

Planning & Development

2025 Fee Study



one
COUNTY
one
FUTURE

Today's Presentation

- Legal Framework
- Fee Study Goals and Methodology
- Planning & Building Fee Schedules
- Hourly Rates
- Surcharges
- Recommendations

CA Legal Framework for User Fees

- May not exceed the estimated reasonable cost of providing the services
- Must be fair, transparent, and directly connected to the actual cost of the service provided (Prop 218)
- Agencies may recover costs reasonably necessary to prepare and revise mandated general plan elements (GC 66014(b))

County Fee Policy

- “Departments shall ensure appropriate maximum reimbursement of...user fees that fully offset user costs...”
- “Departments are responsible for insuring that all legally allowed fees and charges are presented to the Board for adoption and for reviewing/adjusting as appropriate.”

Fee Study Goals

- Update 2017 Study
- Analyze costs and determine if they are being appropriately recovered
- Follow industry standards
- Increase transparency
- Restructure fees to align with services
- Streamline and increase user friendliness

Fee Study Methodology and Findings

Contracted with Government Consulting Partners:

1. Examine actual costs of providing services and revenue recovered
 - Not 100% cost recovery
 - Overhead and many services not being fully recovered
2. Examine fee structure
 - Changes required to match policy, code, operational changes
 - Changes recommended to simplify and improve transparency

Fee Study Methodology

3. Examine hourly rates

- Adjustment required to recover full costs

4. Review surcharge approach

- Change how tech/records maintenance fees are charged
- Change how general plan maintenance fee charged

Proposed Increased Revenue Recovery

- Overall cost recovery improves by 15% - \$2.1 million
 - Some fees decreasing due to efficiencies
 - Most fees increasing to cover costs
- Proposed technology and records maintenance surcharge added revenue: \$707,000
- Proposed general plan maintenance surcharge added revenue: \$241,000

Planning and Building Fee Schedules

Fee Schedule Approach

- Determine direct and indirect costs
- Examine actual project volumes and time spent
- Calculate hourly rates
- Determine fee changes based on code or process changes
- Recommend fee types: fixed, deposits, or actual cost
- Simplify and increase transparency

Proposed Revisions to Fee Schedules

- Right-Size Fees
- Modernize Structure
- Increase Transparency
- Streamline

Planning Fee Schedule

- Increase cost recovery rate
- Changes to fee types due to efficiencies
 - Create more fixed fees
 - Reduce deposits for some case types
- Increase appeals fee, but preserve accessibility
- Establish a general plan maintenance surcharge for most permit types

Planning Fee Schedule

- Efficiencies in process result in lower fixed fees
 - New guest house, pool house, artist studio, trailer
 - Res. fences, wall, pools and spas
 - C/I minor alterations or additions to existing structure
 - Permit exemptions
 - Some admin. fees, e.g., noticing
 - Homestay renewals
 - Some hearing fees

Appeal Fees

- Increase appeal fee from \$667 to \$1,500 to reduce subsidy

Appeals Fee – Comparison Counties				
Santa Barbara	Ventura	San Luis Obispo	Monterey	Sonoma
\$667 - current	\$1,000 Deposit	\$925	\$1,500 -3,000	\$1,200 – \$1,600
\$1,500 -proposed	Appeal: <ul style="list-style-type: none"> • Of violation, full cost • By applicant, full cost • Non-applicants pay up to \$1,000; applicants also pay up to \$1,000 	Includes tech surcharge	<ul style="list-style-type: none"> • \$1,500 – admin, director decisions • \$3,000 – completeness, other decision makers 	\$1,200 for admin or waivers, \$1,600 for appeals of Commission

Planning Fee Cost Recovery

Planning Fees	Current Recovery Rate	Proposed Recovery Rate	Projected Increased Cost Recovery
Planning and Film Permits	88.47%	95.51%	\$452,491
Cannabis & Cannabis Compliance	81.64%	92.59%	\$54,053

Building Fee Schedule

- Simplify for applicants and staff
 - Reduce the number of fees, modifiers and add-ons
- Adjust inspection rates
 - Lower for small/simple permits
 - Higher for larger/more complex permits
- Increase cost recovery rate
- Preserve subsidy for water heaters and FAU/furnace

