RIO DELL

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May 2, 2023

TO:

Rio Dell City Council

FROM:

Kyle Knopp, City Manager

SUBJECT:

Discussion and Possible Direction Regarding Waiver of Building Permit Fees

## IT IS RECOMMENDED THAT THE CITY COUNCIL:

Discuss and provide direction to staff.

## **BACKGROUND AND DISCUSSION**

As a municipal government, the City has the responsibility to enforce the building code in conjunction with property owners and contractors who are obligated to follow the building code. In the City of Rio Dell, the building code is exclusively composed of mandates from the State of California, with no additional tighter restrictions included. Additionally, the City does not have the power to waive building code requirements. As an unfunded mandate of the State, the only way for nearly all municipal governments to enforce the building code is to impose fees for these services.

On April 18, 2023 at the City Council's regularly scheduled meeting, three members of the public requested the waiver of building permit fees for all earthquake related repairs. At the request of Mayor Garnes, this item has been agendized for the Council to consider and provide direction on this matter.

It is important to note that property owners with current and future recovery work can make application for assistance through Disaster Case Management services at (707) 382-5890. The limited available dollars are based upon need and income level. For example, a middle class or higher income property owner with structural damage may not qualify for any direct assistance for reconstruction or permit fees. However, a lower income property owner is more likely to receive direct assistance, including the cost of building permits.

It is also important to note that the City will still need to enforce the building code, and will incur costs in doing so. Therefore it is recommended that if the council would like to waive fees for property owners who do not income qualify for assistance, the Council should identify a funding source for waivers. Potential options include:

- o General Fund This is not recommended as the General Fund revenues are in decline and the fund primarily supports the Police Department which is experiencing significant increases in operating cost.
- Humboldt Area Foundation The City could make a request for the Foundation (or other philanthropies) to use recovery funds to pay for all earthquake related permit fees, not just fees paid on behalf of lower income earthquake victims.

At this time staff does not recommend waiving earthquake related building permit fees unless an outside source of funding can be identified. Currently, property owners can apply for assistance through Disaster Case Management services at (707)382-5890.