



CITY OF MORGAN HILL

Report for:

**Comprehensive Fee Study of Planning and
Land Development Engineering**

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Prepared by:



Corporate Headquarters
32605 Temecula Parkway, Suite 100
Temecula, CA 92592
Toll free: 800.676.7516

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1. EXECUTIVE SUMMARY

NBS performed a Comprehensive Fee Study of Planning and Land Development Engineering (Study) for the City of Morgan Hill. The purpose of this report is to present the findings and recommendations of the various fee analyses performed as part of the Study and provide the City with the information needed to update and establish user and regulatory fees for service. Throughout the process, the Study afforded much effort to ensure that not only are the fees and charges reasonable and equitable, but that they also meet industry standards and uphold the statutory requirements of the State of California.

California cities, counties, and special districts may impose user and regulatory fees for services and activities they provide through provisions set forth in the State Constitution, Article XIII C § 1. Under this legal framework, a fee may not exceed the reasonable cost of providing the service or performing the activity. For a fee to qualify as such, it must relate to a service or activity performed at the request of an individual or entity upon which the fee is imposed, or their actions specifically cause the local government agency to perform additional activities. In this instance, the service or underlying action causing the local agency to perform the service is either discretionary and/or is subject to regulation. As a discretionary service or regulatory activity, the user fees and regulatory fees considered in this Study fall outside of the definition and statutory requirement to impose general taxes, special taxes, and fees a result of property ownership.

The City's main reason for conducting this Study was twofold: (1) first, to ensure that existing fees do not exceed the costs of service, and (2) second, to provide an opportunity for City Council to re-align fee amounts with the adopted cost recovery policies.

1.1 Findings

This Study examined user and regulatory fees managed by the City's Planning and Engineering Land Development divisions. The Study identified an estimated \$2.02 million in eligible costs for recovery from fees for service compared to approximately \$1.52 million the City is currently collecting each year from fees. The following table provides a summary of the Study's results:

Table 1. Report Summary

| Fee Category | Annual Estimated Revenues at Current Fee | Annual Estimated Revenues at Full Cost Recovery Fee | Annual Cost Recovery Surplus/ Deficit | Existing Cost Recovery Percentage |
|------------------------------|--|---|---------------------------------------|-----------------------------------|
| Planning | \$917,815 | \$1,225,157 | (\$307,342) | 75% |
| Engineering Land Development | \$598,115 | \$795,015 | (\$196,900) | 75% |
| Total | \$ 1,515,930 | \$ 2,020,172 | \$ (504,242) | 75% |

As shown in Table 1 above, the City is recovering approximately 75% of the costs associated with providing user and regulatory fee-related services. Should Council adopt fees at 100% of the full cost recovery amounts determined by this Study, an additional \$504,000 in costs could be recovered.

However, as Section 2.2.3 later explains, there may be other local policy considerations that support adopting fees at less than the calculated full cost recovery amount. Since this element of the Study is subjective, NBS provided the maximum potential of fee amounts at 100% full cost recovery for the City to consider. Once City Council has reviewed and evaluated the results of the Study, the City can set appropriate cost recovery levels according to local policy goals and considerations.

1.2 Report Format

This report documents the analytical methods and data sources used in the Study, presents findings regarding current levels of cost recovery achieved from user and regulatory fees, and provides a comparative survey of fees to neighboring agencies for similar services. The report is organized into the following sections:

- ¶ Section 2 - Outlines the general framework, approach, and methodology of the Fee Study.
- ¶ Sections 3 through 4 - Discusses the results of the cost of service analysis performed by department and/or fee program. The analysis applied considers: (1) the fully burdened hourly rate(s); (2) the calculation of the costs of providing service; and, (3) the cost recovery policies of each fee category.
- ¶ Section 5 - Presents the conclusions of the analysis provided in the preceding sections.
- ¶ Appendices to this report - Include additional details of the analysis performed and a comparison of the fees imposed by neighboring agencies for similar services.

2. INTRODUCTION AND FUNDAMENTALS

2.1 Scope of Study

The following is a summary of the fees evaluated during the Study:

- Planning Division services for zoning, permitted uses, and other processing requests
- Engineering Land Development Division, including:
 - Final map review and approval
 - Plan Check and Inspection for improvements within the right-of-way
 - Encroachment permits

The fees examined in this report specifically exclude development impact fees, utility rates, and any special tax assessments which fall under a different set of statutory and procedural requirements from the body of user and regulatory fees analyzed in this Study. The Study also excludes facility and equipment rental rates, as well as most fines and penalties imposed by the City for violations of its requirements or codes.¹

2.2 Methods of Analysis

Three phases of analysis were completed for each City department, division or section studied:



2.2.1 COST OF SERVICE ANALYSIS

This cost of service analysis is a quantitative effort that compiles the full cost of providing governmental services and activities. There are two primary types of costs considered: direct and indirect costs. Direct costs are those that specifically relate to an activity or service, including the real-time provision of the service. Indirect costs are those that support the provision of services in general but cannot be directly or easily assigned to a singular activity or service.

Direct Costs:

- **Direct personnel costs** – Salary, wages and benefits expenses for personnel specifically involved in the provision of services and activities to the public.

¹ According to the California Constitution Article XII C § 1 (e) (4) and (5), the City is not limited to the costs of service when charging for entrance to or use of government property, or when imposing fines and penalties.

- ¶ **Direct non-personnel costs** – Discrete expenses attributable to a specific service or activity performed, such as contractor costs, third-party charges, and materials used in the service or activity.

Indirect Costs:

- ¶ **Indirect personnel costs** – Personnel expenses supporting the provision of services and activities. This can include line supervision and departmental management, administrative support within a department, and staff involved in technical support activities related to the direct services provided to the public.
- ¶ **Indirect non-personnel costs** – Expenses other than labor involved in the provision of services. In most cases, these costs are allocated across all services provided by a department, rather than directly assigned to individual fee/rate categories.
- ¶ **Overhead costs** – These are expenses, both labor and non-labor, related to agency-wide support services. Support services include general administrative services such as City Manager, Finance, Human Resources, etc. The amount of costs attributable to the departments or divisions included in this Study were sourced from the City's Operating Budget.

All cost components in this Study use annual (or annualized) figures, representing a twelve-month cycle of expenses incurred by the Division in the provision of all services and activities City-wide.

Nearly all the fees reviewed in this Study require specific actions on the part of City staff to provide the service or conduct the activity. Since labor is the primary underlying factor in these activities, the Study expresses the full cost of service as a fully burdened cost per labor hour. NBS calculated a composite, fully burdened, hourly rate for each department, division, program, or activity applicable to the specific organization and needs of each area studied. This rate serves as the basis for further quantifying the average full cost of providing individual services and activities. Determining the fully burdened labor rate for each department, and the various functional divisions within a department, requires two data sets: (1) the full costs of service, and (2) the number of staff hours available to perform those services. NBS derived the hours available based on the complete list of all City employees and/or available service hours of its contracted professionals (where applicable).

The City supplied NBS with the total number of paid labor hours for each employee involved in the delivery of services included in this Study. These available hours represent the amount of productive time available to provide both fee-recoverable and non-fee recoverable services and activities. Available labor hours divided into the annual full costs of service equal the composite, fully burdened, labor rate. Some agencies may also use the resulting rates for purposes other than setting fees, such as calculating the full cost of general services or structuring a cost recovery agreement with another agency or third party.

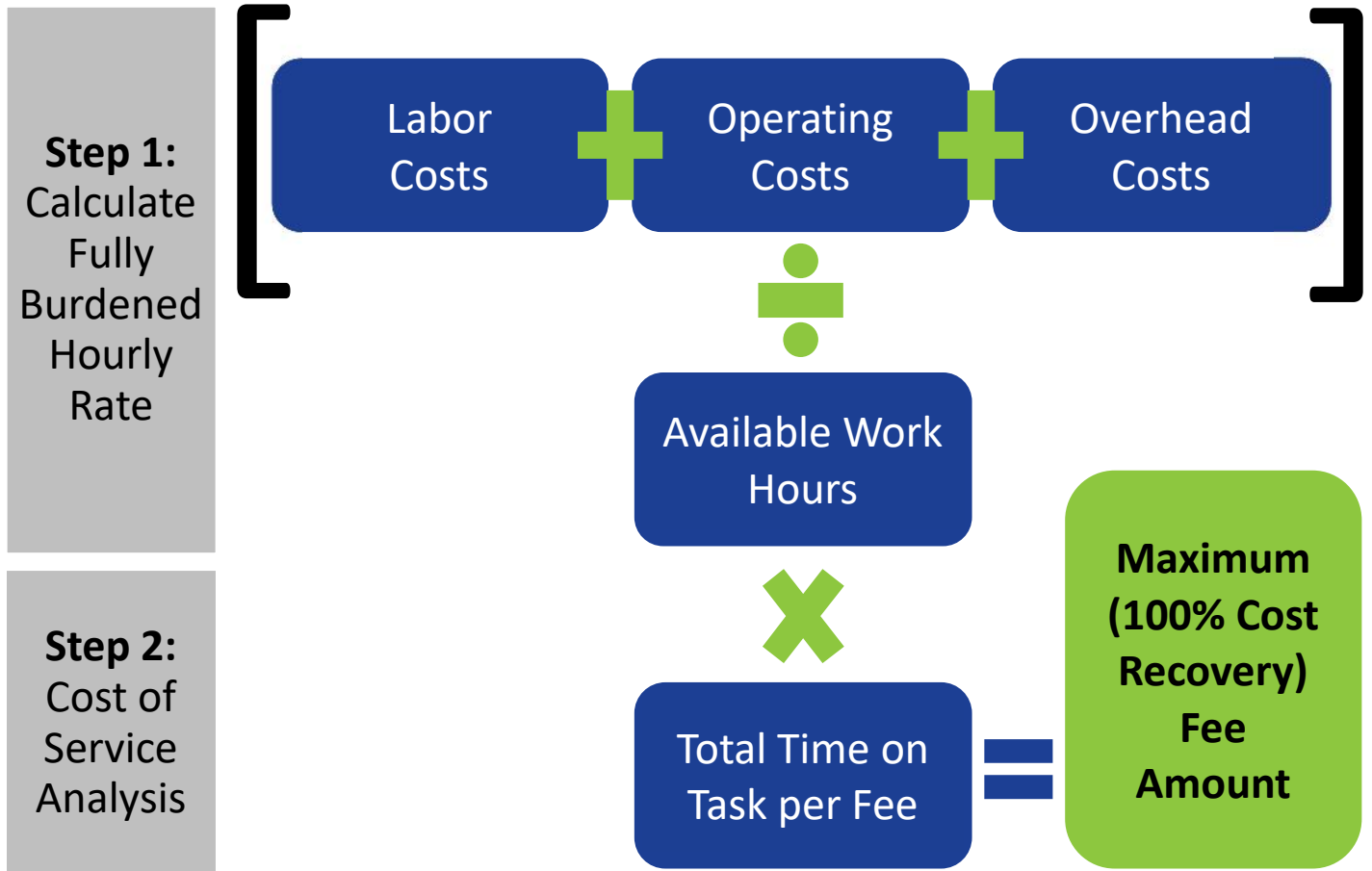
NBS also assisted the City in estimating the staff time for the services and activities listed in the City's fee schedule. Time tracking records for the fee programs studied as part of this analysis, when available, proved useful in identifying time spent providing general categories of service (e.g., division administration, plan review, inspection, public information assistance, etc.). However, the City does not systematically track the service time of activities for all departments or all individual fee-level services provided. Therefore, NBS also relied on interviews and questionnaires to develop the necessary data sets

of estimated labor time. In many cases, the City provided estimates of the average amount of time (in minutes and hours) it took to complete a typical service or activity considered on a per-occurrence basis.

It should be noted that the development of these time estimates was not a one-step process but required careful review by both NBS and department managers to assess the reasonableness of such estimates.

Based on the results of this review, the City reconsidered its time estimates until all parties were comfortable that the fee models reasonably reflected the average service level provided by the City.

Finally, the fully burdened labor rate(s) calculated in earlier steps were applied at the individual fee level time estimates, yielding an average total cost of providing each fee for service or activity. The graphic below provides a visual representation of the steps discussed in this section.



2.2.2 FEE ESTABLISHMENT

The fee establishment process includes a range of considerations, including the following:

- ¶ **Addition to and deletion of fees** – The Study provided each department with the opportunity to propose additions and deletions to their current fee schedules, as well as re-name, re-organize, and clarify which fees were to be imposed. Many of these fee revisions allowed for better adherence to current practices, as well as the improvement in the calculation, application, and collection of the fees owed by an individual. Some additions to the fee schedule were simply the identification of existing services or activities performed by City staff for which no fee is currently charged.
- ¶ **Revision to the structure of fees** – In most cases, the focus was to re-align the fee amount to match the costs of service and leave the current structure of fees unchanged. However, in several cases, fee categories and fee names had to be simplified or re-structured to increase the likelihood of full cost recovery or to enhance the fairness of how the fee is applied to the various types of fee payers.
- ¶ **Documentation of the tools used to calculate special cost recovery** – The City’s fee schedule should include the list of fully burdened rates developed by the Study. Documenting these rates in the fee schedule provides an opportunity for the City Council to approve rates for cost recovery under a “time and materials” approach. It also provides clear publication of those rates so that all fee payers can readily reference the basis of any fee amounts. The fee schedule should provide language that supports special forms of cost recovery for activities and services not included in the adopted master fee schedule. In these rare instances, published rates are used to estimate a flat fee or bill on an hourly basis, which is at the department director’s discretion.

2.2.3 COST RECOVERY EVALUATION

The NBS fee model compares the existing fee for each service or activity to the average total cost of service quantified through this analysis. Here are the possible outcomes of the fee analysis:

- ¶ Cost recovery rate of 0% - This signifies that there is currently no current recovery of costs from fee revenues (or insufficient information available for evaluation).
- ¶ Cost recovery rate of 100% - This means that the fee currently recovers the full cost of service.
- ¶ Cost recovery rate between 0% and 100% - This indicates partial recovery of the full cost of service through fees.
- ¶ Cost recovery rate greater than 100% - This means that the fee exceeds the full cost of service. User fees and regulatory fees should not exceed the full cost of service.

In all cases, the cost recovery rate achieved by a fee should not be greater than 100%. In most cases, imposing a fee above this threshold could change the definition of the charge from a cost of service based fee to a tax which has other procedural requirements, such as ballot protest or voter approval.

This report provides the City with the 100% full cost recovery fee calculation. The City can use the results to implement each fee at 100% or less based upon its broader local policy goals.

2.2.4 COMPARATIVE FEE SURVEY

Appendix B presents the results of the Comparative Fee Survey for the City. Policy makers often request a comparison of their jurisdictional fees to those of surrounding or similar communities. The purpose of a comparison is to provide a sense of the local market pricing for services, and to use that information to gauge the impact of recommendations for fee adjustments.

In this effort, NBS worked with the City to choose five comparative agencies – Gilroy, Palo Alto, San Jose, Santa Clara and Sunnyvale. It is important to keep the following in mind when interpreting the general approach to, and use of, comparative survey data:

- Comparative surveys do not provide information about cost recovery policies or procedures inherent in each comparison agency.
- A “market-based” decision to price services below the full cost of service calculation is the same as deciding to subsidize that service.
- Comparative agencies may or may not base their fee amounts on the estimated and reasonable cost of providing services. NBS did not perform the same level of analysis of the comparative agencies’ fees.
- The results of comparative fee surveys are often non-conclusive for many fee categories. Comparison agencies typically use varied terminology for the provision of similar services.

NBS made every reasonable attempt to source each comparison agency’s fee schedule from their respective websites and compile a comparison of fee categories and amounts for the most readily comparable fee items that match the City’s existing fee structure.

2.2.5 DATA SOURCES

The following data sources were used to support the cost of service analysis and fee establishment phases of this Study:

- The City’s Adopted Budget for Fiscal Year 2021-22
- A complete list of all City personnel, salary/wage rates, regular hours, paid benefits, and paid leave amounts provided by the Finance Department
- Prevailing fee schedules
- Annual workload data provided by each department and/or fee program evaluated in the Study

The City’s adopted budget serves as an important source of information that affects the cost of service results. NBS did not audit or validate the City’s financial documents and budget practices, nor was the cost information adjusted to reflect different levels of service or any specific, targeted performance benchmarks. This Study accepts the City’s budget as a legislatively adopted directive describing the most appropriate and reasonable level of City spending. NBS consultants accept the City Council’s deliberative process and the City’s budget plan and further assert that through this legislative process, the City has yielded a reasonable and valid expenditure plan to use in setting cost-based fees.

