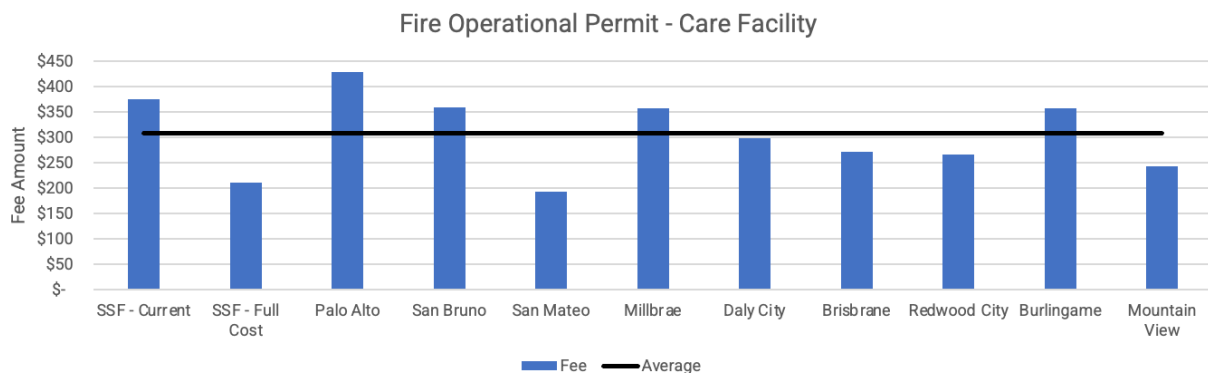


South San Francisco's current fee and full cost are below the jurisdictional average of \$219. Its fee is lowest of all the jurisdictions, and most aligned with Napa at \$140.

## 21 Fire Operational Permit – Care Facility

Currently, the Fire and EMS Department charges a fee of \$376 for a fire operational permit for a care facility. Through this study, the project team calculated the full cost of the

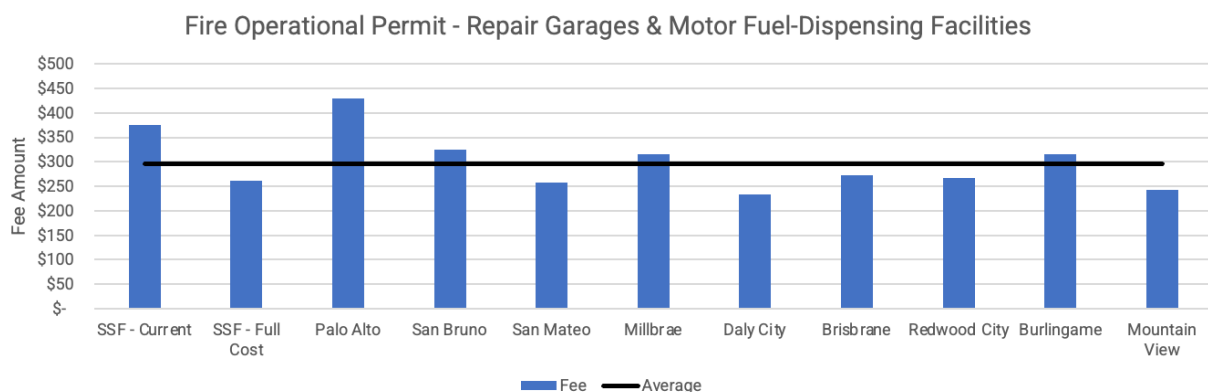
permit to be \$211. The graph below shows how South San Francisco's current fee and full cost compares to the surveyed jurisdictions.



South San Francisco's current fee is above the jurisdictional average of \$308, while its full cost is below. Its fee is most aligned with San Bruno at \$359, and Millbrae and Burlingame, which both charge \$358. It's the second highest fee of all the jurisdictions.