Building Fee Schedule Change Examples

- **Fee reductions from efficiencies**

- Smaller ADUs
- Smaller residential additions
- Fences and walls
- Roofing
- Heating appliances

- **Minor fee increases**

- Furnaces/FAU's
- Plumbing and electrical fixtures
- Water heaters

- **Greater fee increases**

- Larger residential additions
- Single family homes
- Multi-family housing developments
- Larger commercial tenant improvements

Building Fees Comparison

Typical Plan Check & Inspection Fee - County Comparison					
Project Type	SB Current	SB Proposed	Marin	San Luis Obispo	Ventura
800 sf new ADU meeting setbacks & height limits	\$6,186	\$6,104 ¹	\$4,092	\$1,328	\$3,852
1,200 sf new ADU meeting setbacks & height limits	\$7,028	\$8,776	\$ 5,423	\$1,992	\$5,104
300 sf addition to an SFD	\$4,069	\$1,705	\$2,217	\$1,180	\$2,091
500 sf addition to an SFD	\$5,554	\$2,607	\$3,048	\$1,180	\$2,871
1000 sf tenant improvement to an existing commercial space	\$2,600	\$4,858	\$7,091	\$2,140	\$5,956
1000 sf new garage	\$6,607	\$2,764	\$2,563	\$1,990	\$2,416

¹768 sf pre-approved ADU will be \$4,438; 900 sf pre-approved ADU will be \$4,964

Building Fees Comparison

Multi-Family Residential Building Fee - County Comparison					
	SB Current	SB Proposed	Marin	San Luis Obispo	Ventura
Multi Family Building 20,000 sq ft, 20 units	\$42,849	\$62,152	Varies: \$29,800 - \$120,600	\$61,000	Based on Valuation

For each duplicate building, plan check charge is \$909

Building Fees Simplification - Trellis

Fee Category	Current Plan Check Fee	Proposed Plan Check Fee	Current Inspection Fee	Proposed Inspection Fee																																										
Patio Covers & Trellis - per sq ft (includes ICC Products):	<table><tr><td colspan="2">Trellis:</td></tr><tr><td>First 500 sf</td><td>133</td></tr><tr><td>each additional 500 sf</td><td>101</td></tr><tr><td>Engineered design (additional fee)</td><td>133</td></tr><tr><td>Alternate Methods and Materials</td><td>actual cost</td></tr><tr><td colspan="2">Patio Cover (includes ICC Products):</td></tr><tr><td>Lattice first 500 sf</td><td>49</td></tr><tr><td>Solid cover first 500 sf</td><td>66</td></tr><tr><td>Each additional 500 sf</td><td>6</td></tr><tr><td>Engineered design (not ICC products - additional fee)</td><td>49</td></tr></table>	Trellis:		First 500 sf	133	each additional 500 sf	101	Engineered design (additional fee)	133	Alternate Methods and Materials	actual cost	Patio Cover (includes ICC Products):		Lattice first 500 sf	49	Solid cover first 500 sf	66	Each additional 500 sf	6	Engineered design (not ICC products - additional fee)	49	\$1.21 per sq ft	<table><tr><td colspan="2">Trellis:</td></tr><tr><td>First 500 sf</td><td>165</td></tr><tr><td>each additional 500 sf</td><td>25</td></tr><tr><td>Engineered design (additional fee)</td><td>166</td></tr><tr><td>Alternate Methods and Materials</td><td>actual cost</td></tr><tr><td>ICC Fee - if required</td><td>42</td></tr><tr><td colspan="2">Patio Cover (includes ICC Products):</td></tr><tr><td>Lattice first 500 sf</td><td>199</td></tr><tr><td>Solid cover first 500 sf</td><td>233</td></tr><tr><td>Each additional 500 sf</td><td>35</td></tr><tr><td>Engineered design (not ICC products - additional fee)</td><td>88</td></tr></table>	Trellis:		First 500 sf	165	each additional 500 sf	25	Engineered design (additional fee)	166	Alternate Methods and Materials	actual cost	ICC Fee - if required	42	Patio Cover (includes ICC Products):		Lattice first 500 sf	199	Solid cover first 500 sf	233	Each additional 500 sf	35	Engineered design (not ICC products - additional fee)	88	\$1.21 per sq ft
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Building Fee Cost Recovery