3. PLANNING DIVISION

The The Planning Division performs a variety of services intended to protect, maintain, and develop an attractive, safe, and healthy environment. Responsibilities include:

- ▮ Property development and land use activities occurring in the City
- ▮ Provide direction and leadership in implementing the goals, objectives, and policies of the General Plan as adopted by the City Council
- ▮ Orderly development of the City and the administration of various land use regulations, including the zoning code, design review ordinances, sign code, and the cultural resources preservation ordinance.
- ▮ Technical assistance and staff support to the Planning Commission.

3.1 Cost of Service Analysis

The following table shows the Planning Division’s estimated full cost of providing services on an annual basis and the fully burdened cost per hour developed for cost recovery purposes through fees for services.

Table 2. Fully Burdened Hourly Rate

| Expenditure Type | Functional Activities / Cost Pools | | | |
|---|--------------------------------------|--|-------------------------------------|---------------------|
| | Public Counter / General Information | Strategic Initiatives / Special Projects | Current Planning - Direct Services | Total |
| Labor | \$ 294,568 | \$ 22,909 | \$ 511,080 | \$ 828,557 |
| Recurring Non-Labor | 78,726 | 31,123 | 136,590 | 246,438 |
| Citywide Overhead | 74,723 | 5,811 | 129,645 | 210,179 |
| Allocated Common Activities | 198,579 | 26,525 | 344,538 | 569,642 |
| Division Total | \$ 646,595 | \$ 86,368 | \$ 1,121,852 | \$ 1,854,816 |
| Cost Recovery Targeted from Fees | 10% | 0% | 100% | 64% |
| Amount Targeted for Consideration in Billings/Fees | \$ 64,660 | \$ - | \$ 1,121,852 | \$ 1,186,512 |
| Amount Requiring Another Funding Source | 581,936 | 86,368 | - | \$ 668,304 |
| Cost per Direct Hour Recoverable from Fees for Service | \$ 13 | | \$ 222 | \$ 235 |
| Overtime Rate | | | | \$ 270 |
| | | | <i>Reference: Direct Hours Only</i> | 5,055 |

As Table2 above shows, the total cost of providing services is approximately \$1.85 million per year. However, the results of the cost of service analysis identified \$1.19 million in costs for recovery from the City’s fees for service with the remaining \$668,000 recommended for recovery through funding sources other than fees. All subsequent cost of service calculations at the individual fee level assume a fully burdened hourly rate of **\$235** during business hours, and **\$270** outside of business hours.

Based on interviews with Division staff, the analysis segregated the total cost of services into three primary services categories: (1) Public Counter/General Information; (2) Strategic Initiative/Special Projects; and, (3) Current Planning - Direct Permitting Services. In order to clarify the underlying costs and assumptions used to calculate the fully burdened hourly rate, here is a summary of the descriptions for each cost category:

- N **Public Counter/General Information** – Activities associated with responding to phone calls and general information requests that support the development review process. Typically, some portion of costs for the provision of general public information and assistance do not apply toward recovery from fees and are considered a basic function of governmental services to the public. Planning staff estimated that approximately 10% of these costs support land use application review activities, while the remaining costs should not be considered in the calculation of fees for services.
- N **Strategic Initiative/Special Projects** – Planning Staff participate in a variety of strategic initiative and special programs that do not apply toward recovery from fee revenues. These services are funded through a variety of sources, including the General Fund, penalties, hourly billings, or enterprise fund revenues.
- N **Current Planning - Direct Services** – The Division’s responsibilities are comprised mostly of development review and approval; therefore, 100% of these costs are recoverable from its routine fees for service.

The fully burdened hourly rate involves significant analytical and policy-related decisions regarding the inclusion of categorized activity costs. The decision to either include or exclude certain costs toward recovery in fees for service stems from the basic fee setting parameters set forth by industry standard fee calculation methods and the California State Constitution. State statutes require that any new fee that is levied or any existing fee that is increased should not exceed the estimated amount required to provide the service for which the charge is levied.

3.2 Fee Establishment

The following is a summary of the overall changes to the Planning Division’s fee schedule:

- N Deletion of fees that are no longer used or needed, such as Review of Engineering Plans which was moved to the Engineering Land Development fee schedule;
- N Reorganization of fee categories or clarification of fee names to create a more user-friendly fee structure; and,
- N Addition of new fee categories, such as Business License Zoning Review.²

In addition to the Planning Division’s costs, this analysis also includes support costs from other departments who directly review and provide comments on planning applications and user fee services. Engineering, Building, Fire, Housing and Police also participate in the review of Planning’s applications and their costs have been included with the Planning cost to show the full cost of providing Planning applications and fees. A detailed cost analysis for Engineering was performed by NBS and is provided in the next report chapter. Costs for Building, Fire, Housing and Police were provided by the City’s Finance Department.

² Refer to Section 2.2, *Methods of Analysis*, for additional discussion on the Study’s approach to adding, deleting, and revising fee categories.

3.3 Cost Recovery Evaluation

Appendix A.1 presents the results of the detailed cost recovery analysis of fees for the City’s Planning Division. In the Appendix, the “Cost of Service per Activity” column establishes the maximum adoptable fee amount for the corresponding service identified in the “Fee Description” list.

Currently, the Division is recovering approximately 74% of the total cost of providing services from fees. As Table 3 shows, the City collects approximately \$918,000 per year in revenue at the current fee amounts. At full cost recovery and the same demand level for these services, the City would recover approximately \$1.2 million.

Table 3. Cost Recovery Outcomes

| Fee Category | Annual Estimated Revenues at Current Fee | Annual Estimated Revenues at Full Cost Recovery Fee | Annual Cost Recovery Surplus/ Deficit | Existing Cost Recovery Percentage |
|--------------|--|---|---------------------------------------|-----------------------------------|
| Planning | \$917,815 | \$1,225,157 | (\$307,342) | 75% |

NBS provided the full cost of service information and the framework for considering fees, while those closest to the fee-paying population, the Planning Division, considered appropriate cost recovery levels at or below the full cost. Recommended fee amounts, either at or below the full cost recovery fee amount, can be found in the City’s Staff Report to Council.

3.4 Comparison Survey

As discussed in section 2.2.4, Comparative Fee Survey, NBS compared the City’s current list of fees to those of 5 comparison agencies selected by the City. While the results of the comparative fee surveys are often non-conclusive for many fee categories due to comparison agencies typically using varied terminology for the provision of similar services, NBS made every reasonable attempt to source each comparison agencies fee schedule.

Based on this analysis, the City’s current fees are lower than the other agencies surveyed in the area(s) of: Development Agreements, Environmental Review, Subdivision Maps, and Tree Removal Permits. The fees are in line in the areas of: Design Permits, General Plan Amendments, Signs, Administrative Use Permits, and Zoning Requests. At full cost recovery, the City’s fees for services such as Tree Removal Permits, Administrative and Conditional Use Permits, and Variances would be the highest of all agencies surveyed, with all other fees at full cost recovery being lower or in line with other agency fee schedules.

4. ENGINEERING LAND DEVELOPMENT DIVISION

The Engineering Land Development Division provides development review / inspection services. It oversees all construction activities that pertain to the infrastructure constructed by developers within the City. This division checks, approves, and keeps for the public record all improvement plans prepared by developers for their projects. It reviews all private land development activities for conformance with City standards, and checks and approves all maps in compliance with the Subdivision Map Act.

4.1 Cost of Service Analysis

The following table shows the Engineering Land Development Division’s estimated full cost of providing services on an annual basis and the fully burdened cost per hour.

Table 4. Fully Burdened Hourly Rate

| Expenditure Type | Planning - Direct Fee Related Services | Building - Direct Fee Related Services | Engineering - Direct Fee Related Services | Flood Program Admin | Public Counter Duty/Gen Info | Consultant Contract Admin | On-going Special Projects / Process Improvements | Total |
|---|--|--|---|---------------------|------------------------------|---------------------------|--|---------------------|
| Labor | \$ 48,860 | \$ 88,626 | \$ 761,145 | \$ 16,973 | \$ 51,804 | \$ 13,507 | \$ 15,185 | \$ 915,605 |
| Recurring Non-Labor | 7,616 | 13,816 | 415,051 | 2,646 | 8,075 | 2,106 | 2,367 | 439,129 |
| Citywide Overhead | 3,378 | 6,127 | 52,617 | 1,173 | 3,581 | 934 | 1,050 | 63,294 |
| Allocated Common Activities | 14,481 | 26,267 | 297,292 | 5,030 | 15,353 | 4,003 | 4,500 | 343,070 |
| Division Total | \$ 74,334 | \$ 134,835 | \$ 1,526,105 | \$ 25,823 | \$ 78,814 | \$ 20,549 | \$ 23,102 | \$ 1,883,564 |
| Cost Recovery Targeted from Fees | 100% | 100% | 100% | 0% | 30% | 90% | 90% | 95% |
| Amount Targeted for Consideration in Billings/Fees | \$ 74,334 | \$ 134,835 | \$ 1,526,105 | \$ - | \$ 23,644 | \$ 18,494 | \$ 20,792 | \$ 1,798,206 |
| Amount Requiring Another Funding Source | - | - | - | 25,823 | 55,170 | 2,055 | 2,310 | \$ 85,358 |
| Cost per Direct Hour Recoverable from Fees for Service | \$ 10 | \$ 17 | \$ 195 | \$ - | \$ 3 | \$ 2 | \$ 3 | \$ 230 |
| Overtime Rate | | | | | | | | \$ 265 |
| | | | | | | | <i>Reference: Direct Hours Only</i> | 7,817 |

As Table above shows, the total cost of providing services is approximately \$1.88 million per year. However, the results of the cost of service analysis only identified \$1.8 million in cost for recovery from the City’s fees for service with the remaining \$85,000 recommended for recovery through funding sources other than fees. All subsequent cost of service calculations at the individual fee level assume a fully burdened hourly rate of **\$230** during business hours, and **\$265** outside of business hours.

Based on interviews with Division staff, the analysis segregated the total cost of services into seven primary services categories: (1) Planning – Direct Fee Related Services; (2) Building – Direct Fee Related Services; (3) Engineering – Direct Fee Related Services; (4) Flood Program Administration; (5) Public Counter Duty/General Information; (6) Consultant Contract Administration; and, (7) On-going Special Projects/Process Improvements. In order to clarify the underlying costs and assumptions used to calculate the fully burdened hourly rate, here is a summary of the descriptions for each cost category:

- N **Planning – Direct Fee Related Services** – Engineering Staff’s review and approval of the Planning Division’s current planning activities and active permits. 100% of these costs are recoverable from Engineering’s routine fees for service.
- N **Building – Direct Fee Related Services** – Engineering Staff’s review and approval of the Building Division’s active permits. 100% of these costs are recoverable from Engineering’s routine fees for service.

- N **Engineering – Direct Fee Related Services** – Engineering Staff’s review and approval of Land Development permit activities. 100% of these costs are recoverable from Engineering’s routine fees for service.
- N **Flood Program Administration** – Engineering Staff’s efforts related to the City’s Floodplain Management Program to ensure private land development activities and capital improvement projects located in 100-year flood hazard areas comply with the City’s Flood Damage Prevention Ordinance which is based on the minimum construction standards of the Federal Emergency Management Agency’s (FEMA) National Flood Insurance Program (NFIP)..
- N **Public Counter Duty / General Information** — Activities associated with responding to phone calls and general information requests that support the development review process. Typically, some portion of costs for the provision of general public information and assistance do not apply toward recovery from fees and are considered a basic function of governmental services to the public. Engineering staff estimated that approximately 10% of these costs support land use application review activities, while the remaining costs should not be considered in the calculation of fees for services.
- N **Consultant Contract Administration** – Engineering staff support, process and administer a number of contracts. These costs have not been included in the recovery from engineering and zoning review fees.
- N **On-going Special Projects/ Process Improvements**— Staff participate in a variety of special projects and the ongoing maintenance of the Division’s internal projects and functions. These activities do not apply toward recovery from fee revenues. These services are funded through a variety of sources, including the General Fund, penalties, hourly billings, or enterprise fund revenues.

The fully burdened hourly rate involves significant analytical and policy-related decisions regarding the inclusion of categorized activity costs. The decision to either include or exclude certain costs toward recovery in fees for service stems from the basic fee setting parameters set forth by industry standard fee calculation methods and the California State Constitution. State statutes require that any new fee that is levied or any existing fee that is increased should not exceed the estimated amount required to provide the service for which the charge is levied.

4.2 Fee Establishment

The following is a summary of the overall changes to the Engineering Land Development Division’s fee schedule:

- N Deletion of fees that are no longer used or needed;
- N Reorganization of fee categories or clarification of fee names to create a more user-friendly fee structure, such as Engineering & Inspection was changed into separate Public Improvement Plan Check and Inspection fees; and,
- N Addition of new fee categories, notated as “New” in the Current Fee column of Appendix A.2.

In addition to the Engineering Division’s costs, this analysis also includes support costs from other departments who directly review and provide comments on Land Development applications and user fee services. Planning, Building, Environmental Services, Maintenance and Utilities also participate in the review of Engineering’s applications and their costs have been included with the Engineering costs to show the full cost of providing Engineering applications and fees. A detailed cost analysis for Planning is provided in the previous chapter. Costs for Building, Environmental Services, Maintenance and Utilities were provided by the City’s Finance Department.

4.3 Cost Recovery Evaluation

Appendix A.2 presents the results of the detailed cost recovery analysis of fees for the City’s Engineering Division. In the Appendix, the “Cost of Service per Activity” column establishes the maximum adoptable fee amount for the corresponding service identified in the “Fee Description” list.

Currently, the Division is recovering approximately 75% of the total cost of providing services from fees. As Table 5 shows, the City collects approximately \$598,000 per year in revenue at the current fee amounts. At full cost recovery and the same demand level for these services, the City would recover approximately \$795,000.

Table 5. Cost Recovery Outcomes

| Fee Category | Annual Estimated Revenues at Current Fee | Annual Estimated Revenues at Full Cost Recovery Fee | Annual Cost Recovery Surplus/ Deficit | Existing Cost Recovery Percentage |
|------------------------------|--|---|---------------------------------------|-----------------------------------|
| Engineering Land Development | \$598,115 | \$795,015 | (\$196,900) | 75% |

NBS provided the full cost of service information and the framework for considering fees, while those closest to the fee-paying population, the Engineering Division, considered appropriate cost recovery levels at or below the full cost. Recommended fee amounts, either at or below the full cost recovery fee amount, can be found in the City’s Staff Report to Council.

4.4 Comparison Survey

As discussed in section 2.2.4, Comparative Fee Survey, NBS compared the City’s current list of fees to those of 5 comparison agencies selected by the City. While the results of the comparative fee surveys are often non-conclusive for many fee categories due to comparison agencies typically using varied terminology for the provision of similar services, NBS made every reasonable attempt to source each comparison agencies fee schedule.

Based on this analysis, the City’s current fees are lower than the other agencies surveyed for Public Improvement Plan Check & Inspection for projects \$100,000 and under, but are higher than other agencies surveyed for projects \$100,000 or higher. At full cost recovery the City’s fees for projects \$200,000 or less would be higher than the other agencies surveyed, but projects over \$200,000 would be more in line. Map check fees are inline with the other agencies surveyed.

5. CONCLUSION

Based on the outcomes of the Cost of Service Analysis, Fee Establishment, and Cost Recovery Evaluation presented in this Study, the City has prepared a proposed Master Fee Schedule for implementation and included it in the City's Staff Report.

As discussed throughout this report, the intent of the proposed fee schedule is to improve the City's recovery of costs incurred to provide individual services, as well as adjust fees where the fees charged exceed the average costs incurred. Predicting the amount to which any adopted fee increases will affect City revenues is difficult to quantify. For the near-term, the City should not count on increased revenues to meet any specific expenditure plan. Experience with the revised fee amounts should be gained first before revenue projections are revised. However, unless there is some significant, long-term change in activity levels at the City, proposed fee amendments should enhance the City's cost recovery performance over time, providing it the ability to stretch other resources further for the benefit of the public at-large.

The City's Master Fee Schedule should become a living document, but handled with care:

- ¶ A fundamental purpose of the fee schedule is to provide clarity and transparency to the public and to staff regarding fees imposed by the City. Once adopted by the City Council, the fee schedule is the final word on the amount and method in which fees should be charged and supersedes all previous fee schedules. If it is discovered that the master document is missing certain fees, those fees will eventually need to be added to the master fee schedule and should not exist outside the consolidated, master framework.
- ¶ The City should consider adjusting these user fees and regulatory fees on an annual basis to keep pace with cost inflation. For all fees and charges, for example, the City could use a Consumer Price Index adjustment that is applied to the new fee schedule. Conducting a comprehensive user fee Study is not an annual requirement, and only becomes worthwhile over time as shifts in organization, local practices, legislative values, or legal requirements result in significant change.

