

City of Burlingame
Financial Policy Document
User Fee Cost Recovery

Purpose:

A clear User Fee Cost Recovery Policy will allow the City of Burlingame to provide an ongoing, sound basis for setting fees that allows charges and fees to be periodically reviewed and updated based on predetermined, researched and supportable criteria that can be made available to the public.

Background:

The City Council has traditionally approved a Master Fee Schedule as part of the budget process. City user fees are adjusted to reflect the annual increase in costs that are adopted for the ensuing budget year. The fee adjustments are not automatic. They require an annual review and approval by the City Council. An annual review and update ensures that fees reflect current costs to provide services, allows the addition of fees when applicable for new City services, and provides for the elimination of fees for discontinued services.

A City-wide Cost Allocation Plan provides a methodology for data-based distribution of administrative and other overhead charges to programs and services. A Cost of Services Study allows the determination of the full cost of providing each service for which a fee is charged, and lays the final groundwork needed for development of a values-based and data-driven User Fee Cost Recovery Policy. The most recent Cost Allocation Plan and Cost of Services Study was completed in March, 2016. Comments and direction from the Master Fee Schedule Updates subsequent to the study were used to prepare this Fiscal Policy.

Policy:

The policy has three main components:

- Provision for ongoing review
- Process of establishing cost recovery levels
 - Factors to be Considered
- Target Cost Recovery Levels
 - Parks and Recreation Programs
 - Development Review Programs
 - Public Works Services
 - Public Safety Services
 - Library
 - Administrative Services

Provision for ongoing review

Fees will be reviewed at least annually in order to keep pace with changes in the cost of living and methods or levels of service delivery. In order to facilitate a fact-based approach to this review, a comprehensive analysis of the city's costs and fees should be made every five to eight years. In the interim, fees will be adjusted by annual cost factors reflected in the appropriate program's operating budget, or by referencing the Consumer Price Index (CPI-U), San Francisco Area for the month of February of the current fiscal year.

Process of establishing user fee cost recovery levels

The following factors will be considered when setting service fees and cost recovery levels:

1. Community-wide vs. special benefit

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- The use of general purpose revenue is appropriate for community-wide services while user fees are appropriate for services that are of special benefit to individuals or groups. Full cost recovery is not always appropriate.
2. Service Recipient Versus Service Driver
 - Particularly for services associated with regulated activities (development review, code enforcement), from which the community eventually benefits, cost recovery from the "driver" of the need for the service (applicant, violator) is appropriate.
 3. Consistency with City public policies and objectives
 - City policies and Council goals focused on long-term improvements to community quality of life may also impact desired fee levels, as fees can be used to change community behaviors, promote certain activities or provide funding for pursuit of specific community goals, for example: health and safety, environmental stewardship.
 4. Impact on demand (elasticity)
 - Pricing of services can significantly impact demand. At full cost recovery, for example, the City is providing services for which there is a genuine market not over-stimulated by artificially low prices. Conversely, high cost recovery may negatively impact lower income groups and this can work against public policy outcomes, especially if the services are specifically designed to serve particular groups.
 5. Discounted Rates and Surcharges
 - Rates may be discounted to accommodate lower income groups or groups who are the target of the service, such as senior citizens or residents.
 - Higher rates are considered appropriate for non-residents to further reduce general fund subsidization of services.
 6. Feasibility of Collection
 - It may be impractical or too costly to establish a system to appropriately identify and charge each user for the specific services received. The method of assessing and collecting fees should be as simple as possible in order to reduce the administrative cost of collection.

Target cost recovery levels

1. Low cost recovery levels (0% - 30%) are appropriate if:
 - There is no intended relationship between the amount paid and the benefit received
 - Collecting fees is not cost-effective
 - There is no intent to limit use of the service
 - The service is non-recurring
 - Collecting fees would discourage compliance with regulatory requirements
 - The public at large benefits even if they are not the direct users of the service
2. High cost recovery levels (81% - 100%) are appropriate if:

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- The individual user or participant receives the benefit of the service
- Other private or public sector alternatives could or do provide the service
- For equity or demand management purposes, it is intended that there be a direct relationship between the amount paid and the level and cost of the service received
- The use of the service is specifically discouraged
- The service is regulatory in nature

3. Services having factors associated with both cost recovery levels would be subsidized at a mid-level of cost recovery (31% - 80%).

