



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Jim Shannon

SUBJECT: 2019-2020 ADOPTED FEES
AND CHARGES

DATE: November 1, 2019

Approved

Date

11-4-19

INFORMATION

PURPOSE

This memorandum reflects the revisions to the 2019-2020 Proposed Fees and Charges as approved by the City Council with the adoption of the 2019-2020 Budget. This document in combination with the 2019-2020 Proposed Fees and Charges document comprise the 2019-2020 Adopted Fees and Charges. It is recommended that this memorandum be retained with the 2019-2020 Proposed Fees and Charges document for a complete record of all fees and charges approved for 2019-2020.

BACKGROUND

The 2019-2020 Proposed Fees and Charges document was released on May 3, 2019 and outlined the proposed fees for the majority of fees and charges accruing to the General Fund and selected fees and charges associated with other funds. Public input on fee proposals was heard by the City Council at public hearings held on Tuesday, May 14, 2019, at 1:30 p.m. and Monday, June 10, 2019, at 6:00 p.m. in the Council Chambers. The proposed fees and charges were approved by the City Council with adjustments that were brought forward during the budget deliberation process through Manager's Budget Addenda (MBA) #30 and #31, and the Mayor's June Budget Message for Fiscal Year 2019-2020. The Mayor's June Budget Message was approved by the City Council on June 11, 2019.

This memorandum serves to document the changes from the 2019-2020 Proposed Fees and Charges to the 2019-2020 Adopted Fees and Charges. This memorandum is being released in lieu of a 2019-2020 Adopted Fees and Charges book, given the minimal fee changes and the extra cost to publish a revised document.

ANALYSIS

Following is a description of each of the changes to the 2019-2020 Proposed Fees and Charges approved by the City Council (details found in Attachment A) as well as the total estimated revenues and expenditures associated with fee activities (Attachment B).

Fire Department

San Jose Prepared! Course Fee

The 2019-2020 Proposed Fees and Charges Report recommended that the San Jose Prepared! Course Fee remain at \$50 as adopted in 2018-2019. However, this course is not currently being offered in this fashion. The emergency preparedness courses are currently being offered at no cost to residents by the Office of Emergency Management in the City Manager's Office. If a fee should be needed in the future, the fee will be re-evaluated and brought forward at that time. No revenue was assumed from the fee in the 2019-2020 Proposed Budget. As described in Manager's Budget Addendum #30, approved as part of the Mayor's June Budget Message for Fiscal Year 2019-2020, the San Jose Prepared! Course Fee is changed to "Delete".

Planning, Building and Code Enforcement

Refund Processing Fee (for withdrawal, cancellation or overpayment)

The 2019-2020 Proposed Fees and Charges Report included the Refund Processing Fee (for withdrawal, cancellation, or overpayment) in the Record Retention/Microfilming section. As described in Manager's Budget Addendum #30, approved as part of the Mayor's June Budget Message for Fiscal Year 2019-2020, the Refund Processing Fee was deleted as the department has changed its method of retaining records.

Off-Site Tree Replacement Fee

The 2019-2020 Proposed Fees and Charges Report excluded the Off-Site Tree Replacement Fee of \$755. In November 2018, the City Council adopted a resolution amending the 2018-2019 Planning Schedule of Fees and Charges to establish an Off-Site Tree Replacement Fee of \$755 relating to tree removal or entitlement permits, and additionally to formalize a tree replacement process for subject permit applicants between the Planning Division and the Department of Transportation. As described in Manager's Budget Addendum #30, approved as part of the Mayor's June Budget Message for Fiscal Year 2019-2020, the Off-Site Tree Replacement Fee of \$755 was added.

