

Proposed Responses to the Grand Jury Report
“History Hysteria: Historical Resources in the City of San Diego”
Dated March 19, 2008

ATTACHMENTS

Findings

1. Finding: The criteria for determining whether a building deserves to be designated as historic in the City of San Diego are overly inclusive and extremely vague.

Response: Disagree, the City’s adopted designation criteria are in line with both the California and National Register listing criteria. The criteria were adopted by the City Council as part of the municipal code update and have been in effect since January 2000. The criteria incorporate sound historic preservation principles and are supported by the State Office of Historic Preservation (OHP), recognized as the statewide authority on matters concerning historic preservation.

IBA Recommendation: Join the Mayor’s Response

2. Finding: There are too few personnel in the Planning Department to keep up with the flow of applications much less to conduct annual inspections of properties designated as historical to ensure compliance with conditions put on the designation, or with the rules and regulations governing preservation.

Response: Disagree, the City has recently filled two vacancies in City Planning & Community Investment (CPCI) and one vacancy in Development Services (working under CPCI supervision), bringing the Historic Preservation staffing level to four Senior Planners and one Associate Planner. In addition, a potential fee schedule for historical designations, Mills Act contracts and inspections has been proposed for consideration which would provide full cost recovery for the current level of staffing.

The City will continue to monitor workload for Historical Preservation Staff through the City’s Annual budget process. In addition, the Fiscal Year 2009 Proposed Budget includes department performance measures related to the processing of historic designations.

IBA Recommendation: Join the Mayor’s Response

3. Finding: Even with all staffing slots filled, the processing of applications can just about keep up with submissions, and there still would be no provision for regular inspections.

Response: Partially disagree, provision for regular inspections will be accommodated with the current level of staffing and funded by a proposed new fee. However, the ability to process applications at the current level of submissions is unlikely due to other aspects of the work program. Project review and referrals from Development Services and CCDC account for a number of items on the Board agenda each month. These reviews are mandated by the City’s Municipal Code and must be taken to the Board within

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specified time frames. When there are a significant number of referrals for projects, the ability to review owner submittals for designation is reduced. The average number of owner nominations taken to the Board is about 4-5 per month for about 45-50 per year, over 11 meetings. There have been in excess of 70 owner nominations submitted on a yearly basis during the last few years, so there is always a backlog of submittals. The Board has to review the consultant report, staff report and visit the site for every property they review for designation. The meetings are typically 4-6 hours long, often extending past 5 pm. While additional staff helps greatly with the overall work program, there is a limit to how much a voluntary Board can be asked to do each month.

The City will continue to monitor workload for Historical Preservation Staff through the City's Annual budget process. In addition, the Fiscal Year 2009 Proposed Budget includes department performance measures related to the processing of historic designations.

IBA Recommendation: Join the Mayor's Response

4. Finding: The City of San Diego is too liberal in designating individual properties and districts as historical.

Response: Disagree, the City's designation criteria, adopted by the City Council, are consistent with both the California and National Register listing criteria. There are approximately 2,000 historically designated properties in the City of San Diego (1,150 district contributors in 15 districts and 850 individual sites.) This number of designated properties is very similar to numbers of designated resources in San Francisco which has 10 historic districts with approximately 2,000 district contributors, and 259 individually designated properties. San Diego's numbers are far fewer than other large California cities. For example, the city of Los Angeles has over 9,000 individually designated properties and more than 13,000 properties within 22 districts; San Jose has more than 3,400 designated properties and nine historic districts; and Sacramento has nearly 900 individually designated resources and 27 historic districts with more than 700 district contributors.

IBA Recommendation: Join the Mayor's Response

5. Finding: There are far too many properties that receive Mills Act property tax reassessments every year in the City of San Diego.

Response: Partially disagree, the Mills Act program is an important tool for the preservation and when necessary the restoration or rehabilitation of significant historic sites in San Diego. The Mayor has proposed changes to the Mills Act program that will be reviewed through a public process in order to determine whether annual limits for fiscal planning purposes and additional eligibility requirements are warranted. But given that the Mills Act tax reduction program is the only financial incentive available to

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historic homeowners, it is not surprising that the program is highly popular. Along with studying the Mills Act program, the City is looking comprehensively at historic preservation incentives that do not result in fiscal impacts.