Building Fees	Current Recovery Rate	Proposed Recovery Rate	Projected Increased Cost Recovery
Building & Safety	81.94%	99.19%	\$1,496,002

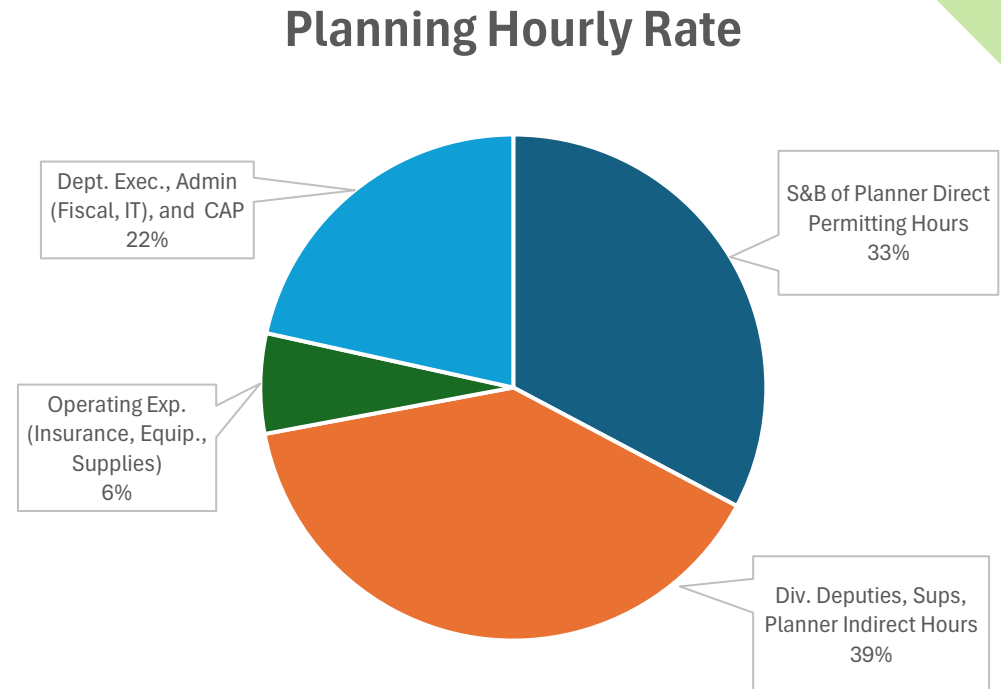
Planning and Building Hourly Rates

Hourly Rates Approach

- Gather direct and division-level indirect costs per fee category
- Determine additional department indirect costs
- Include all costs in hourly rate to achieve 100% cost recovery, excluding subsidized permits

Proposed Planning Hourly Rate

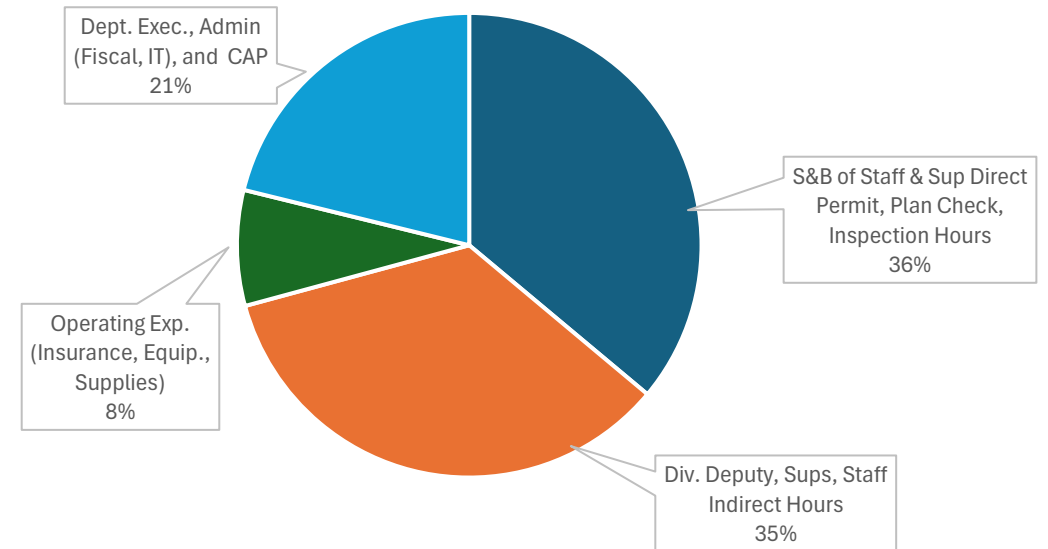
- Hourly rate \$299 (existing \$302)
- Reflects full cost of services
- Remove tech/record maintenance charge - establish separate surcharge