## 22 Fire Operational Permit – Repair Garages

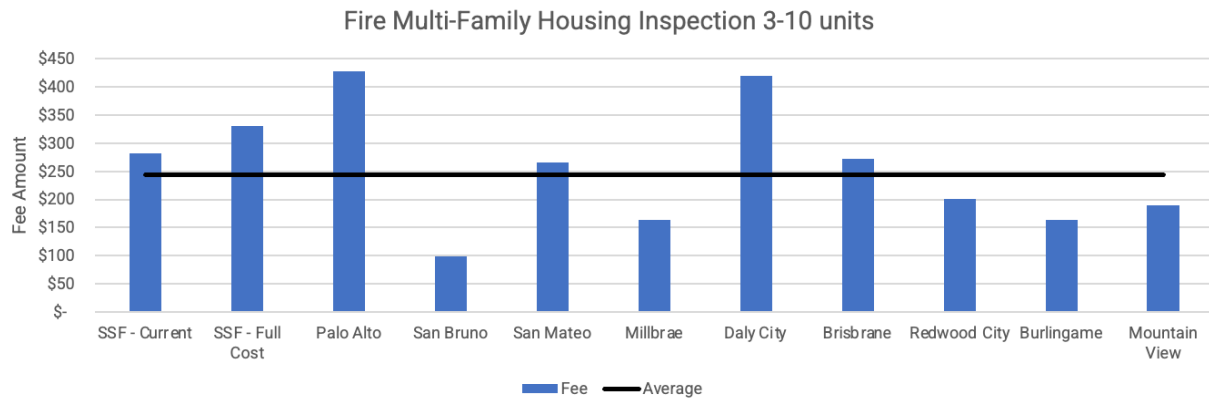
Currently, the Fire and EMS Department charges a fee of \$376 for a fire operational permit for a repair garage. Through this study, the project team calculated the full cost of the permit to be \$211. The graph below shows how South San Francisco's current fee and full cost compares to the surveyed jurisdictions.



South San Francisco's current fee is above the jurisdictional average of \$296, while its full cost is below. Its fee is most aligned with Palo Alto at \$430 and San Bruno at \$325.

## 23 Multi-Housing Inspection (3-10 Units)

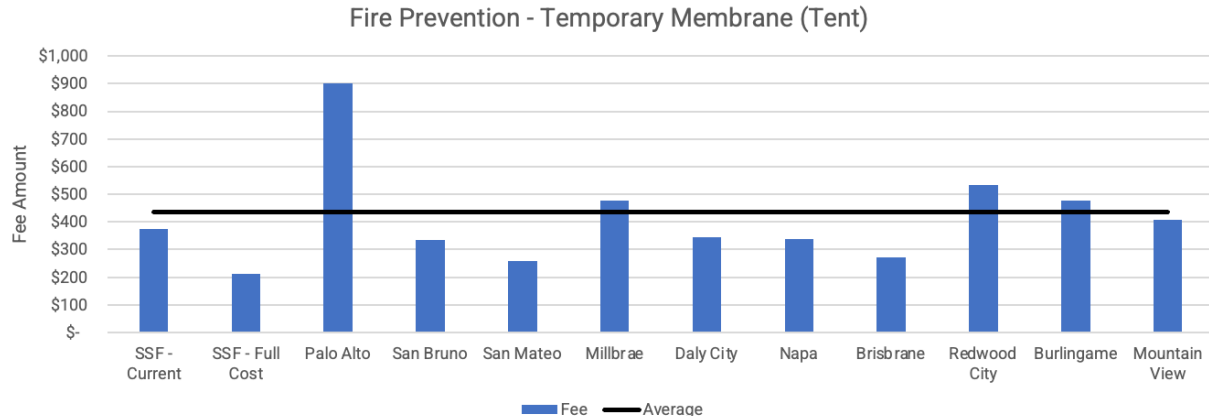
Currently, the Fire and EMS Department charges a fee of \$282 for an inspection for multi-family housing with 3 to 10 units. Through this study, the project team calculated the full cost of the permit to be \$330. The following graph shows how South San Francisco's current fee and full cost compares to the surveyed jurisdictions.



South San Francisco's current fee and full cost are above the jurisdictional average of \$245. Its fee is most aligned with San Mateo at \$266 and Brisbane at \$272. It should be mentioned that Daly City's fee is an Annual Fire Inspection Fee.

