

RESOLUTION NUMBER R- 311816

DATE OF FINAL PASSAGE JUN 22 2018

A RESOLUTION OF THE COUNCIL OF THE CITY OF  
SAN DIEGO INCREASING THE RECORDATION SERVICE  
FEE, MAKING A GENERAL ADJUSTMENT TO  
DEVELOPMENT SERVICES USER FEES AND CONVERTING  
CERTAIN DEPOSIT ACCOUNT FEES TO FLAT FEES.

WHEREAS, the Development Services Department (DSD) is responsible for managing the land development review process from concept to completion in the City of San Diego; and

WHEREAS, the Development Services Enterprise Fund was established in 1985 and funds the development project review and inspection services and is supported solely from fees paid by customers (fee-for-service) (DSD User Fees); and

WHEREAS, the current DSD User Fees were last approved by the City Council in 2016 based upon the results of a fee study conducted by MGT of America, Inc., which is on file in the Office of the City Clerk as Document No. RR-310545-2; and

WHEREAS, DSD has continued to make significant strides in lowering costs and simplifying the permit review process, including the identification of permit types that can be converted from a deposit account to a flat fee; and

WHEREAS, despite DSD's efforts, costs to provide the current level of service have substantially increased since 2016 due to unforeseen labor and operating costs, namely pension and salary increases, higher than anticipated initial costs to relocate DSD offices, and an administrative civil liability complaint regarding storm water best management practice requirements, which are more fully described in the accompanying staff report; and

WHEREAS, California Senate Bill No. 2 (SB 2 - Atkins) imposed a \$75 recording fee for real estate instruments, papers, and notices, effective January 1, 2018, which is not reflected in the existing DSD User Fees; and

WHEREAS, in order for DSD to continue to provide the current level of service and also maintain fiscal soundness of the Development Services Enterprise Fund, DSD User Fees revenue needs to increase by approximately \$8.4 million annually, an increase of 17%, over the presently allowed annual consumer price index (CPI) adjustment; and

WHEREAS, in order to mitigate the impact on customers, DSD has proposed incrementally phasing in the fee increase over three fiscal years; and

WHEREAS, the DSD User Fee changes are proposed to meet established levels of service, provide full cost recoverability, and provide sufficient resources to continue to improve the quality of the mandated regulatory review process; and

WHEREAS, the proposed DSD User Fees reflect the estimated reasonable cost of providing the services for which the fees are charged; NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego, as follows:

1. That the DSD User Fee for “Recordation Fee for Mapping/Subdivision” (Other Fees, Item 30) is increased to \$514.
2. That the existing DSD User Fees, with the above revision to the Recordation Fee, shall be increased by the following maximum percentage amounts per fiscal year, which increases are in addition to the allowable annual CPI adjustment, with the condition that DSD submit a memorandum to City Council outlining the revenue and expenditure analysis used to determine the actual fee increase proposed for FY 2019, FY 2020, and FY 2021 prior to the Council Budget Review committee’s review of each year’s proposed budget:

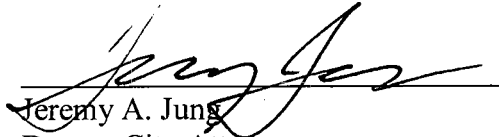
<u>Fiscal Year</u>	<u>Maximum % Increase</u>
2019	6.0%
2020	4.5%
2021	3.5%

3. That the following ten DSD service fees are converted from a deposit account to a flat fee:

- a. Preliminary reviews – multi-disciplinary (\$5,000)
- b. Preliminary reviews – Civic (\$4,000)
- c. Substantial conformance reviews (\$4,000)
- d. Map waivers, standalone (\$5,000)
- e. Neighborhood Development Permits (\$8,000)
- f. Neighborhood Use Permits (\$5,000)
- g. Surface mining and reclamation act compliance (\$2,000)
- h. Tentative maps, standalone (\$10,000)
- i. Vesting tentative maps, standalone (\$10,000)
- j. Variances (\$8,000)

4. That the aforementioned changes to the DSD User Fees shall be effective sixty days after the final passage of this resolution.

APPROVED: MARA W. ELLIOTT, City Attorney

By   
Jeremy A. Jung  
Deputy City Attorney

JAJ:cw  
06/04/18  
06/18/18 REV.  
Or.Dept: Development Services Department  
CC No.: N/A  
Doc. No.: 1775380

I certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of JUN 18 2018.

ELIZABETH S. MALAND  
City Clerk

By   
Deputy City Clerk

Approved: 6/22/18  
(date)

  
KEVIN L. FAULCONER, Mayor

Vetoed: \_\_\_\_\_  
(date)

\_\_\_\_\_  
KEVIN L. FAULCONER, Mayor

Passed by the Council of The City of San Diego on JUN 18 2018, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Barbara Bry	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lorie Zapf	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chris Ward	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Myrtle Cole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mark Kersey	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chris Cate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Scott Sherman	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
David Alvarez	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Georgette Gomez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage JUN 22 2018.

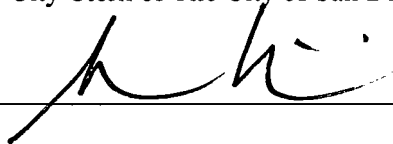
(Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)

AUTHENTICATED BY:

KEVIN L. FAULCONER  
Mayor of The City of San Diego, California.

ELIZABETH S. MALAND  
City Clerk of The City of San Diego, California.

(Seal)

By , Deputy

Office of the City Clerk, San Diego, California  
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