



THE CITY OF SAN DIEGO

FEE/DEPOSIT SCHEDULE FOR

Development & Policy Approvals/Permits

CITY OF SAN DIEGO DEVELOPMENT SERVICES
1222 FIRST AVENUE, MS 301, SAN DIEGO, CA 92101-4101
CALL (619) 446-5300 FOR APPOINTMENTS AND (619) 446-5000 FOR INFORMATION

INFORMATION BULLETIN

503

MARCH 2011

This Information Bulletin lists fees and deposits for development permits and policy approvals. Additional fees/deposits will be required for any subsequent ministerial approvals (e.g., building permits, public right-of-way permits). For project submittal requirements, see Land Development Manual Project Submittal Requirements, Section 4.

I. DEPOSIT ACCOUNTS

The plan review of development permits and policy approvals requires a deposit into a Trust Fund account. A Trust Fund account is established with an initial deposit (see Section III). This initial deposit is drawn against to pay for the review of your project. During project review, the Financially Responsible Party (as identified on the Deposit Account / Financially Responsible Party form, DS-3242) will receive a monthly deposit statement reflecting the charges made against the account.

The Financially Responsible Party may receive invoices for additional deposits for subsequent reviews of the project in order to maintain the minimum balance as shown in Section III.

The payment of this invoice will be required in order to continue processing your project. At the end of the project, any remaining funds will be returned to the Financially Responsible Party.

II. PROJECT FEES

The following fees are paid at the time plans are submitted to the Development Services Department, or at permit issuance as described below. These fees are in addition to the deposit required for the processing of the project.

A. General Plan Maintenance Fee

This fee is charged at submittal for projects with plans and documents to be reviewed for compliance with the general plan or land development code provisions.
General Plan Maintenance Fee .....\$108

B. Mapping Fee

This fee is charged at submittal when there are plans, drawings, maps or other geographical documents utilized for project review.
Mapping Fee .....\$10

C. Discretionary Project Close Out Fee

This fee is charged at submittal to pay for plan processing, permit recordation, and

Documents referenced in this Information Bulletin

- Project Submittal Manual
Information Bulletin 500, Substantial Conformance Review
Information Bulletin 513, Preliminary Review
Information Bulletin 538, Expedite Program for Affordable/In-Fill Housing and Sustainable Buildings
Deposit Account / Financially Responsible Party, DS-3242
Time and Costs Associated with Discretionary Approval Process

project closeout after final hearing or appeal is completed.
Discretionary Project Close Out Fee .....\$500

D. Records Fee

This fee is assessed for all projects at issuance to recover the cost of imaging and archiving the documents in Records.
Less than 75 pages .....\$90
76 to 1,000 pages .....\$515
Each Additional 500 pages over 1,000.....\$250

III. POLICY APPROVAL, DEVELOPMENT PERMIT DEPOSITS

Table 503A identifies the initial deposit required for the public noticing, plan review and public hearing process. Where multiple permits/approvals are requested (e.g., Coastal Development Permit with a Site Development Permit), the deposit amounts for each permit/approval type are added together and that amount is required at the time of submittal for completeness review.

Please note that the initial deposit requirements frequently do not cover all of the processing costs, and that applicants are responsible for all of the costs associated with the processing of their discretionary approval. For further information regarding time and costs associated with discretionary approval process, please see the "Frequently Asked Questions" portion of this bulletin (pages 3-5).

IV. OPTIONAL SERVICES

A. Affordable/Infill Housing & Sustainable Building Expedite Program

This program provides expedited Development

Permit & Policy Approval processing for all eligible affordable/in-fill housing and sustainable building projects. Information Bulletin 538, “Expedite Program for Affordable/In-Fill Housing and Sustainable Buildings” describes the minimum submittal requirements and procedures associated with this program.

Residential Projects..... \$500 per unit<sup>1</sup>  
 Commercial/Industrial Projects:

0-1,000 sq. ft. .... \$882  
 1,001-5,000 sq. ft. .... \$882 + \$7.36 per each add'l 100 s.f.  
 5,001-20,000 sq. ft. \$1,177.00 + \$5.89 per each add'l 100 s.f.  
 20,000+ sq. ft..... \$2,060.00 + \$2.94 per each add'l 100 s.f.

<sup>1</sup> This fee is capped so it will not exceed 40 percent of the actual staff hourly billing as determined at project closeout.

**B. Substantial Conformance Review**

Substantial Conformance Review (SCR) is generally a voluntary service available to customers who are proposing to modify their project after a discretionary permit has been approved by the City. This service is offered to allow customers to provide only the informa-

tion needed to make a conformance determination, without having to go to the expense of preparing complete construction documents. The process does not include a review for conformance with other City regulations, which is performed when an application for a construction permit approval such as a building, grading, or public improvement permit is made. Information Bulletin 500, “Substantial Conformance Review” describes the minimum submittal requirements, fees/deposits and procedures associated with this service.

