



COUNCIL REPORT

DATE: June 10, 2025

CATEGORY: Public Hearing

DEPT.: Finance and Administrative Services

TITLE: **Modifications to the City of Mountain View Master Fee Schedule**

RECOMMENDATION

1. Convene a public hearing and accept public comment on the proposed modifications to the City of Mountain View Master Fee Schedule (Exhibits A and B to Attachment 1 to the Council report).
2. Adopt a Resolution of the City Council of the City of Mountain View Amending the City of Mountain View Master Fee Schedule, to be read in title only, further reading waived (Attachment 1 to the Council report).

BACKGROUND

User Fee Study and Cost Allocation Plan

As part of a general cost-recovery strategy, local governments, including the City of Mountain View, have adopted user fees to fund programs and services that provide limited or no direct benefit to the community as a whole. **The City's master fee schedule was last reviewed and updated over 10 years ago with Planning and Building fees last substantively updated over 20 years ago.** Since that time, many things have changed—increased service delivery costs and overhead, inflation, new government regulations and laws, and evolving community needs—and the City's fees need to be updated to ensure that they are current and appropriately recover the City's cost of providing services.

Each fiscal year, the City adopts a fee resolution that establishes the fees and charges for City services for the upcoming fiscal year. Annually, each City department submits any proposed changes to their fee schedule as part of the budget process, which is then compiled into one document referred to as the Master Fee Schedule and incorporated into the Recommended Budget. These updates normally consist of known inflation-related adjustments in an attempt to capture the increased cost of providing the service.

In 2024, the City engaged Willdan Financial Services to conduct a Cost Allocation Plan (CAP) and User Fee Study (Study) to ensure that the City is appropriately recovering the cost of providing services.

User Fee Study

The principal goal of the Study was to assist the City in determining the full cost of services that the City provides. The Study did not include a review or analysis of the City's development impact fees, for which a separate nexus study is required. Additional goals of the Study were to:

- Develop a reasonable basis for setting fees, including an analysis of actual time spent on providing services that reflects current City practices;
- Ensure compliance with state law;
- Identify any potential new fees that should be charged;
- Identify and remove any outdated fees for services that are no longer provided;
- Develop an updatable and comprehensive fee model, to be updated annually based on cost-of-service amounts;
- Ensure maximum appropriate cost recovery so that revenues generated by fees cover the cost of those services to the greatest extent possible; and
- Maintain accordance with City policies and goals, specifically Council Policy J-2, Recreation Cost-Recovery Policy.

The results of the Study help the City better understand its true costs of providing services and can serve as a basis for making informed policy decisions regarding the most appropriate fees to collect from individuals and organizations that require individualized services from the City. The schedule of proposed fee modifications to user fees are included in Exhibit A of Attachment 1.

Willdan's User Fee Study report can be found on the Finance and Administrative Services Department's webpage on the City's website, located [here](#).

Cost Allocation Plan

The goals of the CAP are to calculate overhead rates that can be used to support hourly rates for user fees and to develop an indirect cost rate that is compliant with federal regulations related to cost reimbursement and grant funding. The CAP is a document that defines the indirect costs

of an organization and equitably and fairly distributes them to the beneficiaries of those services. The results of that analysis help determine the indirect costs that are used to calculate the full cost of providing fee-related services. As an example of indirect costs, a building inspector has the direct cost and time to conduct the inspections in order to issue a building permit, but for that inspector to perform their inspections, Human Resources conducted a recruitment to hire the employee, and payroll was processed by the Finance and Administrative Services Department. That level of indirect support is captured through the CAP.

The overhead percentages also assist with recovering costs associated with administering federal, state, and local grants received by the City. Having an approved indirect cost rate will allow the City to seek reimbursement from the grantor for overhead and administration costs, as deemed eligible by each grantor.

