RESOLUTION NUMBER R- 314674

DATE OF FINAL PASSAGE MAR 2 8 2023

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO APPROVING AN ADJUSTMENT TO THE HIGH-RISE INSPECTION FEE FOR INCLUSION IN THE RATEBOOK OF CITY FEES AND CHARGES MAINTAINED IN THE OFFICE OF THE CITY CLERK.

WHEREAS, per City Council Policy 100-05, general fund departments are required to conduct comprehensive user fee studies every three to five years and approved fees are published in the City's user fee rate book (Rate Book) maintained by the Office of the City Clerk; and

WHEREAS, the last comprehensive user fee study (Study) was conducted for Fiscal Year (FY) 2023; and

WHEREAS, following the Study and subsequent adoption of the user fees for FY 2023, a calculation error was discovered regarding the labor hours used to determine the High-Rise Inspection Fee adjustment; and

WHEREAS, the High-Rise Inspection program handles state-mandated inspections of all buildings greater than 75 feet in height; conducts annual inspections of office buildings, residential occupancies (condos and apartments), and hotels/motels; reviews pre-fire plans/emergency evacuation plans for high-rises; monitors fire evacuation drills; and provides high rise training to businesses; and

WHEREAS, fees for High-Rise Inspections are designed to recover the full cost of the program in the Community Risk Reduction Division of the City's Fire-Rescue Department; and

WHEREAS, the inspection fee is based on the cost of the High-Rise Inspection program divided by the total inspectable square footage per every 1,000 square feet; and

WHEREAS, when the FY 23 Study was conducted, the fee was calculated based on a total of 8,840 labor hours performed by 1.0 FTE Fire Prevention Supervisor, 3.0 FTE Fire Prevention Inspector IIs, .25 FTE Clerical Assistant II, and related non-personnel expenses; and

WHEREAS, due to efficiencies in the High-Rise Inspection program resulting from an increase in stakeholder education and staff training, the total labor hours attributable to High-Rise Inspection Fees have been reduced to 5,533 labor hours, and are now performed by .25 FTE Fire Prevention Supervisor, 3.0 FTE Fire Prevention Inspector IIs, and .25 FTE Clerical Assistant II; and

WHEREAS, due to these efficiencies, the total estimated program cost was reduced from \$1.6 million to \$969,000; and

WHEREAS, the reduced program cost was not used in the FY 2023 Study, resulting in an inaccurate calculation for the High-Rise Inspection Fee adjustment; and

WHEREAS, based on a total estimated program cost of \$969,000, the correct High-Rise Inspection Fee is \$18.00; and

WHEREAS, due to this calculation error, the user fee for High-Rise Inspections must be adjusted from \$30 to \$18; and

WHEREAS, pursuant to City Council Policy No. 100-05, City Council shall approve any revised user fees; and

WHEREAS, approved by voters in 2010, California Proposition 26 amended articles XIII A and XIII C of the California Constitution to provide that a levy, charge, or exaction of any kind of fee imposed, increased, or extended by a local government is a tax, requiring two-thirds voter approval, unless an exception applies; and

WHEREAS, exceptions to Proposition 26 include user fees; government service or product fees; regulatory fees; government property entrance fees, fines and penalties imposed by a court or local government; property development impact fees; and assessments and property-related fees government by Proposition 218; and

WHEREAS, user fees and regulatory costs in support of the proposed user may not exceed the reasonable costs of providing a service, product, or regulation which includes all reasonable direct and indirect expenses incurred by the City; and

WHEREAS, a High-Rise Inspection fee of \$18 does not exceed the City's reasonable cost of providing the inspection services; and

WHEREAS, the Fire-Rescue Department obtained a legal opinion on the methodology behind the High-Rise Inspection Fee adjustment from the Office of the City Attorney in light of Proposition 26; and

WHEREAS, the Office of the City Attorney has drafted this resolution based on the information provided by City staff, with the understanding that this information is complete, true, and accurate; NOW, THEREFORE,

BE IT RESOLVED, by the City Council of the City of San Diego, that the High-Rise Inspections Fee is hereby decreased from \$30 to \$18.

BE IT FURTHER RESOLVED, that the City Clerk is hereby directed to immediately amend the Rate Book to reduce the High-Rise Inspection Fee from \$30 to \$18.

APPROVED: MARA W. ELLIOTT, City Attorney

Win Willom, for Laura M. DePoister

By

Deputy City Attorney

LMD:hm March 1, 2023 Or.Dept: PSE CC No. N/A Doc. No. 3237174

Passed by the Council of The Cit	y of San Die	ego on <u>MAI</u>	2 1 2023	_, by the following vote	
Councilmembers	Yeas	Nays	Not Present	Recused	
Joe LaCava	Z				
Jennifer Campbell	Ź				
Stephen Whitburn			Ø		
Monica Montgomery Ste	ppe 🖊				
Marni von Wilpert	\overline{Z}				
Kent Lee	\mathbb{Z}				
Raul A. Campillo	\mathbb{Z}		<u> </u>		
Vivian Moreno	\mathbb{Z}				
Sean Elo-Rivera	Ø				
(Please note: When a resoluti date the approved resolution				erk.)	
AUTHENTICATED BY:		Mayo		an Diego, California.	
(Seal)		Interim City C	DIANA J.S. FU Llenk of The City o	ENTES of San Diego, California	
		Ву	M.	, Deputy	
		Office of the City Clerk, San Diego, California			
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