General categories of services tend to fall logically into the three levels of cost recovery above and can be classified according to the factors favoring those classifications for consistent and appropriate fees.

Primary categories of services include:

- Parks and Recreation Programs
- Development Review Programs - Planning and Building
- Public Works Department- Engineering, Utilities, and Maintenance
- Public Safety
- Library
- Administrative Services

Parks and Recreation Programs

Cost analyses of Parks and Recreation activities do not follow a typical unit-based approach, as the unit costs for these types of programs are largely affected by the participation numbers, which can vary significantly in each instance. Instead, the cost analysis for the Parks and Recreation Department consists of a comparison of the *overall* full cost and revenue of *each program area*. The individual activities are grouped into the nine different program areas shown below.

General Categorization of Programs, Services, Activity, and Facilities	Low Cost Recovery (0-30%)	Mid Cost Recovery (31-80%)	High Cost Recovery (81-100%)
Parks			
Park and Playground Maintenance	X		
Tennis Courts	X		
Dog Park	X		
Street Banner Hanging	X		
Landscape Maintenance	X		
Arborist Services			
Tree Plantings	X		
Protected Tree Removal Permits	X		
Recreation Programs: Senior Services			
Senior Activities	X		
Bingo-N-Bag Lunch	X		

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Recreation Programs: Youth Services			
Pre-School and Enrichment			X
Youth Camps/ Trips			X
Recreation Programs: Teen Services			
Youth Advisory Committee	X		
Recreation Programs: Leisure Classes			
Performing Arts			X
Art			X
Language			X
Culinary			X
Fitness			X
Special Interest Miscellaneous			X
Recreation Programs: Sports			
School Age Sports		X	
Tennis Lesson/Camps			X
Softball		X	
Miscellaneous Sports/Camps		X	
Events/ Celebration			
City Sponsored	X		
City-Wide	X		
Movies/Music in the Park	X		
Pet Parade	X		
Other Events	X		
Facility Usage			
City Functions (e.g. commissions)	X		
Co-Sponsored Organization	X		
Non-Profit	X		
Fields (Youth: Non-Profit)		X	
Fields (Adult: Non-Profit)		X	
Tennis Courts		X	
Picnic Rentals (Private Party)			X
Private Rentals			X
Fields (For Profit)			X
Contracted Venues (For Profit)			X

General Categorization of Programs, Services, Activity, and Facilities	Low Cost Recovery (0-30%)	Mid Cost Recovery (31-80%)	High Cost Recovery (81-100%)
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Parks			
Park and Playground Maintenance	X		
Tennis Courts	X		
Dog Park	X		
Street Banner Hanging	X		
Landscape Maintenance	X		
Arborist Services			
Tree Plantings	X		
Protected Tree Removal Permits	X		
Recreation Programs: Senior Services			
Senior Activities	X		
Bingo-N-Bag Lunch	X		
Recreation Programs: Youth Services			
Pre-School and Enrichment			X
Youth Camps/ Trips			X
Recreation Programs: Teen Services			
Youth Advisory Committee	X		
Recreation Programs: Leisure Classes			
Performing Arts			X
Art			X
Language			X
Culinary			X
Fitness			X
Special Interest Miscellaneous			X
Recreation Programs: Sports			
School Age Sports		X	
Tennis Lesson/Camps			X
Softball		X	
Miscellaneous Sports/Camps		X	
Events/ Celebration			
City Sponsored	X		
City-Wide	X		
Movies/Music in the Park	X		
Pet Parade	X		
Other Events	X		
Facility Usage			
City Functions (e.g. commissions)	X		
Co-Sponsored Organization	X		
Non-Profit	X		
Fields (Youth: Non-Profit)		X	

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Fields (Adult: Non-Profit)		X	
Tennis Courts		X	
Picnic Rentals (Private Party)			X
Private Rentals			X
Fields (For Profit)			X
Contracted Venues (For Profit)			X

It should be noted that discussions regarding the potential (or desirability) for full cost recovery do not apply to Parks and Recreation Services as a whole. Park and recreation programs occupy a unique service niche in local government. A breadth of recreation and park services provides a general community benefit that warrants a significant measure of subsidization. Normally, market/economic and social/political pressures will dictate or heavily influence the fee levels for these discretionary programs.

