

TO: Mayor and Council Members
Marlene Best, City Manager
Shawn Hagerty, City Attorney

FROM: Annette Ortiz, CMC, City Clerk 

DATE: December 13, 2023

SUBJ: Updated Council Meeting Materials – December 13, 2023

PUBLIC HEARING:

- (13) **Public Hearing and Resolution Amending the Consolidated Fee Schedule to Add Credit Card and E-Check Processing Fees and to Add Certain Planning and Building Deposit Amounts. (Finance/Planning and Building – Jennings/Sawa)**

Attached are the updated documents for the Public Hearing: Council Agenda Statement, Fee Schedule, Resolution and Attachment 1 reflecting the E-Check convenience fee change from 3.0% to 0.7%.

MEETING DATE December 13, 2023

ITEM TITLE PUBLIC HEARING AND RESOLUTION AMENDING THE CONSOLIDATED FEE SCHEDULE TO ADD CREDIT CARD AND E-CHECK PROCESSING FEES AND TO ADD CERTAIN PLANNING AND BUILDING DEPOSIT AMOUNTS

DIRECTOR/DEPARTMENT Heather Jennings, Finance
Sandi Sawa, Planning

SUMMARY

On June 27, 2012, the City Council adopted Resolution 047-2012 adopting a Consolidated Fee Schedule establishing user fee and deposit amounts for various City services and facilities. Santee Municipal Code Section 3.02.010(A) provides that the Consolidated Fee Schedule may be amended as necessary by a resolution of the City Council. This agenda item will be addressing seven items on the Fee Schedule: Credit Card and E-Check Processing Fees, Construction and Demolition Deposits, SB330 Housing Crisis Act Deposit, SB9 Two-Unit Residential Development Deposit, Zoning Ordinance Amendment Deposit and language clarification of SB9 Urban Lot Split.

At the meeting on November 8, 2023, the City Council authorized a 3% credit card processing fee for credit card transactions and directed staff to include an E-check processing fee for electronic check transactions and directed staff to add these fees to the Fee Schedule. With the implementation of Energov, the City has experienced a substantial increase in online credit card payments. The City currently pays 100 percent of the service fees charged by credit card companies. This new fee would allow the City to pass on a small percentage of the cost to the customer. E-Check transactions can range from 0.7% to 2% per transaction amount. Due to the tiered pricing structure of E-Checks, the transaction cost decreases as cost increase. It is staff's recommendation to set the processing fee for E-Check transactions at 0.7% of the transaction amount. Setting the fee at the bottom of the range will ensure that the City is not collecting more than its actual costs. In addition, due to the variability of transaction amounts, if a flat fee is preferred, the fee would need to be \$0.75 in order to not overcharge customers.

Santee Municipal Code Section 9.04.090 requires that applicants of covered projects pay a waste diversion security deposit, also known as a construction and demolition deposit, based on square footage and type of project. With the Municipal Code update in 2019, the specific amount per square foot was removed from the ordinance language and replaced with a reference to amounts established by resolution of the City Council. It is proposed that the Construction and Demolition Deposit be added to the Consolidated Fee Schedule in the amounts provided in Attachment 1.

Additional changes to the Consolidated Fee Schedule are proposed by the Planning Department. They include two new development deposits for new project types developed by state law. They are: *SB330 Housing Crisis Act* and *SB9 Two-Unit Residential Development*. Staff is proposing a \$5,000 deposit for each new item to achieve full cost recovery. Staff time



for work on the project will be charged based on actual cost and any unused funds will be returned to the applicant.

Staff is also proposing a new deposit be added for zoning ordinance amendments. There have been recent zoning ordinance amendment requests and there is not a deposit amount on the current Fee Schedule to recover costs. Staff would collect a \$5,000 deposit from the applicant and would charge actual staff time to the project. Any remaining funds would be returned to the applicant.

The final proposed change to the Consolidated Fee Schedule is a change in a fee item description for clarification purposes. "SB9 Subdivision" would be renamed "SB9 Urban Lot Split."

The proposed amendments to the Consolidated Fee Schedule are summarized on Attachment 1, Summary of Changes to the Consolidated Fee Schedule.

FINANCIAL STATEMENT

The credit card and E-check processing fee will help partially offset the processing fees charged by credit card companies for online and in person credit card services and online E-check payments. The Planning and Building fees will provide cost recovery for work performed by in-house staff.

CITY ATTORNEY REVIEW N/A • Completed

RECOMMENDATION *MSB*

Conduct and close the public hearing; and adopt the Resolution amending the Consolidated Fee Schedule

ATTACHMENT

1. Summary of Changes to the Consolidated Fee Schedule
2. Resolution

Effective December 13, 2023

Consolidated Fee Schedule	
Finance	
	Fee
Transaction Processing fees:	
Credit Card Fee - % of actual credit card transaction amount	3%
E-Check Fee - % of actual E-Check transaction amount	0.7%
Business Licenses:	
New Business License ⁽¹⁾	\$105
Moved Business License	\$46
Renewal ⁽¹⁾	\$41
Business License Certificate Re-print	\$5
Home Occupation Permit:	
New Home Occupation Permit ⁽¹⁾	\$56
Renewal ⁽¹⁾	\$41
Regulatory Permits:	
Amusement	1% Gross Sales
Carnival	\$204
Auctioneer:	
Class A	\$191
Class B	\$191
Class C	\$191
Class D	\$191
Billboard	\$87
Bingo	\$204
Additional Staff Worker	\$82
Charitable Solicitation	
Distribution of Coupon Books	\$191
Entertainment:	
Class 1 (Professional)	\$204
Class 1 (Professional) - Renewal	\$187
Class 2 (Adult oriented)	\$239
Class 2 (Adult oriented) - Renewal	\$222
Class 3 (Non-Professional)	\$204
Class 3 (Non-Professional) - Renewal	\$187
Firearm Sales	\$264
Firearm Sales - Renewal	\$247
Massage Establishment	\$204
Massage Technician	\$204
Massage Technician - Renewal	\$187
Massage Trainee	\$204
Massage Trainee - Renewal	\$187
Pawnbroker	\$229