**C. Preliminary Review**

This service helps obtain the answers that you need to determine the feasibility of your development project and to be successful in submitting the project for review. Through preliminary review, you can obtain general information on the regulations with which your project must comply, find out which permits you must obtain, the review process that applies to your development, and obtain interpretations on how the City will apply code provisions to specific situations. Information Bulletin 513, “Preliminary Review” describes the minimum submittal requirements, fees/deposits and procedures associated with this service.

**503A - Development/Policy Approval Deposit**

Permit/Approval	Initial Deposit	Subsequent Review and Minimum Balance
Amendment to Prior Permit/Approval	Same as permit/approval	Same as permit/approval
Coastal Development Permit	\$8,000	\$5,000
Conditional Use Permit	\$8,000	\$5,000
Development Agreement	\$10,000	\$8,000
Extension of Time to Prior Permit/Approval	Same as permit/approval	Same as permit/approval
Land Use Plan (new or amendment)	\$12,000	\$8,000
Local Coastal Program (new or amendment)	\$10,000	\$8,000
Map Waiver	\$5,000	\$3,000
Neighborhood Development Permit	\$8,000	\$5,000
Neighborhood Use Permit	\$5,000	\$3,000
Planned Development Permit	\$10,000	\$8,000
Rezone	\$12,000	\$8,000
Site Development Permit	\$8,000	\$5,000
Surface Mining & Reclamation Act Compliance	\$3,000	\$1,000
Technical Study Review <sup>1</sup>	\$2,500	\$2,000
Tentative Map/Vesting Tentative Map	\$10,000	\$8,000
Variance	\$8,000	\$5,000
Zoning Use Certificate for WCF's	\$2,000	\$1,000

<sup>1</sup> This is an optional service for the review of a Traffic Report, Water Study or Sewer Study prior to submittal of the development permit or tentative map.

## TIME AND COSTS ASSOCIATED WITH DISCRETIONARY APPROVAL PROCESS

The purpose of this section is to help notify and disclose to all prospective applicants the time, costs and risks inherent within the discretionary approval process. Time and costs are typically two of the most important considerations for applicants requesting a discretionary development approval. Interviews with applicants who have experienced the process frequently mention that had they known the time and costs involved in advance, they might have made a different decision regarding their project. The information contained here (regarding time, costs, and risk) is also intended to assist prospective applicants to formulate a successful business plan for their development project. (Please note this information is provided in a "Frequently Asked Questions" (FAQ) format).

### I. HOW LONG WILL IT TAKE TO PROCESS MY DISCRETIONARY APPROVAL?

The Development Services Department (DSD) processes a wide variety of discretionary approvals for an extensive range of land development projects, including everything from small single-family home additions to master planned communities of several hundred acres. There is no reliable way to forecast how long an application will take to process as time frames vary dependent upon a large number of unpredictable factors; however on average discretionary approvals require 10-12 months to process. Simple small-scale projects with no environmental or land use issues, community support, and a responsive applicant can be processed in as little as 2-4 months; on the other hand, projects with significant environmental impacts, land use issues, neighborhood opposition, and/or a non-responsive applicant or consultant team can take years to complete.

### II. HOW MUCH WILL IT COST TO PROCESS MY DISCRETIONARY APPROVAL?

As discussed in FAQ #I above, DSD processes a wide variety of discretionary approvals for an extensive range of land development projects. Although simple small-scale projects that require minimal staff review can be processed for just a few thousand dollars, very large, complex and/or controversial projects can expend hundreds of thousands of dollars. On average, discretionary approval costs are about \$30,000 per project. Over time DSD has tracked average costs for certain project types as follows: Single-Family Residential-\$19,000; Duplex-4-plex projects-\$12,000; 5-10 unit residential projects-\$18,500; 11-25 unit residential projects-\$37,000; 26-100 unit projects-\$69,500; Large residential projects exceeding 100 units-\$110,000. Please note these project processing costs are only estimated averages, and actual costs will vary widely depending on the individual characteristics and circumstances associated with the project.

### III. WHY DOES IT COST SO MUCH MONEY AND TAKE SO MUCH TIME TO PROCESS MY DISCRETIONARY APPROVAL?

All development (small and large) in San Diego is subject to a wide variety of land use and environmental regulations pursuant to local, state, and federal law including but not limited to: the California Environmental Quality Act; the California State Map Act; the California Coastal Act; the San Diego Municipal Code; The San Diego General Plan; over 40 Community Plans and 20 Planned Districts; a variety of Local Coastal Programs; several Airport Land Use Compatibility plans; Federal Aviation Administration regulations; etc. The San Diego Municipal Code by itself includes development codes which regulate almost every aspect of land development including but not limited to size, height, bulk, scale, coverage, floor area, setbacks, parking, traffic, landscaping, brush management, environmentally sensitive lands, historic resources, water quality, drainage, waste water, erosion control, geology, aesthetics, greenhouse gas emissions, water availability.