## 24 Temporary Membranes (Tents)

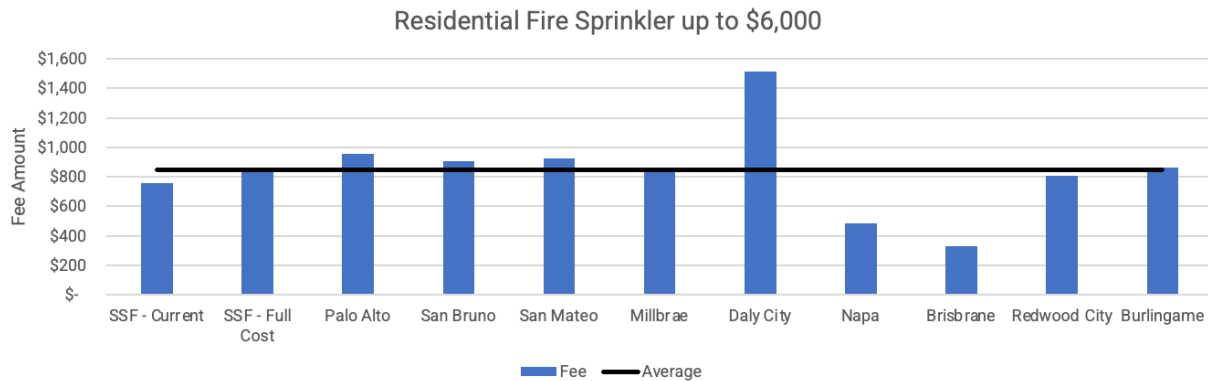
Currently, the Fire and EMS Department charges a fee of \$376 for tents. Through this study, the project team calculated the full cost of the permit to be \$211. The graph below shows how South San Francisco's current fee and full cost compares to the surveyed jurisdictions.



South San Francisco's current fee and full cost are above the jurisdictional average of \$434.30. Its fee is most aligned with Daly City at \$345 and Mountain View at \$406.

## 25 Residential Fire Sprinkler (up to \$6,000)

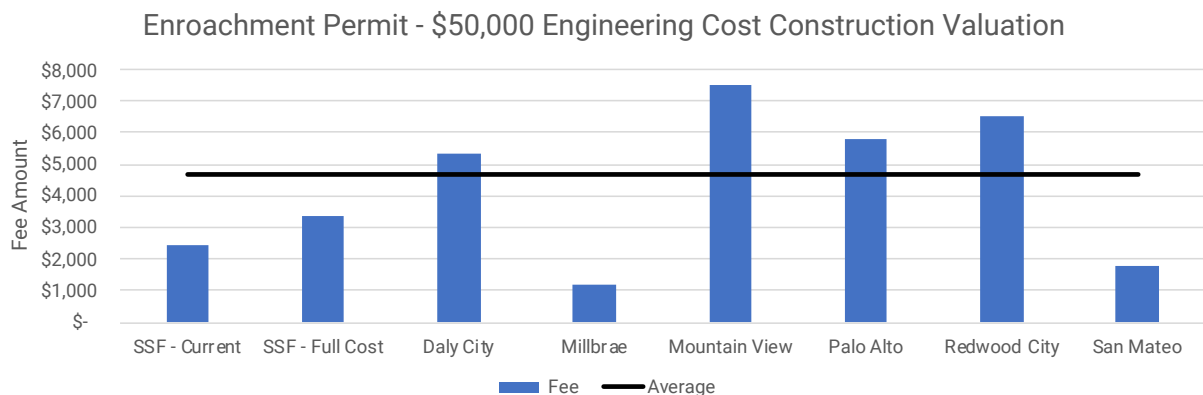
Currently, the Fire and EMS Department charges a fee of \$754 for inspections of residential fire sprinkler systems. Through this study, the project team calculated the full cost of the permit to be \$856. The graph below shows how South San Francisco's current fee and full cost compares to the surveyed jurisdictions.



South San Francisco's current fee is below the jurisdictional average of \$849, while its full cost is slightly above. Its fee is most aligned with Redwood City at \$806. It should be mentioned that Brisbane charges twenty-four cents per square foot, with a \$330 minimum.

## 26 Encroachment Permit Valued at \$50,000

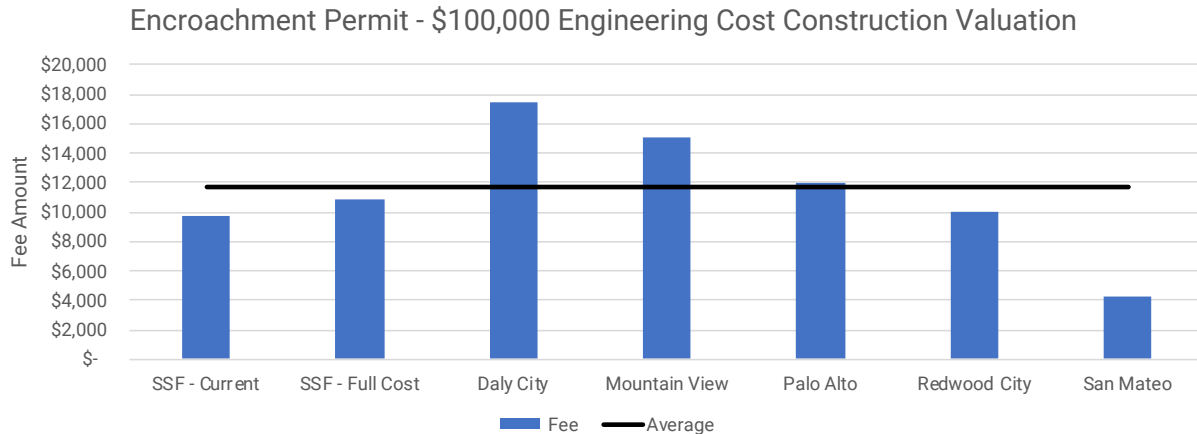
Currently, the Engineering Department charges a fee of \$2,448 for an encroachment permit valued at \$50,000. Through this study, the project team calculated the full cost of the permit to be \$3,347. The graph below shows how South San Francisco's current fee and full cost compares to the surveyed jurisdictions.



