


4/18/23

Item # 8



**City Council**

**Item #8 RTC 23-141**

**Public Hearing:  
Action on the  
Adoption of the FY  
2023/24 Municipal Fee  
Schedule**

**April 18, 2023**

1

## Agenda

- Overview
- Municipal Fee Schedule Update
- New Proposed Fees by Department
- Fees Proposed to be Eliminated by Department
- Recommendation

2

## Overview

- 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.”*

## Overview

- Public hearing provides opportunity to comment or request clarification regarding proposed fees
- Most recent comprehensive fee study completed in calendar year 2021 for FY 2022/23, including new Parks and Recreation Cost Recovery Policy; in years between studies, fees are generally adjusted to reflect inflationary changes
  - Inflationary change for FY 2023/24 fee schedule is 4.61% for most fees; this represents the percentage growth in the average cost of a City position
  - Some fees use alternate inflators as determined by enacting legislation or previously adopted phase-in patterns
- Limited number of new, restructured, or deleted fees
- Recovering costs helps preserve services



## Municipal Fee Schedule Update

- Given this is an interim year between studies, most of the fees are adjusted by a COLA, are unchanged, or reflect a phase-in or adjustment to bring to cost recovery

### Summary of FY 2023/24 Proposed Fee Changes

Proposed Changes	Fee Count	%
Cost of Living Adjustments	695	56%
Fees Unchanged	226	18%
Phase-in Fees/Bring Fees to Cost Recovery	219	17%
Restructured Fees	51	4%
New Fees	35	3%
Decreased Fees	16	1%
Eliminated Fees	9	1%
<b>Total</b>	<b>1,251</b>	<b>100%</b>

## Municipal Fee Schedule Update

- 75% of fees have minor and/or no adjustments or decreases
  - 56% of fees proposed to reflect cost-of-living adjustments
  - 18% of fees proposed remain unchanged from the last Municipal Fee Schedule
  - 1% of fees proposed to decrease based on updated valuations for in-lieu fees and updated costs of providing service
- 17% of fees proposed to increase higher than cost-of-living factors
  - Increase in the cost of materials/supplies required to provide the service
  - Multi-year phase-in approach introduced during the last Municipal Fee Schedule
  - Departments with significant changes include Fire, Public Works, Community Development and Electric Utility

# Municipal Fee Schedule Update

- 4% of fees proposed are being restructured
  - To reflect the updated business tax approved by voters in the November 2022 ballot
  - To provide clarity to overdue fines for electronic devices
  - To reflect different scopes of Fire construction permit fees (hazardous material closure plan – size of facilities; hazardous materials tools/equipment – types of modifications)
  
- 3% of fees proposed are new (35 fees)
  - Recover costs of providing the service
  
- 1% of fees are proposed to be eliminated (9 fees)

# New Proposed Fees by Department

Department	Action	Fee Description	Proposed Fee	Targeted Cost Recovery
Community Development - Housing	New Fee	Loan Demand Payoff Processing Fee – Multi-Family	\$782	100%
Community Development - Housing	New Fee	Multi-Family Transaction Application Review Fee	\$978	100%
Community Development - Housing	New Fee	Multi-Family Loan Conversion Fee	\$7,824	100%
Community Development - Housing	New Fee	Multi-Family Loan Origination Fee	\$58,686	100%
Community Development - Housing	New Fee	Multi-Family Loan Recapitalization Fee	\$46,948	100%
Community Development - Housing	New Fee	Multi-Family Project Restructuring Fee – Transfer of Ownership (New Parties)	\$15,649	100%
Community Development - Housing	New Fee	Multi-Family Project Restructuring Fee – Transfer of Ownership (Related Parties)	\$11,737	100%
Community Development - Housing	New Fee	Multi-Family Project Refinance Fee	\$23,474	100%



## New Proposed Fees by Department

Department	Action	Fee Description	Proposed Fee	Targeted Cost Recovery
Community Development - Planning	New Fee	Architectural Review – Accessory Dwelling Unit	\$295	100%
Community Development - Planning	New Fee	Patrick Henry CFD Formation – Application received before July 1, 2023 fee due prior to issuance of Certificate of Occupancy	\$810	100%
Community Development - Planning	New Fee	Patrick Henry CFD Formation – Application received on/after July 1, 2023 fee due prior to Development Review Hearing	\$810	100%
Fire – Construction Permit	New Fee	Backflow Preventer Replacement	\$1,396	100%
Fire – Operational Permit	New Fee	Energy Storage Systems; Serving Life Safety Systems	\$140	100%
Fire – Operational Permit	New Fee	Mobile Fueling of Hydrogen-Fueled Vehicles	\$558	100%
Fire – Operational Permit	New Fee	Hazardous Production Materials Facilities	\$558	100%
Fire – Operational Permit	New Fee	Fire Hydrants and Valves	\$558	100%