Proposed Building Hourly Rate

- Move to one hourly rate \$303 (two existing rates \$337 & \$287)
- Reflects full cost of services
- Remove tech/record maintenance and general plan maintenance charges - establish separate surcharges

Building and Safety Hourly Rate



Hourly Rate Comparison

Hourly Rates - County Comparison						
	Santa Barbara		Ventura ¹	San Luis Obispo	Monterey (2024)	Sonoma
	Current	Proposed				
Planning						
	\$302	\$299	\$187	\$142	\$175 - \$186	\$208
Building						
Plan Check	\$337	\$303	\$143-	\$140	\$195	\$206-\$278
Inspection	\$287		\$155			\$203

¹Technology and Records charge removed

- Other agencies:
 - Supplement hourly rates
 - Service costs vary
 - Operations vary
 - Cost recovery rates vary

Surcharges

Surcharges Approach

- Tech and Records Maintenance and General Plan Maintenance charges
- Remove both from hourly rates:
 - Improve transparency
 - Adjust based on permit type
- Determine actual costs
- Determine appropriate percentage to recover cost

Technology and Records Maintenance Surcharge

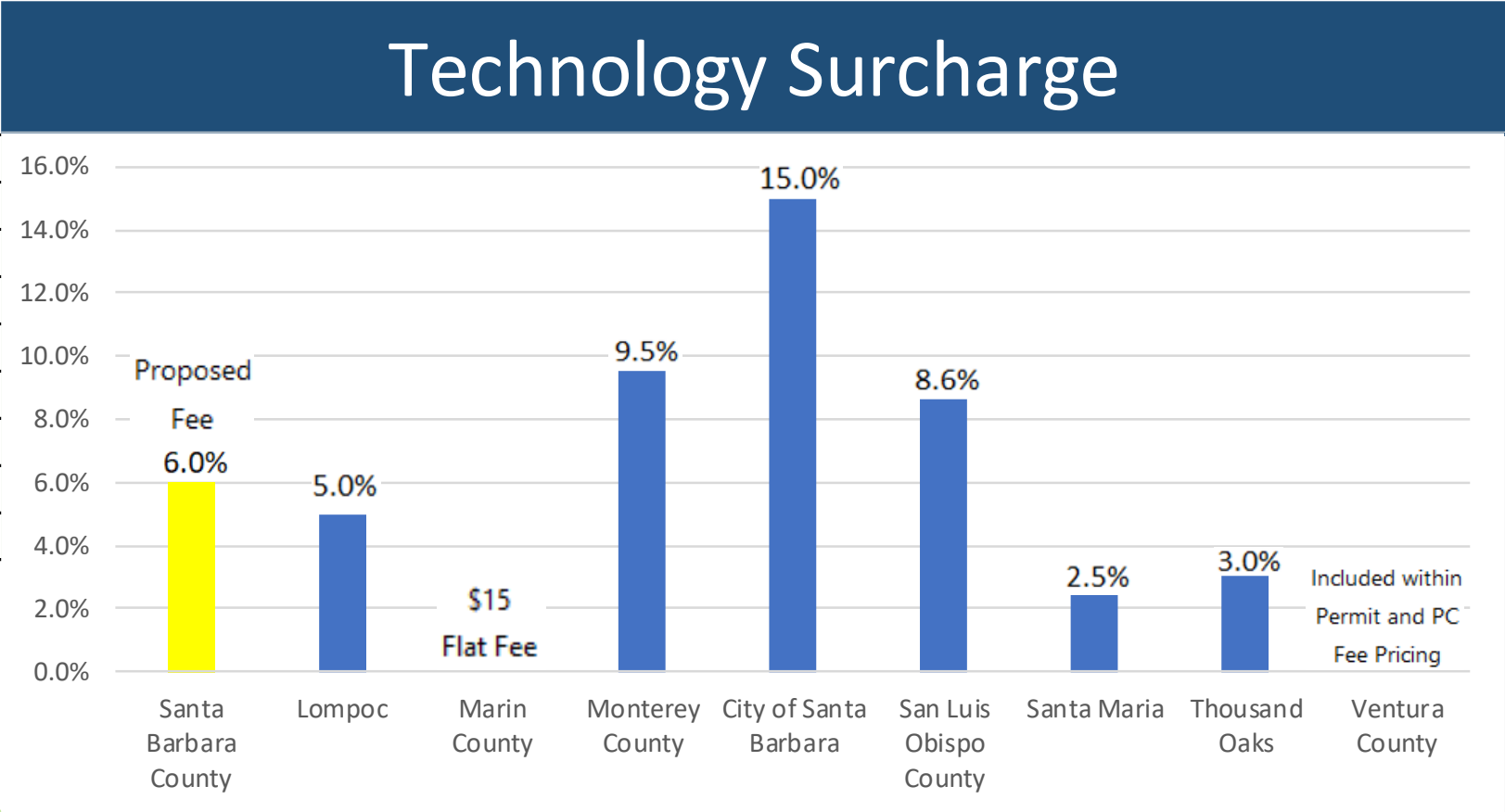
- Remove from hourly rates
- Apply 6% surcharge to all permit fees