The current and full cost fee for the City is below the jurisdictional average of \$4,677 but in alignment with Daly City, San Mateo, and Palo Alto.

## 27 Encroachment Permit Valued at \$100,000

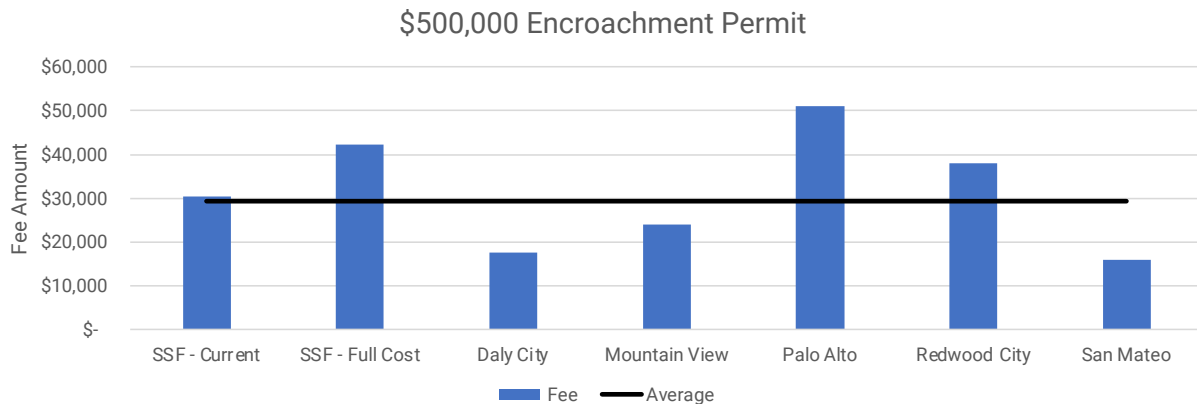
Currently, the Engineering Department charges a fee of \$9,779 for an encroachment permit valued at \$100,000. Through this study, the project team calculated the full cost of the permit to be \$10,825. The following graph shows how South San Francisco's current fee compares to the surveyed jurisdictions.



The City's current fee and full cost are only slightly below the jurisdictional average of \$11,733 and seems to be in alignment with the surrounding jurisdictions.

## 28 Encroachment Permit Valued at \$500,000

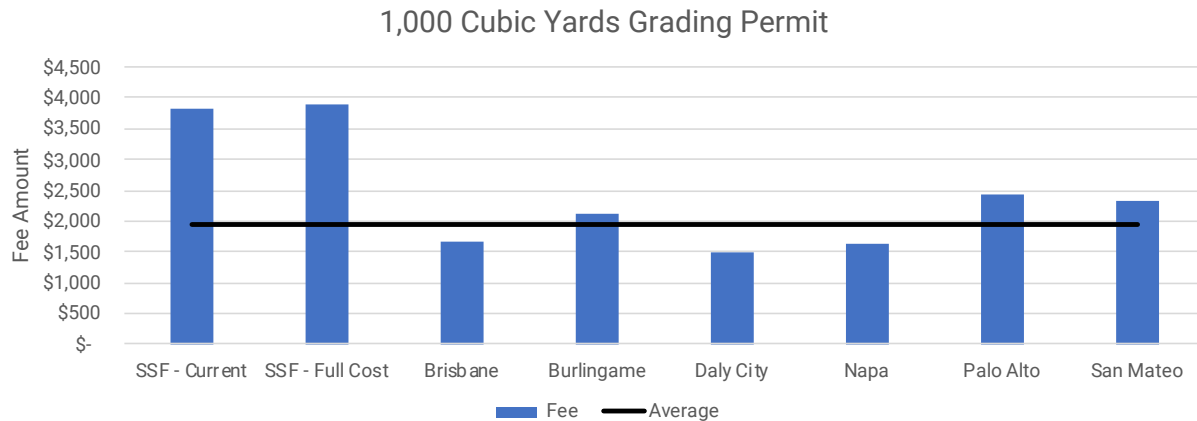
Currently, the Engineering Department charges a fee of \$30,496 for an encroachment permit valued at \$500,000. Through this study, the project team calculated the full cost of the permit to be \$42,205. The graph below shows how South San Francisco's current fee and full cost compares to the surveyed jurisdictions.



