

REPORT TO CITY COUNCIL

DATE: JULY 9, 2014

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: GREG RAMIREZ, CITY MANAGER 

BY: AMIR HAMIDZADEH, BUILDING OFFICIAL 

SUBJECT: APPROVE THE STRONG MOTION INSTRUMENTATION AND SEISMIC HAZARD MAPPING FEE INCREASE PURSUANT TO THE STATE DEPARTMENT OF CONSERVATION REQUEST

The Strong Motion Instrumentation and Seismic Hazard Mapping Fee has been collected by the City of Agoura Hills and passed on to the State Department of Conservation for many years, as required. This fee is based on the building construction valuation and is collected from applicants at the time of permit issuance.

On June 24, 2014, the State Department of Conservation sent a letter to all cities and the counties informing them that legislation under SB 861 (Chapter 35, Statutes of 2014) has amended Section 2705 of the Public Resources Code to increase the seismic fee for building permits effective July 1, 2014.

This fee mandated increase by the State Department of Conservation, is to provide for increased mapping of faults and natural hazards. The increased fee will be as follows:

BUILDING TYPE	CURRENT FEE	NEW FEE
1 to 3 Story Residential Buildings	\$10 per \$100,000 Building Valuation	\$13 per \$100,000 Building Valuation
Commercial and over 3-Story Residential Buildings	\$21 per \$100,000 Building Valuation	\$28 per \$100,000 Building Valuation

RECOMMENDATION

Staff recommends the City Council approve the Strong Motion Instrumentation and Seismic Hazard Mapping fee increase pursuant to the State Department of Conservation letter, dated June 24, 2014, and direct staff to adjust and begin immediate collection of the fee increase.

Attachment: Department of Conservation Letter dated June 24, 2014



DEPARTMENT OF CONSERVATION

Managing California's Working Lands

DIVISION OF ADMINISTRATION – ACCOUNTING OFFICE

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PHONE 916 / 322-5998 • FAX 916 / 445-0433 • TDD 916 / 324-2555 • WEB SITE conservation.ca.gov

Date: June 24, 2014

IMPORTANT NOTICE - FEE INCREASE AS OF JULY 1, 2014

To: ALL CITIES AND COUNTIES

Strong Motion Instrumentation and Seismic Hazard Mapping

This is to inform you that legislation under SB 861 (Chapter 35, Statutes of 2014) has amended Section 2705 of the Public Resources Code to increase the seismic fee for building permits **effective July 1, 2014** to provide for increased mapping of faults. The increased fee will be as follows:

\$10.00 per \$100,000 for 1-3 story residential buildings **will increase to \$13.00 per \$100,000**

\$21.00 per \$100,000 for commercial and over 3-story residential buildings **will increase to \$28.00 per \$100,000.**

Revised fee schedules are enclosed to assist you in computing the new fees. The 5% retention of fees collected will also be correspondingly increased. If you have any questions, or need additional information, please contact Karla Rasmussen at (916) 322-2856 or e-mail Karla.rasmussen@conservation.ca.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Clayton Haas". The signature is fluid and cursive, with a long horizontal stroke at the end.

Clayton Haas
Assistant Director,
Division of Administration

Enclosures

**Fee Schedule
Strong-Motion Instrumentation and Seismic Hazard Mapping Fee**

Category 1 Construction * (1 to 3 Story Residential)

Method 1

The fee amount can be calculated from the permit valuation amount using the formula:

$$(\text{Valuation Amount}) \times 0.00013 = \text{Fee Amount}$$

As an example, the fee for a \$128,580 valuation is \$128,580 x 0.00013 or \$16.72

Method 2

As an alternative to Method 1, the fee for a given valuation can be calculated using the following table, as illustrated below:

Valuation	Fee	Valuation	Fee	Valuation	Fee	Valuation	Fee	Valuation	Fee
\$ 0 - 100	\$ 0.01	\$ 1,000	\$ 0.13	\$ 10,000	\$ 1.30	\$ 100,000	\$ 13.00	\$ 1,000,000	\$ 130.00
\$ 200	\$ 0.03	\$ 2,000	\$ 0.26	\$ 20,000	\$ 2.60	\$ 200,000	\$ 26.00	\$ 2,000,000	\$ 260.00
\$ 300	\$ 0.04	\$ 3,000	\$ 0.39	\$ 30,000	\$ 3.90	\$ 300,000	\$ 39.00	\$ 3,000,000	\$ 390.00
\$ 400	\$ 0.05	\$ 4,000	\$ 0.52	\$ 40,000	\$ 5.20	\$ 400,000	\$ 52.00	\$ 4,000,000	\$ 520.00
\$ 500	\$ 0.07	\$ 5,000	\$ 0.65	\$ 50,000	\$ 6.50	\$ 500,000	\$ 65.00	\$ 5,000,000	\$ 650.00
\$ 600	\$ 0.08	\$ 6,000	\$ 0.78	\$ 60,000	\$ 7.80	\$ 600,000	\$ 78.00	\$ 6,000,000	\$ 780.00
\$ 700	\$ 0.09	\$ 7,000	\$ 0.91	\$ 70,000	\$ 9.10	\$ 700,000	\$ 91.00	\$ 7,000,000	\$ 910.00
\$ 800	\$ 0.10	\$ 8,000	\$ 1.04	\$ 80,000	\$ 10.40	\$ 800,000	\$ 104.00	\$ 8,000,000	\$ 1,040.00
\$ 900	\$ 0.12	\$ 9,000	\$ 1.17	\$ 90,000	\$ 11.70	\$ 900,000	\$ 117.00	\$ 9,000,000	\$ 1,170.00