Technology & Records Maintenance Surcharge			
	Current		Proposed ¹
	Technology	Records	Combined
Planning	1.5%	0.15%	6%
Cannabis	1.5%	0.15%	6%
Building	1.5%	0.15%	6%
Petroleum	1.5%	n/a	6%
Total Revenue	\$235,526		\$942,350

¹ Not applied to pass-through fees

Fee pays for: online permit process improvements, equipment, website improvements, future AI software solutions, etc.

Technology and Records Maintenance Surcharge Comparison



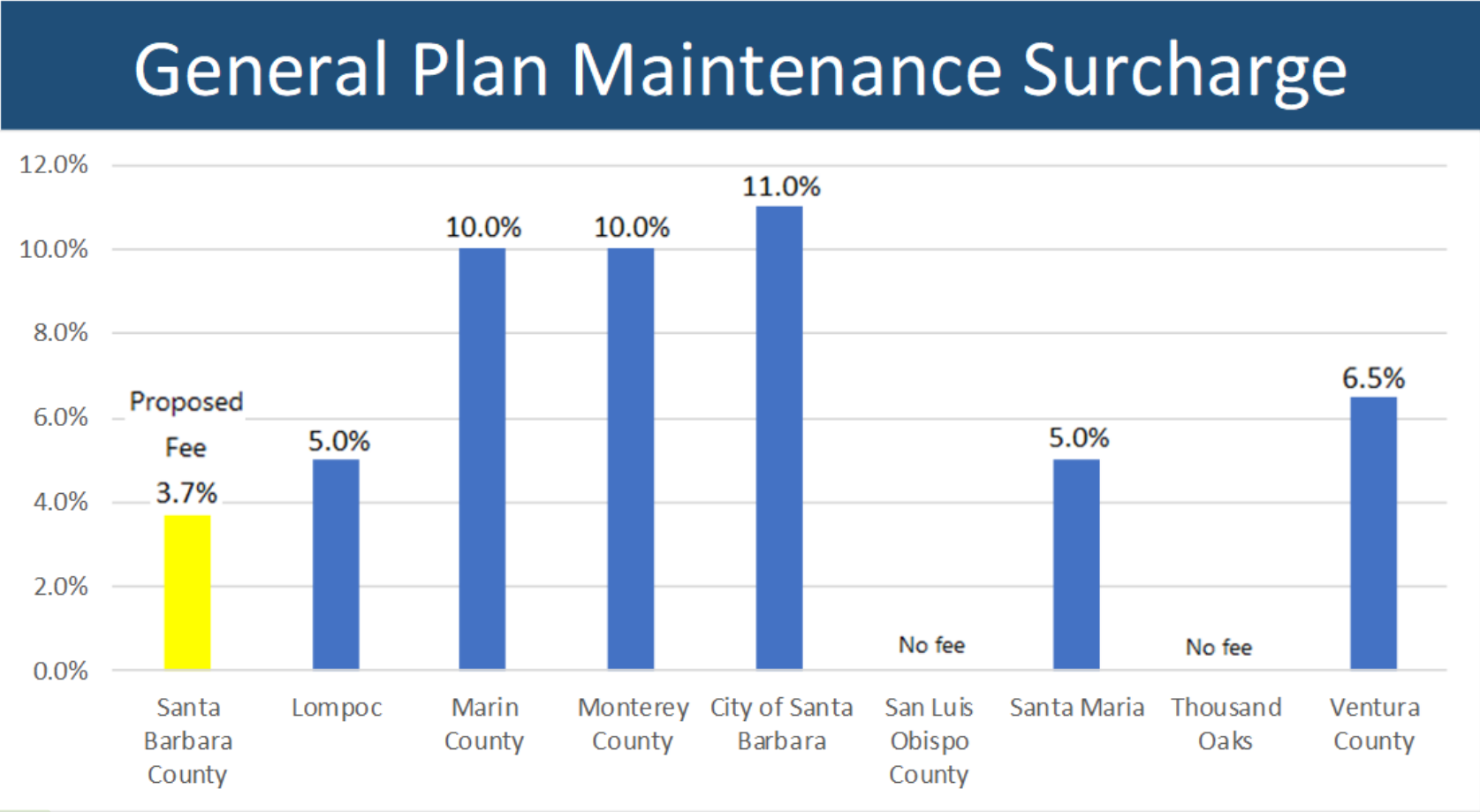
General Plan Maintenance Surcharge

- Remove from Building hourly rates
- Apply 3.7% surcharge to
 - Most planning permits
 - Building permits for new construction
- Surcharge not applied:
 - Planning: permit compliance, consultations, emergency permits, film permits, hearings and noticing, etc.
 - Building: minor alterations, mechanical, electrical, plumbing, roofing, grading, patios, trellis, decks and signs, etc.

General Plan Maintenance Surcharge		
	Current	Proposed ¹
Planning	n/a	3.7%
Cannabis	n/a	3.7%
Building	3%	3.7%
Petroleum	n/a	n/a
Total Revenue	\$179,197	\$420,000

¹ Not applied to all fees

General Plan Maintenance Surcharge Comparison



Sample Fees with Surcharges

Sample Fees with Surcharges					
Fee Category	Current Fee (includes applicable surcharges)	Proposed Fee	Proposed Technology & Records Maintenance Surcharge (6.0%)	Proposed General Plan Maintenance Surcharge (3.7%)	Proposed Total Charge
PLANNING					
Commercial/Industrial Addition	\$1,492	\$898	\$54	\$33	\$985