South San Francisco's current fee and full cost are above the jurisdictional average of \$29,301. The full cost fee is most closely in alignment with Palo Alto and Redwood City's fee.

## 29 Grading Permit of 1,000 cubic yards

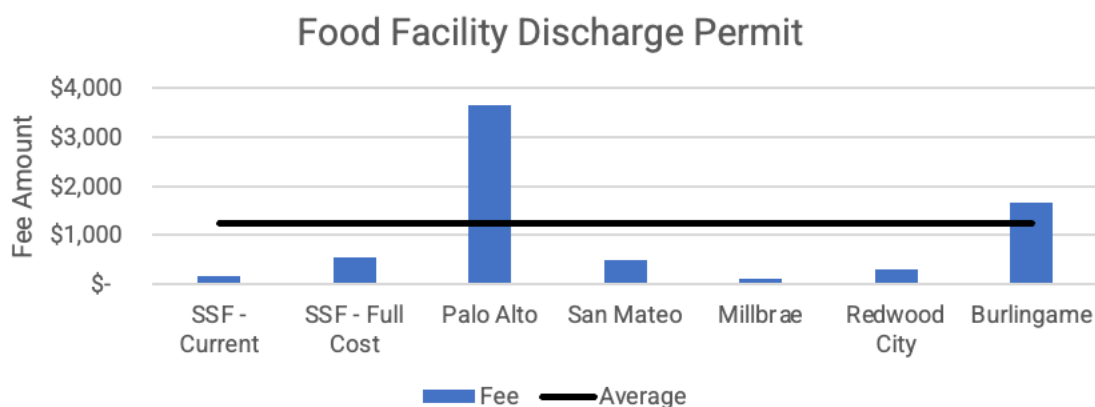
Currently, the Engineering Department charges a fee of \$3,826 for a grading permit for an area of 1,000 cubic yards. Through this study, the project team calculated the full cost of the permit to be \$3,899. The graph below shows how South San Francisco's current fee and full cost compares to the surveyed jurisdictions.



South San Francisco's current fee and full cost are both above the jurisdictional average of \$1,944. Its fee is most aligned with Palo Alto at \$2,437.

### 30 Food Facility Discharge Permit

Currently, the Water Quality Department charges a fee of \$163 for a food facility discharge permit. Through this study, the project team calculated the full cost of the permit to be \$540. The graph below shows how South San Francisco's current fee and full cost compares to the surveyed jurisdictions.

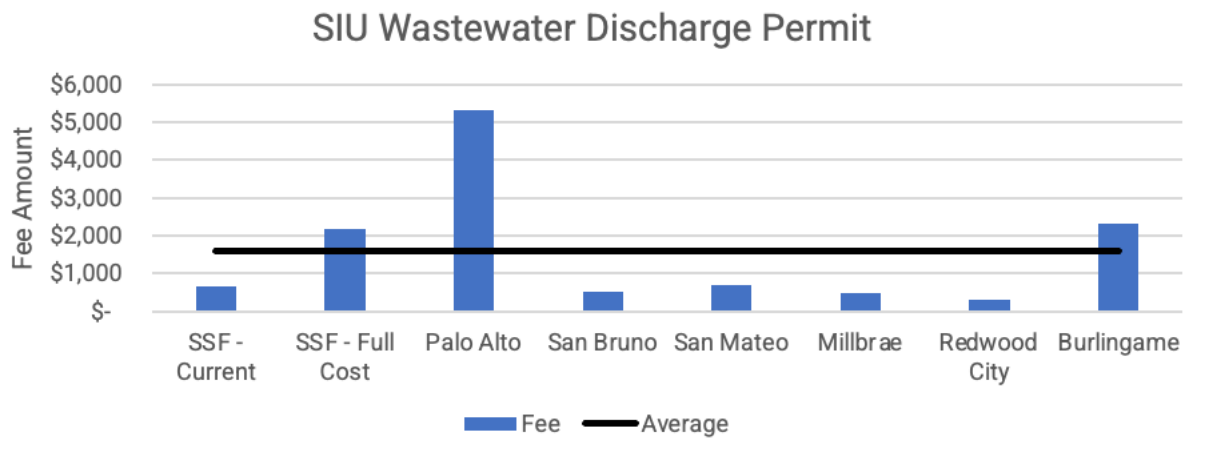


South San Francisco's current fee and full cost are both below the jurisdictional average of \$1,242. Its fee is most aligned with Millbrae at \$100, and Redwood City at \$300. It is significantly lower than the other jurisdictions, second only to Millbrae.