## New Proposed Fees by Department

Department	Action	Fee Description	Proposed Fee	Targeted Cost Recovery
Fire – Operational Permit	New Fee	Temporary Membrane Structures and Tents	\$558	100%
Fire – Operational Permit	New Fee	Lithium Batteries	\$558	100%
Fire – Operational Permit	New Fee	Additional Permits	\$558	100%
Fire – Penalty Fees	New Fee	Late Payment of CUPA – 31 – 60 Days Late	25% of Assessed Fees	N/A
Fire – Penalty Fees	New Fee	Late Payment of CUPA – 61 – 90 Days Late	50% of Assessed Fees	N/A
Fire – Penalty Fees	New Fee	Late Payment of CUPA – Over 90 Days Late	100% of Assessed Fees	N/A
Fire – Penalty Fees	New Fee	Administrative Citations	Per Code	N/A
Fire – Penalty Fees	New Fee	Late Filing of Documents/Reports/Information	\$100 per occurrence	N/A
Fire – Penalty Fees	New Fee	Late Payment of Operational Permits – Over 30 Days Late	50% of Assessed Fees (not to exceed \$500)	N/A



## New Proposed Fees by Department

Department	Action	Fee Description	Proposed Fee	Targeted Cost Recovery
Parks and Recreation	New Fee	Central Park Picnic Area – Electricity Activation and Use	\$20 / hour	Market rate
Parks and Recreation	New Fee	Equipment Rentals (as-needed) – Tables	\$11 each	Market rate
Parks and Recreation	New Fee	Equipment Rentals (as-needed) – Chairs	\$2 each	Market rate
Parks and Recreation	New Fee	Equipment Rentals (as-needed) – EZ-Up Canopy	\$50 each	Market rate
Parks and Recreation	New Fee	Equipment Rentals (as-needed) – Podium	\$50 each	Market rate
Parks and Recreation	New Fee	Equipment Rentals (as-needed) – Portable sound system	\$100 each	Market rate
Parks and Recreation – Cemetery	New Fee	First Year Maintenance Fee	\$440	100%
Public Works – Engineering	New Fee	Temporary Sanitary Sewer Discharge	\$1,421	100%
Public Works – Engineering	New Fee	Building Permit Site Clearance Fee – Minor	\$135	100%
Public Works – Engineering	New Fee	Building Permit Site Clearance Fee – Major	\$271	100%

## Fees Proposed to be Eliminated by Department

Department	Action	Fee Description	Current Fee
Fire	Delete Fee	Battery Systems	\$1,254
Fire	Delete Fee	Hazardous Waste Generator Fee – Used Oil Only	\$414
Library	Delete Fee	Overdue Fines – per item per day *	\$0.25 per item per day
Library	Delete Fee	Overdue Fines – maximum per item *	\$8 maximum per item
Library	Delete Fee	Overdue Fines – portable electronic devices *	\$15
Parks and Recreation	Delete Fee	Residential Development – Patrick Henry Specific Plan (Quimby Act Single Family); one-year fee for FY 2022/23	\$52,570
Parks and Recreation	Delete Fee	Residential Development – Patrick Henry Specific Plan (Quimby Act Multi-Family); one-year fee for FY 2022/23	\$42,338
Parks and Recreation	Delete Fee	Residential Development – Patrick Henry Specific Plan (Mitigation Fee Single Family) one-year fee for FY 2022/23	\$46,697
Parks and Recreation	Delete Fee	Residential Development – Patrick Henry Specific Plan (Mitigation Fee Multi-Family) one-year fee for FY 2022/23	\$37,609

\*Based on Board of Library Trustees direction from February 7, 2022 meeting

## Recommendation

- **Recommendation:**

*Adopt the “City of Santa Clara 2023/24 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, 2023.*

- **Revised fees go into effect July 1, 2023**



13

13

## City Council

**Item #8 RTC 23-141**

**Public Hearing:  
Action on the  
Adoption of the FY  
2023/24 Municipal Fee  
Schedule**

**April 18, 2023**



14