Low Recovery Expectations

Low to zero recovery is expected for programs in this category as the community benefits from the service. Non-resident fees (if allowed) may provide medium cost recovery.

In general, low cost programs or activities in this group provide a community wide benefit. These programs and activities are generally programs or activities enhancing the health, safety and livability of the community and therefore require the removal of a cost barrier for optimum participation. For example:

- Parks - As long as collecting fees at City parks is not cost-effective, there should be no fees collected for general use of parks and playgrounds. Costs associated with maintaining the City's parks represent a large cost for which there is no significant opportunity for recovery - these facilities are public domains and are an essential service of City government.
- Senior Classes/Events - The primary purpose of senior classes and events is to encourage participation. The seniors served in these classes may not have the means of paying for the classes. The classes should continue to be offered in collaboration with outside agencies when possible.
- Pilot Programs - In any program year, certain classes or activities may be offered on a "pilot" basis at subsidized levels to determine initial interest and how favorably the program would be received overall.
- Events/Celebrations - Community Services events provide opportunities for neighborhoods to come together as a community and integrate people of various ages, economic and cultural backgrounds. Events also foster pride in the community and provide opportunities for volunteers to give back. As such, the benefits are community-wide. In addition, collection of fees are not always cost effective.
- Facility Usage - Safe and secure facilities for neighborhood problem-solving and provision of other general services support an engaged community and should be encouraged with low or no fees.

Medium Recovery Expectation

Recovery of most program costs incurred in the delivery of the service, but without recovery of any of the costs which would have been incurred by the department without the service. Both community and individuals benefit from these services. Non-resident fees if allowed may provide higher cost recovery.

- Youth Sports / Camps – Programs that encourage outdoor fitness for youth should be offered

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at moderate fees to encourage use of City facilities and help defray the cost of their maintenance.

- Field Usage and Tennis Courts – Cost should be kept low for local non-profit organizations providing sports leagues open to residents and students in Burlingame Schools that encourage healthy lifestyles and lifelong fitness. Opportunities exist to collect a reasonable fee for use to defray citywide expenses for tennis facilities and fields.

High Recovery Expectations

Present when user fees charged are sufficient to support direct program costs plus up to 100% of department administration and city overhead associated with the activity. Individual benefit foremost and minimal community benefit exists. Activities promote the full utilization of parks and recreation facilities.

- Programs - Activities in this area benefit the individual user. Programs, classes, and sports leagues are often offered to keep pace with current recreational trends and provide the opportunity to learn new skills, improve health, and develop social competency. The services are made available to maximize the use of the facilities, increase the variety of offerings to the community as a whole, and spread department administration and city-wide overhead costs to many activities. In some instances offering these activities helps defray expenses of services with no viable means of collecting revenue e.g. parks, playgrounds, etc.
- Facility Usage – Facility use is set at a higher rate for the private use of the public facility for meetings, parties, and programs charging fees for services and celebrations.
- Contracted Venues -(for profit)- Long term arrangements where a facility is rented or contracted out to reduce general funding expense in order to provide specialized services to residents.