### 31 SIU Wastewater Discharge Permit

Currently, the Water Quality Department charges a fee of \$652 for an SIU wastewater discharge permit. Through this study, the project team calculated the full cost of the permit to be \$2,186. The graph below shows how South San Francisco's current fee and full cost compares to the surveyed jurisdictions.

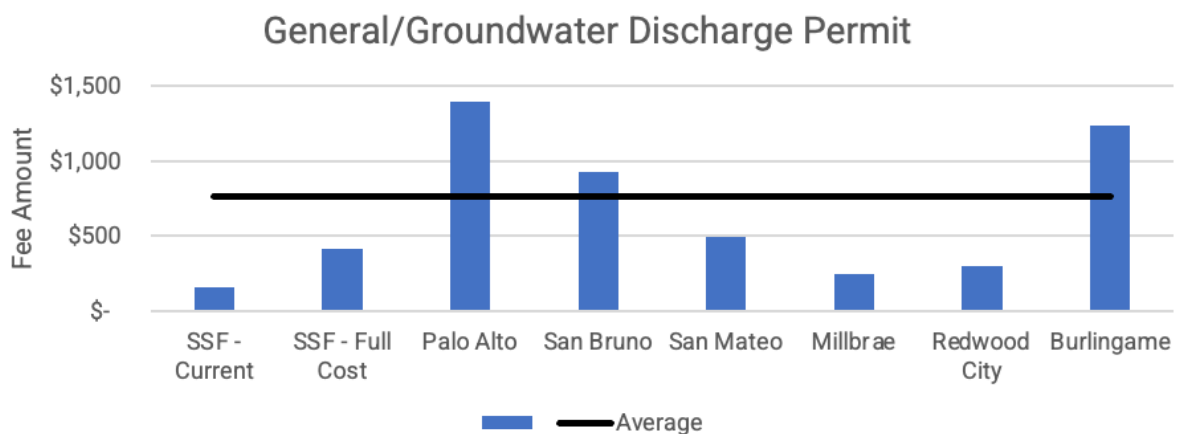




South San Francisco's current fee is below the jurisdictional average of \$1,605, while its full cost is above. Its fee is most aligned with San Bruno at \$517, and San Mateo at \$687. It should be noted that Palo Alto's fee is for a Full Industrial Waste Discharge permit.

### 32 General/Groundwater Discharge Permit

Currently, the Water Quality Department charges a fee of \$163 for a general/groundwater discharge permit. Through this study, the project team calculated the full cost of the permit to be \$414. The graph below shows how South San Francisco's current fee and full cost compares to the surveyed jurisdictions.

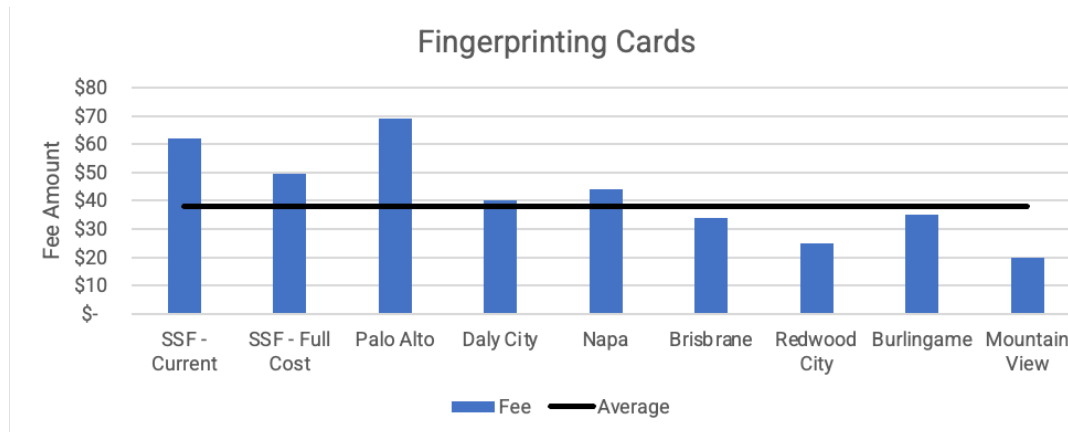


South San Francisco's current fee and full cost are below the jurisdictional average of \$768. Its fee is most aligned with Millbrae at \$250. It should be noted that Millbrae's fee is \$125 if less than 1000 gallons are discharged annually.