The Development Services Department, which is continuously under intense scrutiny from a wide variety of Federal, State, County, Community and professional organizations, as well as the media and legal community, is the lead agency responsible for regulating land use and applying these complex regulations to every development application. In order to ensure thorough, effective, and legal implementation of these regulations, a wide variety of City staff are required to participate in the review of all discretionary approvals. Because almost all of the project costs associated with discretionary approvals are City staff labor charges, and due to the fact that as a general rule San Diego maintains a highly-regulated land use environment, most discretionary projects take far longer and cost significantly more money than applicants would expect.

In addition to the high level of land use regulation in San Diego, there are a number of other factors which can also contribute to increased project costs and project delays including but not limited to the following:

A. The property's physical characteristics: If the property contains certain physical or environmental characteristics or constraints such as steep slopes, sensitive biology, wetlands, historicity, particular geologic formations, paleontological or archeological resources, is located in the Coastal Zone or near an airport, has contaminated soils, or other constraining factors, a higher level of staff analysis and longer review periods can result. In addition, these

site characteristics can require the preparation of additional technical studies that staff must review and validate.

- B. The project's design and/or physical characteristics and impacts: If the project, due to its density, intensity, height, size and/or use, could generate significant impacts (i.e. traffic, grading, noise, environmentally sensitive resources, coastal resources, public view blockage, community character, public facility impacts), a higher level of staff analysis and longer review periods can result.
- C. Community and/or neighborhood opposition: If a project generates opposition from the community or neighborhood, significant delays may occur particularly because the discretionary approval process includes an appeal component which allows any interested person to protest your project by filing an appeal. Prior to scheduling the appeal hearing, City staff is required to analyze and prepare detailed written responses to each and every appeal issue. Appeals require the project to undergo at least one additional public hearing, and in some cases can require two or more additional public hearings. In certain areas along the coast the project may also be subject to appeal to the California Coastal Commission. Appeals in some cases can generate twice the expense and double the amount of time required to obtain a discretionary approval. The cost of the appeal process is borne by the project applicant, not the appellant.
- D. Inexperienced and/or unresponsive applicant and/or consultant team: Due to the complexities inherent in the discretionary approval process, a majority of applicants choose to hire a consulting team to process their applications. In many cases, more than half of the processing time can be attributed to factors under the applicants/consultants control. Most consultants have a variety of other work projects and priorities, which often times result in extended periods of time between submittals to the City for review. City staff cannot control the amount of time that the consultant may take to respond to staff comments. In addition, applicants or consultants who are inexperienced or unfamiliar with the development process, or who consistently fail to adequately resolve identified issues or fulfill other processing requirements, can significantly increase the time and costs associated with their discretionary approval.
- E. City staff: Although it is unacceptable and inconsistent with DSD's mission statement to provide excellent customer service, there may be instances where City staff is responsible for mistakes, errors in judgment, or fails to provide timely service. In order to eliminate

project delays and the increased costs that typically result, it is important for the applicant to challenge this type of staff behavior. In order to ensure that these behaviors are eliminated, DSD has published a "Customer Bill of Rights" which provides all applicants a number of guarantees including but not limited to the following: all customers have the right to seek a second opinion; all customers have the right to an estimate of costs and approximate time frames; all customers have the right to an itemization of charges and accountability for those charges.

- F. Failure to maintain a positive deposit account balance: All discretionary approvals require applicants to deposit funds into a trust fund account to pay for the cost of City staff review and all other project charges. As City staff expend time reviewing the project, the initial deposit amount is drawn down. Applicants are required to maintain a positive minimum balance within that deposit account, and when the balance goes into deficit, City staff are not allowed to work on the project resulting in project delays.
- G. Failure to diligently process: Municipal Code Section 126.0114 requires that a development permit application be closed if the applicant fails to submit or resubmit requested materials, information, fees, or deposits within 90 calendar days. Failure to diligently pursue the processing of permits typically result in further (and often times unavoidable) project delays and additional costs. The longer the delays and period of time a permit is in process, the higher the likelihood that project will be affected by factors beyond the control of either the City or the applicant, including but not limited to the following: Changes in Federal or State law; Revisions to the General Plan and/or relevant Community Plan; Changes in the City's land development code; The adoption of City wide restrictions or moratoriums affecting development; The discovery of new environmental issues affecting development; and Staff attrition resulting in new staff being assigned to the project.