Capacity Charge Study

Separately, to ensure that fees related to development impacts on City infrastructure are appropriate, the City engaged Bartle Wells Associates to conduct a Capacity Charge Study focusing on water and wastewater system capacity needs. The City currently levies water and wastewater capacity charges on new and expanded connections to recover the costs of infrastructure benefiting new development. These charges were originally adopted in 2014 following completion of the City's first Water and Wastewater Capacity Charge Study and have been adjusted annually to account for construction cost inflation. The updated Capacity Charge Study develops updated capacity charges designed to reflect the current cost of infrastructure and help ensure that new and expanded connections pay for their share of capacity in the City's water and wastewater systems.

The proposed updates to Capacity Charges are included in Exhibit B of Attachment 1.

Updates to Other Fees

Separate from the studies discussed above, staff is also proposing updates to other fees and charges, including utility rates. These updates are primarily related to annual inflation increases and planned utility rate increases as part of the Proposition 218 process from June 2024. The proposed updates to these fees and charges are included in Attachment 1.

Feedback and Direction from the Council Finance Committee

On May 8, 2025, the results of the User Fee Study and Capacity Charge Study were presented to the Council Finance Committee (CFC). The CFC report can be found [here](#) and the report attachment can be found [here](#). Questions and answers submitted by the CFC members prior to the May 8, 2025 CFC meeting are also included as Attachment 2 to this report.

Committee members unanimously recommended the City Council approve the Master Fee Schedule updates with modifications, which are discussed below. Staff has also included modifications consistent with the intent of CFC's direction. As a result of the feedback and direction, staff has proposed the following modifications to the proposed fees, which are also included in Exhibit A to Attachment 1.

Development Permit Fee Modifications per CFC Direction

Based on CFC direction, some development permit fees were recommended to be reduced from the full cost of providing the City service. Staff made the following permit fee modifications to the Study:

- **Parking In-Lieu Fee:** Added a footnote to clarify when the Parking In-Lieu Fee is applicable (no change is proposed to the fee), which is when it is required by the Downtown Precise Plan and in accordance with state law;
- **Gatekeeper Preauthorization Application Planning Fee:** Added an additional Gatekeeper Preauthorization Application Fee for smaller-scale projects (less than one acre in size), reduced fee by 25% (applicant pays 75% of the full permit fee cost, 25% subsidy from the GOF); and
- **Child-Care and Nonprofits Planning Fees:** Reduced permit fees by 75% (applicant pays 25% of the full permit fee cost, 75% subsidy from the GOF) for all Planning permits (Conditional Use Permit, Provisional Use Permit, Development Review Permit, and Temporary Use Permit) associated with:
 - Child-care centers;
 - Nonprofit housing needs, meals, and similar programs operated by nonprofit agencies; and
- **Safe Parking Planning Fee:** Reduced permit fee by 100% (applicant pays 0% of permit fee cost, 100% subsidy from the GOF). This is because the City is generally the party actively seeking out potential Safe Parking locations. For reference, a permit for a safe parking location is only required when it is proposed on private property not owned or controlled by the City. The City has yet to receive such a permit application as all safe parking facilities have been located on these exempt sites.
- **Rounding Fees Down:** Permit fees were rounded down to the nearest whole dollar.

Any development permit fee that is reduced results in the City subsidizing the fee (located in the Development Services Fund) through the General Operating Fund (GOF), and it is generally not fiscally advisable for a City to subsidize private development activity.

Additionally, a question was raised at the CFC meeting about whether a financial feasibility analysis was prepared with the Study. A Master Fee Study does not require a financial feasibility analysis as it reviews the cost of providing City services. A financial feasibility study is typically prepared when assessing a new Precise Plan public benefit fee, for example, to determine financial likelihood of development or profit. While permit and processing fees are inputs in a developer's pro forma for a project, they are not considered major deterrents in building a project. To provide additional context on the proposed Study results, Attachment 3 includes an example fee estimate for a new 200-unit multi-family residential apartment development comparing current and proposed permit fees.

The issue of whether to increase permit fees is not as simple as maintaining low fees to provide a friendly building environment in Mountain View. Rather, it is not fiscally advisable for a City to subsidize private development activity. **As currently the case with the Development Services Fund's (DSF) current and projected balances, increasing development permit and processing fees is a necessary step to achieve a fiscal balance of revenues and expenditures to meet long-term staffing and service levels in the City organization.** Any GOF funds used to balance the DSF by subsidizing private development permit fees are funds that are not then otherwise available for community based or other Council priority initiatives and projects each year.