### 33 Fingerprinting Cards

Currently, the Police Department charges a fee of \$62 for fingerprinting. Through this study, the project team calculated the full cost of the service to be \$50. The graph below

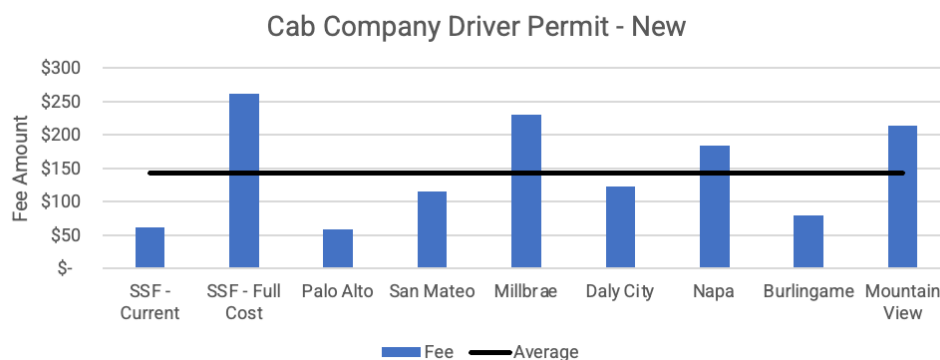
shows how South San Francisco's current fee and full cost compares to the surveyed jurisdictions.



South San Francisco's current fee and full cost are above the jurisdictional average of \$38.14. The City's full cost shows a reduction from the current fee but is more in alignment with other jurisdictions.

### 34 Cab Company Driver Permit

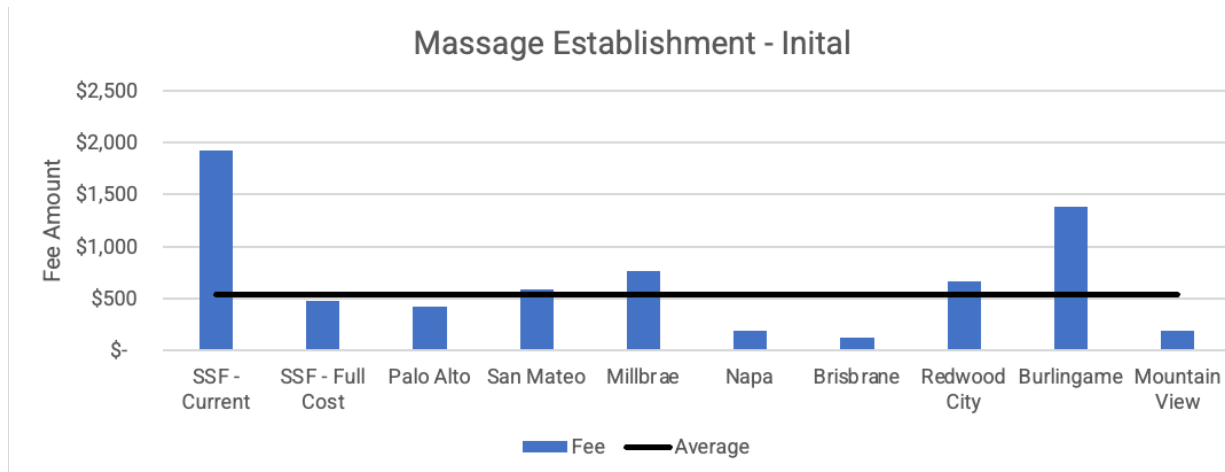
Currently, the Police Department charges a fee of \$62 for a cab company driver permit. Through this study, the project team calculated the full cost of the permit to be \$262. The graph below shows how South San Francisco's current fee and full cost compares to the surveyed jurisdictions.



The City's full cost is well above the jurisdictional average and is the highest among all jurisdictions surveyed. The full cost is closest to Millbrae and Mountain View's fees.

