

# Santa Barbara County Land Development Fee Proposal

January 19, 2010



# Purpose of this Request

- Hourly Rate Change for 2009-10 and 2010-11
- Increase in Employee Salary and Benefits
- Important for 2010-11 Budget Proposal
- Options for the BOS
- Stakeholder Outreach



# Budget Principle Conformance

- Conform with Board Approved Fee Policy
- Full Costs Shall be Recovered for Fee Services
- Protect General Tax Payers from Funding Review of Development Permits
- Proposed Fee Adjustments Must be Adopted Prior to Budget Submittal
- Ensure Annual Expenditure and Revenue Review



# Fee Policy 1/94

Where allowed or mandated, the County will charge a fee for services provided at a level consistent with the procedures of this policy. 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. Fees should be reviewed at least annually by departments to determine that fee levels are consistent with current cost basis and/or established current criteria. ....



# Hourly Rate Calculations

- Incremental Cost Increases Funded through Automatic Adjustment to Fees based on CPI
- Extraordinary Cost Increases Require Recalculation of Hourly Rate



# Planning and Development Fee Analysis

- Annual review of costs and expenditures of permit process
- Received Auditor-Controller's approval of rate calculation
- Compared rates with other jurisdictions in accordance with Board Fee Policy
- Evaluated permit process and procedures for efficiency and effectiveness



# Proposed Hourly Rate Increase

- Rate Increase from \$152/hr to 182/hr
  - Fiscal Year 2009/10- \$18/hr
  - Fiscal Year 2010/11- \$12/hr
- Permit Revenue 2010/11- \$526,000



# Breakdown of Proposed Hourly Rate

Average hourly direct billing cost for planners		\$70.60
Planner cost for time which is not directly billed		14.12
Supervision		16.71
Management		5.24
Support Staff		18.25
Total P&D Salary and Benefits Cost		<b>124.92</b>
County Overhead		44.57
Hourly Rate		<b>\$169.49</b>
Technology Fee		2. 61
General Plan Fee		10.19
Hourly Rate		<b>182.29</b>
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# Comparison of Current Planning Hourly Rates

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Jurisdiction	Hourly Rate	Effective Date	Notes
City of Santa Barbara	\$200	July 2009	Building Permits that create new development (no remodels) are assessed 11% general plan update surcharge
County of Santa Barbara	\$182.29	March 2010	Includes \$2.61 technology fee, \$10.19/hr General Plan Surcharge
City of Lompoc	\$151-250	July 2008	Revenues and costs not tracked to this level
City of Carpinteria	\$65-\$163	January 2008	Revenues not tracked by function
City of Ventura	\$160	January 2009	Includes Admin, Advance and Current Planning. Revenue is not broken down. If all revenue is attributed to current planning the general fund subsidy is 30%
County of Ventura	\$155.53	August 2009	Entire department hourly rate including \$12.75/hr long range planning, \$5/hr technology
County of San Luis Obispo	\$133	July 2009	Technology fee of 5.4% on hourly rate. Building Permits are assessed 9.4% general plan update surcharge
City of Goleta	\$125	December 2008	
City of Santa Maria	\$65.30	January 2008	
City of San Luis Obispo		September 2009	Revenues and costs not tracked to this level

Note: Subsidy often reflected in low fixed cost permits

# Options Explored

- No Rate Increase at This Time
- Increase Permit Processing Efficiency
- Reduce Staffing and Services



# No Rate Increase

- Permit Costs Subsidized with General Fund
- Inconsistent with Budget Policy and Principles
- 2010/11 Balanced Budget Proposal Problematic



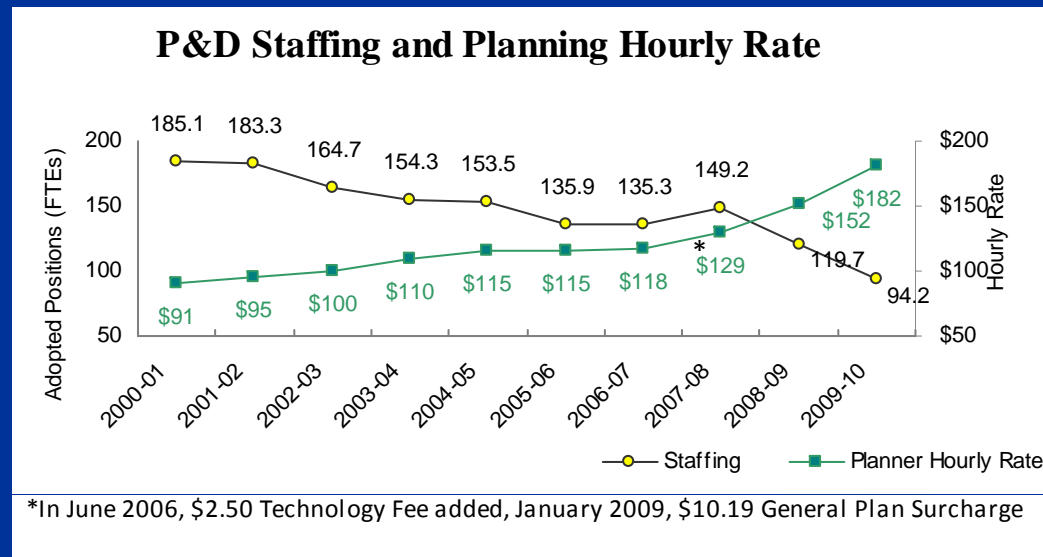
# Increase Permit Processing Efficiency

- Ongoing Efforts
- Recent Examples
- Current Proposals
- Continuous Improvement



# Reduce Staffing and Services

- Requires General Fund Reduction of \$526,000
- Cost Savings Varies with Division
- Staffing Reduced Significantly Since 2000



# Outreach Efforts

- Process Improvement Oversight Committee
  - Land Use Agents
  - Home Builders Association
  - Labor and Business
  - Community Groups
- Suggestions
  - Reduce Salaries
  - Outsource Planning Review
  - Defer or Eliminate Long Range Planning



# 2010/11 Budget Context

- Current Hourly Rate Proposal
- Loss of BOS Restored Funding
- Increase GF Retirement Contribution
- 7% General Fund Reduction



# Recommended Action

- Adopt Resolution to Amend Land Development Fees Effective on March 20, 2010
- Approve Notice of Exemption for Planning and Land Development Fee Resolution





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Conclusion