Building Permit Processing Fees/Alterations and Site Accessory

The 2019-2020 Proposed Fees and Charges Report initially recommended the Building Permit Processing Fees Non-Residential Alterations and Site Accessory Fee Schedule for Trailers Installed and Trellis (s) Patio Covers fees be increased from \$209 to \$403 and \$119 to \$217,

respectively. After additional review of the methodology subsequent to the publication of the 2019-2020 Proposed Fees and Charges Report, staff determined that the Trailers Installed and Trellis (s) Patio Covers fee should be calculated based on the next lower tier to ensure that fees do not exceed cost recovery levels. As described in Manager's Budget Addendum #30, approved as part of the Mayor's June Budget Message for Fiscal Year 2019-2020, the Trailers Installed Fee was changed from \$403 to \$217 and the Trellis (s) Patio Covers Fee was changed from \$217 to \$124. Though this change results in a lowering of fees, the magnitude of revenue expected from these fees is expected to have minimal impact on the resources available to the Building Development Fee Program.

Police Department

Zoning Code Verification Certificate Application Processing Fee

The 2019-2020 Proposed Fees and Charges Report initially recommended no changes to the Zoning Code Verification Certificate Application Processing fee from the 2018-2019 Adopted levels. This fee is designated as Category I, full cost recovery; however, following the release of the 2019-2020 Proposed Fees and Charges Report, staff recognized that the revised hourly rates for the Planning and Code Enforcement components of the fee structures had not been incorporated. After incorporating these revised rates, the Cannabis Zoning Code Verification Certificate Application Processing Fee increased from \$2,358 to \$2,475 per application; plus the Planning Services hourly inspection fee per hour after six hours and the Code Enforcement Inspector hourly rate after four hours. As described in Manager's Budget Addendum #30, approved as part of the Mayor's June Budget Message for Fiscal Year 2019-2020, the Zoning Code Verification Certificate Application Processing Fee is changed to \$2,475 per application.

Police Department Cannabis Sworn Hourly Inspection

The 2019-2020 Proposed Fees and Charges Report initially recommended no changes to the Police Department Cannabis Sworn Hourly Inspection Fee from the 2018-2019 Adopted levels. As described in Manager's Budget Addendum #30, approved as part of the Mayor's June Budget Message for Fiscal Year 2019-2020, the Police Department Cannabis Sworn Inspection Fee decreased from \$202 per hour to \$162 per hour to reflect full cost recovery.

Temporary Street Closing Permit (Block Parties)

As directed in the Mayor's June Budget Message for Fiscal Year 2019-2020, which was approved by the City Council on June 11, 2019, a one-year waiver on the public fee associated with Temporary Street Closing Permits for Block Parties will be implemented. As neighborhood gatherings build community, inspire positive interactions among neighbors, and contribute to neighborhood safety, the City will be waiving the \$240.00 public fee for such permits. The estimated loss in revenue in 2019-2020 as a result of the elimination of the Temporary Street Closing Permit is estimated at \$27,600.

Technical Corrections

Subsequent to the release of the 2019-2020 Proposed Fees and Charges Report, the Administration recommended amendments to correct for minor errors and oversights during its initial preparation. These corrections were brought forward as part of Manager's Budget Addendum #30 that was approved as part of the Mayor's June Budget Message for Fiscal Year 2019-2020.

Police Department

Cannabis Fees

Amendment Processing, Initial Application Processing, and Renewal Registration Processing fees were corrected to cross reference Code Enforcement Inspector and Police Department Cannabis Sworn Inspection hourly rates instead of stating the hourly rates in the individual fees.

Public Works Department

Rotunda (Saturday)

The Rotunda (Saturday) fee was recommended for deletion as it already reflected in Rotunda – Weekends (8-Hr Minimum).

Use of City Hall Other Fees and Charges

To be consistent with language in Chapter 13.06 and 13.07 of Title 13 of the San José Municipal Code as modified on May 1, 2018 related to City Hall Rental, the fee for Stage (4' x 8' sections/ up to 24' x 32') was renamed to Stage (6' x 8' / up to 24' x 32') and Tables 6ft x 8ft (includes set-up) to Tables 30" x 72" or 30" x 96". The Lecturn fee was renamed Lecturn/Podium and the fee was corrected from \$45 to \$35. Additionally, Podium rental late order was corrected from \$30 to \$45.

