



CITY OF MARTINEZ

**CITY COUNCIL AGENDA
September 15, 2010**

TO: Mayor and City Council
FROM: Philip Vince, City Manager
PREPARED BY: Michael Chandler, Senior Management Analyst
SUBJECT: Amend User Fee Schedule
DATE: September 9, 2010

RECOMMENDATION:

Adopt a resolution amending the Schedule of Fees for City Services to include the “Economic Stimulus Package.”

BACKGROUND:

The City Council indicated it would like to provide a variety of economic incentives to encourage new development and rehabilitation projects during discussions on the topic at the July 7, 2010 and July 21, 2010 City Council meetings. The purpose of this report is to clarify the intended discounts and effectuate them by resolution.

The City’s Economic Development Subcommittee recommended a variety of options for Council consideration at the City Council meeting on July 7, 2010 as part of an “Economic Stimulus Package.” The discussion on such a stimulus package was continued to the July 21, 2010 Council meeting. At that meeting, the Council indicated support for reducing development impact fees and building permit fees for a variety of projects during an 18 month “eligibility period.” Because the change in fees is not binding until adopted by resolution, the eligibility period upon passage of the attached resolution would be from September 15, 2010 to March 15, 2012. The fee discounts are as follows:

- 1) New Residential or Commercial Projects: 35% reduction in development impact fees
- 2) Unreinforced Masonry (URM) Projects: 75% reduction in building permit fees
- 3) Non-URM Commercial Tenant Improvements and Rehabilitation Projects: 50% reduction in building permit fees
- 4) New Commercial Projects: 50% reduction in building permit fees
- 5) New Single Family Residential (SFR) Projects: 50% reduction in building permit fees

Eligible projects include those approved or conditionally approved within the last five years (September 15, 2005 to September 15, 2010), which have not yet been issued a building permit but are subsequently issued at least one building permit during the aforementioned eligibility period; and those projects approved or conditionally approved during the eligibility period that are issued at least one building permit during the eligibility period. These fee discounts will not apply retroactively to any development impact fees or building permit fees paid prior to September 15, 2010.

Additionally, previously adopted discounts of 50% pertaining to plumbing permits for solar water system fixtures and electrical permits for solar photovoltaic expired on July 1, 2010. Staff recommends extending these discounts to July 1, 2012.

FISCAL IMPACT:

If all eligible URM property owners participate in the stimulus program, the estimated cost is approximately \$53,000. The estimated cost for the non-URM commercial tenant improvements and rehabilitation projects is likely not to exceed \$20,000. If numerous large-scale residential and commercial projects occur during the eligibility period, the cost of the development impact fee and building permit fee incentives could potentially reach \$800,000; however, a more likely scenario is for the discounts to amount to no more than \$500,000. No appreciable fiscal impact is anticipated for the solar-related plumbing and electrical discounts.

ACTION:

Adopt a resolution amending the City's Schedule of Fees for City Services.

Attachments: Resolution, Building Fee Schedule for Valuation-based Fees (page 2)
Building Fee Schedule (page 6)
Impact/Mitigation Schedule of Fees (page 11)



APPROVED BY: City Manager

RESOLUTION NO. -10

**AMENDING THE SCHEDULE OF FEES FOR CITY SERVICES
TO INCLUDE THE ECONOMIC STIMULUS PACKAGE**

WHEREAS, the City Council indicated its intent to provide a variety of economic incentives to encourage new development and rehabilitation projects, including unreinforced masonry (URM) projects, during discussions on the topic at the July 7, 2010 and July 21, 2010 City Council meetings; and

WHEREAS, these building permit and impact fee incentives, as set forth in the attached amended pages of the City's fee schedule, would be effective for 18 months, from September 15, 2010 through March 15, 2012 (the "eligibility period"); and

WHEREAS, eligible projects would include those approved or conditionally approved within the five year period immediately preceding the effective date of this resolution, which have not yet been issued building permits but are issued at least one building permit during the eligibility period, and would include those new projects which are approved or conditionally approved and building permits are issued during the eligibility period; and

WHEREAS, providing discounts for environmentally-friendly improvements and installations is consistent with the City's practices; and

WHEREAS, extending the City's discounts for solar-related plumbing and electrical permits that sunset on July 1, 2010, for an additional two-year period will help reinforce the City's support of programs and actions that benefit the environment.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Martinez adopts the proposed fee amendments as set forth in the attached and incorporated pages from the Building Fee Schedule and Impact/Mitigation Fee Schedule, amending pages 2, 6, and 11 of the City's Schedule of Fees for City Services.