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Development Review Services

- Planning (planned development permits, tentative tract and parcel maps, re-zonings, general plan amendments, variances, use permits)
- Building and safety (building permits, structural plan checks, inspections)

General Categorization of Programs, Services, Activity, and Facilities	Low Cost Recovery (0-30%)	Mid Cost Recovery (31-80%)	High Cost Recovery (81-100%)
Pre-Applications			
Preliminary Plan Check (New Construction*)			X
Preliminary Plan Check (Remodel*)			X
Zoning Verification/ Property Profile Letter		X	
Applications			
Ambiguity/Determination Hearing before Planning Commission (applies to Planning, Fire, and Building requests)		X	
Amendment/Extension of Permits		X	
Antenna Exception Fee			X
Appeal to Planning Commission of administratively approved permits/appeal to City Council of Planning Commission decisions		X	
Legal Review-Substantive work by City Attorney for development projects requiring discretionary review before the Planning Commission under Title 25			X
Conditional Use Permit		X	
Condominium Permit (4-10 Units or Fewer)		X	
Condominium Permit (11 Units-25 Units)		X	
Condominium Permit (26 Units-50 Units)		X	
Condominium Permit (51 Units-100 Units)			X
Condominium Permit (101 Units and Greater)			X
Design Review, Addition		X	
Design Review, Amendment		X	
Design Review – Handling Fee	X		
Minor Amendment to Approved Project		X	
As-Built Variation from Approved Project			X
Design Review, New Construction		X	
Fence Exception	X		
Minor Modification		X	
Hillside Area Construction Permit			X

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Secondary Dwelling Unit		X	
Reasonable Accommodation		X	
Re-zoning			X
Second Unit Amnesty Permit Building Official Inspection Deposit	X		
Special Use Permit			X
Variance			X
Wireless Communications Administrative Use Permit			X
Plan Recheck Fee			
More than two revisions to plans			X
Major redesign of project plans			X
Environmental			
Categorical Exemption		X	
Negative Declaration			X
Initial Study/Mitigated Negative Declaration and/or with a Responsible Agency			X
Impact Report			X
Posting Fee, Negative Declaration and EIR			X
Parks			
Arborist Review (when required)			X
Noticing			
R-1 and R-2			X
All Other Districts			X
R-1 Design Review, Residential			X
R-1 Design Study, Residential			X
Design Review, all other districts			X
Minor Modifications or Hillside Area Construction Permits			X
General Plan Amendment			X
Environmental Impact Report			X
City Council Appeal	X		
Second Unit Amnesty	X		
Wireless Communications			X
Replacement of Posted Sign			X
Design Review Yard Sign			X
Sign			
50 square feet or less		X	
Over 50 SF and less than 200 square feet		X	
Over 200 square feet		X	
Sign Variance			X

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Removal of Illegal Sign			X
Publications			
Zoning Map	X		

Building Fees

General Categorization of Programs, Services, Activity, and Facilities	Low Cost Recovery (0-30%)	Mid Cost Recovery (31-80%)	High Cost Recovery (81-100%)
Building Permit Fees Not Based on Total Valuation			
All inspections outside normal business hours (minimum charge is for 2 hours)			X
All reinspection fees (minimum 1 hour)			X
<i>Energy Upgrade California</i>			
Basic Package		X	
Advanced Package		X	
Plan Review Fees			
Review request for alternate materials and methods			X
Review of unreasonable hardship request			X
Plan revisions for planning department			X
Plan revisions subsequent to permit issuance			X
Arborist Review Fee		X	
Plumbing Permit Fees			
Fixtures and Vents (each fixture)	X		
Sewer and Interceptors (each)	X		
Water Piping and Water Heaters	X		
<i>Gas Piping Systems</i>			
For each gas piping system of one to five outlets	X		
For each additional outlet over five	X		
Irrigation Systems and Backflow Prevention Devices	X		
<i>Swimming Pools</i>			
Public or Private Pool	X		
Public or Private Spa	X		
For each appliance or fixture which no fee is listed	X		
Mechanical Permit Fees			
Furnaces	X		
Boilers, Compressors, Absorption Systems	X		