Hazard Zone Clearance: Flood Zone

Existing Accessory Structure: Substantial Improvement Requiring Floodproof Mitigation and Existing Structure: Substantial Improvement Requiring Floodproof Mitigation fees were both corrected from \$309 per structure to Time and Materials (\$309 minimum) + Record Retention Fee.

Mapping and Vacations/Abandonments

The Planning Commission Hearing was added as it was omitted from the Development Program Fees. The fee of \$582 + Record Retention Fee is based on the current Planning hourly rate of \$291/hour. This two-hour base fee is applied as needed for a Planning Commission Hearing during a street/easement vacation (abandonment).

Miscellaneous Fees & Charges

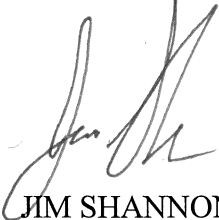
Document Research Fee: Clerical was updated from \$36 minimum/\$72 per hour to Time and Materials. Additionally, Document Research Fee: Permit Specialist was added with the fee of Time and Materials as it was omitted.

Streetlights/Traffic

Streetlight Design (>20 Streetlights) was corrected from \$23,708 + \$619 each additional light >20 + Record Retention to \$23,711 + \$619 each additional light >20 + Record Retention. The Streetlight Review (>20 Streetlights) was corrected from \$15,341 + \$387 each additional light >20 + Record Retention to \$15,337 + \$387 each additional light >20 + Record Retention. In addition, the Streetlight Inspection (>20 Streetlights) was corrected from \$22,057 + \$585 for each additional light >20 + Record Retention to \$22,059 + \$585 for each additional light >20 + Record Retention to correct minor errors that occurred during the initial preparation of the 2019-2020 Proposed Fees and Charges Report.

CONCLUSION

The changes outlined in this memorandum reflect the revisions to the 2019-2020 Proposed Fees and Charges as approved by the City Council with the adoption of the 2019-2020 Budget. This memorandum in combination with the 2019-2020 Proposed Fees and Charges document comprise the 2019-2020 Adopted Fees and Charges. It is recommended that this memorandum be retained with the 2019-2020 Proposed Fees and Charges document for a complete record of all fees and charges approved for 2019-2020.


JIM SHANNON
Budget Director

Attachment A – Adjustments to the 2019-2020 Proposed Fees and Charges
Attachment B – Department Fees and Charges Summary

For questions, please contact Selena Ubando, Assistant to the City Manager at (408) 535-8138.

ADJUSTMENTS TO THE 2019-2020 PROPOSED FEES CHARGES

Attachment A

Fee Name	2019-2020 Fees & Charges		2019-2020 Proposed Fees & Charges Page #
	Proposed Fee	Adopted Fee	
FIRE DEPARTMENT			
FIRE PREVENTION NON-DEVELOPMENT PROGRAM FEES-CATEGORY I			
1. Miscellaneous Fees			
San Jose Prepared! Course Fee	No Change (\$50)	Delete	41
PLANNING, BUILDING AND CODE ENFORCEMENT			
PLANNING FEE PROGRAM - CATEGORY I			
17. Record Retention/Microfilming			
Record Retention/Microfilming: Refund Processing Fee	\$35	Delete	117
25. Tree Removal Permit			
Off-Site Tree Replacement Fee	NEW	\$755	121
BUILDING FEE PROGRAM - CATEGORY I			
Exhibit L			
Alterations and Site Accessory			
Trailers Installed	\$403	\$217	141
Trellis(s) Patio Covers	\$217	\$124	141
POLICE DEPARTMENT			
PUBLIC SAFETY PERMITS - CATEGORY I			
3. Cannabis Fees			
Amendment processing fee	\$1,416 per application; plus Code Enforcement Hourly Inspection Fee of \$136/hour after 1 hour; plus Police Department Cannabis Sworn Hourly Investigation Fee of \$202/hour after 3.5 hours	\$1,416 per application plus Code Enforcement Inspector Hourly rate per hour after 1 hour; plus Police Department Cannabis Sworn Hourly Inspection Fee per hour after 3.5 hours	151
Initial application processing fee	\$3,583 per application; plus Code Enforcement Hourly Inspection Fee of \$136/hour after 6 hours; plus Police Department Cannabis Sworn Hourly Investigation Fee of \$202/hour after 9 hours	\$3,583 per application; plus Code Enforcement Inspector Hourly rate per hour after 6 hours; plus Police Department Cannabis Sworn Hourly Inspection Fee per hour after 9 hours	152
Police Department cannabis sworn hourly inspection fee	No Change (\$202 per hour)	\$162 per hour	153