As a final note, it is worth mentioning the path that fees, in general, have taken in the State of California. In recent years, there is more public demand for the precise and equitable accounting of the basis for governmental fees and a greater say in when and how they are charged. It is likely that into the future, user and regulatory fees will require an even greater level of analysis and supporting data to meet the public's growing expectations. An agency's ability to meet these new pressures will depend on the level of technology they invest in their current systems. Continuous improvement and refinement of time tracking abilities will greatly enhance the City's ability to set fees for service and identify unfunded activities in years to come.

Disclaimer: In preparing this report and the opinions and recommendations included herein, NBS has relied on a number of principal assumptions and considerations with regard to financial matters, conditions and events that may occur in the future. This information and assumptions, including the City's budgets, time estimate data, and workload information from City staff, were provided by sources we believe to be reliable; however, NBS has not independently verified such information and assumptions. While we believe NBS' use of such information and assumptions is reasonable for the purpose of this report, some assumptions will invariably not materialize as stated herein and may vary significantly due to unanticipated events and circumstances. Therefore, the actual results can be expected to vary from those projected to the extent that actual future conditions differ from those assumed by us or provided to us by others.

APPENDIX A.1

Cost of Service Analysis – Planning

| No. | Fee Description | Notes | Activity Service Cost Analysis | | | | | | Cost of Service Per Activity | Cost Recovery Analysis | | Annual Estimated Revenue Analysis | | | |
|----------------------------|--|-------|---|----------|-----------|-----------|--------------|-------------|------------------------------|------------------------|---------------------------------------|-----------------------------------|---------------------------|-------------|--------------------|
| | | | Estimated Average Labor Time Per Activity (hours) | | | | | | | Current Fee | Existing Cost Recovery % | Estimated Volume of Activity | Annual Estimated Revenues | | |
| | | | Plng | Eng [25] | Bldg [26] | Fire [26] | Housing [26] | Police [26] | | | | | Total | Current Fee | Full Cost Recovery |
| \$ | 235 | \$ | 230 | \$ | 204 | \$ | 204 | \$ | 172 | \$ | 164 | | | | |
| PLANNING DEPARTMENT | | | [27] | | | | | | | | | | | | |
| 1 | ANNEXATION | | 92.00 | 8.00 | 2.00 | 2.00 | 1.00 | 1.00 | 106.00 | \$ 24,587 | \$ 12,357 | 50% | 0 | \$ - | \$ - |
| 1.2 | LAFCO Processing | | 120.00 | n/a | n/a | n/a | n/a | n/a | 120.00 | \$ 28,167 | \$ 10,696 | 38% | 0 | \$ - | \$ - |
| | Plus additional fees collected by other agencies | | | | | | | | | | LAFCO fee \$1,154 plus SBE fees | | | | |
| 2 | APPEALS | | | | | | | | | | | | | | |
| | Commission/Board Decisions | | | | | | | | | | | | | | |
| 2.1 | Applicant Appeal | | 32.00 | 3.50 | 0.00 | 0.00 | 0.00 | 0.00 | 35.50 | \$ 8,316 | \$ 6,905 | 83% | 1 | \$ 6,905 | \$ 8,316 |
| 2.2 | Public Appeal | | 32.00 | 3.50 | 0.00 | 0.00 | 0.00 | 0.00 | 35.50 | \$ 8,316 | \$ 544 | 7% | 0 | \$ - | \$ - |
| | Staff Decisions | | | | | | | | | | | | | | |
| 2.1 | Applicant Appeal | | 28.00 | 1.00 | 0.00 | 0.00 | 0.00 | 0.00 | 29.00 | \$ 6,802 | \$ 5,699 | 84% | 0 | \$ - | \$ - |
| 2.2 | Public Appeal | | 28.00 | 1.00 | 0.00 | 0.00 | 0.00 | 0.00 | 29.00 | \$ 6,802 | \$ 544 | 8% | 0 | \$ - | \$ - |
| 3 | APPROVAL AMENDMENT | | | | | | | | | | | | | | |
| 3.1 | Major Approval Amendment (Non Admin - s/b Major) | | 30.50 | 19.00 | 2.00 | 2.00 | 1.00 | 1.00 | 55.50 | \$ 12,682 | \$ 8,209 | 65% | 3 | \$ 24,627 | \$ 38,046 |
| 3.2 | Minor Approval Amendment (Admin - s/b Minor) | [7] | 18.00 | 10.00 | 1.00 | 1.00 | 0.50 | 0.50 | 31.00 | \$ 7,101 | \$ 4,505 | 63% | 2 | \$ 9,010 | \$ 14,203 |
| 4 | CC&Rs | | | | | | | | | | | | | | |
| 4.1 | CC&Rs | | 2.00 | 3.00 | 0.00 | 0.00 | 0.00 | 0.00 | 5.00 | \$ 1,160 | \$ 522 | 45% | 0 | \$ - | \$ - |
| | Plus City Attorney Fees | | | | | | | | | | Actual Cost | | | | |
| 4.2 | Other Agreements / Documents Review | | 2.00 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 2.00 | \$ 469 | \$ 522 | 111% | 0 | \$ - | \$ - |
| | Plus City Attorney Fees | | | | | | | | | | Actual Cost | | | | |
| 5 | CONTRACT PLANNING SERVICES | [1] | | | | | | | | | | | | | |
| | Consultant Portion | | | | | | | | | | Actual Cost | | | | |
| | City's Portion | | | | | | | | | | 15% | | | | |
| | GIS/Tech | | | | | | | | | | 5% | | | | |
| 6 | CULTURAL RESOURCES | | | | | | | | | | | | | | |
| 6.1 | Alteration (Major - \$10,000+ valuation) (plus Planning Commission costs) | [12] | 21.50 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 21.50 | \$ 5,047 | \$ 1,304 | 26% | 0 | \$ - | \$ - |
| 6.2 | Alteration (Minor - under \$10,000 valuation) (plus Planning Commission costs) | [11] | 1.50 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 1.50 | \$ 352 | \$ 391 | 111% | 0 | \$ - | \$ - |
| 6.3 | Demolition or Relocation (Formerly Alteration) | | 21.50 | 3.00 | 0.00 | 0.00 | 0.00 | 0.00 | 24.50 | \$ 5,737 | \$ 5,719 | 100% | 0 | \$ - | \$ - |
| 6.4 | Designation | | 32.00 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 32.00 | \$ 7,511 | \$ 8,348 | 111% | 0 | \$ - | \$ - |

| No. | Fee Description | Notes | Activity Service Cost Analysis | | | | | | Cost Recovery Analysis | | | Annual Estimated Revenue Analysis | | | | |
|-----------|---|-------|---|----------|-----------|-----------|--------------|-------------|------------------------------|-------------|--------------------------|-----------------------------------|---------------------------|-------------|--------------------|--|
| | | | Estimated Average Labor Time Per Activity (hours) | | | | | | Cost of Service Per Activity | Current Fee | Existing Cost Recovery % | Estimated Volume of Activity | Annual Estimated Revenues | | | |
| | | | Plng | Eng [25] | Bldg [26] | Fire [26] | Housing [26] | Police [26] | | | | | Total | Current Fee | Full Cost Recovery | |
| \$ | 235 | \$ | 230 | \$ | 204 | \$ | 204 | \$ | 172 | \$ | 164 | | | | | |
| 7 | DESIGN PERMIT | | | | | | | | | | | | | | | |
| 7.1 | Landscape Plan Review Only | | 10.00 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 10.00 | \$ 2,347 | \$ 2,609 | 111% | 0 | \$ - | \$ - | |
| 7.2 | Non-Residential Design Permit (Major) | [9] | 40.00 | 31.00 | 2.00 | 2.00 | 0.00 | 0.50 | 75.50 | \$ 17,418 | \$ 7,968 | 46% | 12 | \$ 95,616 | \$ 209,020 | |
| 7.3 | Non-Residential Design Permit (Minor) | | 24.00 | 15.00 | 1.00 | 1.00 | 0.00 | 0.50 | 41.50 | \$ 9,574 | \$ 4,917 | 51% | 4 | \$ 19,668 | \$ 38,296 | |
| 7.4 | Plan Detail Review (misc. site details, e.g., lighting, trash encl.) | | 8.42 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 8.42 | \$ 1,976 | \$ 2,198 | 111% | 0 | \$ - | \$ - | |
| 7.5 | Residential Design Permit - 6 units or less | | 32.00 | 15.00 | 1.00 | 1.00 | 1.00 | 0.50 | 50.50 | \$ 11,624 | \$ 7,446 | 64% | 2 | \$ 14,892 | \$ 23,248 | |
| 7.6 | Residential Design Permit - 7 units to 15 units | | 38.00 | 21.00 | 1.00 | 1.00 | 1.00 | 0.50 | 62.50 | \$ 14,412 | \$ 9,494 | 66% | 1 | \$ 9,494 | \$ 14,412 | |
| 7.7 | Residential Design Permit - 16 or more units each additional 25 units | [8] | 47.00 | 25.00 | 2.00 | 2.00 | 2.00 | 1.00 | 79.00 | \$ 18,107 | \$ 11,803 | 65% | 6 | \$ 70,818 | \$ 108,643 | |
| 7.8 | Site Plan Only (no new square footage) | | 16.00 | 11.00 | 0.00 | 0.00 | 0.00 | 0.00 | 27.00 | \$ 6,286 | \$ 6,102 | 97% | 0 | \$ - | \$ - | |
| 8 | DESIGN REVIEW (PRELIMINARY PLAN REVIEW) | [21] | | | | | | | | | | | | | | |
| 8.1 | Conceptual Plan Review (Staff) | | 17.50 | 6.00 | 1.00 | 1.00 | 1.00 | 1.00 | 27.50 | \$ 6,232 | \$ 4,603 | 74% | 5 | \$ 23,015 | \$ 31,160 | |
| 8.2 | Non-Residential (Major) Preliminary Plan Review to PC | | 30.00 | 10.00 | 1.00 | 1.00 | 0.00 | 1.00 | 43.00 | \$ 9,914 | \$ 8,490 | 86% | 2 | \$ 16,980 | \$ 19,828 | |
| 8.3 | Non-Residential (Minor) Preliminary Plan Review to PC | [9] | 20.00 | 7.00 | 1.00 | 1.00 | 0.00 | 1.00 | 30.00 | \$ 6,877 | \$ 5,438 | 79% | 0 | \$ - | \$ - | |
| 8.4 | Residential SB330 Preliminary Application Review (staff) | | 42.00 | 9.00 | 1.00 | 1.00 | 1.00 | 1.00 | 55.00 | \$ 12,673 | \$ 11,437 | 90% | 6 | \$ 68,622 | \$ 76,037 | |
| 8.5 | Residential - 6 units or less Preliminary Plan Review to PC | | 20.00 | 9.00 | 1.00 | 1.00 | 1.00 | 1.00 | 33.00 | \$ 7,509 | \$ 5,359 | 71% | 0 | \$ - | \$ - | |
| 8.6 | Residential - 7 units or more Preliminary Plan Review to PC | [8] | 30.00 | 13.00 | 1.00 | 1.00 | 1.00 | 1.00 | 47.00 | \$ 10,776 | \$ 8,191 | 76% | 1 | \$ 8,191 | \$ 10,776 | |
| 9 | DEVELOPMENT AGREEMENT/RDCS | [13] | | | | | | | | | | | | | | |
| 9.1 | Non Residential Development Agreement | [14] | 52.00 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 52.00 | \$ 12,206 | \$ 7,043 | 58% | 2 | \$ 14,086 | \$ 24,412 | |
| | Residential Development Agreement | | | | | | | | | | | | | | | |
| 9.2 | Filed Concurrent with Other Entitlement Applications | [15] | 52.00 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 52.00 | \$ 12,206 | \$ 10,957 | 90% | 0 | \$ - | \$ - | |
| 9.3 | Filed Alone - Non Concurrent with Other Applications (Includes RDCS Compliance Monitoring 0 - 3 Yrs.) | [16] | 57.00 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 57.00 | \$ 13,379 | \$ 12,261 | 92% | 0 | \$ - | \$ - | |
| 9.4 | RDCS Compliance Monitoring - each year after 3 years | | 10.00 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 10.00 | \$ 2,347 | \$ 2,609 | 111% | 0 | \$ - | \$ - | |
| 10 | ENVIRONMENTAL REVIEW (CEQA) | | | | | | | | | | | | | | | |
| 10.1 | Environmental Impact Report | | 92.00 | 19.00 | 0.00 | 0.00 | 0.00 | 0.00 | 111.00 | \$ 25,966 | \$ 22,120 | 85% | 0 | \$ - | \$ - | |
| 10.2 | Expanded Initial Study | | 52.00 | 12.00 | 0.00 | 0.00 | 0.00 | 0.00 | 64.00 | \$ 14,966 | \$ 16,221 | 108% | 19 | \$ 308,199 | \$ 284,359 | |
| 10.3 | Historic Assessments - Historical Consultant (Deposit) | [17] | | | | | | | | | Actual Cost | | | | | |
| 10.4 | Historic Assessments - Staff-level | [17] | 10.00 | 10.00 | 0.00 | 0.00 | 0.00 | 0.00 | 20.00 | \$ 4,648 | \$ 2,609 | 56% | 0 | \$ - | \$ - | |

| No. | Fee Description | Notes | Activity Service Cost Analysis | | | | | | Cost Recovery Analysis | | | Annual Estimated Revenue Analysis | | | |
|------|--|---------|---|----------|-----------|-----------|--------------|-------------|------------------------------|-------------|---|-----------------------------------|---------------------------|-------------|--------------------|
| | | | Estimated Average Labor Time Per Activity (hours) | | | | | | Cost of Service Per Activity | Current Fee | Existing Cost Recovery % | Estimated Volume of Activity | Annual Estimated Revenues | | |
| | | | Plng | Eng [25] | Bldg [26] | Fire [26] | Housing [26] | Police [26] | | | | | Total | Current Fee | Full Cost Recovery |
| | | | \$ 235 | \$ 230 | \$ 204 | \$ 204 | \$ 172 | \$ 164 | | | | | | | |
| 10.5 | Initial Environmental Assessment | [2] | 8.00 | 1.00 | 0.00 | 0.00 | 0.00 | 0.00 | 9.00 | \$ 2,108 | \$ 2,308 | 109% | 0 | \$ - | \$ - |
| 10.6 | Mitigation Monitoring and Reporting Program (Per Year) | [6, 18] | 5.00 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 5.00 | \$ 1,174 | \$ 1,304 | 111% | 0 | \$ - | \$ - |
| 11 | EXTENSION OF TIME FOR APPROVALS | | | | | | | | | | | | | | |
| 11.1 | Administrative | | 8.50 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 8.50 | \$ 1,995 | \$ 2,217 | 111% | 0 | \$ - | \$ - |
| 11.2 | Non Administrative | | 15.25 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 15.25 | \$ 3,580 | \$ 3,457 | 97% | 1 | \$ 3,457 | \$ 3,580 |
| 12 | GENERAL PLAN AMENDMENT | | | | | | | | | | | | | | |
| 12.1 | Land Use Diagram Amendment | | 62.50 | 8.00 | 0.00 | 0.00 | 0.00 | 0.00 | 70.50 | \$ 16,511 | \$ 17,333 | 105% | 0 | \$ - | \$ - |
| 12.2 | Text Amendment | | 32.00 | 8.00 | 0.00 | 0.00 | 0.00 | 0.00 | 40.00 | \$ 9,352 | \$ 7,080 | 76% | 5 | \$ 35,400 | \$ 46,758 |
| 13 | HABITAT PLAN FEES (SC VALLEY) | | | | | | | | | | | | | | |
| 13.1 | Habitat Plan Related Reviews | | 2.00 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 2.00 | \$ 469 | \$ 522 | 111% | 0 | \$ - | \$ - |
| 14 | HOUSING IN-LIEU FEE | [5] | | | | | | | | | | | | | |
| 15 | MINOR EXCEPTION | | 12.25 | 0.50 | 0.00 | 0.00 | 0.00 | 0.00 | 12.75 | \$ 2,990 | \$ 3,306 | 111% | 0 | \$ - | \$ - |
| 16 | OPEN SPACE IN-LIEU FEE (Per 20 Dwellings) | [5] | | | | | | | | | | | | | |
| 17 | OUT OF AGENCY CONTRACT FOR SERVICES | | | | | | | | | | | | | | |
| 17.1 | City staff | [3] | 41.75 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 41.75 | \$ 9,800 | \$ 10,892 | 111% | 0 | \$ - | \$ - |
| | Plus additional fees collected by other agencies | | | | | | | | | | Actual Costs | | | | |
| 18 | PLANNING CONSULTATION - hourly | | 1.00 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 1.00 | \$ 235 | \$ 261 | 111% | 0 | \$ - | \$ - |
| 19 | REFUNDABLE DEPOSITS | | | | | | | | | | Determined by Planning Director - billed at hourly rate | | | | |
| 19 | RESIDENTIAL DEVELOPMENT CONTROL SYSTEM (RDSCS) | | | | | | | | | | | | | | |
| 19.1 | Preliminary Measure S Review | | 28.50 | 1.00 | 0.00 | 0.00 | 0.00 | 0.00 | 29.50 | \$ 6,920 | \$ 8,541 | 123% | 0 | \$ - | \$ - |
| 19.2 | Final Measure S Review (RDSCS) | | 109.00 | 17.00 | 0.00 | 0.00 | 0.00 | 0.00 | 126.00 | \$ 29,496 | \$ 31,534 | 107% | 0 | \$ - | \$ - |
| 19.3 | RDSCS Extension | | 13.50 | 3.50 | 0.00 | 0.00 | 0.00 | 0.00 | 17.00 | \$ 3,974 | \$ 4,296 | 108% | 0 | \$ - | \$ - |
| 19.4 | RDSCS Appeal | | 31.50 | 3.00 | 0.00 | 0.00 | 0.00 | 0.00 | 34.50 | \$ 8,084 | \$ 8,881 | 110% | 0 | \$ - | \$ - |