Moving forward, the City has outlined goals to regularly evaluate development-related processing and permit fees in the Matrix Study (every three to five years per Recommendation No. 36) and the Housing Element (Program 4.1.c). Regularly monitoring and evaluating fees will ensure the fee structures are appropriately aligned with current services offered and avoid large, one-time increases in fees. Further discussion on the DSF is included later in this report.

Other Fee Modifications per CFC Direction

- **Abandoned Shopping Cart Impound Fee:** Increased fee to recover 100% of the Public Works Department's cost of impounding an abandoned shopping cart.
- **Adult Entertainment/Card Rooms/Massage Business Operating Permit Fees:** Increased fees to recover 100% of the Police Department's cost of permitting the business.
- **Heritage Tree Removal Appeal Fee:** Increased fee to recover 10% (instead of 5%) of the Community Services Department's cost of processing a Heritage tree removal appeal. Fee is projected to increase to recover 20% of the cost of processing the appeal as of July 1, 2026.

Other Fee Modifications Proposed by Staff

- **City Hall Facility Rentals for Nonprofits/Community Groups:** Increased the number of free rentals per year from one to two.
- **City Hall Facility Rentals for School District Purposes:** Allow up to two free City Hall facility rentals, with additional rentals at the discretion of the City Manager or their designee, by local Mountain View-serving school districts.

ANALYSIS

User Fee Study

The basic concept of a Study is to determine the “reasonable cost” of each service provided by the City for which it charges a user fee. The full cost of providing a service may not necessarily become the City’s actual fee, but it serves as the objective basis as to the maximum amount that may be collected.

The Study calculates the full cost of providing City services based on the current organizational structure and processes of the City, using the fully burdened hourly rates (FBHR) of staff providing the service, the time spent by staff to provide the specific service, and any other costs incurred to provide the service. The FBHRs used in the Study include both direct costs and indirect costs.

The cost elements used in the calculation of fully burdened rates are:

- Salary and benefit costs of personnel involved;
- Operating costs applicable to fee operations; and
- Indirect Citywide overhead costs calculated through the Cost Allocation Plan.

Direct costs are defined as those that are directly tied to a service, such as labor and materials or supplies. An example of direct costs would be the hourly salary and benefits of the individual processing and reviewing of building permits. Indirect costs are those that support more than one service area and are not directly tied to a specific fee. An example of indirect costs would be the costs of the Finance and Administrative Services Department staff, which help support the departments and staff performing the services for the user.

Once the FBHRs were established, Willdan Financial Services worked with all City divisions and departments to establish the amount of hours (on average) staff takes to accomplish each service that is associated with a fee. Once the number of hours it takes staff to perform each service was gathered, the total cost to provide each service could be calculated. The total cost of each

service is the product of the FBHR calculation multiplied by the time spent performing the service, plus any fixed costs, such as consulting or third-party service costs. These total costs are the “full cost” levels shown in the fee schedule attached to this report (Exhibit A of Attachment 1).

The City sets fees for services with consideration given for cost recovery. Recreation fees are generally market-based in order to be competitive with other entities offering similar services and are based on the level of community benefit. In accordance with Council Policy J-2, Recreation Cost-Recovery Policy, programs that have a communitywide benefit usually have the lowest cost recovery, while programs that have the greatest level of individual or group benefit have the highest cost recovery.

As the City attempts to balance levels of service with the variability of demand, numerous current user fees do not fully recover the actual cost of delivering the service, resulting in subsidies primarily by the GOF. To the extent that the City uses GOF moneys to provide services that it could recover full cost for, but does not, a subsidy results, which reduces funds that may be available to provide other communitywide benefits. Unlike most revenue sources, the City has more control over the level of user fees it charges to recover costs. There may be policy goals for doing this (such as reducing fees for nonprofit rentals or reducing a fee to encourage participation in a program).