The City Council agrees with the Mayor that the Mills Act program is an important tool for the preservation and when necessary the restoration or rehabilitation of significant historic sites in San Diego. This sentiment is captured in City Council Policy 700-46 – Mills Act Agreements for Preservation of Historic Property which states “It is the policy of the City of San Diego to foster and encourage the preservation, maintenance, rehabilitation and restoration of historically designated property within the City of San Diego.” However, the City Council also agrees that a comprehensive review of the City’s Mills Act program and other historic preservation incentives is warranted.

IBA Recommendation: Join the Mayor’s Response

6. Finding: Only elected officials should determine matters of taxation and expenditures.

Response: Agree. The process for entering into a Mills Act contract with a qualifying property owner was established by the elected City Council. Authority for individual contracts was given to the City Manager and rests with the Mayor or designee, under the current form of government.

IBA Recommendation: Join the Mayor’s Response

7. Finding: If most of the properties currently under Mills Act contracts were reassessed on the basis of just the shell of the building, then tax losses to the City would be significantly less.

Response: Disagree, the Mills Act and regular tax assessment process is prescribed in state law (California Revenue and Taxation Code.) The shell of the structure cannot be separated for tax valuation, as proposed. The whole of the structure is assessed as an economic unit, there is not specific value assessed for individual elements of the structure. However, if an identifiable portion of the structure, such as a room addition or garage, is excluded from the historic designation because it is non-historic, it is valued at current tax rates. In these cases, a blended valuation is prepared by the Tax Assessor, thus allowing the tax reduction only for the qualifying historic resource.

IBA Recommendation: Join the Mayor’s Response

8. Finding: There need to be both regular inspections of all designated properties and those with Mills Act contracts, and procedures for de-listing them in order to ensure that their historicity is properly maintained.

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Response: Agree. The legal requirements for de-listing, or recision, of a historic designation is provided in the Municipal Code (Section 123.0205 – Amendment or Recision of Historical Resource Designation). The Mayor has proposed changes to the Mills Act program that will be reviewed through a public process and will consider regular inspections, as warranted.

To date the Mayor’s proposed changes to the Mills Act Program have not been heard by the City Council or Council Committee. The Mayor is planning to present his proposed changes to the Land Use and Housing Committee and then the City Council prior to the end of the calendar year.

IBA Recommendation: Join the Mayor’s Response

Recommendations (City Council)

08-16: *Enact a moratorium of one and a half years on the acceptance of new applications for historical designation in order to eliminate the current backlog, to allow time to fill vacancies, and to give time for all relevant bodies to assemble significant changes in the City’s designation regulations.*

Response: The Mayor supports a comprehensive review of the City’s Mills Act program and development of guidelines for applying the adopted designation criteria rather than a moratorium on new applications. All vacancies have been filled and it is anticipated that proposed revisions to the Mills Act program will be taken to the City Council for consideration prior to the end of the calendar year.

IBA Recommendation: Join the Mayor’s Response

08-17: *Restrict the number of properties designated as historical resources to three per month after the backlog has been cleared.*

Response: The Mayor supports a comprehensive review of the City’s Mills Act program and development of guidelines for applying the adopted designation criteria rather than setting an arbitrary number of historical designations on a monthly basis, which is not consistent with sound historic preservation principles.

IBA Recommendation: Join the Mayor’s Response

08-18: *Establish much more precise and concrete criteria for determining historicity.*

Response: The Mayor partially supports this recommendation. Although the City’s designation criteria are consistent with California and National Register listing criteria, guidelines for applying those criteria are being prepared by staff and the Historical Resources Board.

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IBA Recommendation: Join the Mayor’s Response

08-19: *Designate a separate entity to review all properties currently designated as historical resources to determine if they meet new criteria.*

Response: The Mayor does not support this recommendation. Each decision to designate a property as a historical resource is made at a noticed public hearing and based on a research report, staff recommendation and public testimony. This process is mandated by the Municipal Code and is consistent with due process. Review of properties already designated to determine consistency with new criteria would require a public hearing to address each property, consistent with the Municipal Code.

IBA Recommendation: Join the Mayor’s Response

08-20: *Establish restrictions on the number of exemplars of a housing type and of historical district types to what is truly needed for the City of San Diego.*

Response: The Mayor supports a comprehensive review of the City’s Mills Act program and development of guidelines for applying the adopted designation criteria rather than establishing a numerical restriction on historic districts or individually significant historic properties. The current review of the Mills Act program includes possible recommendations for annual limits on new contracts and additional eligibility requirements, as warranted.

