

**City Council**

**Item #6 RTC 26-235**


**Public Hearing:  
Action on the  
Adoption of the FY  
2026/27 Municipal Fee  
Schedule**

**April 21, 2026**

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**Study Session and Public Hearing**

- April 14, 2026 City Council Study Session
  - Reviewed Proposed Fee Schedule Update for FY 2026/27
- This Evening’s Item
  - Address feedback/questions from Study Session
  - Changes to Fee Schedule from Study Session
  - Public Hearing – FY 2026/27 Fee Schedule Resolution



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## Background

- The City maintains a Master Fee Schedule identifying applicable fees for various City services
- Fees are reviewed and updated every year
- Cities collect fees and charges for government services performed at the request of, or specifically for, a particular individual, business, or group as opposed to services performed for the community as a whole

## Cost Recovery Principles for the City

- City Council Budget Principle Related to Cost Recovery for Fees

*“With limited exceptions, establish fees based on full cost recovery where individuals/businesses rather than the community at-large are benefitting from City services.*

*This preserves limited unrestricted resources for providing services that benefit the community as a whole.”*

# Fee Change Overview

Proposed Fee Changes	Fee Count	%
Cost of Service Increase Up to 10%	761	63%
Cost of Living Adjustment	109	9%
Unchanged Fees	210	17%
Decreased Fees	73	6%
Fees Proposed to be Deleted	14	1%
Restructured Fees	10	1%
Cost of Service Increase Greater than 10%	14	1%
Proposed Fee Multi-Year Phase-In	8	1%
New Fees	12	1%
<b>Total</b>	<b>1,211</b>	<b>100%</b>

- Ninety-five percent (95%) of user and regulatory fees are proposed to decrease, remain unchanged or increase by 10% or less.
- Fee adjustments are primarily intended to maintain existing cost recovery levels.



# Fees Proposed to Increase by More than 10%

Description	Fee Count	Overview
Building Fees	4	Small fees rounded to nearest dollar. Example, fee change from \$7 to \$8 results in change greater than 10%.
Planning Fees	2	Adjustment of short-term rental permit fees to reflect current cost of service.
Electric Utility Fees	1	Adjustment of fee for service wire relocation from pole to reflect current cost of service.
Public Works Fees	4	Adjustment of fees for: <ul style="list-style-type: none"> <li>Right-of-way landscaping plan review.</li> <li>Storm-water related application review of planning and building applications.</li> <li>O&amp;M agreements for permanent stormwater treatment systems.</li> </ul> Adjusted fees reflect current cost of service.
Parks & Recreation Fees	3	Predetermined rate adjustments for aquatic facility rental (based on RTC 25-1641). \$2 rate change (\$8 to \$10); \$4 rate change (\$16 to \$20)
<b>Total</b>	<b>14</b>	



## Fees Proposed for Multi-Year Phase-In

Description	Fee Count	Overview
Planning Fees	8	<p>Adjustments to more closely align fees to cost-of-service over time. Phase-in capped at 20% change to fees. Example: Adjust fee from \$915 to \$1,098.</p> <ul style="list-style-type: none"> <li>• Reviews for off-site parking permits</li> <li>• Temporary Use Permit Application Reviews</li> <li>• Architectural Review of Proposed Changes to Approved Projects</li> <li>• City Review of EIR / Supplemental EIR</li> <li>• Legislative Requirements                             <ul style="list-style-type: none"> <li>• AB 52 Tribal Consultation</li> <li>• SB 9 Review</li> <li>• SB 330 Review</li> </ul> </li> </ul>
<b>Total</b>	<b>8</b>	

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## Proposed New Fees

Description	Fee Count	Overview
Electric Utility Fees	1	Easement Processing Fee.
Library Fees	1	Replacement fee for lost or unreturned library facility access badge or key assigned as part of a meeting room rental.
Parks & Recreation	1	Cemetery chapel rental for special events. Reserved use.
Parks & Recreation	2	Youth Soccer Park and Reed & Grant Parking Fees (Stadium Events): <ul style="list-style-type: none"> <li>• General Parking</li> <li>• Bus / Premium Parking</li> </ul>
Water Utility Fees	7	Fees associated with: <ul style="list-style-type: none"> <li>• Temporary use of city hydrant &amp; meters.</li> <li>• Utility field marking outside scope of initial request.</li> <li>• Recycled water site survey non-compliance</li> </ul>
<b>Total</b>	<b>12</b>	

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## Fees Proposed to be Deleted

