

Update to County Counsel land use application fees

Budget Committee

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Background

- Local government may charge fees for processing land use applications as long as the fees do not exceed the “estimated reasonable cost of providing the service for which the fee is charged.” (e.g., Gov’t Code §66014)
- The Board of Supervisors has approved application fees for land use and building permits as part of the Monterey County Fee Resolution
- The fees cover a portion of several departments’ staff time
- Purpose: cost recovery

County Counsel land use application fees

- Set forth in Article XVII of the Monterey County Fee Resolution
- Comprise a small component of the total fees charged to applicants
- Cover a portion of the cost of counsel advising land use departments on processing of land use permit applications
- County Counsel's fees were last fully updated in 2019

Proposed changes to County Counsel fees

- Updates the hourly rate from \$223 to \$324
 - Updates to July 2024 rate from 2018 rate
- Changes condition compliance fee to flat fee instead of hourly
 - Aligns with change to fee structure made by HCD in 2023
- Converts most “deposit” fees to flat fees
 - Will streamline collection and administration
 - Will provide greater certainty to applicants
- Adjusts fees
 - Increases most fees due to above changes but decreases some due to time adjustments

Example of flat fee: Use Permit

- Current fee for use permit application (general residential)
 - Total application fee (using HCD estimator) = \$6774
 - Includes \$502 for County Counsel
- Increase in application fee with proposed change
 - Est. total application fee = \$6920
 - Includes \$648 for County Counsel (increase of \$146)
- Proposed decrease in condition compliance fee for use permit
 - Current total fee = \$1699.92 (HCD tier 4; includes \$446 for County Counsel)
 - County Counsel proposes decrease to \$194 (decrease of \$252 due to reduction in est. time)
 - With proposed change, est. total fee = \$1447.92

Example of change from deposit to flat fee

- Subdivision tentative map application
- Current fee = \$33,864 deposit
 - Includes deposit of \$2230 for County Counsel time
 - Applicant subsequently billed for actual time spent
- With proposed change from deposit to flat fee for County Counsel
 - Minor subdivision: County Counsel flat fee = \$1944
 - Major subdivision (5+ lots): County Counsel flat fee = \$6480
 - Fee paid at time of application; no additional billing for County Counsel time
 - HCD fee remains a “deposit” fee

California Environmental Quality Act (CEQA)

Statutorily exempt from CEQA because:

- CEQA does not apply to the establishment or modification of charges which are for the purpose of meeting operating expenses (CEQA Guidelines sec. 15273)
- Governmental fiscal activities which do not involve a commitment to any specific project which may result in a potentially significant impact on the environment are not a project under CEQA (CEQA Guidelines sec. 15378(b)(4))

Recommended Action

Recommend the Board of Supervisors adopt a resolution to:

- Find that the action is statutorily exempt from CEQA; and
- Amend Article XVII of the Monterey County Fee Resolution relating to County Counsel land use permit application fees