In general, most of the City’s user fees should not be compared to other agencies’ fees because the primary focus on the fee amount should be on cost recovery of the City’s own operating costs based on salary plans, labor contracts, pension obligations, overhead structures, service levels, technology costs, and facility costs. In addition, fees in other agencies may be structured differently. For example, one city may charge a fee based on an hourly rate, while another might charge the same fee based on a flat amount.

Development Permit Fees

The DSF is separated from the GOF in order to track all development permit-related revenues and expenditures. The DSF was initially created in Fiscal Year 2006-07 for Building services, and in Fiscal Year 2014-15, it was expanded to include all permit activity from the Community Development Department (Building and Planning) and a portion of the Public Works Department (Land Development, Traffic, and Construction).

Fees for services related to the DSF have not substantially changed in over 20 years. More recently, since Fiscal Year 2018-19, the DSF expenditures have exceeded revenues while permit volumes have generally remained consistent, largely due to the following:

- A decline in large development projects with \$1 million or greater construction valuation (71 projects in 2019-20 to 32 projects in 2023-24);

- A decline in nonresidential development projects (four projects in 2019-20 to one project in 2023-24), which typically have higher permit fees than residential development;
- Little to no increase in permit or processing fees, as the last comprehensive permit fee update for Building and Planning fees was in 2004; and
- An increase in staff positions for Planning/Building (six positions) and Public Works (six positions) since 2019-20 to address more long-range planning and Council Work Plan projects, and greater legal and regulatory complexities in development projects.

Thus, while staffing costs and City expenditures have increased, permit and processing fees have not increased to align with service costs, and declining economic conditions have reduced development activity, resulting in fewer large developments, all of which contribute to the current state of the DSF. As a result, the City's General Fund has been transferring funds and subsidizing the DSF since Fiscal Year 2023-24.

The DSF is projected to have a deficit fund balance of \$6.1 million as of June 30, 2025, even after accounting for a \$2.0 million transfer from the General Non-Operating Fund (GNOF). For Fiscal Year 2025-26, the DSF is projected to end the year with an estimated deficit balance of \$12.0 million, including a \$1.0 million transfer from the GNOF.

In general, the Study shows a comprehensive increase in fees is necessary for the fiscal sustainability of the DSF. The Study also includes the addition of numerous new fees the City was not previously collecting. This Study is part of a three-part approach to address the DSF deficit. Council previously approved two other actions this fiscal year that will positively improve DSF conditions including:

- Authorized budget adjustments to various planning staff positions that support long-range planning activities, relocating a budgeted portion of each position from the DSF to the GOF, as part of the Midyear Budget Update (February 25, 2025); and
- Appropriated additional funding in five Advanced Planning Capital Improvement Projects (CIP) on March 13, 2025 to allow for planning staff, who support these long-range activities, to charge their time to the CIP rather than the DSF.

The combination of the proposed fee increases and these two additional actions are anticipated to positively improve the financial strength of the DSF.

Comparison of Development Permit Fees

It is challenging to compare development permit fees across cities as each city has different procedures related to permit processing, which results in different fee costs. For example, some cities process Conditional Use Permits (CUP) at a planning commission public hearing, while other cities process CUPs administratively. Cities have the greatest control over permit and processing fees charged based on the cost-recovery approach set in place. The City does not have a cost-recovery approach specific to development permit fees. Based on the Citywide Master Fee Study results, fees typically paid by single-family homeowners (e.g., historic preservation, code compliance review, floor area exceptions, urban lot splits) and small businesses (e.g., Conditional Use Permit, Temporary Use Permit) are proposed to increase.

While the development permit fees are proposed to increase universally, the proposed fees are similar to fees in adjacent jurisdictions. The proposed development permit fees are generally lower than the cities of Santa Clara and Palo Alto and higher than the City of Sunnyvale. (Note: the City of Sunnyvale has similar fees to Mountain View's current fees. Sunnyvale staff shared they anticipate completing a fee study in 2026 in accordance with their adopted Housing Element obligations and expect their fees to increase). Table 1 includes a sample set of comparative fees.

