



# PLANNING DEPARTMENT COUNTY OF TEHAMA

## STAFF REPORT

**DATE:** July 17, 2018

**TO:** Tehama County Board of Supervisors

**FROM:** Kristen Maze, Director of Planning

**SUBJECT: CONSIDERATION OF FEE INCREASE FOR PLANNING**

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### EXECUTIVE SUMMARY:

The current Tehama County Planning fees were last updated in 2001. The Planning Department maintains approximately 25 different applications that we are able to take in and process at any time. These fees are a one-time application fee that apply to anyone that requires service from the Planning Department (i.e. Use Permit, Lot Line Adjustment, Parcel Map, etc.). The Planning fees have not changed for 17 years, partially due to the County experiencing difficult economic times as a result of the United States Great Recession of 2007 – 2009<sup>i</sup>. The County continues to struggle even though the economy is gradually improving while costs (salaries and supplies) have continued to rise. With this proposed increase in the Planning fees, the Department will recover the cost of service and continue to provide the very best service to the all of our customers.

### FINANCIAL IMPACT:

If the fee increase is adopted, the fees collected will recover the costs for time spent processing the various project applications submitted to the Planning Department.

### METHODOLOGY EMPLOYED:

The Tehama County Planning Department has completed a time in motion study to determine time spent on each project (See Attachment D). The study was created by individual employees filling out a sheet after completing each and every project task he or she performed. For each type of service, employees recorded each time they performed the service, how long it took to perform the service, the number of employees involved in performing the service, and what supplies were used. Attachment C breaks down a typical project, beginning with a customer at the counter to completion of the planning project. Attachment E is the Planning Department fee study for 2018. This study considers the Department's average salary and benefit costs, plus our indirect costs. There are three major components of indirect cost included in the fees established by this schedule: (1) the cost allocated to the Planning Department under Tehama County's countywide Central Service Cost Allocation Plan, (2) departmental indirect cost, as set forth in the adopted 2017-2018 Tehama County Budget, and (3) the cost of direct supervision of operational staff.

i. U.S. National Bureau of Economic Research

A summary of fees the Planning Department proposes charging is also included in Attachment A of the proposed ordinance. To arrive at the proposed fee for any given service, the Planning Department has taken the average cost for employee salary and benefits plus the indirect costs described above, to determine an hourly rate. The average cost in employee salary and benefits is then added to the fixed costs for each type of service, and that results in the proposed fee for each project, making the proposed fee equivalent to the cost of the service (Attachment D).

Staff is also proposing a Technology fee for each project submitted to the Planning Department. This fee would charge \$20.00 per application and would be used for implementing and updating our Planning GIS and tracking system.

**SUPPORTING INFORMATION:**

In addition to conducting a motion study for time spent on each project and determining the Planning Department’s hourly wage to apply to each project, staff has reviewed three other contiguous County fees with similar economics including; Shasta County, Butte County and Glenn County. Below is an example of a few projects that compare Tehama County’s current and proposed fee schedule to three other county fees for the same projects. The Planning Department is proposing that the Board of Supervisors approve an increase to the full hourly rate of \$101.00.

Projects	Current Tehama Co. Fees	Proposed Tehama Co. Fees	Shasta Co. Fees	Butte Co. Fees	Glenn Co. Fees*
Use Permits	1,375.00	4,040.00	4,314.45	7,212.00	3,313.00
Lot Line Adj.	270.00	808.00	2,285.91	704.00	1,329.00
Parcel Map	865.00	4,444.00	9,598.11	4,046.00	1,896.00
Rezone	1,945.00	5,656.00 + hourly	9,984.33 + hourly	6,336.00	3,422.00
Building Permit Review	20.00	101.00	224.20	93.72	336.00
Hourly Rate	0	101.00	129.00	176.00	-

\*Glenn Co includes EH and Recorders fees

**RECOMMENDATION:**

1. Public Hearing – hold a public hearing to consider the proposed Planning Department application fee schedule increases.
2. Request the Board of Supervisors consider and approve the proposed fee increase for all planning projects outlined in Exhibit 1 of the attached Ordinance. No. \_\_\_\_\_ to be effective 60 days from the date of adoption.

**ATTACHMENTS:**

- A. Ordinance No. 1763 Establishing Planning Fees
- B. Proposed Ordinance Planning Fees
- C. Tehama County fee Comparison - Current to Proposed
- D. Planning Project Tasks

E. Project Fee Calculation  
F. Fee Study Planning 2018  
G. County Fee Schedules

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