

PLANNING & BUILDING DEPARTMENT SUMMARY OF PROPOSED RATE CHANGES

The proposed rate changes for each division of the Planning and Building Department (Department) are outlined below. The primary purpose of the rate analysis was twofold:

1. To establish a fee structure that aligns with estimated and reasonable costs of service delivery; and
2. To provide the Board of Supervisors with the analysis necessary to evaluate and revise the County's cost recovery policies for fees and charges.

The cost-of-service calculations were developed using industry-standard, quantitative methods for fee analysis.

Cost Recovery Evaluation

A cost recovery rate of 0% indicates no cost recovery through fee revenue (or insufficient data for analysis). A 100% rate reflects full recovery of service costs. Rates between 0% and 100% indicate partial cost recovery.

Data Sources

The following sources informed the cost-of-service analysis and fee proposals:

- The County's adopted FY 2025–26 Budget
- A complete roster of Planning and Building Department personnel, including salaries, benefits, and leave data, provided by the Chief Administrative Office, Community Development Finance and Administration
- Current fee schedules from the Department's official Ordinance Fee Schedule
- FY 2024–25 timekeeping data submitted by each division

Building Division

The Building Division proposes 100% cost recovery. The hourly rate will increase from \$144 in FY 2022–23 to \$167 in FY 2025–26—a \$23 (approximately 16%) increase. No other changes are proposed. Fee calculations are based on the FY 2022–23 time study (Attachment E).

Planning Division

The Planning Division proposes 75% overall cost recovery. Direct services will recover 100% of costs, but only 15% of staff time for callbacks and counter inquiries will be recovered, as these typically lead to billable projects. The hourly rate will increase from \$219 in FY 2022–23 to \$247 in FY 2025–26—a \$28 (approximately 13%) increase. Fee calculations are based on the FY 2022–23 time study (Attachment E).

During the amendment process under Ordinance 5224, six (6) fees were inadvertently removed from Exhibit A (Note 3, Attachment E) that were originally established under Ordinance 5213. As such, the Department enacted Policy E of Resolution 164-2023, "When no fee exists to cover an application or service not typically provided by the Planning and Building Department" ... "This amount is based on an estimate of processing costs determined by the Chief Administrative Officer (CAO), the Planning and Building Department Director, or their designees, using the approved hourly billing rate." The Director elected to collect the fees under Ordinance 5213 for cost recovery purposes.

On July 22, 2025 (Legistar File 25-2511), the Board approved and adopted Urgency Ordinance 5235, allowing the Department to charge a fee for issuing Oak Exemption Permits. Pursuant to Resolution 164-2023, Policy E, "When

no fee exists to cover an application or service not typically provided by the Planning and Building Department” ... “This amount is based on an estimate of processing costs determined by the Chief Administrative Officer (CAO), the Planning and Building Department Director, or their designees, using the approved hourly billing rate.” The Director elected to collect the fees under Ordinance 5235 for cost recovery purposes, setting the fee at one-quarter hour.

Stormwater Quality & Vacation/Hosted Home Rentals

Previously, a combined hourly rate was established for Stormwater Quality and Vacation/Hosted Home Rentals. However, as these functions are not directly related, the Department has separated them to better reflect actual service costs. The combined rate in FY 2023–24 was \$190 per hour.

Stormwater Quality

The unit proposes 57% cost recovery. While direct services will be recovered at 100%, the Department opted not to recover costs related to the State-mandated National Pollutant Discharge Elimination System (NPDES), which is partially funded by Public Utilities Franchise Fees. The hourly rate will increase from \$190 in FY 2022–23 to \$280 in FY 2025–26—a \$90 (approximately 47%) increase. Fee calculations are based on the FY 2022–23 time study (Attachment E).

Vacation / Hosted Home Rentals

This unit proposes 100% cost recovery. The hourly rate will decrease from \$190 in FY 2022–23 to \$141 in FY 2025–26—a \$49 (approximately 26%) decrease. The decrease is primarily due to the rate separation from Stormwater Quality. No other changes are proposed; calculations are based on the FY 2022–23 time study (Attachment E).

Long Range Planning Division

Long Range Planning’s (LRP) billing rate is intended for billing grants, other County departments, and internal Planning and Building divisions. LRP proposes 100% cost recovery. The hourly rate will increase from \$188 in FY 2022–23 to \$265 in FY 2025–26—a \$77 (approximately 41%) increase. Rates may fluctuate annually depending on grant funding and other sources (e.g., prior funding [Discretionary Transient Occupancy Tax], Affordable Housing Trust Fund, Tahoe Regional Planning Agency), in accordance with the LRP Work Plan.

Code Enforcement Division

The Code Enforcement Division proposes 100% cost recovery. The hourly rate will increase from \$107 in FY 2022–23 to \$148 in FY 2025–26—a \$41 (approximately 38%) increase. Fee calculations are based on the FY 2022–23 time study (Attachment E). No other changes are proposed.