

DBI Fee Legislation

Budget and Appropriations Committee – June 20, 2025

Fee Ordinance

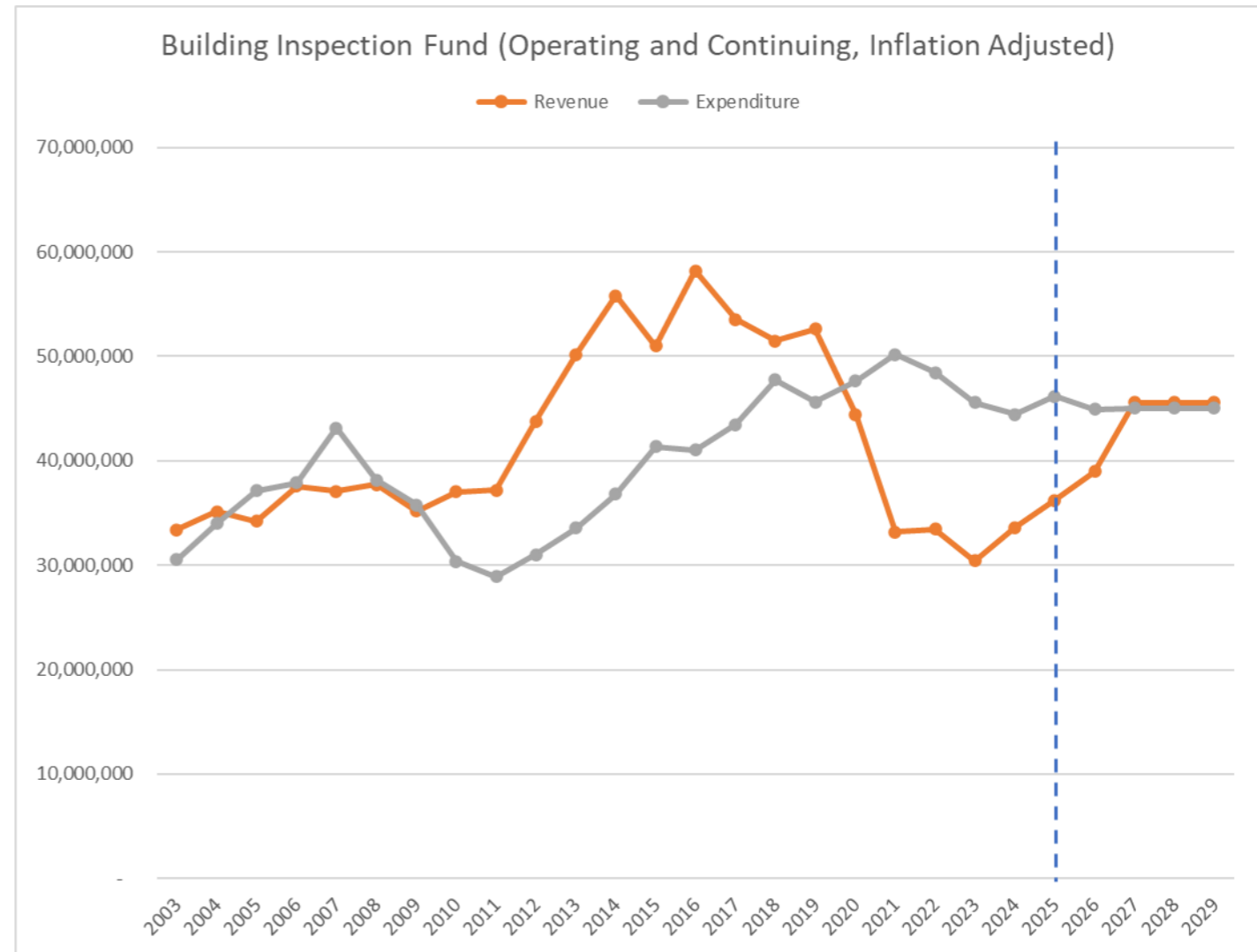
- **File No. 250592** amends the Building Code to adjust fees based on the recommendations of the NBS (consultant) fee study.
- Fees in the proposed ordinance are assumed in the department's FY 2025-26 and FY 2026-27 budget.
- The Code Advisory Committee and Building Inspection Commission reviewed the ordinance and recommended approval.

Background on Fees

- The Department of Building Inspection is an enterprise department that operates on a cost-recovery model.
- In 2023, DBI hired NBS, a consultant, to perform a user fee study to determine fee amounts that recover costs in compliance with applicable laws and industry standards.
- The fee study was completed in January 2024 and found that the majority of DBI's fees were lower than fees charged by other large California cities for similar services.
- The consultant recommended that fees be updated annually.

Fee History

- Fee history
 - FY08 increase (fee study)
 - FY15 decrease (fee study)
 - FY24 increase (15% on all)
 - FY25 increase (18.4% revenue increase, phase one of three)
- 42% revenue decrease from FY19 to FY23
- Phased-in fee increase over three years, reaching full cost recovery in FY27



Grant Funding

- An amendment to the fee legislation has been submitted that adjusts fees, primarily increasing the hotel and apartment license fees.
- This will generate an additional **\$1.7M** for the Code Enforcement Outreach Program grants.



THANK YOU