Setting an arbitrary number of designations is not consistent with sound preservation principles and not an effective way to protect and preserve the important historical resources of the City.

To date the Mayor’s proposed changes to the Mills Act Program have not been heard by the City Council or Council Committee. The Mayor plans to present proposed changes to the Land Use and Housing Committee and then the City Council prior to the end of the calendar year.

IBA Recommendation: Join the Mayor’s Response

08-21: *Establish an annual fee on designees that will cover the cost of annual inspections, and to conduct such inspections.*

Response: A potential fee schedule for historical designations, Mills Act contracts and inspections has been proposed for consideration which would provide full cost recovery for the current level of staffing to ensure compliance with regulations and contract specifications as part of the comprehensive review of the Mills Act program. The establishment of new or revised fees will be reviewed through public meetings, including

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with the City Council Committee on Land Use and Housing. It is anticipated that proposed revisions will be taken to the City Council for adoption prior to the end of the calendar year.

The City Council is also supportive of cost recovery fees for City services. The City’s Administrative Regulation 95.25 outlines the City’s procedures to establish fees to recover the cost of providing City Services.

IBA Recommendation: Join the Mayor’s Response

Recommendations (Mayor)

08-22: *Fill empty slots for staff in the City Planning and Community Investment Department that work with the HRB, and add at least one new staff member to allow for inspections of designated properties to be paid for by receipts from the annual inspection fee.*

IBA Recommendation: The City Council is not required to respond to this recommendation.

Response: The recommendation to fill empty slots has been implemented. The recommendation to add at least one new staff member will not be implemented because it is not reasonable at this time due to significant budgetary constraints facing the City. A potential fee schedule for historical designations, Mills Act contracts and inspections has been proposed for consideration which would provide full cost recovery for the current level of staffing to ensure compliance with regulations and contract specifications.

08-23: *Immediately undertake the repair work necessary to ensure the safety and integrity of the Villa Montezuma to allow for its continued use by the San Diego Historical Society.*

Response: This recommendation requires further analysis. The City will initially perform the analysis via a comprehensive facility condition assessment of Villa Montezuma to be undertaken during the summer of 2008 to determine the nature and extent of the required repairs. After completion of the condition assessment, the City will better understand what repairs must be completed on an emergent basis, and the level of funding that will be required for the repairs. The City currently has a total backlog of deferred maintenance that has been estimated at \$800-900 million. Unfortunately, there are no excess funds readily available to perform needed repairs at Villa Montezuma. However, the City will work with Centre City Development Corporation and other potential sources of funding to identify funds needed to perform the critical repairs. Additionally, the San Diego Historical Society and Friends of Villa Montezuma are actively pursuing available funding in addition to securing permits to undertake work already funded through a State grant.

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IBA Recommendation: The City Council is not required to respond to this recommendation.

Recommendations (Mayor and City Council)

08-24: *Establish qualifying criteria for allowing Mills Act contracts that are separate from those used in determining historical designations.*

Response: This recommendation requires further analysis. The Mayor has proposed changes to the Mills Act program that will be reviewed through a public process in order to determine whether additional criteria are warranted for a property owner to participate. The analysis includes research on other cities’ programs, including the use of historic preservation incentives that do not result in fiscal impacts. The City’s Historical Resources Board held a workshop in April and has another workshop scheduled for June 6th this year. Any potential revisions to the existing program will be further reviewed through public meetings, including with the City Council Committee on Land Use and Housing. It is anticipated that proposed revisions will be taken to the City Council for consideration prior to the end of the calendar year.

IBA Recommendation: Join the Mayor’s Response

08-25: *Establish the City Council as the entity for final approval of Mills Act contracts.*

Response: This recommendation requires further analysis. The requirement for City Council approval of all Mills Act contracts will be reviewed through public meetings, including with the City Council Committee on Land Use and Housing. It is anticipated that proposed revisions will be taken to the City Council for consideration prior to the end of the calendar year.

IBA Recommendation: Join the Mayor’s Response

08-26: *Unless the owner applies for and receives historical designation for significant portions of the interior, designate as historic and grant Mills Act contracts only for the exterior shell of a building.*

Response: This recommendation has been implemented and is the current process. It is unusual for the interior of a structure to be designated as part of the historical resource. Non-historic portions of the building’s exterior are excluded from the historic designation and the current tax valuation rather than the Mills Act valuation is used for these areas. The Mills Act contract covers only the designated resource.