ADJUSTMENTS TO THE 2019-2020 PROPOSED FEES CHARGES

Attachment A

Fee Name	2019-2020 Fees & Charges		2019-2020 Proposed Fees & Charges Page #
	Proposed Fee	Adopted Fee	
POLICE DEPARTMENT			
PUBLIC SAFETY PERMITS - CATEGORY I (CONT'D.)			
3. Cannabis Fees (CONT'D)			
Renewal registration processing fee	\$3,135 per application; plus Code Enforcement Hourly Inspection fee of \$136/hour after 4 hours; plus police Department Cannabis Sworn Hourly Investigation Fee of \$202/hour after 7 hours	\$3,135 per application; plus Code Enforcement Inspector Hourly rate per hour after 4 hours; plus Police Department Cannabis Sworn Hourly Inspection Fee per hour after 7 hours	153
Zoning code verification certificate application processing fee	No Change (\$2,358 per application; plus Planning Services Hourly Inspection Fee of \$280 per hour after 4 hours; plus Code Enforcement Hourly Inspection Fee of \$136 per hour after 4 hours)	\$2,475 per application; plus Planning Services Hourly Inspection Fee per hour after 6 hours; plus Code Enforcement Inspector Hourly rate per hour after 4 hours	153
24. Street Closing			
Temporary Street Closing Permit	\$240 per event	\$0 per event	161
PUBLIC WORKS DEPARTMENT			
DEVELOPMENT PROGRAM FEES - CATEGORY I			
29. PW15: Hazard Zone Clearance: Flood Zone			
e. Existing Accessory Structure: Substantial Improvement Requiring Floodproof Mitigation	\$309 per structure	Time and Materials (\$309 minimum) + Record	197
j. Existing Structure: Substantial Improvement Requiring Floodproof Mitigation	\$309 per structure	Time and Materials (\$309 minimum) + Record	197
30. PW16: Mapping and Vacations/Abandonments			
Planning Commission Hearing	NEW	\$582 + Record Retention Fee	199
33. PW19: Miscellaneous Fees & Charges			
Document Research Fee: Clerical	\$36 minimum/\$72 per hour	Time and Materials	202
Document Research Fee: Permit Specialist	NEW	Time and Materials	202
DEVELOPMENT PROGRAM FEES - CATEGORY I (CONT'D.)			
34. PW21: Streetlights/Traffic			
e. Streetlight Design (>20 Streetlights)	\$23,708 + \$619 each additional light >20 + Record Retention	\$23,711 + \$619 each additional light >20 + Record Retention	204
i. Streetlight Review (>20 Streetlights)	\$15,341 + \$387 each additional light >20 + Record Retention	\$15,337 + \$387 each additional light >20 + Record Retention	204
m. Streetlight Inspection (>20 Streetlights)	\$22,057 + \$585 for each additional light >20 + Record Retention	\$22,059 + \$585 for each additional light >20 + Record Retention	205

ADJUSTMENTS TO THE 2019-2020 PROPOSED FEES CHARGES

Attachment A

Fee Name	2019-2020 Fees & Charges		2019-2020 Proposed Fees & Charges Page #
	Proposed Fee	Adopted Fee	
PUBLIC WORKS DEPARTMENT			
USE OF CITY HALL - CATEGORY II			
5. Indoor Meetings/Events (Non-Profit & Government)			
Rotunda (Saturday)	No Change (\$1,200 per 8 hours, \$150 per additional hour)	Delete	210
7. Other Fees and Charges			
Lectern/Podium (previously Lecturn)	\$45	\$35	212
Podium rental late order	\$30	\$45	212
Stage (6' x 8' / up to 24' x 32') (previously Stage (4' x 8' sections/ up to 24' x 32')	Description change only	Description change only	212
Tables 30" x 72" or 30" x 96" (previously Tables 6ft x 8ft (includes set-up)	Description change only	Description change only	213