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Air Handlers	X		
<i>Ventilation and Exhaust</i>			
Each ventilation fan attached to a single duct		X	
Each hood including ducts	X		
Miscellaneous appliance or piece of equipment not specifically listed above	X		
Electrical Permit Fees			
<i>System Fee Schedule</i>			
Public Swimming Pools and Spas	X		
Private Pools and Spas	X		
Temporary Service Pole	X		
<i>Unit Fee Schedule</i>			
Receptacle, Switch and Light Outlets		X	
Residential Appliances	X		
Power Apparatus	X		
<i>Photo Voltaic Systems</i>			
Residential Systems	X		
Commercial Systems	X		
Signs, Outline Lighting and Marquees	X		
<i>Services</i>			
600 volts or less and not over 200 amperes in rating	X		
600 volts or less, over 200 amperes to 1000 amperes	X		
Over 600 volts or over 1000 amperes	X		
<i>Miscellaneous</i>			
For apparatus, conduits, and conductors for which a permit is required but for which no fee is set forth			
General Fees			
Building Moving	X		

Master Fee Schedule Page #'s	General Categorization of Programs, Services, Activity, and Facilities	Low Cost Recovery (0-30%)	Mid Cost Recovery (31-80%)	High Cost Recovery (81-100%)
Building Permit Fees Not Based on Total Valuation				

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	All inspections outside normal business hours (minimum charge is for 2 hours)			X
	All reinspection fees (minimum 1 hour)			X
	<i>Energy Upgrade California</i>			
	Basic Package		X	
	Advanced Package		X	
	Plan Review Fees			
	Review request for alternate materials and methods			X
	Review of unreasonable hardship request			X
	Plan revisions for planning department			X
	Plan revisions subsequent to permit issuance			X
	Arborist Review Fee		X	
	Plumbing Permit Fees			
	Fixtures and Vents (each fixture)	X		
	Sewer and Interceptors (each)	X		
	Water Piping and Water Heaters	X		
	<i>Gas Piping Systems</i>			
	For each gas piping system of one to five outlets	X		
	For each additional outlet over five	X		
	Irrigation Systems and Backflow Prevention Devices	X		
	<i>Swimming Pools</i>			
	Public or Private Pool	X		
	Public or Private Spa	X		
	For each appliance or fixture which no fee is listed	X		
	Mechanical Permit Fees			
	Furnaces	X		
	Boilers, Compressors, Absorption Systems	X		
	Air Handlers	X		
	<i>Ventilation and Exhaust</i>			
	Each ventilation fan attached to a single duct		X	
	Each hood including ducts	X		
	Miscellaneous appliance or piece of equipment not specifically listed above	X		

Low Recovery Expectations

Low to zero recovery is expected for services in this category to maintain open and accessible government processes for the public, encourage environmental sustainability and encourage compliance with regulatory requirements. Example of Low Recovery items:

- Planning – The fee for Zoning Maps is set well below full cost recovery as the map assists the public without excessive use of staff time.

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- Planning – Fees associated with Accessory Dwelling Unit Amnesty Permits are kept at low cost recovery levels to encourage the maintenance of legal accessory dwelling units.
- Building- The elimination or reduction of building permits for residential solar array installations is consistent with California Government Code Section 65850.5, which calls on local agencies to encourage the installation of solar energy systems by removing obstacles to, and minimizing costs of, permitting for such systems.
- Building – Unit fees established as for additional fixtures, outlets, appliances, etc. are set at low cost recovery so as not to burden the cost of improvements to existing buildings

Medium Recovery Expectations

Recovery in the range of 30% to 70% of the costs incurred in the delivery of the service reflects the private benefit that is received while not discouraging compliance with the regulation requirements.

- Planning – While the preparation of Zoning Verification/Property Profile provides a benefit to the public by confirming applicable zoning restrictions and indicates any existing zoning inconsistencies or outstanding code violations for a particular property, this service requires a significant amount of staff time. A cost recovery level of 50% is appropriate.
- Planning- The fees for applicants who wish to appeal a Staff Decision or for a Burlingame resident or neighbor who wishes to appeal a decision of the Planning Commission is purposefully lower than full cost recovery to allow for accessibility to government processes. Similarly, Ambiguity/Determination Hearings before the Planning Commission are set to recover some of the significant staff time entailed without discouraging rational appeals.
- Planning – Application fees for smaller condominium projects (< 50 units) are set at mid-cost recovery levels to encourage the development of such housing projects
- Planning – Design Review fees are largely set at mid cost recovery levels in recognition of the significant public benefit derived from a consistent review of project plans. Minor modifications and amendments are permitted at less than full cost recovery levels as well.
- Planning - Administrative permits for fences are set at mid-level to encourage compliance.
- Planning – The fee for a Categorical Exemption (Environmental) is set at less than full cost recovery to reduce hardship on small development projects.
- Planning – Fees for Reasonable Accommodation applications are kept at mid cost recovery levels to encourage compliance with ADA regulations and general accessibility standards.