IBA Recommendation: Join the Mayor’s Response

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08-27: *Establish procedures for de-listing designations and cancelling Mills Act contracts when inspections show properties are not being maintained according to law.*

Response: This recommendation requires further analysis. The legal requirements for de-listing, or rescinding, a historic designation is provided in the Municipal Code (Section 123.0205 – Amendment or Recision of Historical Resource Designation). Although State law provides for cancelling a Mills Act contract under certain conditions, the City currently has no specific procedures to guide this process. If designation is rescinded for breach of contract, the property would not longer qualify for Mills Act property tax reduction. Procedures for non-renewal and cancellation of Mills Act contracts will be reviewed through public meetings, including with the City Council Committee on Land Use and Housing. It is anticipated that proposed revisions will be taken to the City Council for consideration prior to the end of the calendar year.

IBA Recommendation: Join the Mayor’s Response

CITY OF SAN DIEGO, CALIFORNIA
COUNCIL POLICY

CURRENT

SUBJECT: MILLS ACT AGREEMENTS FOR PRESERVATION OF HISTORIC PROPERTY
 POLICY NO.: 700-46
 EFFECTIVE DATE: July 18, 1995

BACKGROUND:

California state law authorizes cities to enter into contracts (“Mills Act Agreements”) with the owners of qualified historical properties to provide a property tax reduction for the use, maintenance and restoration of historically designated properties. The minimum requirements for a Mills Act Agreement, as mandated by state law include:

- 1) Minimum contract term of ten (10) years, automatically renewable on an annual basis, to be recorded against title to the property and running with the land.
- 2) Owner shall maintain the regulated characteristics of historical significance of the Historic Site in accordance with the rules and regulations published by the Secretary of the Interior.
- 3) Owner must allow reasonable periodic examination of the Historic Site, if a request is made and by prior appointment, by representatives of the County Assessor, State Department of Parks and Recreation and the State Board of Equalization.
- 4) City may cancel the agreement following a duly notice public hearing if it is determined that the owner breached any mandatory conditions of the Contract.

PURPOSE:

This policy is adopted to provide a monetary incentive to the owners of historically designated properties in the form of a property tax reduction for the maintenance, restoration and rehabilitation of historic properties within the City of San Diego. A properly recorded Mills Act Agreement automatically triggers an alternative method for determining the assessed value of the affected historic property, thus potentially resulting in significant property tax savings for the owner of the historic property.

POLICY:

It is the policy of the City of San Diego to foster and encourage the preservation, maintenance, rehabilitation and restoration of historically designated properties. It is recognized by the City that a reduction in property taxes afforded by the Mills Act will serve as a key monetary incentive for citizens to acquire, maintain and restore historic property within the City of San Diego. However, it is also recognized that the revitalization goals of the Mills Act may overlap and conflict with the neighborhood revitalization mission, goals, policies and programs of the Redevelopment Agency of the City of San Diego. Because of the negative impact on tax increment financing and other measures available to promote historic preservation through redevelopment, Mills Act Agreements shall be applied in redevelopment project and study areas as delineated below.

IMPLEMENTATION:

CP-700-46

CITY OF SAN DIEGO, CALIFORNIA
COUNCIL POLICY

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1. Areas Outside of Redevelopment Project Areas and Study Areas

The City Manager or designee is authorized to enter into a Mills Act Agreement with the owner of any historically designated property, upon application by the owner and subject to the following restrictions:

- A) The contract shall contain the minimum mandatory conditions required by state law.
- B) The owner shall pay a graduated processing fee of \$100 per \$100,000 of assessed value prorated to actual value, however in no event shall the processing fee exceed the actual cost of processing and recording the Agreement.
- C) A drive by inspection will be performed on a periodic basis by City staff to verify that the structure is being maintained in weather tight condition.
- D) The Owner must allow visibility of the exterior of the structure from the public right-of-way.

2. Areas Within Redevelopment Project Areas and Study Areas

The City Manager or designee is authorized to enter into a Mills Act Agreement with the owner of a historically designated property located within a redevelopment project or study area, upon application by the owner, subject to the above restrictions, and including:

Redevelopment Study Areas

Within a Redevelopment Study Area Mills Act Agreements shall be permitted in conformance with this City Council Policy 700-46 and State law requirements, until adoption of the redevelopment project area. Within the Sherman Heights and Grant Hill Historic Districts, however, should they become part of a redevelopment project area, Mills Act Agreements shall be implemented as in item 1 above.

