



**Contra  
Costa  
County**

To: Board of Supervisors

From: John Kopchik, Director, Conservation & Development Department

Date: July 14, 2020

Subject: Amendment to the Land Development Fee Schedule

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**RECOMMENDATION(S):**

1. OPEN the public hearing; RECEIVE testimony; CLOSE the public hearing.
2. DETERMINE that the adoption of Resolution No. 2020/170 is not a project under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15378(b)(4) (governmental fiscal activity) and 15273(a)(1) (fees established by public agencies).
3. ADOPT Resolution No. 2020/170, to amend the Land Development Fee Schedule to establish application fees for short-term rental permits.
4. DIRECT the Director of Conservation and Development, or designee, to file a CEQA notice of exemption with the County Clerk-Recorder and authorize payment of the \$50 filing fee.

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☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY  
ADMINISTRATOR

☐ RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **07/14/2020** ☐ APPROVED AS RECOMMENDED ☒ OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: July 14, 2020

Contact: Franciso Avila,  
925-674-7801

David Twa, County Administrator and Clerk of the Board of  
Supervisors

By: , Deputy

cc:

### FISCAL IMPACT:

The proposed fees are necessary to enable the Department to effectively recover the County's estimated reasonable costs for reviewing and processing short-term rental permit applications.

### BACKGROUND:

On June 2, 2020, the Board of Supervisors adopted Ordinance No. 2020-12 (STR Ordinance) to regulate short-term rental (STR) uses within the County. The STR Ordinance requires an applicant for an STR permit to pay the applicable fee as established by the Board. The proposed amendment to the Land Development Fee Schedule would establish new application fees for ministerial STR permits, annual STR permit renewals, and discretionary STR permits in the following amounts:

<u>Permit Name</u>	<u>Fee</u>
Short-term Rental Permit (Ministerial)	\$350
Short-term Rental Permit (Annual Renewal)	\$150
Short-term Rental Permit (Discretionary/LUP)	\$2,000 minimum deposit; time and materials

### Determination of Fee Amounts

The County may charge fees for land development services, such as those services provided by the Department to review and process permit applications. The fees charged by the County must not be more than the estimated reasonable cost that the County incurs to provide the services for which the fees are charged. The Department has conducted an analysis of the estimated cost incurred by the County for Department services related reviewing and processing STR permit applications.

#### *Short-term Rental Permit (Ministerial)*

An application for a ministerial STR permit will be reviewed ministerially for compliance with the requirements and regulations contained in the STR Ordinance. Staff anticipates that the review process will be in a checklist format. However, staff will need to prepare a property-specific permit, and will need to prepare and send notice of the issued permit to neighbors pursuant to the STR Ordinance. Current ministerial permit application fees for similar services charged by the Department range between \$200 and \$500. Staff estimates that reviewing and processing a ministerial STR permit application to take 2 hours of staff time at an estimated cost of \$386. Therefore, staff recommends a ministerial STR permit application fee of \$350.

#### *Short-term Rental Permit (Annual Renewal)*

The STR Ordinance requires that ministerial STR permits be renewed annually. An application for a ministerial STR permit renewal will be reviewed ministerially for compliance with the requirements and regulations contained in the STR Ordinance. Staff anticipates that the review process will require verification that the required Transient Occupancy Taxes have been paid and a review of any code enforcement complaints or actions with respect to the subject property and STR use. No new noticing will be required. Current permit renewal application fees for similar services charge by the Department range between \$250 and \$400. Staff estimates that reviewing and processing a ministerial STR permit renewal application to take 1 hour of staff time at an estimated cost of \$193. Therefore, staff recommends a ministerial STR permit renewal application fee of \$150.

#### *Short-term Rental Permit (Discretionary Short-term Rental Permit)*

An application for a discretionary STR permit will be reviewed under the administrative decision procedure specified in Article 26-2.21 of the County Ordinance Code. This review process includes providing notice to neighbors and a public hearing if requested. Processing discretionary permit applications require a greater level of review and the preparation of findings and conditions of approval. Additionally, discretionary permits are subject to appeal, which may require multiple staff reports and public hearings. Accordingly, the Department generally charges for similar services on a time and materials basis with an initial deposit. Current discretionary permit application fees for similar services charged on a time and materials basis by the Department require an initial deposit that ranges between \$2,000 and \$2,500. Staff estimates that reviewing and processing a discretionary STR permit application to take 15 hours of staff time at an estimated cost of \$2,895. Therefore, staff recommends a discretionary STR permit application fee charged on a time and materials basis with an initial deposit of \$2,000. An applicant will be required to pay any owed and due fee amount in excess of the initial deposit prior to issuance of the permit. If the fee charged on a time and materials basis is less than the initial deposit, the Department will refund the remaining funds to the applicant.

#### Conclusion.

The current Land Development Fee Schedule does not include fees for reviewing and processing STR permit applications. The proposed fees do not exceed, and are necessary to enable the Department to effectively recover, the County's estimated reasonable costs for providing this service.

#### CONSEQUENCE OF NEGATIVE ACTION:

If the recommended actions are not approved, no fees will be established to recover the County's costs associated with reviewing and processing short-term rental permit applications.

#### CLERK'S ADDENDUM

**ADOPTED all recommendations; and AMENDED Resolution No. 2020/170 to change the annual renewal of permit from \$150 to \$200.**

**ATTACHMENTS**

Resolution 2020/170

Amended Land Development Fee Study

Short-Term Rental Ordinance