Minor CUP w/10 hours	\$3,020	\$2,990	\$179	\$111	\$3,280
BUILDING					
Residential Fence/Wall over 8' w/1 hr plan check	\$1,176	\$606	\$36	n/a	\$642
Residential Remodel 300 sf	\$1,879	\$1,705	\$102	\$63	\$1,870

¹Fee changes primarily driven by inspection services

Conclusion

Summary of Proposed Changes

- Right size fees
- Modernize and simplify structure
- Increase transparency
- Update hourly rates
- Remove surcharges from hourly rates
- Establish separate surcharges
- Improve cost recovery

Increased Revenue

- Overall cost recovery improves by \$2.1 million
- Proposed technology and records maintenance surcharge added revenue: \$707,000
- Proposed general plan maintenance surcharge added revenue: \$241,000

Recommended Actions

- Approve the introduction (first reading) of “An Ordinance Amending Fees for Planning and Development Department Services” included as Attachment A;
- Read the title “An Ordinance Amending Fees for Planning and Development Services” and waive full reading of the Ordinance, as shown in Attachment A; and
- Set a hearing on the Administrative Agenda of December 16, 2025, to:
- Determine that the adoption of an ordinance amending fees for Planning and Development Department services is not subject to the requirements of the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines Sections 15273(a)(1) and 15378(b)(5), included as Attachment C to this Board Letter; and
- Adopt (second reading) “An Ordinance Amending Fees for Planning and Development Services”, included as Attachment A.