

**SANTA BARBARA COUNTY  
BOARD AGENDA LETTER**



Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

**Agenda Number:**  
**Prepared on:** 2/16/04  
**Department Name:** Planning and Development  
**Department No.:** 053  
**Agenda Date:** 3/16/04  
**Placement:** Departmental  
**Estimate Time:** 10  
**Continued Item:** NO  
**If Yes, date from:**

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**TO:** Board of Supervisors  
**FROM:** Valentin Alexeeff, Director  
Planning and Development  
**STAFF CONTACT:** Steve Mason, Deputy Director, (568-2070)  
**SUBJECT:** Land Use Fee Adjustments

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**Recommendation(s):**

That the Board of Supervisors:

Adopt the attached resolution revising land use fees for Planning and Development, and approve the attached budget revision of \$20,000.

**Alignment with Board Strategic Plan:**

The recommendation(s) are primarily aligned with actions required by law or by routine business necessity.

**Executive Summary and Discussion:**

The Board of Supervisors' approved fee policy dated 1/94 directs departments to adjust fees annually to reflect cost of living, salary equity adjustments and other increased business costs attributed to processing permit applications. Planning and Development updates fees annually, this year the fee resolution is being presented to your Board slightly earlier than is typical as directed at Board's hearing of January 5, 2004. The County Auditor-Controller annually reviews the indirect cost rates for Planning and Development divisions, and the hourly rate charged for planning permits. This annual review ensures that salary increases and other required business costs associated with permit processing are included in permit fees and not supported by an increased general fund contribution.

Annual adjustments to the fee resolution are in accordance with the Board's fee policy and adopted budget principles. The last approved adjustment to the hourly rate was effective in May 2003.

The proposed hourly rate from \$110 to \$115 would offset increased salary costs (3.3%) and indirect costs (12%). Exhibit A, attached, is the proposed update to the May 2003 fee resolution. Over seventy-five percent of the hourly rate is salary cost. The remaining twenty-five percent of the hourly rate is overhead costs. Overhead includes both the costs from the Countywide Cost Allocation Plan and department overhead. Indirect costs are overhead or administrative costs that can come from within or outside the department. Costs such as liability insurance, electricity, building maintenance, or charges from other county departments such as Human Resources are examples of indirect costs. Costs for County Counsel litigation allocated to the department in the Cost Allocation Plan are not included in the overhead calculation. Inclusion of the litigation costs in the overhead rate is inequitable, since only a small number of permits incur these costs. Approving these proposed adjustments to fixed fee and deposit permits will provide revenue to fund these activities and reduce the need for additional County general fund support for permit review. The Auditor Controller has reviewed and approved this hourly rate.

The department has 68 fixed fee permit types (listed in Exhibit A). Fixed fee permit costs are computed by multiplying the average time needed to process that type of permit by the current hourly rate, plus a non-salary charge. Of the 68, we propose to lower one and raise one fee. Dropping by 2 hours is the fee for Temporary Second Dwelling Unit Agreement and Site Visit from \$710 to \$515. Rising by half an hour is the fee for a Coastal Development Permit Exemption, Revision or Time Extension from \$160 to \$230. This increase will make the time and cost allocated equal to that for the same permit outside the Coastal Zone. These changes have an annual net financial impact of approximately \$6,500. While not a fixed fee, the deposit amount for Permit Compliance – Non Complex is reduced from \$1,000 to \$500.

In 1993, the Board of Supervisors capped the fees required to file an appeal of a project to the Planning Commission or Board of Supervisors. For “non-applicant” appeals the fee is \$292, plus \$103 for County Counsel; for project applicants to appeal their own project, the fee is capped at \$1,897, plus \$103 for County Counsel. At the Board’s hearing of January 5, 2004 your Board directed Planning and Development to develop a proposal for increasing appeal fees. The department will return at a later hearing to present a proposal for increasing appeal fees.

**Mandates and Service Levels:**

No change.

**Fiscal and Facilities Impacts:**

The net fiscal impact of these changes is an increase of approximately \$206,000 in permitting revenue that offsets permitting costs. The increased revenue is included in the 2004-2005 Fiscal Year Budget submitted to the County Administrator.

**Special Instructions:**

The Clerk of the Board ensures that noticing of the hearing for the proposed fee adjustment is completed in two general circulation publications 5 and 10 days prior to the hearing, in accordance with Government Code §66016.

**Concurrence:**

Auditor-Controller

County Administrator