Table 1: Development Permit Fee Comparison Sample

Fee	Mountain View	Sunnyvale	Santa Clara¹	Palo Alto
Building Permit Issuance Fee (per building permit)	Current: \$36.71 Proposed: \$74	\$39.50	\$98	\$158.21
Lot Line Adjustment (Planning)	Current: \$1,088 Proposed: \$3,558	\$2,347	\$6,106	\$5,797
Temporary Use Permit (Planning)	Current: \$544—Standard \$73—Nonprofit Proposed: \$2,052—Standard \$513—Nonprofit	\$518.70	\$3,053—Standard ² \$1,526—Admin. Review \$287—Nonprofit	\$1,708
Conditional Use Permit (Planning)	Current: ³ \$5,704—Standard \$1,889—Child Care \$73—Nonprofit Proposed: ³ \$9,243—Standard \$1,892—Child Care \$1,584—Nonprofit	\$5,047—Standard ² \$1,287—Director review	\$15,063—Standard ² \$6,508—Minor CUP \$1,229—Single-Family CUP	\$14,418—Standard ² \$8,600—Director review \$213—Child-Care Center
Final Map (Public Works)	Current: \$6,460 per application, plus \$77 for each lot Proposed: \$5,959 per application, plus \$108 for each lot	\$8,534 per application, plus \$69 for each lot	\$11,012 for first 5 lots, plus \$500 for each additional lot	\$6,970 per application
Heat Pump Water Heater (Building) ⁴	Current: \$92 Proposed: \$197	\$291.50	\$652	\$355

Notes:

1. Based on Santa Clara's proposed Fiscal Year 2025-26 permit fees: <https://www.santaclaraca.gov/our-city/departments-a-f/finance>.
2. Requires Planning Commission public hearing review.
3. Requires an Administrative Zoning public hearing review.
4. Assumes converting from a gas water heater to an electric (highest permit fee scenario). Silicon Valley Clean Energy (SVCE) has current rebate for \$2,000-\$3,000 available for Mountain View residents.

Capacity Charge Study

The cost of water and wastewater system infrastructure has increased substantially since the last Capacity Charge Study was completed.

New fees were also calculated for larger water meter sizes and two new residential categories (assisted living facilities and accessory dwelling units (ADU)). Although the Study calculates a fee for ADUs, staff is recommending the fee be waived for all ADUs to encourage ADU construction, ease implementation tracking, and comply with state law. Currently, state law limits the type of ADUs where capacity fees can be charged (e.g., only new ADUs constructed with new homes), and a waiver for all ADU applications would ensure compliance and consistency.

Tables 2 and 3 show the proposed new charges for water and wastewater capacity, respectively, compared to the current charges. For comparison purposes related to development, Figures 1 and 2 show Mountain View's current and proposed charges for single and multi-family residential units, respectively, compared to neighboring agencies.

Table 2: Current and Proposed Water Capacity Charges

Connection Type	Current Charge	Proposed Charge
Residential (per dwelling unit)		
Class 1 - <i>single-family detached</i>	\$5,021	\$9,169
Class 2 - <i>townhouses, duplexes, row houses, small lot single-family</i>	\$4,264	\$7,335
Class 3 – <i>apartments, mobile homes, condos</i>	\$3,261	\$5,501
Class 4 – <i>assisted living units</i>	N/A	\$2,751
Accessory Dwelling Units (where applicable – waiver recommend)	N/A	\$4.17 per sq. ft.
Nonresidential (by meter size)		
3/4"	\$8,364	\$10,248
1"	\$13,941	\$17,080
1.5"	\$27,879	\$34,159
2"	\$44,607	\$54,655
3"	\$84,914	\$102,478
4"	N/A	\$170,797
6"	N/A	\$341,595
8"	N/A	\$546,551
10"	N/A	\$853,987
12"	N/A	\$1,127,262
Other sizes/nonstandard (based on estimated water demand)	\$22.303	\$53.936 per gpd