Redevelopment Project Areas

Within a redevelopment project area, with the exception of the College Community Redevelopment Project Area, Mills Act Agreements shall be permitted as follows:

- 1. Owner-occupied single-family homes (including properties which may have a second residential unit) shall be eligible for Mills Act Agreements, in conformance with this City Council Policy 700-46 and state law requirements.
- 2. All other properties shall be eligible for Mills Act Agreements, in conformance with this City Council Policy 700-46 and State law requirements, on a case by case basis and only when all of the following criteria are met:
 - (1) The property requires rehabilitation
 - (2) The owner agrees to rehabilitate the property in accordance with plans approved by the Agency

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CURRENT

(3) The owner demonstrates through a project proforma, which is independently evaluated by the Agency, that a Mills Act Agreement is necessary to achieve a financially feasible project, and the Agency concurs that a Mills Act Agreement is the appropriate form of public financial assistance.

No Mill Act Agreement shall be implemented within the College Community Redevelopment Project Area.

The City Manager shall report on annual basis to the City Council with respect to the number of Mills Act Agreements executed and the effectiveness of the program.

CROSS REFERENCE:

San Diego Municipal Code Section 26.0201, et seq.
 Government Code Sections 50280, et seq.

HISTORY:

Adopted by Resolution R-285410 02/27/1995
 Amended by Resolution R-286051 07/18/1995

CITY OF SAN DIEGO
ADMINISTRATIVE REGULATION

SUBJECT PROCESSING NEW AND REVISED FEES AND CHARGES FOR CURRENT SERVICES	Number 95.25	Issue 3	Page 1 of 7
	Effective Date January 1, 1988		

1. PURPOSE

- 1.1 To establish a uniform process for departments to initiate or revise City fees and charges for current services.
- 1.2 To ensure that a ratebook of current fees is maintained in a centralized area for public access.

2. SCOPE

- 2.1 This regulation shall apply to every department that administers fees and charges for current services.

3. POLICY

- 3.1 It is the policy of the City to establish fees to recover the cost of providing certain services.
- 3.2 It is the policy of the City to annually review fees to ensure that all reasonable costs incurred in providing these services are being recovered.
- 3.3 It is the policy of the City to authorize the City Manager and Non-Managerial Department Heads to approve fee schedules whenever possible.

(Supersedes Administrative Regulation 95.25, Issue 2, effective October 15, 1983)

Authorized

(Signed by John Lockwood)

CITY MANAGER

(Signed by John W. Witt)

CITY ATTORNEY

(Signed by Charles G. Abdelnour)

CITY CLERK

(Signed by Ed Ryan)

AUDITOR & COMPTROLLER

(Signed by Bob Spaulding)

PLANNING DIRECTOR

(Signed by Rich Snapper)

PERSONNEL DIRECTOR

CITY OF SAN DIEGO
ADMINISTRATIVE REGULATION

SUBJECT PROCESSING NEW AND REVISED FEES AND CHARGES FOR CURRENT SERVICES	Number 95.25	Issue 3	Page 2 of 7
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3.4 Council Policy 100-5 requires public notification by mail thirty days prior to implementation of fee modifications which require approval by the City Manager or a Non-Managerial Department Head.

4. POLICY APPLICATION

4.1 Each department shall annually analyze services provided to determine if new fees are appropriate and if current fees reasonably recover the cost of providing services.

4.2 Cost of providing a service should reflect the current budgeted salaries and wages, the applicable overhead rate as determined annually by the Auditor and Comptroller, and related non-personnel expense.

5. PROCEDURE

5.1 Fees Requiring City Council Authorization

Responsibility

Action

Initiating Department

- a. A department desiring to implement a new or revised fee shall prepare and docket the necessary Ordinance and/or Resolution which should effect the following:
 - (1) authorize the City Manager/Non-Managerial Department Head to establish and/or revise fees;
 - (2) whenever possible, eliminate the listing of specific fee schedules in the Municipal Code and Council Resolutions;
 - (3) require all fee schedules and subsequent revisions be filed in a Ratebook of City Fees and Charges in the City Clerk's Office.
- b. Information presented to City Council should include:
 - (1) purpose of the fee;

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ADMINISTRATIVE REGULATION

ATTACHMENTS

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Responsibility

Action

Initiating Department (cont'd)