High Recovery Expectations

Cost recovery for most development review services should generally be high. In most instances, the City's cost recovery goal should be 100%.

- Planning- Most Development Pre-Application and Application fees, including plan recheck, rezoning, variance and special use fees are set at full/high cost recovery levels, as the cost of these services should be borne mainly by the applicant.
- Planning - Most noticing costs associated with Development Applications should be borne by the applicant; these fees are established at a high range of cost recovery.
- Building - Building Plan review fees are set at high cost recovery levels as benefits accrue to the applicant only.
- Building – The fees established for inspections outside of normal business hour and all re-inspections are costly, and only the applicant receives the benefit of such services; these fees are intended to fully recover the City's costs.

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Public Works Department – Engineering

Engineering (public improvement plan checks, inspections, subdivision requirements, encroachments)

General Categorization of Programs, Services, Activity, and Facilities	Low Cost Recovery (0-30%)	Mid Cost Recovery (31-80%)	High Cost Recovery (81-100%)
Encroachment Permits			
Minor (no excavation involved)			X
Sewer Lateral Test			X
Sewer Lateral Replacement (with Sidewalk Add No.5)			X
Water Service Connection (with Sidewalk Add No. 5)			X
Fire System Connection (with Sidewalk Add No. 5)	X		
Sidewalk/Driveway up to 200 S.F. (includes Curb Drain)			X
Sidewalk Closure/ Pedestrian Protection			X
Traffic Control			X
Block Party (includes up to 6 barricades)		X	
Parking Permit (temporary encroachment permit)			
Commercial Areas and Construction Purposes			X
Moving Only Purposes (Residential Area)	X		
Special Encroachment Permits			
<i>Subsurface Shoring Systems:</i>			
• Per 10'-20' deep tieback			X
• Per >20' deep tieback			X
• For permanent space used			X
Permanent structures, such as retaining walls, fences			X
Non-permanent installations, such as tables, chairs, planters			X
General Fees			
<i>Demolition Permit (in addition to any Building Department-issued Demolition or Construction Permit):</i>			
Includes sewer, water and sidewalk replacement			X
Add fire line	X		
Add curb drain			X
Add sidewalk closure			X

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Add PG&E				X
Address Change				X
Single Trip - Transportation Fee (Fixed rate set Per Caltrans)		X		
Leaf Blower Testing Certification Fee				X
Creek Enclosures			X	
Abandonment of Public Utility Easement				X
Hauling Permit				X
Deposits or Bonds for Encroachment Permit Work				
Openings in Public Right-of-Way (not in sidewalk or street)				X
Openings in Public Right-of-Way in sidewalk (not in street)				X
Street Roadway Opening (AC Pavement Restoration)				X
Water Main Modification				X
Sewer Main & Storm Drain Modification				X
Subdivision Maps				
Lot Line Adjustment				X
Lot Combination				X
Subdivision Map				X
Condominium Map				X
Stormwater Pollution Prevention Construction Permits				
** The fees represent the labor cost to inspect and security deposit				
Type 1 Project: Single family dwellings with 1st or 2nd floor additions on a 10,000 sf lot or smaller		X		
Type 2 Project: Multi-family dwellings of commercial additions (excluding tenant improvements) that are on a 10,000 sf lot or smaller			X	
Type 3 Project: Any project 10,000 sf up to an acre lot		X		
Type 4 Project: Any project greater than one acre in size			X	
Planning Application Reviews				
Single Family Dwelling (Addition)		X		
Single Family Dwelling (New)		X		
Multi-Family			X	
Commercial/Industrial			X	
Environmental Review				X
Traffic and Parking Studies				X
Grading Permit				