Table 3: Current and Proposed Wastewater Capacity Charges

Connection Type	Current Charge	Proposed Charge
Residential (per dwelling unit)		
Class 1 - <i>single-family detached</i>	\$4,145	\$7,737
Class 2 - <i>townhouses, duplexes, row houses, small lot single-family</i>	\$3,754	\$6,963
Class 3 – <i>apartments, mobile homes, condos</i>	\$2,921	\$5,416
Class 4 – <i>assisted living units</i>	N/A	\$2,708
Accessory Dwelling Units (where applicable – waiver recommend)	N/A	\$3.52 per sq. ft.
Nonresidential (per 1,000 sq. ft. building area)		
Commercial/Retail	\$2,030	\$4,545
Office/R&D	\$2,973	\$6,016
Restaurant	\$17,102	\$33,115
Hotels and Motels (per room/dwelling unit)	\$1,875	\$2,708
Industrial/other		
Flow - per gpd estimated water demand	\$18.654	\$58.661
BOD - per lb./yr estimated loading	\$1.813	\$2.291
SS - per lb./yr estimated loading	\$1.813	\$1.963

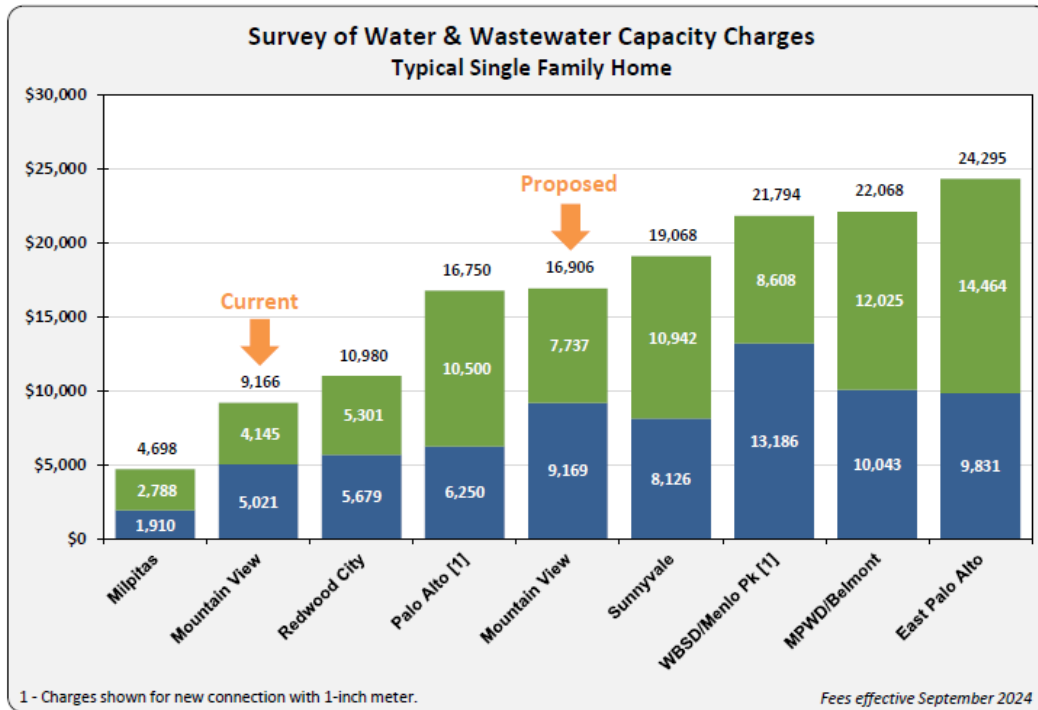


Figure 1: Current and Proposed Charges Compared to Neighboring Agencies (Single-Family)