Effective December 13, 2023

Consolidated Fee Schedule

Finance

	Fee
Public Dance:	
Class A, B or D	\$204
Class C	\$239
Secondhand Dealer	\$193
Solicitor/ID Card	\$205
Shooting Range	\$204
Swap Meet	\$375
Teenage Dance - Class A	\$191
Teenage Dance Renewal - Class A	\$26
Teenage Dance - Class B	\$62
Vending Machine	1% Gross Sales
Special Event	\$8
Ambulance	\$50
Ambulance - renewal	\$33
Alarm System Permits:	
Single (1 bldg. or suite)	\$16
Double (2 to 6 suites)	\$16
Multiple (7 or more suites)	\$16

⁽¹⁾ Includes \$4 State-mandated fee in accordance with Assembly Bill 1379.

RESOLUTION NO.

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA
AMENDING THE CONSOLIDATED FEE SCHEDULE TO ADD CREDIT CARD AND
E-CHECK PROCESSING FEES AND CERTAIN PLANNING AND BUILDING
DEPOSIT AMOUNTS**

WHEREAS, the City, under various statutory provisions under California Government Code, may set and collect fees for the costs of providing various public services to the community; and

WHEREAS, on June 27, 2012, the City Council adopted Resolution 047-2012 adopting a Consolidated Fee Schedule establishing User Fee amounts at no more than the estimated reasonable cost of providing each service and to provide a means of adjusting the User Fees, so adopted, to reflect the rate of inflation; and

WHEREAS, Santee Municipal Code Section 3.02.010(A) provides that the Consolidated Fee Schedule may be amended as necessary by a Resolution of the City Council; and

WHEREAS, the City desires to add a credit card processing fee of 3 percent and an E-Check processing fee of 0.7 percent to help recover a small portion of the cost of accepting credit card and E-Check payments for services; and

WHEREAS, Construction and Demolition Deposits will be added to the Consolidated Fee Schedule pursuant to Santee Municipal Code Section 9.04.090, since the specific amounts necessary for calculation of those deposits were removed from the Santee Municipal Code in 2019 and replaced with a reference to amounts adopted by City Council; and

WHEREAS, new development deposits will be added for projects created under recent State laws (SB 330 and SB 9) and to cover the processing of zoning ordinance amendments, each of which are not included in the current Consolidated Fee Schedule, and each of which are actual cost deposits which will recover no more than the actual cost to provide said services and any funds remaining on deposit upon project completion will be returned to the applicant; and

WHEREAS, the procedural requirements of Government Code sections 66016 and 66018 relating to notice, and a public hearing have been met; and

WHEREAS, the City Council has considered any verbal and/or written testimony, and has reviewed information provided at the public hearing by staff and the public.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Santee, California, as follows:

SECTION 1. The Recitals set forth above are true and correct and are hereby incorporated into this Resolution.

RESOLUTION NO.

SECTION 2. The fees and deposit amounts as reflected in Exhibit "A", Exhibit "B" and Exhibit "C" to this Resolution are hereby adopted and incorporated into the Consolidated Fee Schedule.

ADOPTED by the City Council of the City of Santee, California, at a Regular Meeting thereof held this 13th day of December 2023 by the following roll call vote to wit:

AYES:

NOES:

ABSENT:

APPROVED:

JOHN W. MINTO, MAYOR

ATTEST:

ANNETTE FAGAN ORTIZ, CMC, CITY CLERK

Exhibit "A" – Finance Fee Schedule

Exhibit "B" – Building Fee Schedule

Exhibit "C" – Development Services - Planning and Engineering Fee Schedule

City of Santee
Summary of Changes to the Consolidated Fee Schedule
December 13, 2023

Finance

- | | |
|-------------------------------|------|
| 1. Credit card processing fee | 3% |
| 2. E-Check processing fee | 0.7% |

Fee is 3% of actual credit card and E-Check transaction.

Building – Miscellaneous Items Permit Fees

- | | |
|--|-----------|
| 1. Construction and Demolition Deposit | |
| New Construction | \$0.20/SF |
| Restoration, Remodel or Demolition | \$0.35/SF |
| Maximum Deposit Required | \$35,000 |

Applicants for covered projects shall pay a refundable deposit prior to receiving a building or demolition permit. The amount of the deposit will be calculated based on square footage and type of project.

Development Services - Planning and Engineering

- | | |
|---|------------------|
| 1. SB330 Housing Crisis Act | \$5,000 Deposit* |
| 2. SB9 Two-Unit Residential Development | \$5,000 Deposit* |
| 3. Zoning Ordinance Amendment | \$5,000 Deposit* |

*To achieve full cost recovery, actual staff time will be charged to the project deposit. Any remaining funds will be returned to the applicant.

- | | |
|------------------------|-----------------|
| 4. SB9 Urban Lot Split | \$6,000 Deposit |
|------------------------|-----------------|

This is a change in description only. The fee item description is changing from *SB9 Subdivision* to *SB9 Urban Lot Split* for clarification. No change to the existing deposit amount.