| No. | Fee Description | Notes | Activity Service Cost Analysis | | | | | | Cost Recovery Analysis | | | Annual Estimated Revenue Analysis | | | |
|------|--|-------|---|----------|-----------|-----------|--------------|-------------|------------------------------|-------------|--------------------------------------|-----------------------------------|---------------------------|-------------|--------------------|
| | | | Estimated Average Labor Time Per Activity (hours) | | | | | | Cost of Service Per Activity | Current Fee | Existing Cost Recovery % | Estimated Volume of Activity | Annual Estimated Revenues | | |
| | | | Plng | Eng [25] | Bldg [26] | Fire [26] | Housing [26] | Police [26] | | | | | Total | Current Fee | Full Cost Recovery |
| \$ | 235 | \$ | 230 | \$ | 204 | \$ | 204 | \$ | 172 | \$ | 164 | | | | |
| 20 | RESIDENTIAL PRIVATE LIVESTOCK PERMIT | | 9.00 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 9.00 | \$ 2,113 | \$ 761 | 36% | 0 | \$ - | \$ - |
| 21 | REVERSION TO ACREAGE PROCESSING | | 12.50 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 12.50 | \$ 2,934 | \$ 3,261 | 111% | 0 | \$ - | \$ - |
| 22 | SIGN REVIEW | | | | | | | | | | | | | | |
| 22.1 | Alteration to existing Sign | [19] | 0.75 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 0.75 | \$ 176 | \$ 391 | 222% | 0 | \$ - | \$ - |
| 22.2 | Sign Review Over the Counter - Copy Change | | 1.00 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 1.00 | \$ 235 | \$ 261 | 111% | 0 | \$ - | \$ - |
| 22.3 | New Sign Permit - First Sign | | 1.50 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 1.50 | \$ 352 | \$ 391 | 111% | 6 | \$ 2,346 | \$ 2,113 |
| 22.4 | Each additional Sign | | 0.50 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 0.50 | \$ 117 | \$ 130 | 111% | 0 | \$ - | \$ - |
| 22.5 | New Sign within a Master Sign Program | | 0.75 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 0.75 | \$ 176 | \$ 196 | 111% | 10 | \$ 1,960 | \$ 1,760 |
| 22.6 | Subdivision/Real Estate Tract Signs | [20] | 3.00 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 3.00 | \$ 704 | \$ 783 | 111% | 0 | \$ - | \$ - |
| 22.7 | Temporary/Promotional Signs | | 0.25 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 0.25 | \$ 59 | \$ 65 | 111% | 1 | \$ 65 | \$ 59 |
| 22.8 | Uniform Sign Program | | 14.50 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 14.50 | \$ 3,404 | \$ 3,783 | 111% | 1 | \$ 3,783 | \$ 3,404 |
| 23 | SUBDIVISION | | | | | | | | | | | | | | |
| 23.1 | Tentative Parcel Map Review - 4 lots or less | | 22.00 | 7.00 | 0.00 | 0.00 | 0.00 | 0.00 | 29.00 | \$ 6,774 | \$ 4,948 | 73% | 4 | \$ 19,792 | \$ 27,097 |
| 23.2 | Tentative Subdivision Map Review 5 to 15 lots | | 26.00 | 13.00 | 0.00 | 0.00 | 0.00 | 0.00 | 39.00 | \$ 9,093 | \$ 6,434 | 71% | 3 | \$ 19,302 | \$ 27,280 |
| 23.3 | 16 - 25 lots | | 34.00 | 15.00 | 0.00 | 0.00 | 0.00 | 0.00 | 49.00 | \$ 11,431 | \$ 8,072 | 71% | 0 | \$ - | \$ - |
| 23.4 | 26 lots or more - each additional 25 lots | | 42.00 | 19.00 | 0.00 | 0.00 | 0.00 | 0.00 | 61.00 | \$ 14,229 | \$ 8,072 | 57% | 1 | \$ 8,072 | \$ 14,229 |
| 24 | TRANSFER DEVELOPMENT CREDIT (TDC) | [10] | | | | | | | | | | | | | |
| 24.1 | Application Fee | | 35.50 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 35.50 | \$ 8,333 | \$ 9,261 | 111% | 0 | \$ - | \$ - |
| 25 | TREE REMOVAL PERMIT | | 5.75 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 5.75 | \$ 1,350 | \$ 109 | 8% | 12 | \$ 1,308 | \$ 16,196 |
| 26 | URBAN SERVICE AREA AMENDMENT | | | | | | | | | | | | | | |
| 26.1 | City Processing | | 57.00 | 8.00 | 0.00 | 0.00 | 0.00 | 0.00 | 65.00 | \$ 15,220 | \$ 15,511 | 102% | 0 | \$ - | \$ - |
| 26.2 | LAFCO Processing | | 120.00 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 120.00 | \$ 28,167 | \$ 26,434 | 94% | 0 | \$ - | \$ - |
| 26.3 | Plus Additional Fees Collected by Other Agencies | | | | | | | | | | LAFCO fee \$11,574 plus Actual Costs | | | | |
| 27 | USE PERMIT | | | | | | | | | | | | | | |
| 27.1 | Administrative Use Permit | | 24.00 | 4.00 | 1.00 | 1.00 | 0.50 | 0.50 | 31.00 | \$ 7,130 | \$ 1,201 | 17% | 1 | \$ 1,201 | \$ 7,130 |

| No. | Fee Description | Notes | Activity Service Cost Analysis | | | | | | Cost Recovery Analysis | | | Annual Estimated Revenue Analysis | | | |
|------|--|-------|---|----------|-----------|-----------|--------------|-------------|------------------------------|-------------|--------------------------|-----------------------------------|---------------------------|-------------|--------------------|
| | | | Estimated Average Labor Time Per Activity (hours) | | | | | | Cost of Service Per Activity | Current Fee | Existing Cost Recovery % | Estimated Volume of Activity | Annual Estimated Revenues | | |
| | | | Plng | Eng [25] | Bldg [26] | Fire [26] | Housing [26] | Police [26] | | | | | Total | Current Fee | Full Cost Recovery |
| \$ | 235 | \$ | 230 | \$ | 204 | \$ | 204 | \$ | 172 | \$ | 164 | | | | |
| 27.2 | Conditional Use Permit New Construction | | 40.00 | 4.00 | 2.00 | 2.00 | 0.50 | 0.50 | 49.00 | \$ 11,293 | \$ 9,533 | 84% | 1 | \$ 9,533 | \$ 11,293 |
| 27.3 | No New Construction | | 40.00 | 2.00 | 2.00 | 2.00 | 0.50 | 0.50 | 47.00 | \$ 10,833 | \$ 9,091 | 84% | 0 | \$ - | \$ - |
| 27.4 | Temporary Use Permit | | 14.50 | 8.00 | 1.00 | 1.00 | 0.00 | 0.50 | 25.00 | \$ 5,734 | \$ 3,025 | 53% | 1 | \$ 3,025 | \$ 5,734 |
| 27.5 | Temporary Use Permit (Non-Profit) | | 14.50 | 1.00 | 1.00 | 1.00 | 0.00 | 0.50 | 18.00 | \$ 4,124 | \$ 100 | 2% | 1 | \$ 100 | \$ 4,124 |
| 27.6 | Temporary Use Permit Amendment | | 10.00 | 1.00 | 1.00 | 1.00 | 0.00 | 0.50 | 13.50 | \$ 3,067 | \$ 1,196 | 39% | 1 | \$ 1,196 | \$ 3,067 |
| 28 | VARIANCE | | 40.00 | 0.75 | 1.00 | 1.00 | 0.00 | 0.50 | 43.25 | \$ 10,052 | \$ 8,514 | 85% | 1 | \$ 8,514 | \$ 10,052 |
| 29 | WILLIAMSON ACT | | | | | | | | | | | | | | |
| 29.1 | Cancelation | | 48.00 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 48.00 | \$ 11,267 | \$ 12,522 | 111% | 0 | \$ - | \$ - |
| 29.2 | New | | 26.00 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 26.00 | \$ 6,103 | \$ 3,131 | 51% | 0 | \$ - | \$ - |
| 29.3 | Non-Renewal | | 4.00 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 4.00 | \$ 939 | \$ 1,044 | 111% | 0 | \$ - | \$ - |
| 30 | ZONING REQUESTS | [22] | | | | | | | | | | | | | |
| 30.1 | Planned Development | | 64.00 | 5.00 | 1.00 | 1.00 | 0.50 | 0.50 | 72.00 | \$ 16,749 | \$ 10,629 | 63% | 4 | \$ 42,516 | \$ 66,995 |
| 30.2 | Residential Planned Development Review | | 64.00 | 3.00 | 1.00 | 1.00 | 1.00 | 0.50 | 70.50 | \$ 16,375 | \$ 13,186 | 81% | 0 | \$ - | \$ - |
| 30.3 | Residential Planned Development (if processed concurrently with subdivision) | | 41.00 | 3.00 | 0.00 | 0.00 | 0.00 | 0.00 | 44.00 | \$ 10,314 | \$ 9,142 | 89% | 0 | \$ - | \$ - |
| 30.4 | Zoning Map Amendment Review | | 45.00 | 2.00 | 0.00 | 0.00 | 0.00 | 0.00 | 47.00 | \$ 11,023 | \$ 8,557 | 78% | 2 | \$ 17,114 | \$ 22,046 |
| 30.5 | Zoning Map Amendment Review (if processed concurrently with GPA or ANX) | | 36.00 | 2.00 | 0.00 | 0.00 | 0.00 | 0.00 | 38.00 | \$ 8,910 | \$ 3,241 | 36% | 0 | \$ - | \$ - |
| 30.6 | Zoning Text Amendment Review | | 48.00 | 2.00 | 0.00 | 0.00 | 0.00 | 0.00 | 50.00 | \$ 11,727 | \$ 10,980 | 94% | 4 | \$ 43,920 | \$ 46,908 |
| 30.7 | Zoning Confirmation Letter | | 6.50 | n/a | n/a | n/a | n/a | n/a | 6.50 | \$ 1,526 | \$ 1,696 | 111% | 3 | \$ 5,088 | \$ 4,577 |
| 31 | PUBLIC HEARINGS AND NOTICES | | | | | | | | | | | | | | |
| 31.1 | City Council Meeting | [24] | 7.00 | 2.00 | 0.00 | 0.00 | 0.00 | 0.00 | 9.00 | \$ 2,103 | \$ 2,268 | 108% | 0 | \$ - | \$ - |
| 31.2 | LAFCO Meeting - each additional | | 7.00 | n/a | n/a | n/a | n/a | n/a | 7.00 | \$ 1,643 | \$ 1,826 | 111% | 0 | \$ - | \$ - |
| 31.3 | Planning Commission Meeting | [23] | 7.50 | 2.00 | 0.00 | 0.00 | 0.00 | 0.00 | 9.50 | \$ 2,221 | \$ 2,178 | 98% | 0 | \$ - | \$ - |
| 31.4 | Public Noticing Up to 50 | | 0.25 | n/a | n/a | n/a | n/a | n/a | 0.25 | \$ 59 | \$ 66 | 112% | 0 | \$ - | \$ - |
| 31.5 | Over 50 | | 0.25 | n/a | n/a | n/a | n/a | n/a | 0.25 | \$ 59 | \$ 78 | 133% | 0 | \$ - | \$ - |
| 31.6 | Envelopes | | | | | | | | | | Actual Costs | | | | |
| 31.7 | Postage | | | | | | | | | | Actual Costs | | | | |

| No. | Fee Description | Notes | Activity Service Cost Analysis | | | | | | Cost Recovery Analysis | | | Annual Estimated Revenue Analysis | | | |
|-----------------------|---|-------|---|----------|-----------|-----------|--------------|-------------|------------------------------|-------------|--------------------------|-----------------------------------|---------------------------|-------------|--------------------|
| | | | Estimated Average Labor Time Per Activity (hours) | | | | | | Cost of Service Per Activity | Current Fee | Existing Cost Recovery % | Estimated Volume of Activity | Annual Estimated Revenues | | |
| | | | Plng | Eng [25] | Bldg [26] | Fire [26] | Housing [26] | Police [26] | | | | | Total | Current Fee | Full Cost Recovery |
| \$ | 235 | \$ | 230 | \$ | 204 | \$ | 204 | \$ | 172 | \$ | 164 | | | | |
| 31.8 | Public Noticing (publication) | [23] | 7.50 | n/a | 0.00 | 0.00 | 0.00 | 0.00 | 7.50 | \$ 1,760 | \$ - | 0% | 0 | \$ - | \$ - |
| 32 | OTHER SERVICE CHARGES | [1] | | | | | | | | | | | | | |
| 32.1 | Annual Charge for Entire PC Packet | | | | | | | | | | \$ 122.00 | | | | |
| 32.3 | Document Printing/Copying (per page) | | | | | | | | | | \$ 0.10 | | | | |
| 32.4 | Oversized Copy 24X36 (per page) | | | | | | | | | | \$ 2.26 | | | | |
| 32.5 | Oversized Copy 18X26 (per page) | | | | | | | | | | \$ 2.01 | | | | |
| 32.6 | Oversized Copy 24X36 (Color) (per page) | | | | | | | | | | \$ 2.93 | | | | |
| 32.7 | Oversized Copy 11X17 (per page) | | | | | | | | | | \$ 0.55 | | | | |
| 32.8 | Other Oversized Copies | | | | | | | | | | n/a see City Clerk | | | | |
| 32.9 | Electronic Search of the Public Records | | | | | | | | | | | | | | |
| 32.1 | Record Research Service (Deposit Required) - hourly | | 1.00 | n/a | n/a | n/a | n/a | n/a | 1.00 | \$ 235 | \$ 251 | 107% | 0 | \$ - | \$ - |
| 33 | MAPS | [1] | | | | | | | | | | | | | |
| 33.1 | General Plan (Color) | | | | | | | | | | \$ 13.00 | | | | |
| 33.2 | Zoning and Boundary | | | | | | | | | | \$ 8.00 | | | | |
| 34 | Business License Zoning Review | | | | | | | | | | | | | | |
| 34.1 | Home Based Business | | 0.50 | n/a | n/a | n/a | n/a | n/a | 0.50 | \$ 117 | \$ 130 | 111% | 0 | \$ - | \$ - |
| 34.2 | All Other Types | | 0.50 | n/a | n/a | n/a | n/a | n/a | 0.50 | \$ 117 | \$ 130 | 111% | 0 | \$ - | \$ - |
| 35 | For services requested of City staff which have no fee listed in this fee schedule | | | | | | | | | | | | | | |
| 35.1 | During Business Hours | | 1.00 | n/a | n/a | n/a | n/a | n/a | 1.00 | \$ 235 | \$ 251 | 107% | 0 | \$ - | \$ - |
| 35.2 | After Business Hours | | 1.00 | n/a | n/a | n/a | n/a | n/a | 1.00 | \$ 270 | \$ 251 | 93% | 0 | \$ - | \$ - |
| TOTAL PLANNING | | | | | | | | | | | | | | \$ 917,815 | \$ 1,225,157 |