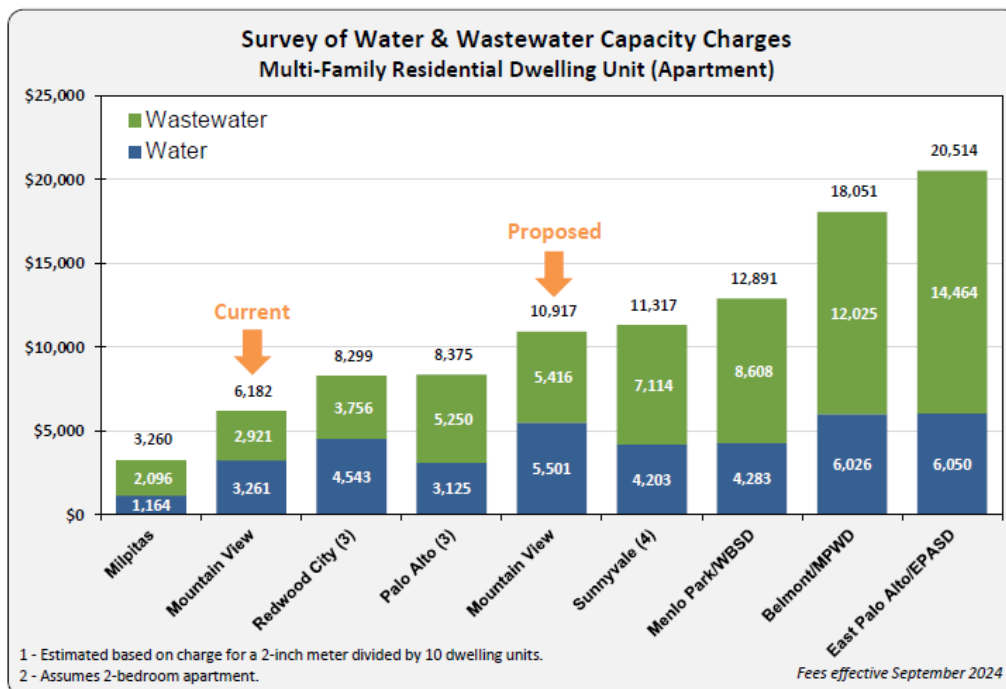


Figure 2: Current and Proposed Charges Compared to Neighboring Agencies (Multi-Family)

Effective Date of Fee Modifications and Annual Increases

Proposed fee modifications based on the User Fee Study will be effective as of July 1, 2025. For fees related to development projects, the effective date will be August 9, 2025 to comply with Government Code Section 66017(a), which requires those to be effective no sooner than 60 days following adoption of the fee. Residential development projects that have a complete planning permit application or a complete building permit application as of the adoption date (June 10, 2025) will not be subject to the new fees. This methodology aligns with recent state laws regarding fees for residential projects, including California Government Code Section 65941.1 (also known as SB 330).

Public Outreach and Comments

On May 9, 2025, the Community Services Department (CSD) sent a public notice to recreation participants, performing arts clients, and community members informing them of proposed modifications to City fees as part of the User Fee Study and directing them to the May 8, 2025 CFC meeting documents for reference of the proposed fees. The notice also included an email address to send comments on the proposed fee modifications. CSD staff received nine written comments from residents.

The Community Development and Public Works Departments discussed the User Fee Study with developers, the Chamber of Commerce, and land use consultants at a meeting on May 12, 2025. While meeting participants acknowledged the need for the City to recover service costs, they shared the challenge of increasing fee costs while having long permitting timelines and encouraged the City to continue permit streamlining efforts. Additionally, staff received two written public comments from residents who requested that the City consider reduced fees or delay the effective date of the updated fees associated with electrification permits or reduce the fee increase in order to encourage residents to continue to obtain building permits.

The Community Development Department continues to improve the permitting experience by (1) launching [ExpressPermitsMV](#) in April 2025 for qualifying building permits for single-family home/duplex remodels and additions and commercial tenant improvements serving small businesses, and (2) expansion of available Same Day building permits in April 2025, the City's online, instantaneous, no-plans-required building permit program for simple improvements to single-family and duplex homes. Specifically, in June 2025, the Same Day program will be expanded to allow heat pump water heaters and heat pump heating, ventilation, and air conditioning (HVAC) permits to be issued, further supporting SVCE and the City's rebate program. Additionally, staff has not proposed reducing fees further or significantly delaying fee increases as, in comparison to other cities, Mountain View's proposed fees remain comparable or lower than adjacent cities.

