



County of El Dorado

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Title: HEARING - Consider adoption of Resolution revising Building Fee Schedule. (Est. Time: 30 Min.)
(Cont'd 7/27/10, Item 30)

Sponsors:

Indexes:

Code sections:

Attachments: 1. A.SummaryofChanges, 2. B.BuildingFeesAnnotated, 3. C.BuildingFeesResolution, 4. D.BlueRouteBldgFees, 5. E - 10-0617 Letter from E. Kittle.pdf

Date	Ver.	Action By	Action	Result
8/3/2010	3	Board of Supervisors	Approved	Pass
7/27/2010	2	Board of Supervisors	Continued	Pass
6/29/2010	1	Board of Supervisors	Continued	Pass

HEARING - Consider adoption of Resolution revising Building Fee Schedule. (Est. Time: 30 Min.)
(Cont'd 7/27/10, Item 30)

Background: In 2009 and 2010, the Development Services Department identified budget problems focused around meeting revenue projections. In these years, as well as previous years, staffing reductions were made to reflect the slowdown in the building and development industry. Pursuant to Board Policy B-1, an additional option is to review the rates being charged. The current fees (Resolution 180-2007) were effective September 10, 2007. A review of the process of operating under the current adopted fee schedule has identified the following issues:

1. There are some services for which no fees are charged.
2. The costs of providing services have increased.
3. Refund processing is overly complicated.
4. Permit fees do not cover the cost of services.

The draft fee schedule was discussed by the Board of Supervisors on April 13, 2010 (Item 23, Legistar 10-0173). Additional issues were identified by the public and the Board:

1. Due to the economy, fees should not be increased.
2. Fees should not be increased without improved accountability by the Department.
3. Find ways to reduce the costs of processing permits.

The draft Building Division fee schedule has been revised based on Board direction of April 13, 2010 and will:

1. Increase the Building Permit Valuation modifier from 0.0106 percent to 0.0125 percent. This only affects permits subject to TIM fees, which were exempted from the fee increase in 2007.

2. Add and increase fees for: driveway encroachments, manufactured buildings, code enforcement, Notice of Compliance, and research.

3. Maintains a minimum fee of \$100 and establishes the Regional Cost Modifier at 10 percent (instead of the proposed 25 percent).

4. Clarifies permit components (administration, plan check, inspection) to simplify collection and refund processes.

These changes do not cover the full cost of the services provided. Although the proposed fees are based on the adopted \$100 hourly rate, not all staff hours are included in all permit fees. The County will continue to subsidize from the General Fund the cost of minor permits. This fee schedule is estimated to generate approximately \$200,000 per year for the Building Safety Division.

A narrative discussion of the fee changes is attached. (See Attachment A, Summary of Changes.) The Department is cognizant of the time and expense of permit processing. Adequate staffing, both in numbers of staff and their experience, is critical to processing permits in a timely manner. State regulations (Building Codes) drive most of the process requirements. Improvements to local regulations and Department processes are regularly reviewed by the Building Industry Advisory Committee, appointed by the Board of Supervisors. The Department processes were previously reviewed by the 2007/2008 Ad Hoc Committee.

One of the Board of Supervisors directions from the Ad Hoc Committee on December 9, 2008 (Item 37, Legistar 08-0642) was to Direct staff to return with options for a fee schedule that includes more categories for flat fees as well as other options to recover costs associated with overhead, General Plan, Technology, and Code Enforcement.

The proposed fee schedule for the Building Division includes provisions for recovery of costs including overhead, technology and code enforcement. There are no cost recovery provisions for activities on behalf of the General Plan or significant changes to the T&M permits related to building and grading permits. The hourly rate of \$100 per hour remains unchanged and as such does not capture the full cost of providing the service.

Attachment B is the strikethrough version of the current Building Fee Schedule. The Development Services Department recommends the Board of Supervisors adopt the attached resolution revising the Development Services Department Building Division Fee Schedule (attachment C).

Public notices of the hearing to take place at this meeting were placed in both the Mountain Democrat and the Tahoe Tribune per current law. They were also reviewed in depth with the Regulatory Reform Subcommittee. Should your Board approve the recommended change in fees, the new fees will become effective 60 days after adoption.

Action to be taken following Board approval: The Clerk of the Board will provide one executed copy of the Resolution to Development Services Department for implementation.

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