#### **IV. HOW DO I PAY FOR MY DISCRETIONARY APPROVAL AND HOW CAN I MONITOR THE COSTS?**

Applicants are responsible for all costs associated with the processing of their discretionary approval. A trust fund deposit account is established for all discretionary projects, and that account is opened at project submittal after the applicant pays the required initial deposit amount (see Information Bulletin 503). Funds from the applicant's deposit account are used to fund all City staff labor charges associated with project review. As the initial deposit is drawn down, applicants will be required to deposit additional

funds to maintain a minimum balance. Currently the City's computerized accounting system is undergoing a comprehensive transformation. As a consequence and for the time being, monthly billing statements displaying all accounting details cannot be mailed out. Therefore, all accounting information will be provided through your Project Manager upon request.

**V. WHAT HAPPENS WHEN MY DEPOSIT ACCOUNT BALANCE GOES INTO DEFICIT?**

If the applicant fails to respond to the request for additional funds in a timely manner, the project will be closed and the account will be referred to collections.

**VI. WHAT IF I DON'T AGREE WITH THE PROJECT CHARGES?**

As indicated in FAQ #IIIe above, DSD has published a "Customer Bill of Rights" which guarantees all applicants have the right to an itemization of charges and accountability for those charges. Currently the City's computerized accounting system is undergoing a comprehensive transformation. As a consequence and for the time being, monthly billing statements displaying all accounting details cannot be mailed out. Therefore, all accounting information including itemization of charges will be provided upon request from your Project Manager. Applicants should carefully review the billing details as soon as they are received, and should work closely with their lead consultant to verify the charges and staff working on their project. Questions and/or challenges regarding any of the staff charges should be forwarded to the Project Manager as soon as possible. All project charges challenged by an applicant will be audited by the Project Manager, and all questions from the applicant regarding those project charges will be addressed.

**VII. WILL MY DISCRETIONARY APPLICATION ULTIMATELY BE APPROVED?**

There is no guarantee that your discretionary application will be approved. This process is discretionary because the approval is granted at the discretion of a decision-maker. As outlined in the San Diego Municipal code, there are four separate City (discretionary) decision-makers including: City staff (Process 2); Hearing Officer (Process 3); Planning Commission (Process 4); and City Council (Process 5). The decision-maker must make certain findings of fact and may exercise their professional judgment and discretion in granting approval of the project. A public hearing is required for most discretionary approvals. At the public hearing the decision-maker considers all factors prior to approving or denying a permit, including but not limited to the following questions as they relate to the required findings and adequacy of the environmental document: Does the permit meet all of the development regulations pursuant to the

Municipal Code? Is the project consistent with the City's General Plan and Community Plan? Are all environmental impacts mitigated? Does the local community planning group support the project? Is there any neighborhood opposition to the project? Is the project beneficial to the community?"

**VIII. WHAT WILL HAPPEN IF I REFUSE TO PAY A PROJECT DEPOSIT ACCOUNT DEFICIT?**

If an applicant fails to resolve the deposit account deficit balance in a timely manner, all City staff processing of the application will be suspended until such time as the requested funds are received by the City. Municipal Code Section 126.0114 requires that a development approval application be closed if the applicant fails to submit or resubmit requested materials, information, fees, or deposits within 90 calendar days. Therefore, failure to respond to requests for payment within 90 days could result in closure of the project. In addition, projects that maintain a deficit balance for more than 90 days will be referred to the Office of the City Treasurer's Delinquent Accounts Program. The Delinquent Account Program's objective is to help applicants resolve their financial obligations as quickly and painlessly as possible by utilizing a variety of collection efforts. Applicants who continue to delay resolving the delinquent account with the Treasurer's Office could become subject to a number of collection effort consequences including but not limited to the following:

1. Penalties and interest for late payers
2. Collection letters and telephone calls
3. Credit reporting
4. Liens on property
5. Interception of State income tax refund and or lottery winnings
6. Litigation/Legal action
7. Treble damages, court costs, service of process fees and or attorney fees

**IX. WHY DO I HAVE TO PAY FOR THE PROCESSING OF MY APPROVAL?**

The Development Services Department is operated without any City-wide general fund subsidy, and must generate its own revenue through an Enterprise Fund. DSD's Enterprise Fund was established in 1985 to ensure full cost recovery for all services related to processing land development applications. DSD's customers, therefore, pay for the Department's operating costs similar to most businesses. Full cost recovery is supported by the California Government Code and the City's Municipal Code, and ensures that the fees charged shall not exceed the estimated reasonable cost of providing the service. The level of service the Department is able to provide is directly related to the fees charged.