

REPORT TO CITY COUNCIL

DATE: DECEMBER 10, 2008

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: GREG RAMIREZ, CITY MANAGER

BY: AMIR HAMIDZADEH, BUILDING OFFICIAL

SUBJECT: REQUEST TO IMPLEMENT SENATE BILL (SB 1473) AND THE COLLECTION OF THE APPROPRIATE FEES; JANUARY 1, 2009

The purpose of this report is to inform the City Council about Senate Bill 1473 that was recently passed into law and to have the Council acknowledge and direct staff to start the collection of the appropriate fees starting January 1, 2009.

On September 30 of this year, Governor Schwarzenegger signed SB 1473 into law. It will take effect on January 1, 2009. Among other things, the bill provides for the creation of the Building Standards Administration Special Revolving Fund, which is established in the State Treasury. Monies deposited in this fund will come from a surcharge on both residential and nonresidential building permits.

The bill requires that each city and county collect a fee from an applicant for a building permit, assessed at the rate of four dollars (\$4) per one hundred thousand dollars (\$100,000) in valuation, with appropriate fractions thereof, but not less than one dollar (\$1). "Appropriate fractions thereof" is interpreted to be \$1 per every twenty-five thousand (\$25,000) in valuation per table illustrated below. Fees will be submitted quarterly to the California Building Standards Commission (CBSC), as follows:

Permit Valuation	Fee
\$1 – 25,000	\$1
\$25,001 – 50,000	\$2
\$50,001 – 75,000	\$3
\$75,001 – 100,000	\$4
Every \$25,000 or fraction thereof above \$100,000	Add \$1

In addition, SB 1473 states that the city or county may retain up to ten (10) percent of the fees collected for related administrative costs and for code enforcement education. The bill requires that the local jurisdiction transmit the remainder to CBSC for deposit in the Building Standards Administration Special Revolving Fund.

Once appropriated, monies deposited in this fund will be available to CBSC, the Department of Housing and Community Development, and the Office of the State Fire Marshal for expenditure in carrying out the provisions of the State Building Standards Law and provisions of State

Housing Law that relate to building standards. Emphasis is to be placed on the development, adoption, publication, updating, and educational efforts associated with green building standards.

The City of Agoura Hills Building and Safety Department is set up to collect this fee through the EnerGov Solution software that is used for permit issuance. Staff has contacted our software consultants and they are available to make the necessary changes to our permitting program in order to collect and track this fee. Staff has also set up a separate finance account in order to better track these fee deposits and to disburse them accordingly.

First quarter fees will begin January 1, 2009 and end on March 31, 2009. The notification and report of that quarter's fee will be due on April 15, 2009 to the CBSC. In order to stay consistent throughout the State, a Fee Report Sheet was created which all jurisdictions are required to use for tracking their fees and submittal of their report to CBSC. A sample of this form for the first quarterly report is attached.

RECOMMENDATION

Staff respectfully recommends the City Council direct staff to establish and begin collecting the fee in compliance with Senate Bill 1473, effective January 1, 2009.

Attachment: Senate Bill 1473
 Sample Quarterly Report Form