Cost Estimation for Providing Fee Related Activities and Services

| No. | Fee Description | Notes | Activity Service Cost Analysis | | | | | | Cost of Service Per Activity | Cost Recovery Analysis | | Annual Estimated Revenue Analysis | | |
|-----|-----------------|-------|---|----------|-----------|-----------|--------------|-------------|------------------------------|------------------------|--------------------------|-----------------------------------|---------------------------|-------------|
| | | | Estimated Average Labor Time Per Activity (hours) | | | | | | | Current Fee | Existing Cost Recovery % | Estimated Volume of Activity | Annual Estimated Revenues | |
| | | | Plng | Eng [25] | Bldg [26] | Fire [26] | Housing [26] | Police [26] | | | | | Total | Current Fee |
| | | | \$ 235 | \$ 230 | \$ 204 | \$ 204 | \$ 172 | \$ 164 | | | | | | |

Notes

- [1] Fees set by City policy. NBS did not evaluate.
- [2] Plus County and Fish and Game fees
- [3] Plus any LAFCO Fees
- [4] Maximum fee set by State Law
- [5] Impact Fee, Not analyzed as part of the fee study
- [6] Mitigation measures implemented prior to or through the Building Permit process should be incorporated into other fees.
- [7] 17.20.190 – Amendments to Approved Tentative Map. Defines what minor is. Major is other than minor.
- [8] Up to 4 structures not exceeding 10,000 square feet in floor area (no use of hazardous materials)
- [9] Projects greater than 10,000 square feet in floor area
- [10] Required by Hillside Combining District - 18.44 MHMC
- [11] 18.60.070B2a - Minor is under \$10,000 valuation. If public hearing (Planning Commission) required then need to pay separate fees to cover.
- [12] 18.60.070B2b - Major is over \$10,000 valuation. If public hearing (Planning Commission) required then need to pay separate fees to cover.
- [13] Development Agreements include 1 Planning Commission and 1 City Council Hearing
- [14] This fee should be for a non-RDCS DA. Does not include Attorney time, which could be significant for one-off DA's.
- [15] RDCS DA when processed concurrently with other entitlement application(s) w/ monitoring fee built-in. Does not include Attorney time.
- [16] RDCS DA w/ monitoring fee built-in. Does not include Attorney time.
- [17] Per Morgan Hill Municipal Code 18.60.060B "Evaluations shall be prepared by a qualified consultant..."
- [18] Applied to projects with long-term monitoring (i.e., after building permit final). Cost each year of monitoring
- [19] This covers reviews that are beyond copy change, but not new signs. We may just require a new Sign Permit at this stage if we require anything.
- [20] This is for tract sales signs that are on and/or off-site
- [21] Includes a Planning Commission hearing
- [22] Requires both Planning Commission and City Council hearings; assumption is one PC one CC.
- [23] For each Planning Commission Hearing (if not built-into application fees)
- [24] For each City Council Hearing (if not built-into application fees)
- [25] Hourly Rate taken from Engineering Hourly Rate Table
- [26] Hourly Rate provided by City Finance Department
- [27] All fees are flat fee unless otherwise noted in the description

APPENDIX A.2

Cost of Service Analysis – Engineering

| No. | Fee Description | Fee Unit Type | Activity Service Cost Analysis | | | | | | | Cost Recovery Analysis | | | Annual Estimated Revenue Analysis | | |
|-------------------------------------|--|---|---|--------|--------|-------------|--------|-----------|--------|------------------------------|------------------------------|--------------------------|-----------------------------------|---------------------------|--------------------|
| | | | Estimated Average Labor Time Per Activity (hours) | | | | | | | Cost of Service Per Activity | Current Fee | Existing Cost Recovery % | Estimated Volume of Activity [1] | Annual Estimated Revenues | |
| | | | Eng | Plng | Bldg | Enviro Svcs | Maint | Utilities | Total | | | | | Current Fee | Full Cost Recovery |
| | | | \$ 230 | \$ 235 | \$ 204 | \$ 175 | \$ 141 | \$ 171 | | | | | | | |
| Land Development Engineering | | | | | | | | | | | | | | | |
| 1 | Public Improvement - Plan Check | | | | | | | | | | | | | | |
| | \$ 50,000 | base fee up to \$50,000 | 62.75 | 0.00 | 0.50 | 0.00 | 2.00 | 2.00 | 67.25 | \$ 15,161 | \$ 6,650 | 44% | 1 | \$ 6,650 | \$ 15,161 |
| | | each additional \$1,000 or fraction thereof | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.00 | \$ - | 133.00 | 0% | 61 | \$ 8,113 | \$ - |
| | \$ 100,000 | base fee @ \$100,000 | 62.75 | 0.00 | 0.50 | 0.00 | 2.00 | 2.00 | 67.25 | \$ 15,161 | \$ 13,300 | 88% | 1 | \$ 13,300 | \$ 15,161 |
| | | each additional \$1,000 or fraction thereof | 0.215 | 0.000 | 0.000 | 0.000 | 0.020 | 0.030 | 0.27 | \$ 57.41 | 118.00 | 206% | 0 | \$ - | \$ - |
| | \$ 200,000 | base fee @ \$200,000 | 84.25 | 0.00 | 0.50 | 0.00 | 4.00 | 5.00 | 93.75 | \$ 20,902 | \$ 23,600 | 113% | 2 | \$ 47,200 | \$ 41,804 |
| | | each additional \$1,000 or fraction thereof | 0.070 | 0.000 | 0.002 | 0.000 | 0.007 | 0.007 | 0.09 | \$ 18.52 | 103.00 | 556% | 303 | \$ 31,209 | \$ 5,612 |
| | \$ 500,000 | base fee @ \$500,000 | 105.25 | 0.00 | 1.00 | 0.00 | 6.00 | 7.00 | 119.25 | \$ 26,459 | \$ 51,500 | 195% | 2 | \$ 103,000 | \$ 52,918 |
| | | each additional \$1,000 or fraction thereof | 0.039 | 0.000 | 0.000 | 0.000 | 0.004 | 0.004 | 0.05 | \$ 10.22 | 88.00 | 861% | 757 | \$ 66,616 | \$ 7,736 |
| | \$ 1,000,000 | base fee @ \$1,000,000 | 124.75 | 0.00 | 1.00 | 0.00 | 8.00 | 9.00 | 142.75 | \$ 31,569 | \$ 88,000 | 279% | 1 | \$ 88,000 | \$ 31,569 |
| | | each additional \$1,000 or fraction thereof | 0.012 | 0.000 | 0.000 | 0.000 | 0.000 | 0.0003 | 0.01 | \$ 2.90 | 88.00 | 3030% | 1623 | \$ 142,824 | \$ 4,713 |
| | \$ 5,000,000 | base fee @ \$5,000,000 | 174.50 | 0.00 | 1.00 | 0.00 | 8.00 | 10.00 | 193.50 | \$ 43,184 | \$ 440,000 | 1019% | 0 | \$ - | \$ - |
| | | each additional \$1,000 or fraction thereof | 0.03 | 0.00 | 0.00 | 0.00 | 0.002 | 0.002 | 0.04 | \$ 8.64 | 88.00 | 1019% | 0 | \$ - | \$ - |
| 2 | Public Improvement - Inspection | | | | | | | | | | | | | | |
| | \$ 50,000 | base fee up to \$50,000 | 87.50 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 87.50 | \$ 20,129 | n/a | 0% | 1 | \$ - | \$ 20,129 |
| | | each additional \$1,000 or fraction thereof | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.00 | \$ - | n/a | 0% | 61 | \$ - | \$ - |
| | \$ 100,000 | base fee @ \$100,000 | 87.50 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 87.50 | \$ 20,129 | n/a | 0% | 1 | \$ - | \$ 20,129 |
| | | each additional \$1,000 or fraction thereof | 0.540 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.54 | \$ 124.22 | n/a | 0% | 0 | \$ - | \$ - |
| | \$ 200,000 | base fee @ \$200,000 | 141.50 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 141.50 | \$ 32,551 | n/a | 0% | 2 | \$ - | \$ 65,101 |
| | | each additional \$1,000 or fraction thereof | 0.517 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.52 | \$ 118.85 | n/a | 0% | 303 | \$ - | \$ 36,013 |
| | \$ 500,000 | base fee @ \$500,000 | 296.50 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 296.50 | \$ 68,207 | n/a | 0% | 2 | \$ - | \$ 136,414 |
| | | each additional \$1,000 or fraction thereof | 0.458 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.46 | \$ 105.36 | n/a | 0% | 757 | \$ - | \$ 79,756 |
| | \$ 1,000,000 | base fee @ \$1,000,000 | 525.50 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 525.50 | \$ 120,886 | n/a | 0% | 1 | \$ - | \$ 120,886 |
| | | each additional \$1,000 or fraction thereof | 0.073 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.07 | \$ 16.85 | n/a | 0% | 1623 | \$ - | \$ 27,348 |
| | \$ 5,000,000 | base fee @ \$5,000,000 | 818.50 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 818.50 | \$ 188,288 | n/a | 0% | 0 | \$ - | \$ - |
| | | each additional \$1,000 or fraction thereof | 0.16 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.16 | \$ 37.66 | n/a | 0% | 0 | \$ - | \$ - |
| 3 | GIS / Technology Fee | flat | | | | | | | | 5% of Public Improvement Fee | 5% of Public Improvement Fee | | | | |

Engineering - User Fee Study FY 2021

Cost Estimation for Providing Fee Related Activities and Services

| No. | Fee Description | Fee Unit Type | Activity Service Cost Analysis | | | | | | | Cost Recovery Analysis | | | Annual Estimated Revenue Analysis | | | |
|--------|--|----------------------|---|--------|--------|-------------|-------|-----------|-------|------------------------------|-------------|--------------------------|-----------------------------------|---------------------------|--------------------|--|
| | | | Estimated Average Labor Time Per Activity (hours) | | | | | | | Cost of Service Per Activity | Current Fee | Existing Cost Recovery % | Estimated Volume of Activity [1] | Annual Estimated Revenues | | |
| | | | Eng | Plng | Bldg | Enviro Svcs | Maint | Utilities | Total | | | | | Current Fee | Full Cost Recovery | |
| \$ 230 | \$ 235 | \$ 204 | \$ 175 | \$ 141 | \$ 171 | | | | | | | | | | | |
| 4 | Map Check | | | | | | | | | | | | | | | |
| | Parcel Map | flat | 35.00 | 2.00 | 1.00 | 0.00 | 0.00 | 0.00 | 38.00 | \$ 8,725 | \$ 6,029 | 69% | 1 | \$ 6,029 | \$ 8,725 | |
| | Tract Map/Subdivision Map (Service No. 149) | flat | 41.00 | 2.00 | 2.00 | 0.00 | 0.00 | 0.00 | 45.00 | \$ 10,309 | \$ 9,627 | 93% | 0 | \$ - | \$ - | |
| 5 | Certificate of Compliance - Lot Line Adjustment / Lot Merger | flat | 29.00 | 0.00 | 1.00 | 0.00 | 0.00 | 0.00 | 30.00 | \$ 6,875 | \$ 3,914 | 57% | 0 | \$ - | \$ - | |
| 6 | Parcel Map - Lot Line Adjustment / Lot Merger | flat | 30.50 | 0.75 | 1.00 | 0.00 | 0.00 | 0.00 | 32.25 | \$ 7,396 | \$ 3,151 | 43% | 0 | \$ - | \$ - | |
| 7 | Public Easement Review | flat | 13.50 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 13.50 | \$ 3,106 | \$ 2,645 | 85% | 3 | \$ 7,935 | \$ 9,317 | |
| 8 | Street Vacation | flat | 39.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 39.00 | \$ 8,972 | \$ 203 | 2% | 0 | \$ - | \$ - | |
| 9 | Easement Abandonment | flat | 39.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 39.00 | \$ 8,972 | \$ 4,654 | 52% | 0 | \$ - | \$ - | |
| 10 | Plan Revision (after approval of Public Improvement Plans) | T & M (Min 2 hrs) | 1.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.00 | \$ 230 | \$ 530 | 230% | 0 | \$ - | \$ - | |
| 11 | Reimbursement Agreement | flat | 21.50 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 21.50 | \$ 4,946 | \$ 2,292 | 46% | 0 | \$ - | \$ - | |
| 12 | FEMA Compliance | | | | | | | | | | | | | | | |
| | Base Fee | | | | | | | | | | | | | | | |
| | New Structure | flat | 3.75 | 0.00 | 0.50 | 0.00 | 0.00 | 0.00 | 4.25 | \$ 965 | \$ 423 | 44% | 1 | \$ 423 | \$ 965 | |
| | New Accessory Structure and New ADU | flat | 2.75 | 0.00 | 0.50 | 0.00 | 0.00 | 0.00 | 3.25 | \$ 735 | \$ 423 | 58% | 0 | \$ - | \$ - | |
| | Improvement of Existing Structure | | | | | | | | | | | | | | | |
| | Non-Substantial Improvement without Detailed Review | per structure | 1.50 | 0.00 | 1.00 | 0.00 | 0.00 | 0.00 | 2.50 | \$ 549 | \$ 423 | 77% | 0 | \$ - | \$ - | |
| | Non-Substantial Improvement with Detailed Review | per structure | 2.50 | 0.00 | 1.00 | 0.00 | 0.00 | 0.00 | 3.50 | \$ 779 | \$ 423 | 54% | 0 | \$ - | \$ - | |
| | Substantial Improvement (other than accessory structure) | per structure | 5.00 | 0.00 | 0.50 | 0.00 | 0.00 | 0.00 | 5.50 | \$ 1,252 | \$ 423 | 34% | 0 | \$ - | \$ - | |
| | Substantial Improvement of Accessory Structure and ADU | per structure | 3.25 | 0.00 | 0.50 | 0.00 | 0.00 | 0.00 | 3.75 | \$ 850 | \$ 423 | 50% | 0 | \$ - | \$ - | |
| | Additional Review Fees | | | | | | | | | | | | | | | |
| | Elevation Certificate Review | per structure | 2.75 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 2.75 | \$ 633 | NEW | 0% | 0 | \$ - | \$ - | |
| | Flood Field Inspection | flat | 2.50 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 2.50 | \$ 575 | NEW | 0% | 0 | \$ - | \$ - | |
| | Flood Study Review with Valley Water Coordination | flat | 6.50 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 6.50 | \$ 1,495 | NEW | 0% | 0 | \$ - | \$ - | |
| | Review of CLOMR/CLOMR-F/LOMR/LOMR-F | flat | 4.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 4.00 | \$ 920 | \$ 2,328 | 253% | 0 | \$ - | \$ - | |
| | Public Outreach for LOMR/LOMR-F | flat | 6.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 6.00 | \$ 1,380 | \$ 847 | 61% | 0 | \$ - | \$ - | |
| | Review of BFE Determination for Zone A without a BFE or Zone D | flat | 2.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 2.00 | \$ 460 | NEW | 0% | 0 | \$ - | \$ - | |
| 13 | Stormwater Runoff Management Plan Review | | | | | | | | | | | | | | | |
| | Tier 1 Project | flat | 11.50 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 11.50 | \$ 2,645 | NEW | 0% | 0 | \$ - | \$ - | |
| | Tier 2 Project | flat | 30.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 30.00 | \$ 6,901 | \$ 2,963 | 43% | 5 | \$ 14,815 | \$ 34,506 | |
| | Tier 3 Project | flat | 43.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 43.00 | \$ 9,892 | NEW | 0% | 0 | \$ - | \$ - | |
| | Tier 4 Project | flat | 52.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 52.00 | \$ 11,962 | NEW | 0% | 0 | \$ - | \$ - | |
| 14 | Erosion & Sediment Control/Stormwater Pollution Prevention Plan (SWPPP) Review & Compliance | | | | | | | | | | | | | | | |
| | Type 1 & Type 2 Projects | | | | | | | | | | | | | | | |
| | < 1 Acre in Soil Disturbance | flat | 2.25 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 2.25 | \$ 518 | \$ 787 | 152% | 3 | \$ 2,361 | \$ 1,553 | |
| | 1+ Acre in Soil Disturbance | flat | 3.75 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 3.75 | \$ 863 | \$ 1,269 | 147% | 5 | \$ 6,345 | \$ 4,313 | |
| | Type 3 Projects | flat | 1.75 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.75 | \$ 403 | NEW | 0% | 0 | \$ - | \$ - | |
| | Type 4 Projects | flat | 1.25 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.25 | \$ 288 | NEW | 0% | 0 | \$ - | \$ - | |