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1 – 100 cubic yards			X
101 – 1,000 cubic yards			X
1,001 – 10,000 cubic yards			X
Over 10,000 cubic yards			X

Low Recovery Expectations

Low to zero recovery is expected only for services that provide a community-wide benefit. However, the nature of most of the Public Works services provided for a fee are intended to enhance a private property or land use specific to a particular development application. Low cost recovery expectations are generally limited to those services required to maintain the livability of the community. Examples of Low Recovery items:

- Encroachment Permits – issued to allow for parking privileges in an area typically controlled by metered parking in residential areas for a temporary period (moving purposes), this permit is set at a low cost recovery level.
- Fees associated with Fire system connection or Fire Line access are generally set at low cost recovery levels as these services provide a general public safety benefit.
- Truck Route Permits Fees-maximum fee set by State Law.
- Planning Application Reviews for Single Family Dwelling (additions or new constructions) are set at a low cost recovery level to encourage compliance without adding undue costs to the project.
- Fees for Stormwater Pollution Prevention Construction Permits are set at low cost recovery to ensure compliance for small single family home additions (projects of low impact to Stormwater system).
- Single Trip Transportation Fee – this fee is set by Caltrans

Medium Recovery Expectations

Recovery in the range of 30% to 70% of the costs incurred in the delivery of the service. Typically both the community and individuals benefit from these services.

- Encroachment permit fees to provide barricades for small block parties are established at medium cost recovery to ensure compliance with regulations intended to improve safety for the participants of the community event.
- Fees for Creek Enclosures are set at mid-cost recovery to help ensure compliance to regulations that protect land and property in the vicinity of the project area.
- Stormwater Pollution Prevention Construction Permits for medium to large projects are set at mid-cost recovery levels to ensure compliance with Stormwater regulations that benefit the entire community.
- Planning Application reviews for multi-family or commercial/industrial projects are provided at a fee that will recover some of the City's costs without discouraging development.

High Recovery Expectations

Recovery in the range of 70% to 100% when user fees charged are sufficient to fully recover costs of providing the service. Individual benefit is foremost and minimal community benefit exists. Most services provided by the Public Works Department fall in this area.

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- For Encroachment Permits where the public right of way is used or impacted on a temporary or permanent basis for the benefit of the permittee, full cost recovery is appropriate.
- Development Permit applications, including construction and demolition permits, subdivision maps, environmental review, traffic and parking studies and grading permits, are for services that benefit only the applicant (with few exceptions), and command higher cost recovery levels.

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Public Safety - Police Services (Police Reports, False Alarms, Parking Permits, Abatements, Emergency Response, Background Investigations)

General Categorization of Programs, Services, Activity, and Facilities	Low Cost Recovery (0-30%)	Mid Cost Recovery (31-80%)	High Cost Recovery (81-100%)
Vehicle Release			X
Police Reports Copies	X		
Fingerprint Rolling Fee	X		
Videotapes/CD's/DVD's		X	
Clearance Letter	X		
Repossessed Vehicle	X		
Preferential Parking Permits (Residential Permit Parking Program)			
Issuance (up to 2 permits for same address)		X	
Annual renewal (up to 2 permits for same address)		X	
Charge for replacement of lost permit		X	
Driving Under Influence (DUI) Fees			X
Security Service (Outside Detail - minimum charge of four hours)		X	
Alarm Permits	X		
False Alarm Charge			
1 to 2 false alarms	X		
3 to 5 false alarms	X		
6 or more false alarms		X	
Any false alarm for which no alarm permit has been issued	X		
Live Entertainment Permit			X
Peddlers and Solicitors		X	
Curb Painting	X		
Tanning Salon			
Application			X
Sale or Transfer			X
Renewal			X
Massage Operator			
Application			X
Sale or Transfer			X
Renewal			X

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Model/Escort Service			
Application			X
Sale or Transfer			X
Renewal			X
Private Patrol Company			
Application	X		
Renewal	X		
Taxi Driver			
Application	X		
Renewal	X		
Taxicab Annual Inspection		X	
Valet Parking		X	
Concealed Weapon			X
Fortune Teller		X	
Unruly Gathering			X
Special Events & Street Closing Permit			
Application	X		
Sidewalk Closure	X		
Road Closure	X		
Verification of non-resident "proof-of-correction" citations	X		

Low Recovery Expectations

Low to zero recovery is expected for services in this category as the community generally benefits from the regulation of the activity. The regulation of these activities is intended to enhance or maintain the livability of the community. However, in some instances the maximum fee that can be charged is regulated at the County or State level and therefore the City fee is not determined by City costs (i.e., repossessed vehicle, copies of documents).