BE IT FURTHER RESOLVED that any fees amended by this Resolution which were paid prior to September 15, 2010, shall not be subject to refund, reimbursement, or reduction as a result of the adoption of this Resolution; and

BE IT FURTHER RESOLVED that this Resolution shall become effective on September 15, 2010.

* * * * *

I HEREBY CERTIFY that the foregoing is a true and correct copy of a resolution duly adopted by the City Council of the City of Martinez at a Regular Meeting of said Council held on the 15th day of September, 2010, by the following vote:

AYES:

NOES:

ABSENT:

RICHARD G. HERNANDEZ, CITY CLERK
CITY OF MARTINEZ

BUILDING FEE SCHEDULE

Fees effective July 1, 2009

VALUATION-BASED FEES

	Fee Schedule	
GENERAL BUILDING PERMIT FEES VALUATION THRESHOLD	BASE FEE	INCREMENT PER \$1,000
\$1 - 1,500	\$77	\$0.00
\$1,501 - 2,000	\$98	\$0.00
\$2,001 - 25,000	\$149	\$30.28
\$25,001 - 50,000	\$845	\$21.85
\$50,001 - 100,000	\$1,392	\$15.14
\$100,001 - 500,000	\$2,149	\$12.12
\$500,001 - 1,000,000	\$6,995	\$10.27
\$1,000,001 or greater	\$12,131	\$6.80
GENERAL BUILDING - PLAN REVIEW	38% of Building Permit Fee	
PLAN CHECK - ENERGY CALCS (TITLE 24)	Additional 25% of Plan Review Fee	

(Notes 1-3 below are per the Economic Stimulus Program adopted on September 15, 2010. Fees listed in table above do not include discounts referenced in notes 1-4):

1. Seismic retrofits of URM properties will be given a 75% discount on the listed Building Permit fees in effect from September 15, 2010 through March 15, 2012. (per Resolution No. xxx-10)
2. Non-URM commercial tenant improvement and rehabilitation projects will be given a 50% discount on the listed Building Permit fees in effect from September 15, 2010 through March 15, 2012. (per Resolution No. xxx-10)
3. New Single Family Residential (SFR) and commercial projects will be given a 50% discount on the listed Building Permit fees in effect from September 15, 2010 through March 15, 2012. (per Resolution No. xxx-10)
4. Furnace or fireplace conversions from wood-burning to gas, and any associated plumbing, will be given a 50% discount on the listed Building Permit fees in effect. (per Resolution No. 036-08)

CALIFORNIA BUILDING STANDARDS COMMISSION FEE

Fees effective January 1, 2009 (Resolution No. 101-08)

Building Permit Project Valuation	Fee
\$1 - \$25,000	\$1
\$25,001 - \$50,000	\$2
\$50,001 - \$75,000	\$3
\$75,001 - \$100,000	\$4
Every \$25,000 or fraction thereof above \$100,000	Add \$1

Note: This State-mandated fee resulted from the passage of Senate Bill 1473, effective January 1, 2009. The fee applies only to Building permits (not electrical, plumbing, or HVAC) and creates the Building Standards Administration Special Revolving Fund, which will be used for the State's Green Building programs. The City remits the fee quarterly to the California Building Standards Commission and retains 10% of the fees collected for administrative costs as allowed by SB 1473.

BUILDING FEE SCHEDULE

Fees effective July 1, 2009

Service	Fee Schedule
Ejector Pump, (each)	\$186
Backflow Preventer	\$172
Roof Drain - Rainwater System, each	\$392
Water Heater (First Heater)	\$114
Water Heater (Each Additional Heater)	\$28
Water Pipe Repair / Replacement, each	\$128
Water Service, each	\$172
Drain-Vent Repair / Alterations, each	\$144
Solar Water System Fixtures (solar panels, tanks, water treatment equipment), each (50% discount listed)	\$256 (\$128)
Other Plumbing and Gas Inspections (per hour)	\$125
Water System (first 5 outlets)	\$172
Water System (each add'l outlet)	\$19
ELECTRICAL PERMIT FEES	
Stand Alone Electrical Plan Check (hourly rate)	\$125
New Multi-Family: Single Phase Service (per 100 amps)	\$172
New Multi-Family: Three Phase Service (per 100 amps)	\$202
All Other Types of Construction: 15 to 20 amp - First 10 circuits (each)	\$172
All Other Types of Construction: 15 to 20 amp - (each add'l 10 circuits)	\$58
All Other Types of Construction: 25 to 40 amp circuits - First 10 circuits (each)	\$171
All Other Types of Construction: 50 to 175 amp - first 10 circuits	\$200
All Other Types of Construction: 200 amp and larger circuits (each)	\$230
Power Pole / Temporary Service (each)	\$172
Sign Circuit (each)	\$114
Swimming Pool/Spa (each)	\$172
Solar Photovoltaic (per kW; 50% discount listed)	\$172 (\$86)
Other Electrical Inspections (per hour)	\$129