| No. | Fee Description | Fee Unit Type | Activity Service Cost Analysis | | | | | | | Cost Recovery Analysis | | | Annual Estimated Revenue Analysis | | | |
|--------|--|--------------------|---|--------|--------|-------------|-------|-----------|-------|------------------------------|---|--------------------------|-----------------------------------|---------------------------|--------------------|--|
| | | | Estimated Average Labor Time Per Activity (hours) | | | | | | | Cost of Service Per Activity | Current Fee | Existing Cost Recovery % | Estimated Volume of Activity [1] | Annual Estimated Revenues | | |
| | | | Eng | Plng | Bldg | Enviro Svcs | Maint | Utilities | Total | | | | | Current Fee | Full Cost Recovery | |
| \$ 230 | \$ 235 | \$ 204 | \$ 175 | \$ 141 | \$ 171 | | | | | | | | | | | |
| 15 | Stormwater Construction Inspections | | | | | | | | | | | | | | | |
| | Type 1 & Type 2 Projects | | | | | | | | | | | | | | | |
| | < 1 Acre in Soil Disturbance | flat | 29.25 | 0.00 | 0.00 | 14.00 | 0.00 | 0.00 | 43.25 | \$ 9,179 | \$ 12,695 | 138% | 1 | \$ 12,695 | \$ 9,179 | |
| | 1+ Acre in Soil Disturbance | flat | 43.00 | 0.00 | 0.00 | 37.00 | 0.00 | 0.00 | 80.00 | \$ 16,367 | \$ 12,695 | 78% | 0 | \$ - | \$ - | |
| | Type 3 Projects | flat | 0.25 | 0.00 | 0.00 | 0.20 | 0.00 | 0.00 | 0.45 | \$ 93 | \$ 68 | 73% | 0 | \$ - | \$ - | |
| | Type 4 Projects | flat | 0.25 | 0.00 | 0.00 | 0.20 | 0.00 | 0.00 | 0.45 | \$ 93 | \$ 68 | 73% | 0 | \$ - | \$ - | |
| 16 | Stormwater BMP Operations & Maintenance Agreement | flat | 9.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 9.00 | \$ 2,070 | NEW | 0% | 0 | \$ - | \$ - | |
| 17 | Private Sanitary Sewer Agreement | flat | 11.50 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 11.50 | \$ 2,645 | NEW | 0% | 0 | \$ - | \$ - | |
| 18 | Assessment District Reapportionment | | | | | | | | | | | | | | | |
| | City Staff | flat | 12.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 12.00 | \$ 2,760 | NEW | 0% | 0 | \$ - | \$ - | |
| | Contractor Costs | actual costs | | | | | | | | Actual Costs | \$ 5,000 | | | | | |
| 19 | Preliminary Review on Projects / Engineering Services | flat | 10.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 10.00 | \$ 2,300 | \$ 2,030 | 88% | 20 | \$ 40,600 | \$ 46,008 | |
| 20 | Additional Plan Review (after 3rd submittal) | hourly (min 2 hrs) | 1.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.00 | \$ 230 | \$ 203 | 88% | 0 | \$ - | \$ - | |
| 21 | Re-Inspection Fee | hourly (min 4 hrs) | 1.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.00 | \$ 230 | \$ 203 | 88% | 0 | \$ - | \$ - | |
| 22 | Complexity Fee | flat | 12.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 12.00 | \$ 2,760 | \$ 2,436 | 88% | 0 | \$ - | \$ - | |
| 23 | FEMA Community Rating System (CRS) Annual Reporting | flat | 54.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 54.00 | \$ 12,422 | NEW | 0% | 0 | \$ - | \$ - | |
| 24 | Agreement Extensions / Improvement Agreement Amendments | | | | | | | | | | | | | | | |
| | With City Manager Approval | flat | 12.50 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 12.50 | \$ 2,876 | NEW | 0% | 0 | \$ - | \$ - | |
| | With City Council Approval | flat | 19.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 19.00 | \$ 4,371 | NEW | 0% | 0 | \$ - | \$ - | |
| 25 | Citywide Inspection for Construction or Stormwater Improvements | flat | | | | | | | | | See Stormwater Construction Inspection | | | | | |
| 26 | Building Grading Support | flat | | | | | | | | | Included in Public Improvement Plan Check | | | | | |
| 27 | NPDES - above and below 1 acre. Put in tier. | flat | | | | | | | | | See Stormwater Construction Inspection | | | | | |
| 28 | Private Street Review | flat | | | | | | | | | Included in Public Improvement Plan Check | | | | | |

| No. | Fee Description | Fee Unit Type | Activity Service Cost Analysis | | | | | | | Cost Recovery Analysis | | | Annual Estimated Revenue Analysis | | | |
|--------------------------|--|---------------|---|------|------|-------------|-------|-----------|-------|------------------------------|-------------|--------------------------|-----------------------------------|---------------------------|--------------------|------------|
| | | | Estimated Average Labor Time Per Activity (hours) | | | | | | | Cost of Service Per Activity | Current Fee | Existing Cost Recovery % | Estimated Volume of Activity [1] | Annual Estimated Revenues | | |
| | | | Eng | Plng | Bldg | Enviro Svcs | Maint | Utilities | Total | | | | | Current Fee | Full Cost Recovery | |
| \$ | 230 | \$ | 235 | \$ | 204 | \$ | 175 | \$ | 141 | \$ | 171 | | | | | |
| 29 | Preliminary Fee Estimate | flat | 1.50 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.50 | \$ 345 | \$ 305 | 88% | 0 | \$ - | \$ - |
| 30 | For services requested of City staff which have no fee listed in this fee schedule | | | | | | | | | | | | | | | |
| | During Business Hours | per hour | 1.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.00 | \$ 230 | \$ 255 | 111% | 0 | \$ - | \$ - |
| | After Business Hours | per hour | 1.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.00 | \$ 265 | \$ 255 | 96% | 0 | \$ - | \$ - |
| TOTAL ENGINEERING | | | | | | | | | | | | | | | \$ 598,115 | \$ 795,015 |

Notes

[1] Activity related to Public Improvement Plan Check & Inspection is based on the number of valuation increments, rather than number of projects.

APPENDIX B.1

Comparative Fee Survey – Planning

| City of Morgan Hill | | | | Comparison Agencies | | | | |
|----------------------------|--|---------------------------------|---------------------------------|---|---------------------------------|---|--|--|
| Fee No. | Fee Name | Current Fee / Deposit | Full Cost Recovery | Gilroy | Palo Alto | San Jose | Santa Clara | Sunnyvale |
| PLANNING DEPARTMENT | | | | | | | | |
| 1 | ANNEXATION | \$ 12,357 | \$ 24,531 | \$15,910 + Attorney Costs | <i>no comparison available</i> | \$37,898 + \$4,536 | \$ 37,950 | <i>no comparison available</i> |
| 1.2 | LAFCO Processing | \$ 10,696 | \$ 28,167 | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> |
| | Plus additional fees collected by other agencies | LAFCO fee \$1,154 plus SBE fees | LAFCO fee \$1,154 plus SBE fees | | | | | |
| 2 | APPEALS | | | | | | | |
| | Commission/Board Decisions | | | | | | | |
| 2.1 | Applicant Appeal | \$ 6,905 | \$ 8,292 | \$600 per application + publication costs | \$ 611 | Env Det/Protest of Zoning by Non-Applicant: \$250 By Applicant: \$12,058 Non-Applicant: \$11,808 Hist. Preservation: \$100 | Non-Applicant Resident: \$477 All Others: \$9,543 | Non-Public Hearing Decision: \$206 Appeal of Zoning Admin/Plng Commission Decision: \$206 |
| 2.2 | Public Appeal | \$ 544 | \$ 8,292 | | | | | |
| | Staff Decisions | | | | | | | |
| 2.1 | Applicant Appeal | \$ 5,699 | \$ 6,795 | \$2,540 + publishing costs | \$ 3,910 | | | |
| 2.2 | Public Appeal | \$ 544 | \$ 6,795 | | | | | |
| 3 | APPROVAL AMENDMENT | | | | | | | |
| 3.1 | Major Approval Amendment (Non Admin - s/b Major) | \$ 8,209 | \$ 12,548 | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | \$ 10,844 | <i>no comparison available</i> |
| 3.2 | Minor Approval Amendment (Admin - s/b Minor) | \$ 4,505 | \$ 7,031 | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | \$ 813 | <i>no comparison available</i> |
| 4 | CC&Rs | | | | | | | |
| 4.1 | CC&Rs | \$ 522 | \$ 1,138 | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> |
| | Plus City Attorney Fees | Actual Cost | Actual Cost | | | | | |
| 4.2 | Other Agreements / Documents Review | \$ 522 | \$ 469 | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> |
| | Plus City Attorney Fees | Actual Cost | Actual Cost | | | | | |
| 5 | CONTRACT PLANNING SERVICES | | | | | | | |
| | Consultant Portion | Actual Cost | Actual Cost | See Environmental Impact Report | See Environmental Impact Report | <i>no comparison available</i> | <i>no comparison available</i> | See Environmental Impact Report |
| | City's Portion | 15% | 15% | | | | | |
| | GIS/Tech | 5% | 5% | | | | | |
| 6 | CULTURAL RESOURCES | | | | | | | |
| 6.1 | Alteration (Major - \$10,000+ valuation) (plus Planning Commission costs) | \$ 1,304 | \$ 5,047 | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> |
| 6.2 | Alteration (Minor - under \$10,000 valuation) (plus Planning Commission costs) | \$ 391 | \$ 352 | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> |
| 6.3 | Demolition or Relocation (Formerly Alteration) | \$ 5,719 | \$ 5,716 | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> |
| 6.4 | Designation | \$ 8,348 | \$ 7,511 | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> |

| City of Morgan Hill | | | | Comparison Agencies | | | | |
|---------------------|---|-----------------------|--------------------|--|---|--|--|--|
| Fee No. | Fee Name | Current Fee / Deposit | Full Cost Recovery | Gilroy | Palo Alto | San Jose | Santa Clara | Sunnyvale |
| 7 | DESIGN PERMIT | | | | | | | |
| 7.1 | Landscape Plan Review Only | \$ 2,609 | \$ 2,347 | Architectural and Site Review Residential: New - \$7,295 - First lot \$540/ea add'l flatland tract \$1,160/ea add'l hillside lot New Hillside Lot - \$4,090 Remodel - \$735 Commercial: New - \$8,900 - First 5k s.f. \$695/ea add'l 10k s.f. Remodel: \$4,065 Industrial: New - \$5,125 - First 10k s.f. \$290/ea add'l 10k s.f. Remodel: \$2,130 | Architectural Review: Major Project - \$13,380 dep Minor Project (ARB) - \$9,073/ea Minor Project (Staff Review) - \$3,483/ea Site and Design Major: \$29,358 per deposit | Up to 2 units: \$7,753 + \$928 3-24 Units: \$505 + \$60 ea 25 units: \$19,378 + \$2,139 26-99 units: \$87 + \$10 ea 100 Units: \$25,839 + \$3,092 101-499 units: \$9 + \$1 ea 500 units: \$30,145 + \$3,608 501+ units: \$59 + \$7 ea | Architectural Review Staff Review OTC: no charge SFD going to DRH: \$893 New Dev/Non SFD: \$32,529 Consultant Review: Actual Cost + Admin Cost | \$2,038 - \$4,001 |
| 7.2 | Non-Residential Design Permit (Major) | \$ 7,968 | \$ 17,200 | | | | | |
| 7.3 | Non-Residential Design Permit (Minor) | \$ 4,917 | \$ 9,468 | | | | | |
| 7.4 | Plan Detail Review (misc. site details, e.g., lighting, trash encl.) | \$ 2,198 | \$ 1,976 | | | | | |
| 7.5 | Residential Design Permit - 6 units or less | \$ 7,446 | \$ 11,518 | | | | | |
| 7.6 | Residential Design Permit - 7 units to 15 units | \$ 9,494 | \$ 14,265 | | | | | |
| 7.7 | Residential Design Permit - 16 or more units each additional 25 units | \$ 11,803 | \$ 17,931 | | | | | |
| 7.8 | Site Plan Only (no new square footage) | \$ 6,102 | \$ 6,209 | | | | | |
| 8 | DESIGN REVIEW (PRELIMINARY PLAN REVIEW) | | | | | | | |
| 8.1 | Conceptual Plan Review (Staff) | \$ 4,603 | \$ 6,190 | no comparison available | \$7,105.10 each | no comparison available | Pre-Application: SFD - \$476 Planning Review - \$3,179 Project Clearance Committee Review - \$5,422 | \$ 1,030 |
| 8.2 | Non-Residential (Major) Preliminary Plan Review to PC | \$ 8,490 | \$ 9,844 | | | | | |
| 8.3 | Non-Residential (Minor) Preliminary Plan Review to PC | \$ 5,438 | \$ 6,828 | | | | | |
| 8.4 | Residential SB330 Preliminary Application Review (staff) | \$ 11,437 | \$ 12,610 | | | | | |
| 8.5 | Residential - 6 units or less Preliminary Plan Review to PC | \$ 5,359 | \$ 7,446 | | | | | |
| 8.6 | Residential - 7 units or more Preliminary Plan Review to PC | \$ 8,191 | \$ 10,685 | | | | | |
| 9 | DEVELOPMENT AGREEMENT/RDCS | | | | | | | |
| 9.1 | Non Residential Development Agreement | \$ 7,043 | \$ 12,206 | \$17,250 minimum deposit | Development Agreement - \$9,200 per deposit Development Agreement: Annual Review - \$3,221 per deposit | Development Agreement: \$18,301 + \$2,190 Agreement Annual Monitoring: \$12,274 + \$1,469 | \$32,529 Amendment or Cancellation: \$10,844 | Development Agreement: \$6,664 Minor Mod: \$3,332 Annual Review: \$1,666 |
| 9.2 | Residential Development Agreement Filed Concurrent with Other Entitlement Applications | \$ 10,957 | \$ 12,206 | | | | | |
| 9.3 | Filed Alone - Non Concurrent with Other Applications (Includes RDCS Compliance Monitoring 0 - 3 Yrs.) | \$ 12,261 | \$ 13,379 | | | | | |
| 9.4 | RDCS Compliance Monitoring - each year after 3 years | \$ 2,609 | \$ 2,347 | | | | | |