### 35 Massage Establishment and Bath House

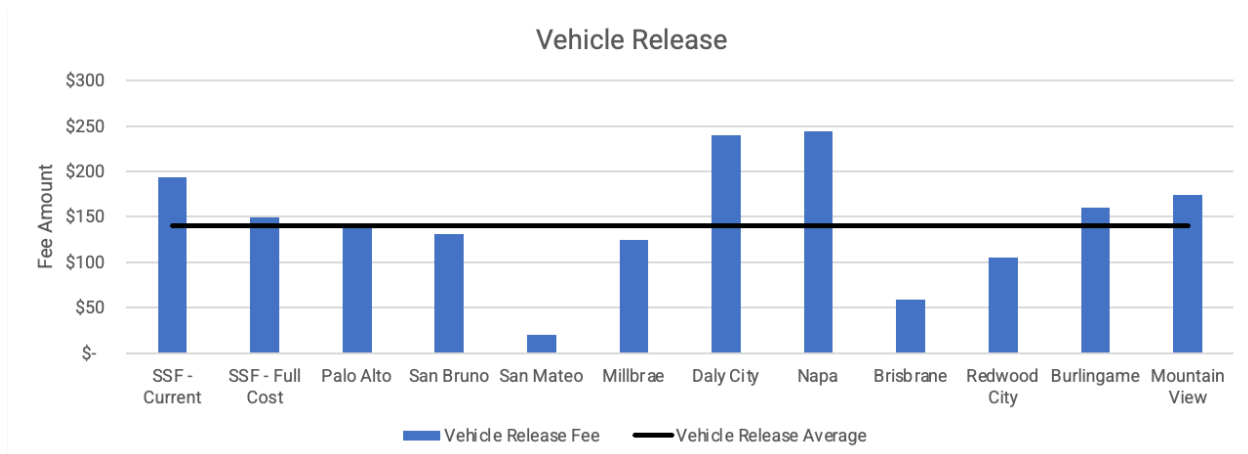
Currently, the Police Department charges a fee of \$1,931 for an initial massage establishment permit. Through this study, the project team calculated the full cost of the permit to be \$480. The following graph shows how South San Francisco's current fee and full cost compares to the surveyed jurisdictions.



South San Francisco's current fee is above the jurisdictional average of \$541, while its full cost is below. The full cost calculated through this analysis is much more in alignment with other jurisdictions and better reflects the level of effort.

### 36 Vehicle Release

Currently, the Police Department charges a fee of \$193 for vehicle release. Through this study, the project team calculated the full cost of the service to be \$149. The graph below shows how South San Francisco's current fee and full cost compares to the surveyed jurisdictions.

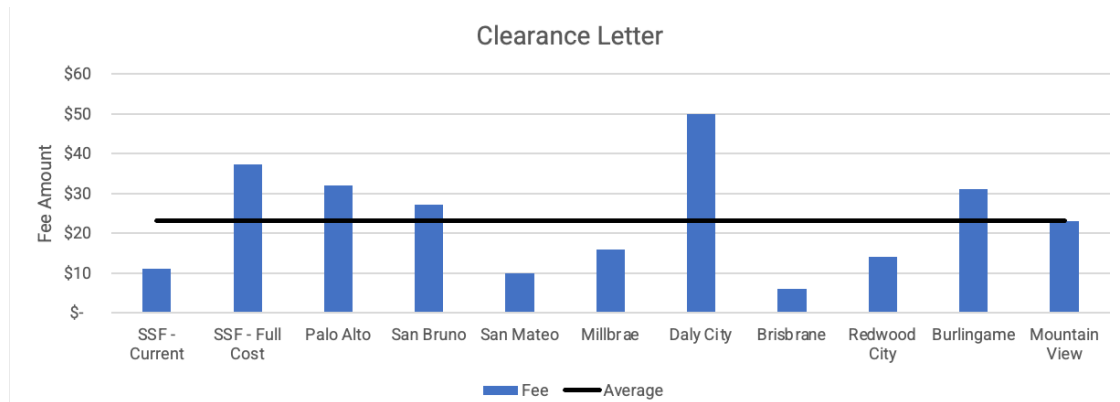


South San Francisco's current fee and full cost are above the jurisdictional average of \$140. However, its full cost fee at \$149 is the closest to the average.

### 37 Clearance Letter

Currently, the Police Department charges a fee of \$11 for a clearance letter. Through this study, the project team calculated the full cost of the service to be \$37. The graph below

shows how South San Francisco's current fee and full cost compares to the surveyed jurisdictions.



South San Francisco's current fee is below the jurisdictional average of \$23, while its full cost is above. Its fee is most aligned with San Mateo at \$10, and Redwood City at \$14.

## 5 Summary

Based upon the comparative survey, the full cost calculated is generally higher than the current fee charged. The majority of the fees surveyed are in alignment with other 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.