Description	Fee Count	Overview	Justification
Planning Fees	1	Stormwater Management Plan Review	Duplicative fee captured under Public Works – Street Storm Drain
Fire Fees	1	Lithium Batteries	Duplicative fee
Parks & Recreation – Cemetery	1	Right to inter three cremations	Service is not offered; City provides services to inter two or four cremations
Parks & Recreation – Cemetery	3	Right to inter four cremations (Tiers 3 – 10)	Fee recommended to be rolled up into single existing fee
Parks & Recreation – Cemetery	1	Right to inter one in Indoor Mausoleum	This service will no longer be offered as this mausoleum is at capacity.
Parks & Recreation – Recreation	7	Youth Activity Center: Gymnasium - Non-Profit Rental / Court	Effective August 2025, the Santa Clara Unified School District no longer allows the City access to rent out the Youth Activity Center Gymnasium or offices within it.
<b>Total</b>	<b>14</b>		

## Changes to the Fee Schedule From Study Session

## Fee Changes from Study Session

- 29 fees under the Department of Public Works' Engineering Division are recommended to be updated to be rounded down to the nearest nickel. Examples of changes below:

Description	Proposed Fee (from Study Session)	Updated Proposed Fee
Encroachment Permit – Slurry Seal*	\$113.00	\$113.95
Sanitary Outlet Charge*	\$1,947.00 per lot \$8,820.00 per acre	\$1,947.75 per lot \$8,820.85 per acre
Engineering Inspection Base Fees	\$7,870.00 (first \$100,000) \$33,169.00 (first \$500,000)	\$7,870.80 (first \$100,000) \$33,169.80 (first \$500,000)
Existing Improvements		
Residential	\$123.00	\$123.90
Commercial	\$262.00	\$262.80

\*Updated Proposed Fees are 0.6% lower than current fee, as fees are based on CCI



## Fee Changes from Study Session

- 22 fees are no longer recommended to be rounded
- These fees reflect Impact Fees established and set via separate resolutions, automatically adjusting by CCI each fiscal year
  - Housing Division
    - Affordable Housing Impact Fees (12 fees)
  - Engineering Division
    - Traffic Impact Fees (seven fees)
    - Tasman East Specific Plan Area Impact Fees (one fee)
    - Patrick Henry Drive Specific Plan Impact Fees (two fees)



# Study Session Follow-Up

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## Study Session Feedback/Questions

- Discussion of proposed parking fees at Youth Soccer Park (YSP) and Reed & Grant Park
  - Concerns expressed about the impact to youth soccer events
  - Concerns expressed about the outreach done for these proposed additions
  - Requests for information about how the revenue generated from these fees would be used
- Question regarding the cost recovery level of Parks and Recreation Fees
- Question regarding fee deferrals and phase-in fees
- Question regarding how development fees impact small businesses
- Comments about the payment method for fees
- Staffing resources to provide high level of customer service



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## Responses to Questions/Feedback

- Proposed Parking Fees at YSP and Reed & Grant Park
  - Expansion of the existing parking fees within the current schedule
  - Youth events will continue to be the priority use of these facilities
  - If approved, these parking fees will only be charged if no other events are occurring at facilities
  - Revenue collected via these parking fees can be placed in the capital fund for maintenance related to these facilities
- Parks Fees recovers an estimated 13% of total Parks and Recreation related operating costs

## Responses to Questions/Feedback

- Fee deferrals are not included in this schedule
  - Park In Lieu Fees are adopted by the City Council separately, these updates are reflected into the Proposed Fee Schedule
- Proposed Phase-In of Fees
  - This was an approach approved by the City Council in the FY 2022/23 Municipal Fee Schedule for the Fire Construction and Operational Permits
  - Eight fees proposed for a phase-in are under the Planning Division

## Responses to Questions/Feedback

- Fee impacts to small businesses within the City
  - Exterior changes – permit fees for the change (\$915); permanent sign (\$316) or temporary sign (\$87) fees apply
  - Interior tenant improvements – cost of permitting and impact fees vary depending on the business type, proposed improvements, total square footage, and age of the building
    - Salon - \$21,604
    - Restaurant - \$62,413
    - Small lab space - \$16,075
- Method of payments for fees – as part of this fee schedule, fees are rounded down to the nearest nickel to eliminate any potential issues with providing change
- Staff remains committed to providing a high level of customer service to customers/residents

## Recommendation

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- **Recommendation**

*Adopt the “City of Santa Clara 2026/27 Municipal Fee Schedule” which by resolution (1) sets new Fees; (2) amends existing Fees; (3) retains unchanged Fees for various City departments; and (4) deletes certain fees with an effective date of July 1, 2026.*