- (2) justification for implementation or revision of the fee;
 - (3) annual cost (including overhead) to the City to provide the service.
 - (4) current fee schedule and annual revenue receipts;
 - (5) proposed fee schedule and estimated annual revenue receipts;
 - (6) proposed implementation date.
- c. Send an information copy of each request for City Council Action to Financial Management Department (Revenue Analyst).
- d. Notice of a public meeting at which the City Council will consider fee modifications should be made as follows:
- (1) Notice of the time and place of the meeting, including a general explanation of the matter to be considered, shall be published in the City's official newspaper at least 10 days prior to the meeting.
 - (2) Notice of the time and place of the meeting, including a general explanation of the matter to be considered and a statement that data regarding the fee change is available from the initiating department, should be mailed at least 14 days prior to the meeting to any party who has filed a written request for mailed notices on meetings on new or increased fees or service charges. Council meeting dates should be established for managerial departments after consultation with the Manager's Council

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Responsibility

Action

Initiating Department (cont'd)

Representative and for non-managerial departments after consultation with the Rules Committee Consultant.

- (3) Written requests for such mailed notices will be valid for one year from the date they are filed unless renewal requests are filed.
- (4) Renewal requests for such mailed notices should be filed on or before April 1st of each year.
- (5) At least 10 days prior to the Council meeting, make available to the public data indicating the amount of cost, or estimated cost, required to provide the service for which a fee or service charge is levied and the revenue sources anticipated to provide the service, including General Fund revenues.

e. Upon City Council action, complete Departmental Fees and Charges Form FM-53 (stocked by Financial Management Department) and revise the Departmental Fee Index in triplicate and process as follows:

- (1) Assign an Index Number to each new fee. Index Number shall be prefixed by the department number and should be sequenced to follow the last fee listed on the Departmental Fee Index. If the fee is the first to be charged by the department, the Index Number shall be prefixed by the department number and begin with 001 (e.g. 05500/001). A Departmental Fee Index should also be established (Examples are attached).

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Responsibility

Action

Initiating Department (cont'd)

- (2) Obtain appropriate Fund and Revenue Accounts information from the Auditor and Comptroller for inclusion of Form FM-53.
- (3) Forward one copy of Form FM-53 and revised Departmental Fee Index with transmittal memo to City Clerk for filing in Ratebook of City Fees and Charges.
- (4) Forward one copy of Form FM-53 and Departmental Fee Index to Financial Management Department (Revenue Analyst).
- (5) Retain and file one copy of Form FM-53 and Departmental Fee Index.

City Clerk

- f. File form FM-53 and Departmental Fee Index in Ratebook of City Fees and Charges.
- g. Maintain a master Ratebook of City Fees and Charges available for public inspection.

5.2 Fees Requiring Managerial/Non-Managerial Department Head Approval

Initiating Department

- a. A department desiring to implement a new or revised fee shall submit to the City Manager/Non-Managerial Department Head a recommended fee schedule and the following documentation:
 - (1) purpose of fee;
 - (2) justification for implementation or revision of the fee;
 - (3) annual cost (including overhead) to the City to provide the service;
 - (4) current fee schedule and annual revenue receipts;
 - (5) proposed implementation date;

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Responsibility

Action

Initiating Department (cont'd)

(6) public notice for City Manager's or Non-Managerial Department Head's signature prepared according to Council Policy 100-5.

b. An information copy of each fee proposal and public notice shall be provided to Financial Management Department (Revenue Analyst).

City Manager/
Non-Managerial
Department Head

c. Approve or disapprove proposed fee change and distribute public notice.

d. Return recommendation to department.

Initiating Department

e. Upon approval of proposed fee change and public notice, distribute copies of notice according to Council Policy 100-5. Public notice must be mailed at least thirty (30) days prior to implementation of the proposed fee change.

f. Department shall notify City Manager or Non-Managerial Department Head of any requests for appeal to the City Council received within thirty (30) days following distribution of public notice. Implementation of the proposed fee change, if appealed, shall be contingent upon City Council approval.

g. If no request for appeals made to the City Council within thirty days of notification, or if Council authorized implementation, complete Form FM-53 Departmental Fees and Charges, and revise the Department Fee Index in triplicate and process as described in Section 5.1.e(1) thru (4).

City Clerk

h. File form FM-53 according to Sections 5.1.f and 5.1.g of this regulation.