The fee amount can be obtained by breaking the Evaluation amount into parts and using the entries in This table. An example for a permit valuation of \$128,580 is shown at the right:

\$100,000	\$13.00
20,000	2.60
8,000	1.04
500	0.07
80	.01
<u>\$128,580</u>	<u>\$16.72</u> Fee Amount

*** Notes:**

- 1) The minimum fee is 50 cents, so the fee for any valuation up to \$3850 is simply \$.50.
- 2) Category 1 construction includes residential buildings 1 to 3 stories in height, except hotels and motels. Single family houses, duplexes and quadruplexes are in Category 1. Condominiums and apartment buildings are in Category 1 only if they are 3 stories or less in height.
- 3) A "building" is defined as a structure built for the support, shelter or enclosure of people, animals or property.

**Fee Schedule
Strong-Motion Instrumentation and Seismic Hazard Mapping Fee**

Category 2 Construction * (Over 3 story Residential and all Commercial)

Method 1

The fee amount can be calculated from the permit valuation amount using the formula:

$$(\text{Valuation Amount}) \times 0.00028 = \text{Fee Amount}$$

As an example, the fee for a \$1,231,890 valuation is \$1,231,890 x 0.00028 or \$344.93

Method 2

As an alternative to Method 1, the fee for a given valuation can be calculated using the following table, as illustrated below:

Valuation	Fee	Valuation	Fee	Valuation	Fee	Valuation	Fee	Valuation	Fee
\$ 0 - 100	\$ 0.03	\$ 1,000	\$ 0.28	\$ 10,000	\$ 2.80	\$ 100,000	\$ 28.00	\$ 1,000,000	\$ 280.00
\$ 200	\$ 0.06	\$ 2,000	\$ 0.56	\$ 20,000	\$ 5.60	\$ 200,000	\$ 56.00	\$ 2,000,000	\$ 560.00
\$ 300	\$ 0.08	\$ 3,000	\$ 0.84	\$ 30,000	\$ 8.40	\$ 300,000	\$ 84.00	\$ 3,000,000	\$ 840.00
\$ 400	\$ 0.11	\$ 4,000	\$ 1.12	\$ 40,000	\$ 11.20	\$ 400,000	\$ 112.00	\$ 4,000,000	\$ 1,120.00
\$ 500	\$ 0.14	\$ 5,000	\$ 1.40	\$ 50,000	\$ 14.00	\$ 500,000	\$ 140.00	\$ 5,000,000	\$ 1,400.00
\$ 600	\$ 0.17	\$ 6,000	\$ 1.68	\$ 60,000	\$ 16.80	\$ 600,000	\$ 168.00	\$ 6,000,000	\$ 1,680.00
\$ 700	\$ 0.20	\$ 7,000	\$ 1.96	\$ 70,000	\$ 19.60	\$ 700,000	\$ 196.00	\$ 7,000,000	\$ 1,960.00
\$ 800	\$ 0.22	\$ 8,000	\$ 2.24	\$ 80,000	\$ 22.40	\$ 800,000	\$ 224.00	\$ 8,000,000	\$ 2,240.00
\$ 900	\$ 0.25	\$ 9,000	\$ 2.52	\$ 90,000	\$ 25.20	\$ 900,000	\$ 252.00	\$ 9,000,000	\$ 2,520.00

The fee amount can be obtained by breaking the evaluation amount into parts and using the entries in this table. An example for a permit valuation of \$1,231,890 is shown at the right:

\$1,000,000	\$280.00	
200,000	56.00	
30,000	8.40	
1,000	0.28	
800	0.22	
90	.03	
<u>\$1,231,890</u>	<u>\$344.93</u>	Fee Amount

* Notes:

- 1) The minimum fee is 50 cents, so the fee for any valuation up to \$1786 is simply \$.50.
- 2) Category 2 includes all buildings not in Category 1. For example, Category 2 includes residential buildings over 3 stories, all office buildings, warehouses, factories and other manufacturing or processing facilities, restaurants, and other non-residential buildings.
- 3) A "building" is defined as a structure built for the support, shelter or enclosure of people, animals or property.