- **Revised fees go into effect July 1, 2026**



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Attachment 4

**Changes to the FY 2026/27 Proposed Fee Schedule from Study Session**

**Fees Updated with Rounding Change**

Department / Division: Public Works / Engineering / LPD; Design; Traffic

Fee Description	Proposed Fee (as presented at Study Session)	Updated Proposed Fee
Security Deposit		
Property Monument	\$1,903.00 per monument	\$1,903.55 per monument
Minimum Security Deposit	\$3,808.00 minimum per map	\$3,808.10 minimum per map
Security Deposit for Survey City Standard Street		
Monuments	\$2,538.00 per monument	\$2,538.70 per monument
Minimum Security Deposit	\$3,808.00 minimum per map	\$3,808.10 minimum per map
Engineering Inspection		
Base Fee for the first \$15,000	\$687.00	\$687.50
Base Fee for the first \$25,000	\$1,130.00	\$1,130.50
Base Fee for the first \$100,000	\$7,870.00	\$7,870.80
Base Fee for the first \$200,000	\$14,617.00	\$14,617.20
Base Fee for the first \$500,000	\$33,169.00	\$33,169.80
Base Fee for the first \$1,000,000	\$62,404.00	\$62,404.20
Fee for each additional \$500K or fraction thereof	\$15,741.00	\$15,741.60
Encroachment Permit		
Slurry Seal Fee	\$2.00 per square foot	\$2.45 per square foot
Slurry Seal Fee	\$113.00 minimum	\$113.95 minimum
Storm Drain Outlet Charge	\$8,820.00 per acre	\$8,820.85 per acre
Storm Drain Outlet Charge		
Institutional	\$8,820.00 per acre	\$8,820.85 per acre
Allowed under certain conditions	\$2,922.00 per acre	\$2,922.90 per acre
Sanitary Sewer Outlet Charge		
Residential - Single Family (choose the greatest and add Conveyance Fee)	\$1,947.00 per lot \$8,820.00 per acre	\$1,947.75 per lot \$8,820.85 per acre
Trailers & Mobile Homes (choose the greatest and add Conveyance Fee)	\$728.00 per unit \$8,820.00 per acre	\$728.20 per unit \$8,820.85 per acre
Condo & Planned Unit Development (choose the greatest and add Conveyance Fee)	\$8,820.00 per acre	\$8,820.85 per acre
Commercial & Industrial (choose the greatest and add Conveyance Fee)	\$1,947.00 per lot \$8,820.00 per acre	\$1,947.75 per lot \$8,820.85 per acre
Existing Improvements - Street Improvements		
Residential	\$123.00	\$123.90
Commercial	\$262.00	\$262.80
Industrial	\$189.00 per front foot	\$189.15 per front foot
Existing Improvements - Street Curbing	\$45.00 per front foot	\$45.20 per front foot
Existing Improvements - Sanitary Sewers	\$45.00 per front foot	\$45.05 per front foot
Existing Improvements - Storm Drains	\$45.00 per front foot	\$45.05 per front foot

**POST MEETING MATERIAL**

### Changes to the FY 2026/27 Proposed Fee Schedule from Study Session

#### Fees Adopted via Separate Impact Fee Resolution (No Longer Rounded)

Department / Division: Community Development / Housing & Community Services

Fee Description	Proposed Fee (as presented at Study Session)	Updated Proposed Fee
Development Impact Fee		
Single Family Home	\$46.00 per square foot	\$46.54 per square foot
Townhome	\$38.00 per square foot	\$38.78 per square foot
Condominium	\$31.00 per square foot	\$31.03 per square foot
Any Tenure Type	\$31.00 per square foot	\$31.03 per square foot
Retail ≥ 5,000 sf	\$7.00 per square foot	\$7.76 per square foot
Hotel	\$7.00 per square foot	\$7.76 per square foot
Office < 20,000 sf	\$15.00 per square foot	\$15.51 per square foot
Office ≥ 20,000 sf	\$31.00 per square foot	\$31.03 per square foot
Other Commercial	\$7.00 per square foot	\$7.76 per square foot
Light Industrial < 20,000 sq	\$7.00 per square foot	\$7.76 per square foot
Light Industrial ≥ 20,000 sq	\$15.00 per square foot	\$15.51 per square foot
Low-Intensity Uses	\$3.00 per square foot	\$3.10 per square foot

Department / Division: Public Works / Engineering / LPD; Design; Traffic

Fee Description	Proposed Fee (as presented at Study Session)	Updated Proposed Fee
Traffic Impact Fee (pre 10/22/18)		
Office / R & D	\$1.00 per square foot	\$1.26 per square foot
Traffic Impact Fee		
Office / R & D	\$1.00 per square foot	\$1.73 per square foot
Warehousing, utilities, communications	\$0.20 per square foot	\$0.28 per square foot
Retail	\$5.00 per square foot	\$5.76 per square foot
Hotel - Motel	\$906.00 per room	\$906.97 per room
Multi-Family Residential	\$665.00 per dwelling unit	\$665.09 per dwelling unit
Single-Family Residential	\$1,496.00 per dwelling unit	\$1,496.46 per dwelling unit
Tasman East Specific Plan Area Impact Fee		
Multi-Family Residential	\$8,085.00 per dwelling unit	\$8,085.72 per dwelling unit
Patrick Henry Drive Specific Plan Area Impact Fee		
Multi-Family Residential	\$10,354.00 per dwelling unit	\$10,354.53 per dwelling unit
Office	\$22.00 per square foot	\$22.59 per square foot