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March 17, 2017

Clerk of the Board
Santa Barbara County Board of Supervisors
VIA EMAIL: SBCOB@co.santa-barbara.ca.us

TO: Joan Hartman, Chair

Das Williams, Vice Chair
Janet Wolf, Supervisor
Peter Adam, Supervisor
Steve Lavagnino, Supervisor
Mona Miyasato, County Executive Officer

RE: 3/21 Agenda Item #1) 17-00190 HEARING - Consider recommendations regarding a proposed Fee Ordinance for the Planning and Development Department

The Santa Maria Valley Chamber of Commerce has reviewed the staff report associated with this item and we have serious concerns about the appropriateness of the recommended fee increases and with the negative effects these increases will have in our communities. We strongly urge you to <u>not accept</u> the proposed fees as presented and return this item to the Planning & Development Department for additional work and evaluation based on the following points:

- 1. Staff attempts to justify the fee increases by linking them to costs. What is missing from the analysis is any evidence that the costs are appropriate, calculated to ensure accuracy, or that they reflect any effort on the part of staff to minimize the variables which lead to the ultimate cost. At a basic level, we have concerns about fees that are based on staff-generated costs as they provide no incentive for staff to pursue efficiencies or to be as productive as possible. In fact, the opposite is true; the less efficient and product the staff are, the more fees they can generate.
- 2. We are concerned about any move by the County which has the impact of increasing costs of housing, particularly with no resulting improvement in service, efficiency, or value. Lack of housing at all levels is quickly becoming the primary constraint to economic growth in Santa Barbara County. Increasing the cost of fees on whatever housing activity is occurring will have the effect of making this problem more difficult to overcome.
- 3. The scale of the increases are so large that they will have a detrimental impact on business expansion and investment in the county. Even if the costs were justifiable, the simple fact that the county hasn't

addressed the structure of the fees for so long should not be taken out on current and near-future applicants. Any increases should be phased in over a longer period of time.

Once again, while we recognize the Board of Supervisors faces difficult financial decisions in the current and future budget cycles, we do not believe that the fee increases recommended by the Planning and Development staff are well thought out, fully justified, or designed in a way that incentivizes efficiency, productivity, and customer-focused service. We urge you to return this proposal to staff for another try.

Sincerely,

Glenn D. Morris

President & CEO

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