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APPENDIX

Legal Reference

State Government Code: Chapter 13, Part 1, Division 2, Title 5
Council Policy 100-5

Forms

Departmental Fees and Charges Form FM-53 (stocked by Financial Management Department)

Attachments

- 1) Attachment A (Memo - Ratebook of City Fees and Charges)
- 2) Attachment B (Public Notice, Proposed Fee Modification)
- 3) Attachment C (Council Policy 100-5)
- 4) Attachment D (Departmental Fees and Charges)

Subject Index

Fees
Charges for Current Services
Ratebook of City Fees and Charges

Administering Department

Financial Management

CITY OF SAN DIEGO

MEMORANDUM

ATTACHMENT A
SAMPLE

DATE :
TO : City Clerk
FROM :
SUBJECT : Ratebook of Fees and Charges

This memorandum is accompanied by revisions and additions to the Ratebook of City Fees and Charge.

Department

Index No.

Title

Ratebook pages which should be removed and destroyed and new pages which should be added to your Ratebook are listed below:

Ratebook Pages to be
Removed and Destroyed

Pages to be Added
to the Ratebook

ATTACHMENT B
SAMPLE

DATE :
TO : All Interested Parties
FROM : City Manager/Non-Managerial Department Head
SUBJECT : Public Notice
Proposed Fee Modification

SUBJECT FEE:

IMPLEMENTATION DATE:

FEE DESCRIPTION:
(Purpose)

CURRENT FEE:

PROPOSED FEE:

EXPLANATION OF CHANGES:

DEPARTMENTAL CONTACT: Name
 Department
 Telephone
 Mailing Address

NOTE: This proposed fee may be appealed to the City Council if you so desire and if such request for appeal is requested prior to the above implementation date. Requests for appeal should be directed to: (the initiating department)

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COUNCIL POLICY

SUBJECT	POLICY NUMBER	EFFECTIVE DATE	PAGE
FEES - PUBLIC NOTIFICATION	100-5	04-09-79	1 OF 1

BACKGROUND

From time to time, the City of San Diego establishes fee structures to recover costs for performing special services to the public. These fees generally only recover actual costs and overhead for the service performed. Due to the broad range of fee types and varying fee structures the City Manager has been authorized in a number of instances to adjust these fee structures, once approved and enacted by the Council, in order that they would continue to reflect full cost recovery. To date the policy of public notification of proposed City Manager fee changes has been an informal one. The Council believes this informal notification policy should be applied consistently and uniformly, therefore the need for the following Council Policy.

PURPOSE

To formalize the process of notifying the public when changes to fee structures are to be made by the City Manager and nonmanagerial department heads.

POLICY

The City Manager and or nonmanagerial department heads, depending on who administers specific fee structures, shall notify the public of any and all proposed fee modifications prior to them being implemented.

The notification shall be in writing and addressed to representatives of the industry affected, consumer groups, and or individuals who have expressed an interest in specific fee structures.

Departments administering the various fees shall maintain a mailing list of groups and or individuals notified of proposed fee changes.

Notification of fee changes shall be by mail and be sent not later than thirty days prior to the implementation of the fee modification.

Each notification shall describe the fee and its purpose. Also included shall be the current fee structure and the proposed fee structure along with explanation of the changes.

Each notification will have a contact person and telephone number listed in order that public inquiries can be answered.

Each notification shall indicate that the proposed fee may be appealed to the City Council if the public is so inclined.

Adopted by Resolution No. 223244

INDEX NUMBER: _____

DEPARTMENTAL FEES AND CHARGES

DEPARTMENT/DIVISION _____

PROGRAM ELEMENT _____

NO. _____

TITLE:
(Name of Fee or Charge) _____

AMOUNT:
(Amount of Fee or
Schedule of Charges) _____

Schedule of Current
Charges Attached: YES _____ NO _____

Date Current Fee/
Schedule Established _____

Date of Last Fee Review: _____

DESCRIPTION AND PURPOSE
OF FEE: _____

AUTHORITY: (MUNICIPAL
CODE; CITY CHARTER;
ORDINANCE: RESOLUTION) _____

DATE: _____ (COPY ATTACHED)

FUND: _____

TITLE: _____ NO. _____

REVENUE ACCOUNT
(for deposit of
fees collected) _____

TITLE: _____ NO. _____

DEPARTMENTAL CONTACTS

NAME _____

TITLE _____

PHONE _____

REVIEWED BY

NAME _____

DATE _____