- Fingerprint Rolling Fee – Because this activity is required for many of the City-issued permits, the cost of this activity should remain low to the recipient to ensure the proper permits are obtained.
- Alarm Permits/False Alarms - primarily residential. Because alarm permits/registration provides updated contact information so that public safety personnel can communicate directly with the property owner, lower cost recovery is appropriate. Property owners with current alarm permits can experience 2 false alarms with no assessment of additional fees.
- Clearance Letters and Proof-of Correction citations are issued at low or no cost to the recipient. These routine services are considered available to all members of the community.
- Permits for Private Patrol Company and Taxi Driver services are offered at low cost recovery levels to encourage compliance.

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- Street and Sidewalk Closures allow for safer community/neighborhood events, and should therefore be provided at low cost recovery levels.
- Curb Painting - permits for this low-risk activity should be offered at low cost recovery levels because the service enhances public safety efforts and convenience for the community at large.

Medium Recovery Expectation

Recovery in the range of 30% to 70% of the costs of providing the service. Both community and individuals benefit from these services.

- Alarm Permits/False Alarms - Although prompt alarm response provides a disincentive to crime activity, excessive false alarms negatively impact the ability of timely police response to legitimate alarms.
- Preferential Parking Permits are provided to allow vehicles to be parked without restriction in the permit area of the vehicle's registered address. The public benefits from having parking available in certain neighborhoods, but because residents are impacted by the lack of parking close to their homes, full cost recovery of these permits is not appropriate.
- The use of Security Service Detail services actually complements the City's existing Public Safety efforts by providing extra coverage of non-recurring private events. Full cost recovery would be prohibitive, discouraging use of these available resources, and stressing regular shift coverage.
- Peddlers and Solicitors, Fortune Teller – permits are issued for these low-impact, low incident activities to provide a layer of security to the community who may wish to utilize such services. Fees are set at moderate cost recovery levels to increase probability of compliance.
- Valet Parking permits are offered below full cost recovery levels as the service provides a level of convenience to the community by providing parking at less crowded locations
- Taxicab Annual Inspections are required and offered a medium cost recovery as there is a benefit of having secure taxi/ transportation services available in the community.

High Recovery Expectations

Recovery in the range of 70% to 100% when user fees charged are sufficient to recover costs of the service provided. Individual benefit is foremost and minimal community benefit exists. Items such as DUI Emergency Response, Vehicle Releases, and Unruly Gathering are punitive in nature and the costs should not be funded by the community.

Other services for which 100% of the cost for services is recovered include:

- Applications/Sale or Transfer/ Renewal of Permits for Tanning Salon, Massage Operators, Model/Escort Services - the fee charged for these required permits are set at high levels of cost recovery as they allow adult-oriented services to be offered by the business at a profit for the benefit of customers. No community benefit is afforded.
- Live Entertainment Permits are issued solely for the benefit of the business providing the entertainment, and should not be subsidized by the general public.

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- Concealed Weapon Permits require intense background checks. Because such permits are issued solely for the benefit of the applicant, a 100% cost recovery is appropriate.

Library (Library Cards, Overdue Fines, etc.) - fees are primarily established by the Peninsula Library Service. Certain medias/supplies for purchase (flash drives, headphones, etc.) may be made available as a service to patrons at the City's cost. Fees for Passport services are set by the US State Department.

Administrative Services – City Clerk and Elections, Finance (Copying Charges, Postage, etc.) - fees are primarily set by regulations and are generally high cost recovery or pass-thru charges.