Note: Plumbing permits for Solar Water System Fixtures and electrical permits for Solar Photovoltaic are subject to 50% discounts on the fees in effect. The discounted fees are listed in parenthesis above. These discounts will sunset on July 1, 2012.

IMPACT/MITIGATION FEE SCHEDULE

Fees effective March 15, 2004

Resolution No. 150-03 and Resolution No. xxx-10

MITIGATION DRAINAGE FEES

Drainage Area 40A Drainage Area 57 Drainage Area 5 Muir Road Oversize	Per County Ordinance #82-9 Per County Ordinance #88-86 \$0.25/new or additional impervious sf Per City reimbursement agreement
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LAND USE CATEGORIES – STANDARD FEES

IMPACT MITIGATION FEES	Single-family residential (per unit)	Multi-family residential (per unit)	Retail (per sq. ft.)	Office (per. Sq. ft.)	Industrial (per sq. ft.)
TRANSPORTATION	\$2,221	\$1,528	\$2.23	\$1.81	\$0.99
PARKS & RECREATION	\$2,509	\$1,834	\$1.09	\$1.41	\$0.61
PARK IN-LIEU	\$5,095	\$3,723	-0-	-0-	-0-
CULTURAL FACILITIES	\$3,373	\$2,466	\$1.13	\$1.44	\$0.64
POLICE FACILITIES	\$411	\$411	\$0.39	\$0.05	\$0.05
CHILDCARE FACILITIES	\$432	\$86	\$0.16	\$0.44	\$0.18
TOTALS:	\$14,041.00	\$10,048.00	\$5.00	\$5.15	\$2.47

LAND USE CATEGORIES – STIMULUS 35% FEE REDUCTION (PER NOTE 4 BELOW)

IMPACT MITIGATION FEES	Single-family residential (per unit)	Multi-family residential (per unit)	Retail (per sq. ft.)	Office (per. Sq. ft.)	Industrial (per sq. ft.)
TRANSPORTATION	\$1,443.65	\$993.20	\$1.45	\$1.18	\$0.64
PARKS & RECREATION	\$1,630.85	\$1,192.10	\$0.71	\$0.91	\$0.40
PARK IN-LIEU	\$3,311.75	\$2,419.95	-0-	-0-	-0-
CULTURAL FACILITIES	\$2,192.45	\$1,602.90	\$0.74	\$0.94	\$0.41
POLICE FACILITIES	\$267.15	\$267.15	\$0.25	\$0.03	\$0.03
CHILDCARE FACILITIES	\$280.80	\$55.90	\$0.10	\$0.29	\$0.12
TOTALS:	\$9,126.65	\$6,531.20	\$3.25	\$3.35	\$1.61

Notes:

- 1) For applications involving two or more types of services, the lesser fee(s) shall be 50% of the above amounts excepting environmental review.
- 2) Fees above do not include any direct costs incurred by the City Attorney's Office.
- 3) Standard Fees reflect an increase of 30.14% from March 2004 Base ENR Building Cost Index
- 4) Economic Stimulus Program adopted by Council on 9/15/10 allows for 35% reduction in development impact fees as shown for new residential and commercial projects that either:
 - a) Were approved or conditionally approved between 9/15/05 and 9/15/10 but were not issued at least one building permit until the period between 9/15/10 and 3/15/12, or
 - b) Are approved or conditionally approved between 9/15/10 and 3/15/12 and have at least one building permit issued by no later than 3/15/12.
- 5) No fees for projects described by Note 4 that were paid prior to the adoption of the Economic Stimulus Program by the City Council on 9/15/10 shall be subject to reduction or reimbursement in whole or in part.