2019-2020 FEES AND CHARGES REPORT DEPARTMENT FEES AND CHARGES SUMMARY

	2018-2019 ADOPTED BUDGET			2019-2020 ADOPTED BUDGET				
	Estimated Cost	Estimated Revenue	% Cost Recovery	Estimated Cost	WITH CURRENT FEE		WITH ADOPTED FEE	
					Estimated Revenue	% Cost Recovery	Estimated Revenue	% Cost Recovery
Category I - (Fees Which Should Be Cost Recovery)								
City Clerk	52,000	52,000	100.0%	25,000	25,000	100%	25,000	100.0%
Environmental Services	571	571	100.0%	477,053	571	.1%	333,161	69.8%
Finance	135,645	134,684	99.3%	169,952	156,517	92.1%	169,725	99.9%
Fire	8,742,822	8,100,000	92.6%	10,264,884	8,100,000	78.9%	8,410,021	81.9%
Housing	6,283,071	6,278,832	99.9%	4,787,394	4,868,832	101.7%	4,786,683	100.0%
Library	38,452	38,000	98.8%	39,000	38,000	97.4%	39,000	100.0%
Parks, Recreation & Neighborhood Services	30,372,937	21,138,133	69.6%	32,112,450	21,290,623	66.3%	21,956,144	68.4%
Planning, Building & Code Enforcement	59,077,218	53,143,382	90.0%	63,006,418	51,682,319	82.0%	55,002,511	87.3%
Police	7,393,743	6,894,356	93.2%	6,337,236	6,031,001	95.2%	5,850,261	92.3%
Public Works	14,956,663	14,358,366	96.0%	13,386,031	11,711,841	87.5%	12,094,430	90.4%
Transportation	1,377,379	1,269,400	92.2%	2,162,058	2,324,680	107.5%	2,149,744	99.4%
Total Category I:	128,430,501	111,407,724	86.7%	132,767,476	106,229,384	80.0%	110,816,680	83.5%
Category II - (Fees Which May Be Less Than or More Than Cost Recovery)								
Economic Development	18,493	15,140	81.9%	31,835	26,745	84.0%	26,745	84.0%
Environmental Services	3,974,079	3,480,000	87.6%	5,418,649	3,480,000	64.2%	3,480,000	64.2%
Finance	141,803	841,950	593.7%	27,203	478,063	1,757.4%	477,375	1,754.9%
Fire	5,172,581	5,170,000	100.0%	5,864,482	5,250,000	89.5%	5,592,543	95.4%
Housing	5,000,000	5,000,000	100.0%					
Library	286,178	281,000	98.2%	344,785	532,200	154.4%	264,200	76.6%
Parks, Recreation & Neighborhood Services	1,989,726	1,267,000	63.7%	3,913,700	1,375,000	35.1%	1,375,000	35.1%
Planning, Building & Code Enforcement	12,600	126,000	1,000.0%	14,500	126,000	869.0%	126,000	869.0%
Public Works	8,515,920	2,703,698	31.7%	10,024,267	2,489,383	24.8%	2,500,383	24.9%
Transportation	837,719	411,000	49.1%	892,138	434,400	48.7%	437,000	49.0%
Total Category II:	25,949,099	19,295,788	74.4%	26,531,559	14,191,791	53.5%	14,279,246	53.8%
TOTAL CATEGORY I AND CATEGORY II:	154,379,600	130,703,512	84.7%	159,299,035	120,421,175	75.6%	125,095,926	78.5%
TOTAL GENERAL FUND	138,783,048	114,604,219		148,824,133	111,063,354		115,819,112	
TOTAL NON-GENERAL FUND	15,596,552	16,099,293		10,474,902	9,357,821		9,276,814	