| City of Morgan Hill | | | | Comparison Agencies | | | | |
|---------------------|--|---------------------------|--------------------------|---|---|---|---|---|
| Fee No. | Fee Name | Current Fee / Deposit | Full Cost Recovery | Gilroy | Palo Alto | San Jose | Santa Clara | Sunnyvale |
| 10 | ENVIRONMENTAL REVIEW (CEQA) | | | | | | | |
| 10.1 | Environmental Impact Report | \$ 22,120 | \$ 25,832 | \$19,820 minimum (15% of contract price) + publishing costs | Consultant Prepared - Actual Costs + 25% of contract | \$ 21,840 | \$ 32,529 | 10% min of consulting fee (\$1,727 min) |
| 10.2 | Expanded Initial Study | \$ 16,221 | \$ 14,882 | \$9,415 min fee + publishing costs | Staff Prepared - \$6,518 per deposit | no comparison available | \$ 16,264 | \$ 917 |
| 10.3 | Historic Assessments - Historical Consultant (Deposit) | Actual Cost | Actual Cost | no comparison available | no comparison available | no comparison available | no comparison available | no comparison available |
| 10.4 | Historic Assessments - Staff-level | \$ 2,609 | \$ 4,577 | Neighborhood: \$3,560 Site: \$3,890 | Application: \$326.30 Minor: \$1,305.10 Major: \$1,957.60 | \$3,500 + \$418 | SFD - \$893 All Others - \$10,844 | \$240 - \$586 |
| 10.5 | Initial Environmental Assessment | \$ 2,308 | \$ 2,101 | no comparison available | Actual Costs + 25% of contract | \$ 936 | no comparison available | no comparison available |
| 10.6 | Mitigation Monitoring and Reporting Program (Per Year) | \$ 1,304 | \$ 1,174 | no comparison available | EIR - \$4,784 per deposit MND - \$1,594 per deposit | Plan Prep (10 hrs) - \$3,120 Prior to Const - \$1,248 Post Const - \$312/hr | no comparison available | no comparison available |
| 11 | EXTENSION OF TIME FOR APPROVALS | | | | | | | |
| 11.1 | Administrative | \$ 2,217 | \$ 1,995 | \$ 380 | Hourly Rate | 2,368 + 283 | 50% of Application Fee | \$ 917 |
| 11.2 | Non Administrative | \$ 3,457 | \$ 3,580 | no comparison available | no comparison available | no comparison available | 50% of Application Fee | no comparison available |
| 12 | GENERAL PLAN AMENDMENT | | | | | | | |
| 12.1 | Land Use Diagram Amendment | \$ 17,333 | \$ 16,454 | \$15,575 - First 10 acres \$100/ea add'l 10 acres + publishing costs | no comparison available | \$18,292 + \$2,189 | SFD - \$2,710 Up to 1 acre - \$21,686 1-5 acres: \$32,529 5+ acres: \$37,950 | \$ 6,664 |
| 12.2 | Text Amendment | \$ 7,080 | \$ 9,295 | \$10,710 + publishing costs | no comparison available | \$18,292 + \$2,189 | | |
| 13 | HABITAT PLAN FEES (SC VALLEY) | | | | | | | |
| 13.1 | Habitat Plan Related Reviews | \$ 522 | \$ 469 | \$1,150 base fee. \$1,350+ for permits processed by City consultants | no comparison available | \$ 936 | no comparison available | no comparison available |
| 14 | HOUSING IN-LIEU FEE [1] | | N/A | no comparison available | no comparison available | no comparison available | no comparison available | no comparison available |
| 15 | MINOR EXCEPTION | \$ 3,306 | \$ 2,987 | \$ 1,235 | no comparison available | \$6,673 + \$798 | no comparison available | no comparison available |
| 16 | OPEN SPACE IN-LIEU FEE (Per 20 Dwellings) [1] | | N/A | no comparison available | no comparison available | no comparison available | no comparison available | no comparison available |
| 17 | OUT OF AGENCY CONTRACT FOR SERVICES | | | | | | | |
| 17.1 | City staff Plus additional fees collected by other agencies | \$ 10,892 Actual Costs | \$ 9,800 Actual Costs | no comparison available | no comparison available | no comparison available | no comparison available | no comparison available |
| 18 | PLANNING CONSULTATION - hourly | \$ 261 | \$ 235 | no comparison available | no comparison available | \$312/hr | no comparison available | no comparison available |

| City of Morgan Hill | | | | Comparison Agencies | | | | |
|---------------------|--|---|---|--|---|--|--|---|
| Fee No. | Fee Name | Current Fee / Deposit | Full Cost Recovery | Gilroy | Palo Alto | San Jose | Santa Clara | Sunnyvale |
| 19 | REFUNDABLE DEPOSITS | Determined by Planning Director - billed at hourly rate | Determined by Planning Director - billed at hourly rate | no comparison available | no comparison available | no comparison available | no comparison available | no comparison available |
| 19 | RESIDENTIAL DEVELOPMENT CONTROL SYSTEM (RDSCS) | | | | | | | |
| 19.1 | Preliminary Measure S Review | \$ 8,541 | \$ 6,913 | no comparison available | no comparison available | no comparison available | no comparison available | no comparison available |
| 19.2 | Final Measure S Review (RDSCS) | \$ 31,534 | \$ 29,376 | no comparison available | no comparison available | no comparison available | no comparison available | no comparison available |
| 19.3 | RDSCS Extension | \$ 4,296 | \$ 3,949 | no comparison available | no comparison available | no comparison available | no comparison available | no comparison available |
| 19.4 | RDSCS Appeal | \$ 8,881 | \$ 8,063 | no comparison available | no comparison available | no comparison available | no comparison available | no comparison available |
| 20 | RESIDENTIAL PRIVATE LIVESTOCK PERMIT | \$ 761 | \$ 2,113 | no comparison available | no comparison available | no comparison available | no comparison available | no comparison available |
| 21 | REVERSION TO ACREAGE PROCESSING | \$ 3,261 | \$ 2,934 | no comparison available | no comparison available | \$1,291 + \$154 | no comparison available | no comparison available |
| 22 | SIGN REVIEW | | | | | | | |
| 22.1 | Alteration to existing Sign | \$ 391 | \$ 176 | \$126 - first 25 s.f. \$29/each add'l 25 s.f. | ARB Review - \$4,550.30 per app Exceptions - \$4,749.40 per app Signs, Minor Facade Changes, Landscaping, Accessory Structures, or Similar Minor Changes to a Building Exterior - \$1,088.60 per app Temporary Sign Permit - \$201.10 each | Single Sign: \$215 + \$25 Multiple Signs: \$109 + \$13 per add'l sign | Individual - \$317 Each add'l - \$78 Temp: \$78 Temp removal - \$135 Master Prog - \$4,066 | Temp Sign: No Fee Perm Sign: \$171 Master Sign Agreement: \$917 Master Sign Minor Mod: \$416 |
| 22.2 | Sign Review Over the Counter - Copy Change | \$ 261 | \$ 235 | | | | | |
| 22.3 | New Sign Permit - First Sign | \$ 391 | \$ 352 | | | | | |
| 22.4 | Each additional Sign | \$ 130 | \$ 117 | | | | | |
| 22.5 | New Sign within a Master Sign Program | \$ 196 | \$ 176 | | | | | |
| 22.6 | Subdivision/Real Estate Tract Signs | \$ 783 | \$ 704 | | | | | |
| 22.7 | Temporary/Promotional Signs | \$ 65 | \$ 59 | | | | | |
| 22.8 | Uniform Sign Program | \$ 3,783 | \$ 3,404 | | | | | |

| City of Morgan Hill | | | | Comparison Agencies | | | | |
|---------------------|--|--|--|---|---|---|--|---|
| Fee No. | Fee Name | Current Fee / Deposit | Full Cost Recovery | Gilroy | Palo Alto | San Jose | Santa Clara | Sunnyvale |
| 23 | SUBDIVISION | | | | | | | |
| 23.1 | Tentative Parcel Map Review - 4 lots or less | \$ 4,948 | \$ 6,725 | \$7,355 - First 4 lots \$145/each add'l lot + publishing costs | 5+ Parcels: Final Map - \$6,077/ea Tentative Map - \$11,238/dep | Up to 10 lots: \$8,183 + \$979 11-49 lots: \$21 + \$2 ea 50 lots: \$9,044 + \$1,051 51-249 lots: \$6 + \$0.72 ea 250 lots: \$10,336 + \$1,237 251+ lots: \$40 + \$4 ea | \$ 16,264 | \$ 3,059 |
| | Tentative Subdivision Map Review | | | | Minor: Final Parcel - \$5,082.80/ea Prelim Parcel - \$6,089.30/ea | | | |
| 23.2 | 5 to 15 lots | \$ 6,434 | \$ 9,002 | \$13,995 - First 12 lots | Minor w/Exception: Final Parcel: \$3,721.30/ea Prelim Parcel - \$9,630/ea | | 5+ lots: \$21,686 | \$5,018 + \$346 per lot |
| 23.3 | 16 - 25 lots | \$ 8,072 | \$ 11,326 | \$115/ea add'l flatland lot | | | | |
| 23.4 | 26 lots or more - each additional 25 lots | \$ 8,072 | \$ 14,095 | \$500/ea add'l hillside lot + publishing costs | | | | |
| 24 | TRANSFER DEVELOPMENT CREDIT (TDC) | | | | | | | |
| 24.1 | Application Fee | \$ 9,261 | \$ 8,333 | no comparison available | no comparison available | no comparison available | no comparison available | no comparison available |
| 25 | TREE REMOVAL PERMIT | | | | | | | |
| | | \$ 109 | \$ 1,350 | \$ 300 | no comparison available | Dead/Unsuitable Tree: \$234 + \$28 (\$30 + \$3 each add'l) Live Tree: SFD - \$2,028 + \$242 All Other - \$2,340 + \$280 Heritage: \$10,336 + \$1,237 | Heritage Tree: \$758 | Tree Removal: \$310 Tree Removal w/Cert Arborist Report: \$171 |
| 26 | URBAN SERVICE AREA AMENDMENT | | | | | | | |
| 26.1 | City Processing | \$ 15,511 | \$ 15,163 | | no comparison available | \$18,292 + \$2,189 | no comparison available | no comparison available |
| 26.2 | LAFCO Processing | \$ 26,434 | \$ 28,167 | \$27,785 - First 10 Acres \$165/ea add'l 10 acres | no comparison available | no comparison available | no comparison available | no comparison available |
| 26.3 | Plus Additional Fees Collected by Other Agencies | LAFCO fee \$11,574 plus Actual Costs | LAFCO fee \$11,574 plus Actual Costs | + publishing costs & LAFCO fees | no comparison available | no comparison available | no comparison available | no comparison available |
| 27 | USE PERMIT | | | | | | | |
| 27.1 | Administrative Use Permit | \$ 1,201 | \$ 7,101 | Special Use Permit: \$1,200 deposit | no comparison available | \$3,138 + \$375 | | |
| | Conditional Use Permit | | | | | | | |
| 27.2 | New Construction | \$ 9,533 | \$ 11,265 | \$5,275 + publishing costs | Director Level: \$7,499/ea Additional Upon Hearing: \$12,571.60 | \$17,113 + \$2048 | Minor Use: \$5,725 Standard Use: \$13,251 | SFH/DUP: \$502 |
| 27.3 | No New Construction | \$ 9,091 | \$ 10,819 | | | | | |
| 27.4 | Temporary Use Permit | \$ 3,025 | \$ 5,678 | Flower vendors, model homes, const. trailers - \$350 | Day Care Center: \$186 | SUP: Existing SFD - \$5,637 + \$674 | | |
| 27.5 | Temporary Use Permit (Non-Profit) | \$ 100 | \$ 4,117 | All others - \$925 min | Temp Use (Minor) - \$1,489.80/ea | | | |
| 27.6 | Temporary Use Permit Amendment | \$ 1,196 | \$ 3,060 | | | | | |

| City of Morgan Hill | | | | Comparison Agencies | | | | |
|---------------------|--|-----------------------|--------------------|--|--|---|--|---|
| Fee No. | Fee Name | Current Fee / Deposit | Full Cost Recovery | Gilroy | Palo Alto | San Jose | Santa Clara | Sunnyvale |
| 28 | VARIANCE | \$ 8,514 | \$ 10,046 | \$5,185 + publishing costs | Director Level: \$4,790.40/ea Additional Upon Hearing: \$12,571.60/ea | \$6,673 + \$798 | Single Family: \$3,187 All Others: \$13,251 | SFH/DUP: \$502 All Others: \$1,884 |
| 29 | WILLIAMSON ACT | | | | | | | |
| 29.1 | Cancelation | \$ 12,522 | \$ 11,267 | \$5,520 + \$3,000 atty fees deposit + publishing costs | \$ 2,514 | App: \$12,164 + \$1,456 | no comparison available | no comparison available |
| 29.2 | New | \$ 3,131 | \$ 6,103 | | | Cancellation/Mod: \$22,070 + \$2641 | | |
| 29.3 | Non-Renewal | \$ 1,044 | \$ 939 | | | | | |
| 30 | ZONING REQUESTS | | | | | | | |
| 30.1 | Planned Development | \$ 10,629 | \$ 16,714 | \$ 13,875 | Planned Community Zone Change: \$9,570 per deposit Minor Change: \$1,956 per deposit | Up to 2 units: \$11,484 + \$1,374 3-24 Units: \$112 + \$13 ea 25 units: \$14,102 + \$1,688 26-99 units: \$315 + \$37 ea 100 Units: \$37,752 + \$4,518 101-499 units: \$37 + \$4 ea 500 units: \$52,325 + \$6,263 501+ units: \$106 + \$12 ea | Single lot to R1: \$8,338 Non-PD: \$18,930 PD: \$54,215 PD-Master Community: \$65,058 | no comparison available |
| 30.2 | Residential Planned Development Review | \$ 13,186 | \$ 16,354 | | | | | |
| 30.3 | Residential Planned Development (if processed concurrently with subdivision) | \$ 9,142 | \$ 10,293 | | | | | |
| 30.4 | Zoning Map Amendment Review | \$ 8,557 | \$ 11,009 | | | | | |
| 30.5 | Zoning Map Amendment Review (if processed concurrently with GPA or ANX) | \$ 3,241 | \$ 8,896 | | | | | |
| 30.6 | Zoning Text Amendment Review | \$ 10,980 | \$ 11,713 | | | | | |
| 30.7 | Zoning Confirmation Letter | \$ 1,696 | \$ 1,526 | Hourly rate + Direct Cost | Hourly Rate | \$430 + \$51 to \$4,951 + \$592 depending on type | \$ 463 | \$ 118 |
| 31 | PUBLIC HEARINGS AND NOTICES | | | | | | | |
| 31.1 | City Council Meeting | \$ 2,268 | \$ 2,089 | no comparison available | no comparison available | no comparison available | no comparison available | no comparison available |
| 31.2 | LAFCO Meeting - each additional | \$ 1,826 | \$ 1,643 | no comparison available | no comparison available | no comparison available | no comparison available | no comparison available |
| 31.3 | Planning Commission Meeting | \$ 2,178 | \$ 2,206 | no comparison available | no comparison available | no comparison available | no comparison available | \$ 4,001 |
| | Public Noticing | | | | | | | |
| 31.4 | Up to 50 | \$ 66 | \$ - | no comparison available | 150 ft Radius - \$667.90 600 ft Radius - \$1,172.70 Beyond 600 ft Radius - \$1,563.60 | Adjacent (15 notices): \$167 300 ft rad (275): \$515 500 ft rad (475): \$975 1,000 ft rad (1,200): \$2,136 Each add'l: \$0.74 | Single Family: \$119 Non-Single Fam: \$1,084 | Renoticing: \$171 500 ft radius: \$368 1,000 ft rad: \$1,157 2,000 ft rad: \$2,368 |
| 31.5 | Over 50 | \$ 78 | \$ - | no comparison available | | | | |
| 31.6 | Envelopes | Actual Costs | Actual Costs | no comparison available | no comparison available | no comparison available | no comparison available | no comparison available |
| 31.7 | Postage | Actual Costs | Actual Costs | no comparison available | no comparison available | no comparison available | no comparison available | no comparison available |

| City of Morgan Hill | | | | Comparison Agencies | | | | |
|---------------------|---|-----------------------|--------------------|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Fee No. | Fee Name | Current Fee / Deposit | Full Cost Recovery | Gilroy | Palo Alto | San Jose | Santa Clara | Sunnyvale |
| 31.8 | Public Noticing (publication) | \$ - | \$ 1,760 | \$330 for zoning and General Plan Amendments \$220 for all other applications | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> |
| 32 | OTHER SERVICE CHARGES | | | | | | | |
| 32.1 | Annual Charge for Entire PC Packet | \$ 122.00 | \$ 122.00 | | | | | |
| 32.3 | Document Printing/Copying (per page) | \$ 0.10 | \$ 0.10 | | | | | |
| 32.4 | Oversized Copy 24X36 (per page) | \$ 2.26 | \$ 2.26 | | | | | |
| 32.5 | Oversized Copy 18X26 (per page) | \$ 2.01 | \$ 2.01 | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> |
| 32.6 | Oversized Copy 24X36 (Color) (per page) | \$ 2.93 | \$ 2.93 | | | | | |
| 32.7 | Oversized Copy 11X17 (per page) | \$ 0.55 | \$ 0.55 | | | | | |
| 32.8 | Other Oversized Copies | n/a | n/a | | | | | |
| 32.9 | Electronic Search of the Public Records | see City Clerk | see City Clerk | | | | | |
| 32.1 | Record Research Service (Deposit Required) - hourly | \$ 251 | \$ 235 | Hourly rate + Direct cost | Hourly Rate | \$ 312 | <i>no comparison available</i> | <i>no comparison available</i> |
| 33 | MAPS | | | | | | | |
| 33.1 | General Plan (Color) | \$ 13.00 | \$ 13.00 | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> |
| 33.2 | Zoning and Boundary | \$ 8.00 | \$ 8.00 | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> |
| 34 | Business License Zoning Review | | | | | | | |
| 34.1 | Home Based Business | \$ 130 | \$ 117 | \$ 70 | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> |
| 34.2 | All Other Types | \$ 130 | \$ 117 | \$30 - \$370 | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> |
| 35 | For services requested of City staff which have no fee listed in this fee schedule | | | | | | | |
| 35.1 | During Business Hours | \$ 251 | \$ 235 | Hourly Rate | <i>no comparison available</i> | \$ 312 | <i>no comparison available</i> | <i>no comparison available</i> |
| 35.2 | After Business Hours | \$ 251 | \$ 270 | \$550 + \$175/hr after 3 hours | <i>no comparison available</i> | \$ 312 | <i>no comparison available</i> | \$ 193 |

Notes:
 [1] Placeholder for Master Fee Schedule. NBS did not evaluate.