Attachment 4 includes written correspondence received as a result of the outreach performed by the Community Development, Community Services, and Public Works Departments.

Rental Housing Committee Actions

On May 22, 2025, the Rental Housing Committee approved a resolution establishing the Rental Housing Fee and Space Rental Fee for Fiscal Year 2025-26. The Resolution attached to this report includes an action to amend the City's Master Fee Schedule to include those adopted fees.

FISCAL IMPACT

User Fees

It has been over a decade since the City updated most user fees and over 20 years since Planning and Building fees were substantively updated. Implementing the proposed fee updates, including the addition of new fees, is a best practice and will allow for more self-sufficient and sustainable service levels in many areas of the City and will have a positive "right-sized" revenue increase in several funds, including the GOF and the DSF. The updated fees will also help the City more adequately recover costs from those applicants who are receiving specific services from staff. **It is anticipated that the increase in revenue in the DSF will help structurally balance the fund to eliminate the large operating deficits that are currently being experienced. This will result in the freeing up of General Fund resources for other communitywide services and benefits and align development-related revenues to actual costs in the DSF instead of being subsidized by the GOF.**

Capacity Charges

As mentioned above, the new recommended fees are higher than the existing fees. The updated capacity charges are designed to reflect the current cost of infrastructure and help ensure that new and expanded connections pay for their share of capacity in the City's water and wastewater systems. Since water and wastewater system infrastructure is funded through a combination of sources, including rates, charging new developments appropriate capacity fees will relieve some pressure on rate payers.

It should also be noted that properties receive credit for existing utilities and only pay for the incremental increase in capacity needs.

LEVINE ACT

California Government Code Section 84308 (also known as the Levine Act) prohibits city officials from participating in any proceeding involving a "license, permit, or other entitlement for use" if

the official has received a campaign contribution exceeding \$500 from a party, participant, or agent of a party or participant within the last 12 months. The Levine Act is intended to prevent financial influence on decisions that affect specific, identifiable persons or participants. For more information see the Fair Political Practices Commission website: www.fppc.ca.gov/learn/pay-to-play-limits-and-prohibitions.html

Please see below for information about whether the recommended action for this agenda item is subject to or exempt from the Levine Act.

EXEMPT FROM THE LEVINE ACT

☒ General policy and legislative actions

CONCLUSION

Staff is recommending that the City Council approve the Master Fee Schedule, including modifications and direction provided by the Council Finance Committee, who unanimously recommended the City Council approve the Master Fee Schedule (Exhibits A and B to Attachment 1 of the Council report). Approved updates will become effective on July 1, 2025, except for development-related fees, including capacity charges, which will become effective on August 9, 2025, 60 days after anticipated approval on June 10, 2025.

ALTERNATIVES

1. Direct staff to revise specific fee amounts based on desired subsidy amounts.
2. Direct staff to implement a phased approach to increase development permit fees in the DSF (Planning, Building, and Public Works) or any other specific fee(s) to be consistent with the Master Fee Study across two fiscal years, with half of the respective fee increase occurring in Fiscal Year 2025-26 and the remaining balance of the fee increase in Fiscal Year 2026-27, inclusive of an annual escalator.
3. Maintain current fee levels and absorb the increased service delivery costs through additional subsidies from the General Fund or other funding sources.

PUBLIC NOTICING

Agenda posting, and a notice of the public hearing was published in the *Daily Post* and advertised on the *Mountain View Voice* website. Proposed fees were also posted on the Finance and Administrative Services Department's webpage on the City's website.

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DR/4/CAM
546-06-10-25CR
205231

- Attachments:
1. Resolution—Amending Master Fee Schedule
Exhibit A—Schedule of Proposed Fee Modifications from User Fee Study
Exhibit B—Schedule of Other Fee Modifications
 2. CFC Committee Questions and Answers
 3. Fee Estimate Example
 4. Written Correspondence Received