APPENDIX B.2

Comparative Fee Survey – Engineering

| City of Morgan Hill | | | | | Comparison Agencies | | | | |
|-------------------------------------|---|-------------------------|-----------------------|--------------------|---------------------|--|---|---|--|
| Fee No. | Fee Name | Fee Unit / Type | Current Fee / Deposit | Full Cost Recovery | Gilroy | Palo Alto | San Jose | Santa Clara | Sunnyvale |
| Land Development Engineering | | | | | | | | | |
| 1 | Public Improvement - Plan Check | | | | | | | | |
| | \$ 50,000 | base fee up to \$50,000 | \$ 6,650 | \$ 15,161 | 12.6% of total cost | | First \$24,999 - \$9,518 | Street Improvements: Res - \$105.51/front ft Comm - \$223.78/front ft Industrial - \$161.08/front ft | Up to \$10k - \$5,586 |
| | each additional \$1,000 or fraction thereof | each add'l \$1,000 | \$ 133 | \$ - | | | | | |
| | \$ 100,000 | base fee @ \$100,000 | \$ 13,300 | \$ 15,161 | 10.5% of total cost | \$1 - \$5,999: \$721 | \$25k-\$49,999 - \$9,518 + 14.5% over \$25k \$50k-\$99,999 - \$13,058 + 21.8% over \$50k | Street Curbing: \$38.49/ front ft | \$10,001-\$50k - \$5,586 + 35% of cost > \$10k |
| | each additional \$1,000 or fraction thereof | each add'l \$1,000 | \$ 118 | \$ 57.41 | | | | | |
| | \$ 200,000 | base fee @ \$200,000 | \$ 23,600 | \$ 20,902 | 8.4% of total cost | \$6,000 - \$25,999: \$741 + 9.3% of value greater than \$6,000 \$26,000 - \$100,999: \$2,581 + 11.8% of value greater than \$26,000 | \$100k-\$199,999 - \$23,958 + 12.38% over \$100k \$200k-\$499,999 - \$36,332 + 7.98% over \$200k | Sidewalk: \$15.35/sf | \$50,001-\$1 mil - \$19,586 + 5% of cost > \$50k |
| | each additional \$1,000 or fraction thereof | each add'l \$1,000 | \$ 103 | \$ 18.52 | | | | | |
| | \$ 500,000 | base fee @ \$500,000 | \$ 51,500 | \$ 26,459 | | \$101,000+: \$11,431 + 9.3% of value greater than \$100,000 | \$500k-\$999,999 - \$60,201 + 6.90% over \$500k \$1,000,000+ - \$94,786 + 5.63% over \$1mm | Sanitary Sewers: \$38.37/front ft Storm Drains: \$38.37/front ft | \$1 mil+ - \$57,586 + 2% of cost > \$1 mil |
| | each additional \$1,000 or fraction thereof | each add'l \$1,000 | \$ 88 | \$ 10.22 | | | | | |
| | \$ 1,000,000 | base fee @ \$1,000,000 | \$ 88,000 | \$ 31,569 | | | | | |
| | each additional \$1,000 or fraction thereof | each add'l \$1,000 | \$ 88 | \$ 2.90 | | | | | |
| | \$ 5,000,000 | base fee @ \$5,000,000 | \$ 440,000 | \$ 43,184 | | | | | |
| | each additional \$1,000 or fraction thereof | each add'l \$1,000 | \$ 88 | \$ 8.64 | | | | | |
| 2 | Public Improvement - Inspection | | | | | | | | |
| | \$ 50,000 | base fee up to \$50,000 | n/a | \$ 20,129 | 12.6% of total cost | | First \$24,999 - \$9,518 | Street Improvements: Res - \$105.51/front ft Comm - \$223.78/front ft Industrial - \$161.08/front ft | Up to \$10k - \$5,586 |
| | each additional \$1,000 or fraction thereof | each add'l \$1,000 | n/a | \$ - | | | | | |
| | \$ 100,000 | base fee @ \$100,000 | n/a | \$ 20,129 | 10.5% of total cost | \$1 - \$5,999: \$721 | \$25k-\$49,999 - \$9,518 + 14.5% over \$25k \$50k-\$99,999 - \$13,058 + 21.8% over \$50k | Street Curbing: \$38.49/ front ft | \$10,001-\$50k - \$5,586 + 35% of cost > \$10k |
| | each additional \$1,000 or fraction thereof | each add'l \$1,000 | n/a | \$ 124.22 | | | | | |
| | \$ 200,000 | base fee @ \$200,000 | n/a | \$ 32,551 | 8.4% of total cost | \$6,000 - \$25,999: \$741 + 9.3% of value greater than \$6,000 \$26,000 - \$100,999: \$2,581 + 11.8% of value greater than \$26,000 | \$100k-\$199,999 - \$23,958 + 12.38% over \$100k \$200k-\$499,999 - \$36,332 + 7.98% over \$200k | Sidewalk: \$15.35/sf | \$50,001-\$1 mil - \$19,586 + 5% of cost > \$50k |
| | each additional \$1,000 or fraction thereof | each add'l \$1,000 | n/a | \$ 118.85 | | | | | |
| | \$ 500,000 | base fee @ \$500,000 | n/a | \$ 68,207 | | \$101,000+: \$11,431 + 9.3% of value greater than \$100,000 | \$500k-\$999,999 - \$60,201 + 6.90% over \$500k \$1,000,000+ - \$94,786 + 5.63% over \$1mm | Sanitary Sewers: \$38.37/front ft Storm Drains: \$38.37/front ft | \$1 mil+ - \$57,586 + 2% of cost > \$1 mil |
| | each additional \$1,000 or fraction thereof | each add'l \$1,000 | n/a | \$ 105.36 | | | | | |
| | \$ 1,000,000 | base fee @ \$1,000,000 | n/a | \$ 120,886 | | | | | |
| | each additional \$1,000 or fraction thereof | each add'l \$1,000 | n/a | \$ 16.85 | | | | | |
| | \$ 5,000,000 | base fee @ \$5,000,000 | n/a | \$ 188,288 | | | | | |
| | each additional \$1,000 or fraction thereof | each add'l \$1,000 | n/a | \$ 37.66 | | | | | |

| City of Morgan Hill | | | | | Comparison Agencies | | | | |
|---------------------|--|-------------------|------------------------------|------------------------------|-------------------------|--------------------------------------|--|---|---|
| Fee No. | Fee Name | Fee Unit / Type | Current Fee / Deposit | Full Cost Recovery | Gilroy | Palo Alto | San Jose | Santa Clara | Sunnyvale |
| 3 | GIS / Technology Fee | flat | 5% of Public Improvement Fee | 5% of Public Improvement Fee | no comparison available | no comparison available | no comparison available | no comparison available | no comparison available |
| 4 | Map Check | | | | | | | | |
| | Parcel Map | flat | \$ 6,029 | \$ 8,725 | \$2,035 + \$630/lot | no comparison available | 1 Lot for Condos: \$7,035 Parcel Map w/Tent Map: \$6,367 Parcel Map w/o Tent Map: \$7,206 | \$ 7,760 | \$ 6,055 |
| | Tract Map/Subdivision Map (Service No. 149) | flat | \$ 9,627 | \$ 10,309 | \$1,755 + \$15.70/lot | no comparison available | 1 Lot for Condos: \$7,035 Final Map: 0-2 Lots - \$7,541 2-19 Lots: \$7,541 + \$65/lot >2 20-49 Lots: \$8,737 + \$53/lot >20 50-99 Lots: \$10,330 + \$43/lot >50 100+ Lots: \$12,674 + \$33/lot >100 Vest Sub: \$8,673 min | \$9,875.45 first 5 lots \$449.23/lot >5 lots | Low (1 parcel condo w/5+ units): \$6,556 Medium (5-10 lots): \$7,103 High (11-50 lots): \$8,250 Complex (50+ lots): \$10,927 |
| 5 | Certificate of Compliance - Lot Line Adjustment / Lot Merger | flat | \$ 3,914 | \$ 6,875 | \$ 500 | \$ 5,055 | \$5,850 + \$700 | \$ 1,646 | \$ 684 |
| 6 | Parcel Map - Lot Line Adjustment / Lot Merger | flat | \$ 3,151 | \$ 7,396 | no comparison available | no comparison available | \$2,496 + \$298 | \$ 7,063 | \$1,962 + \$57.50 per lot |
| 7 | Public Easement Review | flat | \$ 2,645 | \$ 3,106 | no comparison available | no comparison available | \$ 1,172 | \$ 5,259 | \$ 935 |
| 8 | Street Vacation | flat | \$ 203 | \$ 8,972 | no comparison available | General: \$4,056 Summary: \$1,726 | Standard: \$4,736 | no comparison available | Summary Vacation: \$2,296 Standard Vacation: \$3,584 |
| 9 | Easement Abandonment | flat | \$ 4,654 | \$ 8,972 | no comparison available | | Summary: Street - \$4,008 Easement - \$2,976 With Sale: \$7,917 | no comparison available | Summary Vacation of Public Service Easement: \$1,101 |
| 10 | Plan Revision (after approval of Public Improvement Plans) | T & M (Min 2 hrs) | \$ 530 | \$ 230 | no comparison available | no comparison available | no comparison available | no comparison available | no comparison available |
| 11 | Reimbursement Agreement | flat | \$ 2,292 | \$ 4,946 | no comparison available | no comparison available | no comparison available | no comparison available | no comparison available |

| City of Morgan Hill | | | | | Comparison Agencies | | | | |
|---------------------|--|-----------------|-----------------------|--------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Fee No. | Fee Name | Fee Unit / Type | Current Fee / Deposit | Full Cost Recovery | Gilroy | Palo Alto | San Jose | Santa Clara | Sunnyvale |
| 12 | FEMA Compliance | | | | | | | | |
| | Base Fee | | | | | | | | |
| | New Structure | flat | \$ 423 | \$ 965 | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> |
| | New Accessory Structure and New ADU | flat | \$ 423 | \$ 735 | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> |
| | Improvement of Existing Structure | | | | | | | | |
| | Non-Substantial Improvement without Detailed Review | per structure | \$ 423 | \$ 549 | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> |
| | Non-Substantial Improvement with Detailed Review | per structure | \$ 423 | \$ 779 | | | | | |
| | Substantial Improvement (other than accessory structure) | per structure | \$ 423 | \$ 1,252 | | | | | |
| | Substantial Improvement of Accessory Structure and ADU | per structure | \$ 423 | \$ 850 | | | | | |
| | Additional Review Fees | | | | | | | | |
| | Elevation Certificate Review | per structure | NEW | \$ 633 | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> |
| | Flood Field Inspection | flat | NEW | \$ 575 | | | | | |
| | Flood Study Review with Valley Water Coordination | flat | NEW | \$ 1,495 | | | | | |
| | Review of CLOMR/CLOMR-F/LOMR/LOMR-F | flat | \$ 2,328 | \$ 920 | | | | | |
| | Public Outreach for LOMR/LOMR-F | flat | \$ 847 | \$ 1,380 | | | | | |
| | Review of BFE Determination for Zone A without a BFE or Zone D | flat | NEW | \$ 460 | | | | | |
| 13 | Stormwater Runoff Management Plan Review | | | | | | | | |
| | Tier 1 Project | flat | NEW | \$ 2,645 | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> |
| | Tier 2 Project | flat | \$ 2,963 | \$ 6,901 | | | | | |
| | Tier 3 Project | flat | NEW | \$ 9,892 | | | | | |
| | Tier 4 Project | flat | NEW | \$ 11,962 | | | | | |
| 14 | Erosion & Sediment Control/Stormwater Pollution Prevention Plan (SWPPP) Review & Compliance | | | | | | | | |
| | Type 1 & Type 2 Projects | | | | | | | | |
| | < 1 Acre in Soil Disturbance | flat | \$ 787 | \$ 518 | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> |
| | 1+ Acre in Soil Disturbance | flat | \$ 1,269 | \$ 863 | | | | | |
| | Type 3 Projects | flat | NEW | \$ 403 | | | | | |
| | Type 4 Projects | flat | NEW | \$ 288 | | | | | |
| 15 | Stormwater Construction Inspections | | | | | | | | |
| | Type 1 & Type 2 Projects | | | | | | | | |
| | < 1 Acre in Soil Disturbance | flat | \$ 12,695 | \$ 9,179 | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> |
| | 1+ Acre in Soil Disturbance | flat | \$ 12,695 | \$ 16,367 | | | | | |
| | Type 3 Projects | flat | \$ 68 | \$ 93 | | | | | |
| | Type 4 Projects | flat | \$ 68 | \$ 93 | | | | | |
| 16 | Stormwater BMP Operations & Maintenance Agreement | flat | NEW | \$ 2,070 | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> |
| 17 | Private Sanitary Sewer Agreement | flat | NEW | \$ 2,645 | <i>no comparison available</i> | <i>no comparison available</i> | <i>no comparison available</i> | \$ 8,844 | <i>no comparison available</i> |

| City of Morgan Hill | | | | | Comparison Agencies | | | | |
|---------------------|---|-----------------------|---|---|--------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Fee No. | Fee Name | Fee Unit / Type | Current Fee / Deposit | Full Cost Recovery | Gilroy | Palo Alto | San Jose | Santa Clara | Sunnyvale |
| 18 | Assessment District Reapportionment | | | | | | | | |
| | City Staff | flat | NEW | \$ 2,760 | no comparison available | no comparison available | no comparison available | \$ 8,640 | Actual Cost |
| | Contractor Costs | actual costs | \$ 5,000 | Actual Costs | no comparison available | no comparison available | no comparison available | no comparison available | no comparison available |
| 19 | Preliminary Review on Projects / Engineering Services | flat | \$ 2,030 | \$ 2,300 | no comparison available | no comparison available | no comparison available | no comparison available | no comparison available |
| 20 | Additional Plan Review (after 3rd submittal) | hourly (min 2 hrs) | \$ 203 | \$ 230 | \$185/hr (2 hr min) | no comparison available | no comparison available | no comparison available | no comparison available |
| 21 | Re-Inspection Fee | hourly (min 4 hrs) | \$ 203 | \$ 230 | \$ 125 | no comparison available | no comparison available | no comparison available | \$ 212 |
| 22 | Complexity Fee | flat | \$ 2,436 | \$ 2,760 | no comparison available | no comparison available | no comparison available | no comparison available | no comparison available |
| 23 | FEMA Community Rating System (CRS) Annual Reporting | flat | NEW | \$ 12,422 | no comparison available | no comparison available | no comparison available | no comparison available | no comparison available |
| 24 | Agreement Extensions / Improvement Agreement Amendments | | | | | | | | |
| | With City Manager Approval | flat | NEW | \$ 2,876 | no comparison available | no comparison available | no comparison available | no comparison available | no comparison available |
| | With City Council Approval | flat | NEW | \$ 4,371 | no comparison available | no comparison available | no comparison available | no comparison available | no comparison available |
| 25 | Citywide Inspection for Construction or Stormwater Improvements | flat | See Stormwater Construction Inspection | See Stormwater Construction Inspection | no comparison available | no comparison available | no comparison available | no comparison available | no comparison available |
| 26 | Building Grading Support | flat | Included in Public Improvement Plan Check | Included in Public Improvement Plan Check | no comparison available | no comparison available | no comparison available | no comparison available | no comparison available |
| 27 | NPDES - above and below 1 acre. Put in tier. | flat | See Stormwater Construction Inspection | See Stormwater Construction Inspection | no comparison available | no comparison available | no comparison available | no comparison available | no comparison available |
| 28 | Private Street Review | flat | Included in Public Improvement Plan Check | Included in Public Improvement Plan Check | no comparison available | no comparison available | no comparison available | no comparison available | no comparison available |
| 29 | Preliminary Fee Estimate | flat | \$ 305 | \$ 345 | no comparison available | no comparison available | no comparison available | no comparison available | no comparison available |
| 30 | For services requested of City staff which have no fee listed in this fee schedule | | | | | | | | |
| | During Business Hours | per hour | \$ 255 | \$ 230 | \$ 185 | no comparison available | \$ 167 | no comparison available | no comparison available |
| | After Business Hours | per hour | \$ 255 | \$ 265 | \$475 + \$160/hr after 3 hours | \$ 278 | \$ 167 | no comparison available | Actual Cost |